

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *EXECUTIVE OFFICER'S REPORT*

*AGENDA OF MARCH 28, 2007*

### *REGULAR MEETING*

**TO:** Ted Long, Chairman, and  
Members of the El Dorado County Local Agency Formation  
Commission

**FROM:** José C. Henríquez, Executive Officer

**PREPARED BY:** Erica Sanchez, Policy Analyst

**AGENDA ITEM #4:** Dorkin (La Caille Estates) Annexation to the El Dorado  
Irrigation District

**LAFCO Project No.** 2006-07

**PROPONENT(S):** Danny and Diana Dorkin; Dennis and Rhonda Roediger

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#### **DESCRIPTION OF PROJECT**

The proposal includes annexation of one parcel, APN 070-072-44 (36.51 acres), into the El Dorado Irrigation District (EID) for the purpose of obtaining municipal water service for La Caille Estates, a planned 24-lot residential subdivision.

#### **PURPOSE**

The landowners of the subject parcel plan to subdivide the existing 36½-acre parcel into 24 residential lots ranging from 1 to 2.2-acres. The subdivision has been tentatively named La Caille Estates. Annexation into EID will allow for the provision of potable water to the proposed subdivision.

#### **RECOMMENDATIONS**

1. Staff recommends that the Commission take the following actions:
2. Recognize that the County of El Dorado, as the lead agency in consultation with LAFCO, has prepared a Mitigated Negative Declaration and CEQA determinations which have been found to be adequate and complete for the purposes of annexation.

3. Adopt LAFCO Resolution L-2007-05 (Attachment E), adding any additional conditions the Commission finds appropriate and approve the Dorkin Annexation to the El Dorado Irrigation District; LAFCO Project No. 2006-07.
4. Waive the Conducting Authority Proceedings subject to Government Code §56663 and local policies.
5. Direct the Executive Officer to complete the necessary filings and transmittals as required by law.
6. Determine the effective date of the approval of this agreement to be five (5) working days after recordation by the County Recorder of the Executive Officer's Certificate of Completion once the imposed conditions are met.

### **REASON FOR RECOMMENDATION**

Annexation into EID is necessary to provide essential water services to the proposed 24-home subdivision.

### **LOCATION**

The subject property is located on the south side of Meder Road, approximately 0.9 miles west of the intersection with Ponderosa Road in the Shingle Springs area.

### **CEQA**

El Dorado County, as the Lead Agency for the project prepared and certified a Mitigated Negative Declaration (MND) for the project on November 14, 2006. Within the scope of this environmental review, the environmental impacts of the annexation were addressed. This document included a Mitigation Monitoring Program (MMP) that addressed measures necessary to lessen the potential significant effect that the project could have on the surrounding area, identified the responsible parties and included the provisions to be followed. Areas within the MND of interest to LAFCO, including the corresponding mitigation measures, are the following:

#### **Agricultural Resources**

Approximately 20 percent of the project area falls into the USDA "Prime Farmland" classification; however, it is not within the General Plan Agricultural (A) land use overlay district, nor are any of the parcels adjacent to the project site. The parcels is surrounded by residential development. During the comment period for the Draft MND, the El Dorado County Resource Conservation District expressed concern regarding the loss of the agricultural potential. The County found that because the project site is surrounded by residential development, agricultural activities were no longer feasible. It was determined that the project will not result in a significant conversion of farmland to non-agricultural uses. The County Agricultural Department submitted comments to LAFCO stating, "The zoning, land use and soils indicate no effect on agriculture."

#### **Hydrology and Water Quality**

It was found that the proposed project grading avoids disturbance of wetland areas; therefore the following will not occur: violation of water quality standards or waste discharge requirements, substantial alteration of the existing drainage patterns onsite or

offsite, substantial reduction or alteration of the quantity of groundwater in the vicinity, or interference with groundwater recharge in the area of the proposed project. All stormwater and sediment control methods contained in the Grading, Erosion and Sediment Control Ordinance must be met during all construction activities, as well as the required development of any permanent storm drainage facilities and erosion control measures on the project site. No significant hydrological impacts are expected to result from development of the project.

### **Land Use and Planning**

The project will not result in the physical division of an established community, nor will it conflict with any habitat or natural community conservation plan. As proposed, the project is consistent with the development standards contained within the El Dorado County Zoning Ordinance. With the incorporation of mitigation measures pertaining to wetland setback areas and tree canopy retention, the project is consistent with the applicable policies of the El Dorado County General Plan. No significant effects will result in the areas of land use and planning from this project.

### **Population and Housing**

The proposed project has been determined to have a minimal growth-inducing impact as the project includes the creation of 24 additional residential lots and does not include any school or large scale employment opportunities that lead to indirect growth. The project will not directly or indirectly induce significant growth by extending or expanding infrastructure to support such growth. No significant Population and Housing environmental impacts will result from the project.

### **Public Services**

The project site lies within the jurisdiction of the following public service providers:

Fire Protection:	El Dorado County Fire Protection District
Police Protection:	El Dorado County Sheriff's Department
Schools:	Buckeye Union School District & El Dorado Union School District
Parks:	County Service Area 9, Zone 17 Ponderosa Recreation

The following is a summary of the potential impacts the proposed project may have on the public service providers:

Fire Protection: The El Dorado County Fire Protection District (EDCFPD) currently provides fire protection services to the project area. Development of the project would result in a minor increase in the demand for fire protection services, but would not prevent the Fire District from meeting its response times for the project or its designated service area. El Dorado County Fire will review the project improvement plans and final map submittal for condition conformance prior to approval. Development impact fees will be collected at the time building permits are issued to offset an increase in the demand on fire protection.

Police Protection: The project site will be served by the El Dorado County Sheriff's Department with a response time depending on the location of the nearest patrol vehicle. The minimum Sheriff's Department service standard is an 8-minute response time to 80% of the population within Community Regions (this project is located in the Shingle Springs Community Region). The Sheriff's Department stated goal is to achieve

a ratio of one sworn officer per 1,000 residents. The addition of 24 residential lots is not expected to significantly impact current response times to the project area.

Schools: The project site is located within the Buckeye Union and El Dorado Union School Districts. The affected school districts were contacted as part of the initial consultation process and no specific comments or mitigation measures were received.

Parks: The proposed project will not substantially increase the local population necessitating the development of new park facilities. Section 16.12.090 of the County Code establishes the method to calculate the required amount of land for dedication for parkland, or the in-lieu fee amount for residential projects. In this case, the tentative map was conditioned to require the payment of the in-lieu park fee consistent with the procedures outlined in the County Code.

It was determined that adequate public services are available to serve the project. There is no potential for a significant impact due to the creation of 24 residential lots at the subject site, either directly or indirectly. No significant public service impacts are expected.

### **Recreation**

Because the project only includes the creation of 24 residential lots, it will not substantially increase the use of neighborhood or regional parks in the area such that substantial physical deterioration of the facility would occur. The proposal site does not include the provision of on-site recreation facilities, nor does it require the construction of new facilities or expansion of existing recreation facilities. The developer will however be subject to in lieu fees to compensate for additional park demand. No significant impacts to recreation or open space will result from the project.

### **Transportation and Traffic**

There were no significant impacts expected in the form of a substantially increased traffic load or an exceeded level of service standard. The project will not result in inadequate emergency access, inadequate parking capacity or conflict with adopted General Plan policies or programs supporting alternative transportation. The project was reviewed by El Dorado Transit and no bus turnouts are required.

According to the traffic analysis, "sight distance from Resler Way looking to the east along Meder Road should be improved with this project. Currently, the existing topography along the south side of Meder Road limits sight distance to the east." In order to eliminate this safety hazard and reduce the potential impact to a less than significant level, the following mitigation measure is needed:

- (d.1) *Developer shall improve sight distance from Resler Road to the east on Meder Road, to a distance of 385 feet. This work must be substantially complete, as determined by the Department of Transportation, prior to filing the final map.*

### **Utilities and Service Systems**

Public Water and Sewer: Upon annexation, EID will provide water to the subject site and individual on-site septic systems will serve each of the proposed lots subject to El Dorado County Environmental Management Department review and approval. Environmental Health Division staff has subsequently reviewed the proposal and has

responded that they have no conditions for the project. According to the Facility Improvement Letter (FIL) from EID, dated December 21, 2005, there were 2,434 equivalent dwelling units (EDUs) available in the Western/Eastern Water Supply Region; the project would require 26 EDUs (at the time the FIL was written, the project proposed 26 residential lots; a more accurate estimate would be 24 EDUs for the project). In order to provide water service for the project, the applicant must either construct a looped water line extension from an existing 16-inch water line along the southern property line to an existing 10-inch water line in Meder Road, or connect the two 10-inch lines in Meder Road and extend a line into the project. Potential environmental impacts from the required water distribution expansion lines are expected to be less than significant.

Drainage: On-site drainage from proposed lots 17 and 18 will be collected in a drainage swale at the boundary and carried away from the existing off-site parcels. Drainage from off-site onto the project will be collected at the boundary and carried by a swale to the street or the project drainage system. Development of project drainage facilities will not have a significant impact on the environment.

Solid Waste: The project's solid waste disposal that cannot be recycled will be transported to the Lockwood Regional Landfill near Sparks, Nevada. The Lockwood Landfill has a remaining capacity of 43 million tons over the 655-acre site. From 1979 to 1993, there was an average of 46,000 tons of waste deposited per year. The facility has more than sufficient capacity to serve the County for the next 30 years (the amount of time that the County has contracted with the Lockwood Landfill). On-site solid waste collection for the proposed lots will be handled through the local waste management contractor. Adequate space is available at the site for solid waste collection from this project.

No significant impacts are expected to result to utility and service systems from the development of this project.

### **Mandatory Findings of Significance**

The Mandatory Findings of Significance determined there is no substantial evidence that the project will have the potential to degrade the quality of the environment (reducing fish or wildlife habitat) or cause substantial direct or indirect adverse effects on humans.

CEQA requires that an environmental study contain an assessment of the cumulative impacts that could be associated with the proposed project. This assessment examines project-related effects on the environment in the context of similar effects that have been caused by past or existing projects, and the anticipated effects of future projects. Regardless of whether the project related impacts are individually less than significant, the cumulative effects of these impacts, in combination with the impacts of other projects, may be significant under CEQA and must be addressed [§15355(b)]. Based on the analysis in the initial study, it was determined that the project will not result in cumulative impacts to the environment.

### **Conclusion**

Although the proposed project could have a significant effect on the environment, revisions in the project have been made by or agreed to by the proponents to lessen the

impact. The MND prepared by El Dorado County addressed the environmental impacts of the proposed subdivision and ultimately determined that, by way of mitigation, the proposed action would not have a significant impact of the environment. Staff has carefully reviewed this document and finds the analysis to be accurate and adequate for the annexation proposal at hand.

**BACKGROUND**

The applicant initiated an annexation petition with LAFCO in September of 2006. The parcel, APN 070-072-44, is 36.51 acres that is currently developed and consists of a primary and secondary residence. The planned future use is to subdivide the existing parcel into 24 residential lots. The tentative name of the subdivision is La Caille Estates. The project was approved on November 14, 2006 by the El Dorado County Board of Supervisors, including the Tentative Subdivision Map proposing the creation of 24 lots ranging in size from 1 to 2.2 acres in size (TM 05-1395) and a request to rezone the subject parcel from Estate Residential Ten-Acres (RE-10) to One-Acre Residential (R1A) (Z 05-0004).

**SUMMARY OF STATUTORY AND POLICY CONSIDERATIONS**

Government Code §56668 and LAFCO Policies require that the review of a proposal shall consider the following factors:

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Need for organized services, probable future needs	1 – Consistent	Annexation is necessary in order to provide municipal water service to La Caille Estates. No other water purveyor currently serves this area and private wells are not an option.
Ability to serve, level and range of service, time frames, conditions to receive service	2 – Consistent	The project requires 24 EDUs; the water supply region currently has between 928 and 935 EDUs available after all contractual commitments are accounted for. The applicant will be required to construct an approved infrastructure extension onto the subject site for water service and fire protection.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Timely availability of adequate water supply	3 – Consistent	There are sufficient EDUs available in this service region to accommodate the subdivision. Meters are sold on a first-come first-serve basis, and should be available for purchase after all EID fees and connection charges are paid and the necessary infrastructure improvements are completed by the landowner.
Alternatives to service, other agency boundaries, and local gov't structure	4 – Consistent	There are no other alternatives for the provision of municipal water service. Private wells and transportation of potable water are not feasible options.
Significant negative service Impacts	5 – Consistent	There are not expected to be any negative impacts to the current level of service for existing EID customers.
Coordination of applications	6 – Consistent	No additional services are necessary for La Caille Estates and no neighboring parcels require annexation.
Present cost/adequacy of governmental services, including public facilities	7 – Consistent	EID does not appear to have any current service deficiencies that would result in any negative cost or service impacts to present customers.
Effect of proposal on cost & adequacy of service in area and adjacent areas	8 – Consistent	Property tax revenue, impact fees, facility connection charges and other charges will support the cost of services required.
Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas	9 – Consistent	There are no other municipal water service providers in this area of the County. Private wells and transported water are not viable options given anticipated demand cost.
Sufficiency of revenues, per capital assessed valuation	10 – Consistent	EID should receive sufficient revenue for providing service to the proposed subdivision.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Revenue producing territory	11 – Consistent	EID will collect revenue through user charges, property taxes and connection fees, which should offset the cost of providing water service to the subdivision.
56668.3 “best interest”	12 – Consistent	The annexation appears to be consistent with LAFCO and EID policies and is in the best interests of the landowners and the future residents of La Caille Estates. Annexation is supported by EID.
Boundaries: logical, contiguous, not difficult to serve, definite and certain	13 – Consistent	The subject territory is completely surrounded by other parcels within EID’s service area. Annexation of the parcel will eliminate a service island and will create a more logical District boundary.
Topography, natural boundaries, drainage basins, land area	14 – Consistent	The subject property is very level with little to no slope. There are no topographical features that will hinder service to this area.
Creation of islands, corridors, irregular boundaries	15 – Consistent	Approval of the annexation will eliminate a service island and will create a more logical District boundary.
Conformance to lines of assessment, ownership	16 – Consistent	The boundaries of the proposed annexation conform to the existing lines of assessment and ownership. The proposal maps have been reviewed by the County Surveyor and have been found to be definite and certain.
Spheres of Influence	17 – Consistent	The boundaries for the completely within the EID sphere of influence.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Effect on adjacent areas, communities of interest	18 – Consistent	The subject parcel is within the Shingle Springs Community Region. The proposed subdivision will primarily benefit only the future residents of La Caille Estates and is not expected to have a significant effect on the surrounding area.
Information or comments from landowners or owners	19 – Consistent	All four landowners support the proposed annexation and have not submitted additional comments or information to be considered.
Effect on other community services, schools	20 – Consistent	There are no negative impacts expected for the current public service providers in the area.
Other agency comments, objections	21 – Consistent	There were no significant agency comments submitted regarding this proposal and no objections or negative comments of any kind were received by LAFCO staff.
Fair share of regional housing needs	22 – Consistent	Annexation and development of the La Caille Estates subdivision will increase the available market rate housing for the Shingle Springs area.
Land use, information relating to existing land use designations	23 – Consistent	The subject territory has been rezoned R1A and has a land use designation of MDR.
Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years	24 – Consistent	The proposal area currently has nine registered voters; upon completion of the subdivision development there will be approximately 66 new residents (accounting for an average of three persons per home).

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Proximity to other populated areas	25 – Consistent	Surrounding land use includes MDR and LDR; surrounding zoning includes R1A, R3A, RE-5 and RE-10.
Consistency with General Plans, specific plans, zoning	26 – Consistent	The proposed La Caille Estates subdivision is consistent with the current land use designation (MDR) and zoning (R1A) of the parcel.
Physical and economic integrity of agriculture lands and open space	27 – Consistent	The parcel has had no agricultural activities in recent years and is surrounded by residential development. The proposed annexation and development would not affect agriculture.
Optional factor: regional growth goals and policies	28 – Consistent	The proposed subdivision will assist the unincorporated part of the County in achieving its RHNA goals by providing 24 units of either Moderate or Above Moderate housing.

**DETERMINATIONS**

The Commission should review the factors summarized above and discussed below, then make its own determinations regarding the project. Staff recommends the following determinations based on project research, state law and local policies:

1. The subject territory is “uninhabited” per Government Code §54046. Application for this annexation is made subject to Government Code §56650 et. seq. by landowner petition.
2. The territory proposed for annexation is within the Sphere of Influence of the El Dorado Irrigation District and is contiguous to the existing boundary. The annexation will provide a more logical and orderly boundary.
3. The Mitigated Negative Declaration prepared for this project by El Dorado County is adequate and complete and satisfies the requirements of the California Environmental Quality Act.
4. The annexation will not result in negative impacts to the cost and adequacy of service otherwise provided in the area, and is in the best interests of the affected area and the total organization of local government agencies.

5. The annexation will not have an adverse effect on agriculture and open space lands.
6. The annexation will result in a decrease in water supply available for the build-out of regional housing needs determined by the Sacramento Area Council of Governments. The annexation will not, however, have a significant foreseeable effect on the ability of the County to adequately accommodate its fair share of those needs.

## **DISCUSSION**

Government Code §56668 and LAFCO Policies require that the review of an annexation proposal shall consider the following factors:

### **(Numbered items 1-6 relate to services)**

1. ***NEED FOR ORGANIZED COMMUNITY SERVICES, PROBABLE FUTURE NEEDS:*** Applicants shall demonstrate the need and/or future need for governmental services and that the proposal is the best alternative to provide service (Policies 3.1.4(b), 6.1.7; §56668(b)).

***RESPONSE:*** The purpose of the proposal is to annex 36.51 acres into EID in order to obtain potable water for La Caille Estates, a planned 24-lot subdivision. No other water purveyor currently serves this area of the County and private wells are not a realistic option given the scope of the future land use. The anticipated use is too great for private systems to be viable options for the development, due to the number of homes at buildout.

2. ***ABILITY TO SERVE, LEVEL AND RANGE OF SERVICE, TIME FRAMES, CONDITIONS TO RECEIVE SERVICE:*** Prior to annexation the applicants and proposed service providers shall demonstrate that the annexing agency will be capable of providing adequate services which are the subject of the application and shall submit a plan for providing services (Policy 3.3, §56668(j)).

***RESPONSE:*** A total of 24 EDUs will be required to serve the subdivision. According to EID's 2006 Water Resources and Reliability Report (adopted by the EID Board June 26, 2006) there are currently 1,378 EDUs available in the Western/Eastern Service Area, after taking into account all contractual commitments. Annexations approved by LAFCO after this date account for an additional 446-453 EDU commitments<sup>1</sup>. Upon Commission approval of the La Caille Estates annexation, the amount available in this region will be between approximately 901 and 908 EDUs. All meters are available on a first-come first-serve basis.

EID prepared a Facility Improvement Letter (FIL) for the La Caille Estates subdivision on December 21, 2005, which outlined the existing infrastructure near the subject site, stated the fire flow requirements from the subject fire district and detailed the requirements for the applicant prior to receiving water service. There

are two existing water lines that are near the subject site: a 16-inch water line along the southern property line, and a 10-inch water line in Meder Road. The El Dorado County Fire Protection District has determined that the minimum fire flow for this project is 1000 gallons per minute for a 2-hour duration. In order to provide this fire flow and receive service, the applicant will need to construct a water line extension that connects to their existing infrastructure. This would require either a looped water line extension from the existing 16-inch water line along the southern property line to the existing 10-inch water line in Meder Road, or connection of the two 10-inch water lines in Meder Road with an extension of line into the subject property. This would allow the capacity to provide water and fire protection to the La Caille Estates subdivision.

<sup>1</sup>Preacher 05-15 (3 EDUs), Marble Valley 05-08 (443-450 EDUs)

3. **TIMELY AVAILABILITY OF ADEQUATE WATER SUPPLY:** The Commission shall consider the timely availability of water supplies adequate for projected needs (§56668(k)).

**RESPONSE:** The area proposed for annexation is inside the EID sphere of influence and part of its Western/Eastern Water Supply Region. After taking into account all contractual commitments and approved annexations for this service region, there are approximately 925-932 EDUs available, which is more than adequate to serve the needs of this subdivision. Meters are sold on a first-come first-serve basis, and should be available for purchase after all EID fees and connection charges are paid and the necessary infrastructure improvements are completed by the landowner. The provision of service is contingent upon LAFCO Commission approval of the annexation.

4. **ALTERNATIVES TO SERVICE, OTHER AGENCY BOUNDARIES, AND LOCAL GOVERNMENT STRUCTURE:** The Commission shall consider alternatives to the proposal, proximity of other agency boundaries and alternative courses of action. Where another agency objects to the proposal, LAFCO will determine the best alternative for service (Policies 3.3.2.2(g), 6.1.3).

**RESPONSE:** There are no other public service alternatives for the provision of municipal water service. Given the planned use for the subject area the expected demand is too great for private wells to be feasible. The only remaining option for water service would be to transport potable water to the 24-home subdivision which is not realistic due to expected high costs and excessive inconvenience.

5. **SIGNIFICANT NEGATIVE SERVICE IMPACTS:** Services provided to the territory will not result in a significant negative impact on the cost and adequacy of services otherwise provided (Policy 6.2.4, §56668.3(b)).

**RESPONSE:** The service impacts to other EID customers are expected to be minor. Before each FIL is generated, EID staff conducts an analysis of the infrastructure capacity and compares it to the total expected demand from existing

and projected customer use. This is done to ensure that neighboring EID customers will not have any negative impacts to their current level of service. EID regulations provide safeguards to ensure that new development does not result in the over-allocation of water. Under EID regulations, no water meters can be issued if available water supplies are "seriously threatened" until additional water supply is available (EID Regulation No. 22.7). The developer is responsible for construction and financing of all water transmission lines and distribution facilities to receive EID service. No negative fiscal, service or other impacts have been identified by EID.

6. **COORDINATION OF APPLICATIONS:** If a project site can be anticipated to require additional changes of organization in order to provide complete services, the proposal shall be processed as a reorganization (Policy 3.1.10). Where related changes of organization are expected on adjacent properties, petitioners are encouraged to combine applications and LAFCO may modify boundaries, including the addition of adjacent parcels to encourage orderly boundaries (Policy 3.1.9).

**RESPONSE:** The proposed subdivision is within the El Dorado County Fire Protection District for fire-related services and CSA 9, Zone 17 for parks and recreation services. Private septic systems will serve the wastewater needs of each lot within the subdivision, subject to El Dorado County Environmental Management Department review and approval. There are no additional services that are necessary to serve the future residents of La Caille Estates. The subject parcel is surrounded on all sides by EID's service boundary and there are no neighboring properties that require annexation into the District.

(Numbered items 7-12 relate to cost and revenues)

7. **PRESENT COST/ADEQUACY OF GOVERNMENTAL SERVICES, INCLUDING PUBLIC FACILITIES:** The Commission shall consider existing government services and facilities, cost and adequacy of such services and facilities (§56668(b), Policy 3.3). If service capacity and/or infrastructure will be expanded, the applicant will submit cost and financing plans (Policy 3.3.2.2).

**RESPONSE:** EID stated in their FIL to the applicant (dated December 21, 2005) that they have adequate excess water supply in their Western/Eastern Water Supply Region to serve this project. EID does not appear to have any current service deficiencies that indicate annexation of La Caille Estates would result in any negative cost or service impacts to present customers.

8. **EFFECT OF PROPOSAL ON COST & ADEQUACY OF SERVICE IN AREA AND ADJACENT AREAS:** The Commission shall consider existing and proposed government services and facilities, the cost and adequacy of such services and facilities and probable effect of the proposal on the area and adjacent areas (§56668(b) and Policy 3.3). LAFCO will discourage projects that shift the cost of service and/or service benefits to others or other service areas (Policy 6.1.8).

**RESPONSE:** EID has negotiated and approved the property tax increment agreement with the County for the annexation territory. In addition to tax revenue; impact fees, facility connection charges and other charges will support the cost of services. The annexation is expected to provide revenue that will offset the short and long-term costs to the District. EID conducted a cost-benefit analysis of the financial impacts of the project in order to accurately estimate the true costs to the District over a 60-year period. The net present value to the District is \$96,162.

9. **EFFECT OF ALTERNATIVE COURSES OF ACTION ON COST & ADEQUACY OF SERVICE IN AREA AND ADJACENT AREAS:** The Commission shall consider the cost and adequacy of alternative services and facilities (§56668).

**RESPONSE:** The proposed annexation to EID is the most logical alternative to deliver the necessary water service to La Caille Estates. At this time, there are no other municipal water service providers in this area of the County. The alternatives for providing potable water to the subdivision are private wells or transported water. Private wells are not a viable option given the anticipated service demand from the 24 homes and water transportation is very costly and inconvenient.

10. **SUFFICIENCY OF REVENUES, PER CAPITA ASSESSED VALUATION:** 56668(j)

**RESPONSE:** The current assessed value of the subject parcel is \$1,923,315. A slight increase in assessed value is expected to occur upon annexation into EID; a significant increase in the assessed value is expected to occur as a result of the subdivision.

The annexation is expected to provide sufficient revenue to EID to cover the short and long-term costs of the La Caille Estates residents' use of existing EID facilities. The County and EID have negotiated a property tax revenue sharing agreement, with EID receiving 2.667% of the property tax revenue for the annexing area. Based upon this agreement, various connection fees and the applicant's responsibility for covering the cost of extending necessary infrastructure, EID should receive sufficient revenue for providing service the proposed subdivision.

11. **REVENUE PRODUCING TERRITORY:** The proposed annexation shall not represent an attempt to annex only revenue-producing territory (Policy 6.1.1).

**RESPONSE:** La Caille Estates will consist of 24 single family homes upon subdivision. The total assessed value of the subject area is expected to increase as a result of annexation and development. EID will collect revenue through user charges, property taxes and connection fees, which should offset the cost of providing water service to the subdivision.

12. **"BEST INTEREST":** The Commission shall consider whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district (§56668.3).

**RESPONSE:** The annexation appears to be consistent with LAFCO and EID policies and is in the best interests of the landowners and the future residents of La Caille Estates. The annexation will provide essential municipal water services to the proposed subdivision. The annexation is supported by the landowners and EID.

**(Numbered items 13-17 relate to boundaries)**

- 13. BOUNDARIES: LOGICAL, CONTIGUOUS, NOT DIFFICULT TO SERVE, DEFINITE AND CERTAIN:** The proposed boundary shall be a logical and reasonable expansion and shall not produce areas that are difficult to serve (§56001). Lands to be annexed shall be contiguous (Policy 3.9.3, §56741-cities) and should not create irregular boundaries, islands, peninsulas or flags (Policy 3.9.4). The boundaries of the annexation shall be definite and certain and conform to existing lines of assessment and ownership (Policy 3.9.2, §56668(f)).

**RESPONSE:** The subject territory is within EID's sphere of influence and is completely surrounded by other parcels within EID's service area. Annexation of the parcel will eliminate a service island and will create a more logical District service area. Water lines are nearby and can be extended to the subject area without any foreseeable problems.

- 14. TOPOGRAPHY, NATURAL BOUNDARIES, DRAINAGE BASINS, LAND AREA:** Natural boundary lines which may be irregular may be appropriate (Policy 3.9.6). The resulting boundary shall not produce areas that are difficult to serve (Policy 3.9.7).

**RESPONSE:** The subject property is very level with little slope across the 36½-acres. Vegetation exists in the form of native trees and grasses. The site currently contains a primary residence and a secondary residence. There are no topographical features that will hinder service to this area.

- 15. CREATION OF IRREGULAR BOUNDARIES:** Islands, peninsulas, "flags", "cherry stems", or pin point contiguity shall be strongly discouraged. The resulting boundary shall not produce areas that are difficult to serve. The Commission shall determine contiguity (Policies 3.9.3, 3.9.4, 3.9.7).

**RESPONSE:** As noted above in Section 13, the parcel is surrounded on all sides by EID's service area. Approval of the annexation will eliminate a service island and will create a more logical District service area.

- 16. CONFORMANCE TO LINES OF ASSESSMENT, OWNERSHIP:** The Commission shall modify, condition or disapprove boundaries that are not definite and certain or do not conform to lines of assessment or ownership (Policy 3.9.2).

**RESPONSE:** The boundaries of the proposed annexation conform to the existing

lines of assessment and ownership. The proposal maps have been reviewed by the County Surveyor and have been found to be definite and certain. The subdivision was approved by the Board of Supervisors November 14, 2006.

- 17. SPHERES OF INFLUENCE:** Commission determinations shall be consistent with the spheres of influence of affected local agencies (Policy 3.9.1).

**RESPONSE:** The boundaries for the proposed parcel annexation are fully contained within the EID sphere of influence.

**(Numbered items 18-21 relate to potential effect on others and comments)**

- 18. EFFECT ON ADJACENT AREAS, COMMUNITIES OF INTEREST:** The Commission shall consider the effect of the proposal and alternative actions on adjacent areas, mutual social and economic interests and on the local governmental structure of the county (§56668(c)).

**RESPONSE:** The subject parcel is within the Shingle Springs Community Region. The proposed subdivision will primarily benefit only the future residents of La Caille Estates and is not expected to have a significant effect on the surrounding area.

- 19. INFORMATION OR COMMENTS FROM THE LANDOWNER OR OWNERS:** The Commission shall consider any information or comments from the landowner or owners.

**RESPONSE:** All four landowners support the proposed annexation and have not indicated that any additional comments or information need to be given consideration beyond the customary application materials.

- 20. EFFECT ON OTHER COMMUNITY SERVICES, SCHOOLS:** LAFCO's review of services refers to governmental services whether or not those services are provided by local agencies subject to the Cortese-Knox-Hertzberg Act, and includes public facilities necessary to provide those services.

**RESPONSE:** There are no negative impacts expected for the public service providers in the area. The following identifies the current public service providers and the expected impacts:

Fire Protection: The subject parcel currently receives fire protection from the El Dorado County Fire Protection District. The nearest fire station is Station 28 at 3869 Ponderosa Road, which is located approximately one mile southeast of the proposed La Caille Estates. The level of service provided to the area will not change as a result of the annexation.

Police Protection: The El Dorado County Sheriff's Department will provide police protection for La Caille Estates. The closest substation is located at 981 Governor Drive in El Dorado Hills; however response time would depend on the location of the nearest unit at the time of dispatch.

**Park and Recreation Services:** These are currently provided by CSA 9, Zone 17 (Ponderosa Recreation Zone) and will not change as a result of the annexation. La Caille Estates will not provide additional parks or recreational facilities beyond what is provided by the CSA; however the landowners will be required to pay park-in-lieu fees in compliance with the Quimby Act.

**Schools:** Future residents of the proposed La Caille Estates will be within the Buckeye Union School District and El Dorado Union High School District. The two nearest elementary schools are Buckeye Elementary at 4561 Buckeye Road in Shingle Springs (approximately 2.8 miles away) and Blue Oak Elementary at 2391 Merrychase Drive in Cameron Park (approximately 5 miles away). Middle school students will attend Camerado Springs Middle School at 2480 Merrychase Drive in Cameron Park (approximately 4.9 miles away) and high school students will attend Ponderosa High School at 3661 Ponderosa Road in Shingle Springs (approximately 0.6 miles away). The affected school districts will collect development fees from the construction of each residence to help offset the costs of providing new facilities for the additional students.

- 21. OTHER AGENCY COMMENTS, OBJECTIONS:** All affected and interested agencies are provided application related material and notified of the proposal and proposed property tax redistribution plan. Comments have been requested and shall be considered (Policy 3.1.4 (I), §56668(i)).

For district annexations and city detachments only, the Commission shall also consider any resolution objecting to the action filed by an affected agency (§56668.3(4)). The Commission must give great weight to any resolution objecting to the action which is filed by a city or a district. The Commission's consideration shall be based only on financial or service related concerns expressed in the protest (§56668.3(5b)).

**RESPONSE:** The following agencies were provided an opportunity to comment on this proposal:

- El Dorado Irrigation District
- El Dorado County Representing County Service Areas 7, 9, 9 Zone 17, 10 and 10 Zone D
- El Dorado County Fire Protection District
- El Dorado County Water Agency
- El Dorado County Resource Conservation District
- El Dorado County Agricultural Commission
- El Dorado County Office of Education
- Buckeye Union School District
- El Dorado Union High School District
- Los Rios Community College District
- El Dorado County Planning Department
- El Dorado County Surveyor's Office
- El Dorado County Committee on School District Organization
- U.S. Bureau of Reclamation

There were no significant agency comments submitted regarding this proposal and

no objections or negative comments of any kind were received by LAFCO staff.

**(Numbered items 22-26 relate to land use, population and planning)**

- 22. FAIR SHARE OF REGIONAL HOUSING NEEDS:** The Commission shall review the extent to which the proposal will assist the receiving entity in achieving its fair share of regional housing needs as determined by Sacramento Area Council of Governments (SACOG) (§56668(l)).

**RESPONSE:** The annexation and development of the La Caille Estates subdivision will contribute to the County in meeting its Regional Housing Needs Assessment goals for moderate to high income levels. The proposal will increase available market rate housing for the Shingle Springs area, and will contribute to a decrease in the total available land for lower income housing categories. The County, however, may be able to meet these lower income regional housing needs allocations elsewhere.

- 23. LAND USE, INFORMATION RELATING TO EXISTING LAND USE DESIGNATIONS:** The Commission shall consider any information relating to existing land use designations (§56668(m)).

**RESPONSE:** In November of 2006, the Board of Supervisors approved a request to change zoning of the La Caille Estates subdivision site from Ten-Acre Estate Residential (RE-10) to Single Family One-Acre Residence (R1A). The land use designation is Medium Density Residential (MDR). The annexation and proposed development are consistent with the current zoning and land use designation of the subject parcel.

- 24. POPULATION, DENSITY, GROWTH, LIKELIHOOD OF GROWTH IN AND IN ADJACENT AREAS OVER 10 YEARS:** The Commission will consider information related to current population, projected growth and number of registered voters and inhabitants in the proposal area.

**RESPONSE:** There are currently nine registered voters residing in the proposal area and the subject territory is currently considered uninhabited per State Law. Upon completion of the La Caille Estates subdivision development there will be an additional 22 residential units (two already exist within the parcel), resulting in approximately 66 new residents (accounting for an average of three persons per home).

The subdivision will have a minimal growth-inducing impact due to the moderate number of additional residential lots and lack of any school or large scale employment opportunities that lead to indirect growth. Because the parcel is currently an island within EID's service boundary, the project will not directly or indirectly induce significant growth by extending or expanding infrastructure to parcels outside of the District.

- 25. PROXIMITY TO OTHER POPULATED AREAS:** The Commission shall consider population and the proximity of other populated areas, growth in the area and in adjacent incorporated and unincorporated areas during the next 10 years (Policy 3.1.4 (a)).

**RESPONSE:** The surrounding land uses are predominantly residential on all sides. The land use designations are MDR to the west, south and east of the subject parcel and LDR to the north. The parcel is surrounded by other R1A parcels to the east and west, several RE-10 parcels on the north side of Meder Road, a cluster of R3A parcels to the southwest and RE-5 parcels to the south. The proposed subdivision will conform to the surrounding residential land uses.

- 26. CONSISTENCY WITH GENERAL PLANS, SPECIFIC PLANS, ZONING:** The Commission shall consider the general plans of neighboring governmental entities (Policy 3.1.4(g)).

**RESPONSE:** In November of 2006, the Board of Supervisors approved both a rezone from RE-10 to R1A and a request to subdivide the subject parcel into 24 lots from 1.3 to 2.2-acres. The new zoning is consistent with adjacent land uses and is compatible with the surrounding area. The proposed La Caille Estates subdivision is consistent with the current land use designation (MDR) and zoning of the parcel. See Section 23 above for further detail.

- 27. PHYSICAL AND ECONOMIC INTEGRITY OF AGRICULTURE LANDS AND OPEN SPACE LANDS:** LAFCO decisions will reflect it's legislative responsibility to maximize the retention of prime agricultural land while facilitating the logical and orderly expansion of urban areas (Policy 3.1.4(e), §56016, 56064).

**RESPONSE:** Approximately 20 percent of the project area falls into the USDA "Prime Farmland" classification; however, it is not within the Agricultural (A) General Plan land use overlay district, nor are any of the parcels adjacent to the project site. The parcel is within the Shingle Springs Community Region and is surrounded by residential development. The proposed subdivision will not interfere with any agricultural activities or production. Comments were submitted to LAFCO by the Department of Agriculture, stating that a review of the current zoning, land use and soil composition indicate that the proposed project would not affect agriculture.

- 28. OPTIONAL FACTOR: REGIONAL GROWTH GOALS AND POLICIES:** The Commission may, but is not required to, consider regional growth goals on a regional or sub-regional basis (§56668.5).

**RESPONSE:** In February, the Sacramento Area Council of Governments (SACOG) released a draft version of their Regional Housing Needs Assessment (RHNA) Allocation Goals for El Dorado County, which quantifies the need for housing for by income level for 2006-2013. For the unincorporated portion of El Dorado County, the total RHNA Allocations are as follows:

**MHI = Median Household Income**

<b>2006-2013 Total RHNA Allocation</b>				
<b>Total Units</b>	<b>Very Low</b> <50% of MHI	<b>Low</b> 50-80% of MHI	<b>Moderate</b> 80-120% of MHI	<b>Above Moderate</b> 120+% of MHI
15,993 (100%)	4,818 (30.1%)	3,456 (21.6%)	3,002 (18.8%)	4,717 (29.5%)

The La Caille Estates Subdivision is expected to provide market rate housing for the area, which would most likely be classified as either “moderate” or “above moderate” income units. As defined by SACOG, “moderate” income units are households with 80-120% of the median household income for El Dorado County. “Above moderate” units are households with an income higher than 120% of the median household income. The proposed subdivision will assist the unincorporated part of the County in achieving its RHNA goals by providing 24 units of either Moderate or Above Moderate housing.

**Attachment A: Project Map & Legal Description**

**Attachment B: Landowner Petition & Project Information**

**Attachment C: Auditor’s Report**

**Attachment D: Facility Improvement Letter (FIL) & Infrastructure Map**

**Attachment E: LAFCO Resolution L-2007-05**