

APPROVED
EL DORADO LAFCO
LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NUMBER L-2023-09

**City of South Lake Tahoe Municipal Service Review
and Sphere of Influence Update**

LAFCO Project No. 2022-02

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, Section 56425 et seq. provides that the local agency formation commission in each county shall develop and determine the sphere of influence of each local governmental agency within the county, and enact policies designed to promote the logical and orderly development of areas within the spheres of influence, as more fully specified in Sections 56425 et seq.; and

WHEREAS, Section 56430 requires that local agency formation commissions conduct a municipal service review prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence in accordance with Sections 56076 and 56425; and

WHEREAS, the 2022-02 Municipal Service Review and Sphere of Influence Update for the City of Placerville, City of South Lake Tahoe, and Cameron Park Community Services District was prepared pursuant to Sections 56425 and 56430; and

WHEREAS, in order to prepare and update the sphere of influence for the City of South Lake Tahoe, the Commission conducted a municipal service review and adopted a written statement of determinations in conjunction with this sphere of influence update on December 6, 2023; and

WHEREAS, the Executive Officer reviewed the sphere of influence update pursuant to the California Environmental Quality Act (CEQA), and recommended that the project is exempt from CEQA under §15061(b)(3) because it is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA, and, based thereon, the Executive Officer prepared a Notice of Exemption; and

WHEREAS, the Executive Officer set a public hearing for December 6, 2023 for consideration of the City of South Lake Tahoe Municipal Service Review and Sphere of Influence Update and environmental review, and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, on December 6, 2023 the City of South Lake Tahoe Municipal Service Review and Sphere of Influence Update came on regularly for hearing before LAFCO, at the time and place specified in the Notice; and

WHEREAS, at said hearing, LAFCO reviewed and considered the sphere of influence, and the Executive Officer's report and recommendations; each of the policies, priorities and factors set forth in Government Code Section 56425 et seq.; LAFCO's Policies and Guidelines related to spheres of influence, starting with Policy 4.0; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to the service review, determinations and recommendations, protests and objections, and the environmental review; and

WHEREAS, because the City of South Lake Tahoe did not wish to change its sphere of influence, representatives from the City and representatives from the County of El Dorado did not meet to discuss an agreement on development standards and planning and zoning requirements within the sphere; and

WHEREAS, the Commission does hereby make the following municipal service review determinations regarding the proposal pursuant to Government Code Sections 56430(a):

(1) Growth and population projections for the affected area.

- a) *The population of South Lake Tahoe in 2020 was reported to be 21,330 which is a minimal decrease from the 2010 population of 21,403. Due to the high levels of second homes and vacation homes in the area it is difficult to estimate the future growth rates of the City. However, based on a conservative growth rate of 0.80% there could be a population of 23,100 by 2030.*

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

- a) *Based on 2020 MHI data, potential DUCs exist within the City's current SOI including areas along Highway 50 near the airport, areas near Heavenly Ski Resort, and the neighborhood of Christmas Valley. Should future annexations be proposed, these areas should be looked at in more detail and given consideration.*
- b) *All potential DUCs within the City's SOI are adequately served with water and wastewater services by the South Tahoe Public Utility District and fire and emergency response services by multiple agencies, primarily Lake Valley Fire Protection District.*

(3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

- a) *The South Lake Tahoe Airport is open to public, private, federal, and military use. It serves as a base of operations for air ambulance services year-round and aerial wildland fire operations during fire season. The main building houses the City offices and additional private sector businesses operate out of the facility. However, the airport no longer supports commercial flights.*
- b) *The City maintains a small cable TV station that is utilized for broadcasting City meetings and public service announcements. The channel is viewed regularly by locals and provides beneficial information to area residents.*

- c) *The City continues to maintain and upgrade its stormwater system in order to reduce sediment runoff and protect nearby waterways from over sedimentation and contaminants. Recent improvements such as large catchment basins and under sidewalk filtration systems have improved the overall functionality of the system.*
- d) *Road maintenance and snow removal continues to be a challenge. Numerous streets in the City have low PCI ratings due to harsh winters and deterioration from snow equipment. The City continues to monitor street conditions and change maintenance practices in order to provide safer streetways.*
- e) *The City maintains several park facilities and is in the process of updating the recreation complex located near Lakeview Commons. However, due to staffing shortages, some routine maintenance and repairs have been unable to take place.*
- f) *The City's police department currently operates with 42 sworn positions and 23 civilian support positions. Total calls for service declined from 2019 to 2022 but still remain high during the summer months of July and August. The Department has reported staff shortages which has led to burnout among staff. This is posing a challenge to adequately provide code and parking enforcement.*
- g) *The City's fire department maintains three staffed fire stations with Type I and Type III engines and paramedic ambulances. Two the stations are in need of significant remodeling and/or replacement as they do not currently meet essential services standards.*

(4) Financing ability of agencies to provide services.

- a) *The City's reported net position at the end of FY 2020-21 totaled \$132,703,726 which is an increase of 16% over the prior fiscal year.*
- b) *The City has been budgeting a deficit over the last several years due to an overall decrease in sales tax and transient occupancy tax coupled with an increase in pension obligations and cost of living increases. The City is using excess reserve funds to cover the deficit until pension bond obligations are paid off. They are also looking into additional ways to increase funding.*

(5) Status of and, opportunities for, shared facilities.

- a) *Due to the high cost of providing fire/emergency response services and necessary station upgrades, the fire department has been exploring the possibility of consolidation with Lake Valley FPD. The City is encouraged to continue these discussions and keep LAFCO informed.*
- b) *The City works closely with other area agencies including Tahoe Regional Planning Agency, Tahoe Resource Conservation District, California Tahoe Conservancy, County of El Dorado, US Forest Service and others to manage the areas natural resources and provide ample outdoor recreation opportunities to area residents and visitors.*

(6) Accountability for community service needs, including governmental structure and operational efficiencies.

- a) *The City is governed by a five-member City Council elected to four-year staggered terms. City Council meetings are open to the public and broadcast on the City's cable TV station at regular intervals.*

- b) *The City maintains a website with information about City services, governance, and finances in accordance with state law. City Council meetings are posted at least 72 hours in advance of meetings and meeting minutes are made available once approved. The City's budgets and audits are also posted to the website under Financial Reports.*
- c) *The City may want to consider alternative staffing models for its parks and recreation department such as cross-training or shared contacts with other agencies. This may encourage more applicants and provide more consistent staffing for the department.*

(7) Any other matter related to effective or efficient service delivery.

- a) *The City could consider investigating public transportation options, increased no parking zones, reduced parking requirements for commercial developments, or other programs to encourage the use of alternative transportation and reduce reliance on passenger vehicles. This could reduce traffic congestion on weekends and holidays and reduce overall wear and tear on City streets.*

WHEREAS, the Commission does hereby make the following sphere of influence determinations regarding the proposal pursuant to Government Code Section 56425(e):

(1) Present and planned land uses in the area, including agricultural and open-space lands.

- a) *Land uses within the City's SOI primarily include designated open space, conservation areas, and backcountry lands with low density residential along major roadways and commercial uses focused along highway corridors. There are stringent regulations on new construction in the basin which will likely limit large scale development in the area.*

(2) Present and probable need for public facilities and services in the area.

- a) *The City maintains a year-round population of full time residents and is subject to large increases in population on weekends and during holidays. The area's abundant outdoor recreation opportunities regularly attract visitors worldwide. As such, there is a present and continued need to provide municipal services in the area.*

(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a) *The City's police department has reported burnout among its officers due to limited staffing which has led to a reduction in parking enforcement. Should the City pursue annexation of additional territory, the larger service area could put additional strain on law enforcement unless staffing is increased.*
- b) *The City maintains numerous park facilities that provide multiple outdoor recreation opportunities. However, there is limited ability to provide recreational programs due to staffing shortages.*

(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

- a) *The City is located on Highways 50 and 89 which provides direct access to the San Francisco Bay Area, Sacramento, Truckee, and Carson City in Nevada.*

Visitors from these areas frequent the Tahoe Basin for day, weekend, and extended trips. Additionally, residents of the Tahoe Basin frequent these larger metropolitan areas for shopping, entertainment, and cultural activities.

- b) The community of Meyers is located south of the City and is primarily a residential area. There is a medium sized grocery store, restaurants, golf courses, and gas stations. Residents in this area typically travel into South Lake Tahoe for services such as medical appointments, car repairs, shopping, and entertainment.*

(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

- a) No changes to the City's SOI are proposed at this time.*

WHEREAS, the Commission does hereby order the following follow-up actions for the City of South Lake Tahoe:

- 1) Coordinate with LAFCO on potential SOI changes and/or annexation options based on the recent annexation study prepared for the City.*
- 2) Assess additional revenue sources or cost savings in order to alleviate the existing budget deficit after pension obligation bonds are paid off in 2027.*

NOW, THEREFORE BE IT HEREBY RESOLVED, DETERMINED, ORDERED AND FOUND:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The Notice of Exemption prepared by the Executive Officer is approved as the appropriate environmental document for this project.

Section 3. An agreement pursuant to Government Code §§56425(b), 56425(c) and 56425(d) is not required because the sphere of influence for the City of South Lake Tahoe will not be changed as a result of this review. The previous agreement between the City of South Lake Tahoe and the County of El Dorado remains in effect.

Section 5. The update to the City of South Lake Tahoe sphere of influence to affirm the current sphere is orderly, logical, and justifiable.

Section 6. The Executive Officer is directed to file a Notice of Exemption under §15061(b)(3) in compliance with the California Environmental Quality Act and local ordinances implementing the same.

Section 7. The City of South Lake Tahoe sphere of influence is updated to affirm its current sphere as shown on the attached map, marked Exhibit A, attached hereto and incorporated herein by this reference.

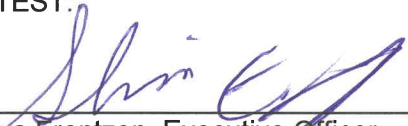
APPROVED

Section 7. The City of South Lake Tahoe sphere of influence is updated to affirm its current sphere as shown on the attached map, marked Exhibit A, attached hereto and incorporated herein by this reference.

PASSED AND ADOPTED by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held December 6, 2023 by the following vote:

	AYE	NO	ABSTAIN	ABSENT	NOT VOTING
Commissioner Clerici	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Hidahl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Turnboo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Veerkamp (Chair)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Wallace	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commissioner Wilde	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Gotberg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alt. Commissioner Hodson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Alt. Commissioner Saunders	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Thomas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

ATTEST:


 Shiva Frentzen, Executive Officer


 Brian Veerkamp, Chair

APPROVED

LAFCO RESOLUTION L-2023-09
EXHIBIT A

Figure 12: City of South Lake Tahoe City Boundary and SOI

