

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MARCH 26, 2014

REGULAR MEETING

TO: Don Mette, Chair, 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 #7: Porter Annexation to the El Dorado Irrigation District

LAFCO Project No. 2013-02

PROPONENTS: Gregory Porter

AGENT: Olga Sciorelli, CTA Engineering and Land Surveying

DESCRIPTION OF PROJECT

The Porter Annexation into the El Dorado Irrigation District (EID) is a request to annex APN 119-020-35 into EID in order to receive water and wastewater services to support the development of a proposed 54-lot residential subdivision. A map of the annexation area with current EID boundaries is included as 'Attachment A' at the end of this report.

LOCATION

The property is located in the Cameron Park area, on south side of Beasley Drive, one mile west of the Deer Creek Road and Flying C Road intersection.

PURPOSE

The applicant and landowner, Gregory Porter, plans to subdivide the 32.82 acre project site into 54 residential lots ranging in size from 7,965 to 72,208 square feet, including three open space lots of approximately 9.84 acres (30% of the project area). Annexation into EID is requested in order to receive water and wastewater services for the proposed development. The Porter Subdivision was also conditioned by the County Board of Supervisors to include annexation into EID prior to filing the final map.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Recognize that El Dorado County, as the lead agency, has prepared a Mitigated Negative Declaration and CEQA determinations which have been found to be adequate and complete for the purposes of this annexation and direct staff to file a Notice of Determination in compliance with CEQA and local ordinances implementing the same.
2. Adopt LAFCO Resolution L-2014-04 (Attachment H), adding any additional conditions the Commission finds appropriate and approve the Campobello Annexation to the El Dorado Irrigation District.
3. Waive the Conducting Authority Proceedings subject to Government Code §56663 and local policies.
4. Direct the Executive Officer to complete the necessary filings and transmittals as required by law.
5. 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

Following an analysis of the reorganization with consideration of the 28 factors listed in Government Code §56668 and LAFCO Policies (Sections 1-28, below), staff recommends the Commission approve the Porter Annexation into EID in order to receive water and wastewater services.

BACKGROUND

Site Description

APN 119-020-35 is located within the Cameron Park Community Region and is currently undeveloped. The planned future use is to subdivide the existing parcel into 54 residential lots to create the Porter Subdivision. Current access to the project would be from Beasley Drive and Deer Creek Road.

The Porter project would have a north/south internal road circulation. Future access will include two new road segments coming off of Marble Valley Road, one between the project site and Beasley Road and the other between the easterly boundary of the project site and Flying C Road. The extension of Marble Valley Road from the easterly boundary of the project site to Flying C Road would provide primary access for the project to Highway 50 and Cambridge Road.

County Approval & LAFCO Application

The tentative subdivision map to create 54 single-family lots was approved on February 24, 2009 by the El Dorado County Board of Supervisors, including a zone change from Estate Residential Ten Acre (RE-10) to One-Family Residential – Planned Development (R1-PD).

The landowner, Gregory Porter, initiated the petition with LAFCO to annex APN 119-020-35 into EID in May of 2013. Prior to initiating the project, LAFCO staff discussed possible annexation into the Cameron Park Community Services District for park and recreation services with the landowner’s designated agent; however, the landowner petition did not include a request to annex into the CSD. In July 2013, Cameron Park CSD submitted comments to LAFCO, stating concerns about the possible impacts the Porter Subdivision would have on District facilities, and expressing an interest in annexing the subject property into the CSD for park and recreation services. LAFCO staff participated in a meeting with CPCSD staff and the landowner’s designated agent to discuss possible annexation; however, the landowner again affirmed that the annexation application was for EID services only (refer to Sections 6 and 21 below).

Adjacent Developments

The Porter property is surrounded on three sides by approved and pending residential development. The approved, but not yet developed, 45-lot Campobello Subdivision is located to the north and the proposed Village of Marble Valley Specific Plan borders the Porter site to the west and south. To the east is a vacant 35-acre parcel.

CEQA

El Dorado County, as the Lead Agency for the project, prepared and certified a Mitigated Negative Declaration (MND) for the project on February 24, 2009. The environmental impacts of the annexation were addressed within the scope of this environmental document. The MND includes mitigation measures as necessary to lessen the potential significant effect that the project could have on the surrounding area. The County’s MND can be reviewed in its entirety as Attachment G. LAFCO staff analysis of these issues can be found within the corresponding 28 factors to be considered.

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	Water and wastewater services will be necessary for the proposed 54-lot residential subdivision. Annexation is a condition of approval.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Ability to serve, level and range of service, time frames, conditions to receive service	2 – Consistent	The applicant will be required to construct various infrastructure extensions onto the subject site for water service and to provide the necessary fire flow for adequate fire protection. The nearby sewer line and lift station facilities have adequate capacity to serve the proposed development.
Timely availability of adequate water supply	3 – Consistent	There are 1,935 EDUs of water available in the Western / Eastern supply area, 283 of which have been previously committed through contractual commitments. The Porter subdivision will require approximately 56 EDUs.
Alternatives to service, other agency boundaries, and local gov't structure	4 – Consistent	There are no other reasonable public or private alternatives to provide water or wastewater services to the 45-lot subdivision.
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	Although annexation of noncontiguous territory is allowed under the CSD principal act, CKH and El Dorado LAFCO policies discourage it. In accordance with the landowner request, CKH and El Dorado LAFCO policies, LAFCO staff is only recommending annexation into EID at this time. However, the Commission has the authority and the discretion to amend the proposal to include annexation to the CPCSD, if it sees fit.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Present cost/adequacy of governmental services, including public facilities	7 – Consistent	The applicant will be required to submit a Facility Plan Report to EID that addresses all on-site and off-site improvements.
Effect of proposal on cost & adequacy of service in area and adjacent areas	8 – Consistent	Property tax revenue, facility connection charges, user charges and other charges will support the costs of service.
Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas	9 – Consistent	There are no other municipal water or wastewater service providers in this area of the County. If the annexation is denied by LAFCO, the applicant would need to explore the option of individual private wells and septic systems to serve the subdivision, which may not be feasible.
Sufficiency of revenues, per capital assessed valuation	10 – Consistent	EID should receive sufficient revenue for providing services to the proposed development. The EDC Emergency Services Authority protested the agreed upon property tax redistribution.
Revenue producing territory	11 – Consistent	Collected revenue is expected to offset the cost of providing water and wastewater services to the subject area; however, the revenue is not expected to exceed those costs.
56668.3 best interest	12 – Consistent	The annexation is in the best interests of the future residents of the Porter Subdivision by providing essential services to the proposed residential development.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Boundaries: logical, contiguous, not difficult to serve, definite and certain	13 – Consistent	The Porter project site is adjacent to the EID service area and services can be extended to the site without any foreseeable problems.
Topography, natural boundaries, drainage basins, land area	14 – Consistent	There are no topographical features that will hinder service to this area.
Creation of islands, corridors, irregular boundaries	15 – Consistent	The annexation will shrink an existing island that is surrounded by EID’s service boundary (refer #6). LAFCO staff does not recommend amending the proposal to include the remaining island parcels.
Conformance to lines of assessment, ownership	16 – Consistent	The boundaries of the proposed annexation conform to the existing lines of assessment and ownership of APN 119-020-35.
Spheres of Influence	17 – Consistent	The boundaries of the proposed annexation are fully contained within the EID sphere of influence.
Effect on adjacent areas, communities of interest	18 – Consistent	The subject parcel is located in the southwestern portion of the Cameron Park Community Region. The proposed annexation will primarily benefit only the future residents of the Porter subdivision.
Information or comments from landowners or owners	19 – Consistent	The landowner supports the annexation into EID and specified they were not interested in annexing into either the Cameron Park or El Dorado Hills CSD.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Effect on other community services, schools	20 – Consistent	Cameron Park CSD operates recreational facilities in the vicinity that can be potentially used by the future residents of the project. As non-residents, the future Porter homeowners will pay higher admission fees for use of the CSD facilities to offset the cost for providing services to residents living outside the District.
Other agency comments, objections	21 – Consistent	Cameron Park CSD submitted comments regarding the project's proximity to District facilities and potential impacts to the CSD. CPCSD would like the project to be annexed for park and recreation services; the landowner has declined to amend the LAFCO petition to request this.
Fair share of regional housing needs	22 – Consistent	Annexation and development of the Porter Subdivision will increase the available market rate housing for the Cameron Park area.
Land use, information relating to existing land use designations	23 – Consistent	The annexation and proposed development are consistent with the current zoning and land use designation. The subject territory has been rezoned R1-PD and has a land use designation of HDR.
Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years	24 – Consistent	Upon development, the Porter project will add 54 homes and approximately 162 new residents to the area.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Proximity to other populated areas	25 – Consistent	The Porter site is surrounded on three sides by development proposals, including the approved HDR Campobello Subdivision to the north and the pending Village of Marble Valley Specific Plan to the west and south. The HDR designated property to the east has no known development plans at this time.
Consistency with General Plans, specific plans, zoning	26 – Consistent	The proposed subdivision is consistent with the current zoning (R1-PD) and land use designation (HDR) of the subject parcel and with existing, approved and pending residential development in the surrounding area.
Physical and economic integrity of agriculture lands and open space	27 – Consistent	The subject parcel is comprised entirely of non-choice soils and is not utilized for any type of agricultural production, nor are any of the parcels adjacent to the project site.
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 45 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 detachment 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 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 annexation proposal is to annex the approved Porter development (approximately 33 acres) into EID for the provision of water and wastewater services. Porter is a planned subdivision consisting of 54 single family homes and three open space areas. The annexation will allow for the provision of essential development supporting services to support future residences, such as water and wastewater services. The project was conditioned to apply to LAFCO for annexation into EID for these services.

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: EID has affirmed that it is able to provide the necessary services to the Porter Subdivision within the time frame anticipated by the applicant.

Water

EID prepared *Facility Improvement Letter FIL0309-009* (FIL) for the Porter project on March 12, 2009. An FIL describes the existing infrastructure near the subject site, states the fire flow requirements from the local fire service provider and details the requirements for the landowner prior to receiving water service. FIL's are now

valid for a period of three years; EID staff has confirmed that the FIL for this project has expired and that the landowner will need to request a new FIL prior to applying to EID for annexation. However, since the scope of the project and EID's infrastructure in this area have not changed since the expired FIL was prepared, the water demand and infrastructure assessment should still be adequate for LAFCO's analysis. Prior to receiving service, the FIL identified the following requirements for the Porter applicant:

In order to receive service, you must construct a 12-inch water line extension from the existing 12-inch water line in Beasley Drive to the project site. You must also construct a 12-inch water line from the western boundary line of the project along the Marble Valley improvements to the existing 8-inch water line in Flying C Road.

The El Dorado County Fire Protection District has determined that the minimum fire flow for single family dwellings less than 3,600 square feet is 1,000 gallons per minute (GPM) for a two-hour duration while maintaining a 20-psi residual pressure; homes larger than 3,600 square feet will require 1,500 GPM. In order to receive a 1,500 GPM fire flow, you must construct a water line extension under Highway 50, connecting the 8-inch water line in Country Club Drive to the 12-inch water line in Beasley Drive. If this connection to Country Club Drive is made, you will not be required to construct the 12-inch water line in Marble Valley Road. The hydraulic grade line for the existing water distribution facilities is 1,476 feet above mean sea level at static conditions and 1,118 feet above mean sea level during fire flow (1,000 GPM) and maximum day demands.

Wastewater

Also included in the FIL:

The Cambridge Oaks Lift Station is located approximately 800 feet north of the project, near Beasley Drive. This lift station has adequate capacity to serve your development at this time. In order to receive service, an extension of facilities of adequate size must be constructed. All on-site and off-site improvements required to serve your project will need to be analyzed in the Facility Plan Report.

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

RESPONSE: According to the FIL, an estimated total of 56 Equivalent Dwelling Units (EDUs) will be required to serve the Porter Subdivision. An EDU is the annual water requirement for a single-family residential dwelling served by a ¾ - inch water meter. Larger water meters require additional EDUs.

The Porter project is within EID's Western / Eastern Supply Area, which receives water provided by gravity flow from Project 184 and Jenkinson Lake. The available supply in the Western / Eastern supply area is not restricted by infrastructure.

According to EID's 2013 Water Resources and Service Reliability Report adopted by the EID Board August 12, 2013, water meter availability in the Western / Eastern Supply Area is 1,935 EDU's. 283 EDUs have been previously committed through contractual commitments, leaving a total of 1,652 EDUs available for purchase in the Western / Eastern Supply Area. EID's policy is to sell meters on a first-come first-serve basis.

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: EID is the only public water and wastewater service provider for the subject area; there are no other public alternatives for the provision of water or wastewater service to the Porter development. Given the density of the 54-lot subdivision and the small lot size, the expected demand is too great for private wells or septic systems to be feasible options. Private septic systems are not a preferred option because County General Plan policies direct new development to connect to wastewater services, when feasible.

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. 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:

Cameron Park CSD – Park and Recreation Services

Prior to initiating the project, LAFCO staff discussed possible annexation into CPCSD with Cooper Thorne and Associates Engineer Olga Sciorelli, the designated agent for the Porter project, since it is reasonable to conclude that the

future residents of the Porter subdivision may utilize park and recreation facilities of the District. After receiving the application to annex into EID in May 2013 and a letter from CPCSD in July 2013 requesting annexation (Attachment D), LAFCO staff contacted Ms. Sciorelli to again confirm that the landowner did not wish to annex into the CSD. Ms. Sciorelli relayed the information to the landowner, who submitted a statement verifying that the annexation application was for EID services only (Attachment E). For more information regarding CPCSD's comments, refer to Section 21.

CPCSD Limited Service Area Sphere of Influence

The subject parcel is part of a four-parcel area that was added to the CPCSD Limited Service Area Sphere of Influence (LSA SOI) in May of 2012. The "limited service area" of CPCSD provides park and recreation and landscaping and lighting services only, no fire. This area of the LSA overlaps with the El Dorado County Fire Protection District, which provides fire protection to the area (see Attachment F).

The Porter parcel itself is not contiguous with the CPCSD service area; it is separated by the Campobello Subdivision to the north which is also outside of the CPCSD boundaries. The western and southern boundaries of the Porter parcel are contiguous to the El Dorado Hills CSD boundaries through the proposed Village of Marble Valley Specific Plan.

Applicable Laws and Policies

Cameron Park CSD was formed under the authority of the Community Services District Law, Government Code §61000-61226.5. Section 61007(a) of the Government Code allows the annexation of noncontiguous territory into a Community Services District.

However, despite CSD law allowing the inclusion of noncontiguous territory to a CSD, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (§56000-57550) mandates LAFCO to encourage the orderly formation and development of local agencies. CKH Section 56668(d) requires the Commission to consider the conformity of the proposal and its anticipated effects with the adopted commission policies on providing planned, orderly, efficient patterns of urban development.

El Dorado LAFCO Commission Policy 3.9.3 states:

3.9.3 Lands to be annexed which are within an adopted Sphere of Influence shall be physically contiguous to the boundaries of the annexing agency except under one of the following circumstances (§56119):

(a) Existing developed areas where LAFCO determines that interests of public health, safety, and welfare would best be served by the extension of the service, or which represent clear or present health or safety hazards that could be mitigated by the proposal and city or district facilities are present and sufficient for service.

(b) Existing developed areas where city or district facilities are present and sufficient for service, and where the Commission determines that the annexation will not induce growth.

In addition, CKH Section 56668(m) requires the Commission to consider any information or comments from the landowners of the affected territory. In the past, this Commission has carefully considered applicant comments and preferences.

Although annexation of noncontiguous territory is allowed under the CSD principal act, CKH and El Dorado LAFCO policies discourage it. In accordance with the landowner request, CKH and El Dorado LAFCO policies, LAFCO staff is only recommending annexation into EID at this time. However, the Commission has the authority and the discretion to amend the proposal to include annexation to the CPCSD, if it sees fit.

Other Services and Properties

A Homeowner's Association (HOA) is proposed to be formed upon completion of the development to address the road maintenance and drainage needs of the subdivision prior to filing the final map. The HOA will also be responsible for enforcement of conditions, covenants and restrictions (CC&Rs) placed on the newly created parcels. Currently, there are no CC&Rs attached to the property; however, one of the County's conditions of approval is for all open space lots to be dedicated to a Homeowner's Association or similar entity (which could include a CSD) as open space with an appropriate maintenance program, complete with CC&Rs. The open space maintenance program shall be submitted for review and approval by the County Planning Services Department prior to filing of the final map.

As stated above, the project site is within the EDCFPD for fire protection and emergency services.

The Porter parcel is contiguous to EID's service boundary on three sides. Approval of the annexation will shrink a three-parcel EID island down to two parcels that are surrounded on all sides by EID boundaries. Because the remaining two parcels are currently undeveloped and have no immediate need for services, LAFCO staff does not recommend amending the proposal to include these parcels at this time.

(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: According to *EID's 2013 Water Resources and Service Reliability Report*, EID's Western / Eastern water supply region has sufficient EDUs available to serve this project. The applicant will be required to submit a Facility Plan Report to EID that addresses all on-site and off-site improvements. As stated above, EID meters are available for purchase by any qualified customer on a first-come first-serve basis. EID does not appear to have any current service deficiencies that indicate annexation of the Porter subdivision 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 a property tax increment agreement with the County for the annexation territory (see Section 10 below for more information). In addition to tax revenue; facility connection charges, user 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.

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 provide necessary water and wastewater services to the Porter subdivision. At this time, there are no other municipal water or wastewater 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 project density and small lot size and water transportation is very costly and inconvenient. Private septic systems are not a preferred option because County General Plan policies direct new development to connect to wastewater services, when feasible. If the annexation is denied by LAFCO, the applicant would need to explore the option of individual private wells and septic systems to serve the subdivision, which may not be feasible, or abandon the project in its current form.

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

RESPONSE: The current assessed value of the subject parcel is \$350,000. The property was assigned a reduced assessed value by the County Assessor, under Proposition 8 due to the temporary reduction in market value. A significant increase in the assessed value is expected to occur as a result of the subdivision of the Porter property and subsequent construction of residences.

The annexation is expected to provide sufficient revenue to EID to cover the short- and long-term costs of the new residents' use of existing EID facilities. The County and EID have negotiated a property tax revenue sharing agreement, based upon the Chief Administrative Officer's proposal (Attachment C), with EID receiving 2.6667% of the property tax revenue for the annexing area. Based upon the property tax agreement, District connection fees, user charges and the applicant's responsibility for covering the cost of extending necessary infrastructure, EID should receive sufficient revenue for providing service the proposed subdivision.

During the property tax redistribution process, the El Dorado County Emergency Services Authority (ESA) expressed its dissatisfaction with this annexation and the redistribution of property taxes. On June 20, 2013, the ESA submitted a letter to LAFCO expressing concern over the potential loss of property tax increment from these properties as a result of the annexation. Ultimately, in order to grant EID a 2.6667% share of the property taxes, the County reduced the property tax increment for each agency receiving a current portion of the property taxes collected from the subject parcel. Among the agencies impacted, County Service Area 7's portion, which provides funding to the El Dorado County Emergency Services Authority, was reduced by 0.1066% to a total of 2.1897%.

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

RESPONSE: The Porter Subdivision will consist of 54 single family homes upon subdivision. The total assessed value of the subject area is expected to increase as a result of the annexation, subdivision and development. EID will collect revenue through user charges, property taxes and connection fees, which are projected to be consistent with services provided, long-term agency operations and infrastructure costs. Collected revenue will offset the cost of providing water and wastewater services to the subdivision, but is not expected to exceed those costs.

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 future residents of the Porter Subdivision by providing essential services to the proposed residential development. The annexation is supported by the current landowner 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 Porter property is contiguous with EID boundaries on three sides; the annexation will shrink an existing island within the EID service area (refer Section 6). Water and sewer 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 project site is characterized by mixed oak woodland and riparian woodland with wetland features within the oak woodland. The terrain varies from gentle to heavily sloping. The elevation of the site is between 900-1,080 feet above sea level. The project site would be accessed from Beasley Drive/Deer Creek Road and, in the future, Marble Valley Road. 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: The annexation will shrink an existing island that is surrounded by EID's service boundary (refer #6 above and to Attachment A). LAFCO staff does not recommend amending the proposal to include the remaining island parcels.

- 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 of APN 119-020-35. The proposal maps have been reviewed by the County Surveyor and have been found to be definite and certain.

- 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 of the proposed 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 located within the southwestern portion of the Cameron Park Community Region. The proposed annexation will primarily benefit only the future residents of Porter subdivision.

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

RESPONSE: The landowner supports the annexation petition, as submitted. The landowner has been very specific that they are only requesting annexation into EID, and not to the Cameron Park CSD or El Dorado Hills CSD. Refer to Attachment E.

- 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 other public service providers in the area. The following identifies the current public service providers and the expected impacts:

Fire Protection: The Porter site is within the El Dorado County Fire Protection District (EDCFPD), but the nearest fire station is Cameron Park CSD's Station 89 at 3200 Country Club Drive, which is approximately two miles east from the project site. EDCFPD's nearest station is Station 28 at 3860 Ponderosa Road in Shingle Springs, approximately 4.4 miles east of the project site. 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 would continue to provide police services for the annexation area after the Porter subdivision is constructed. Response times to the area would depend on the location of the nearest unit at the time of dispatch.

Park and Recreation Services: The subject parcels are currently within El Dorado County's Service Area 9, Zone 17 – Ponderosa Recreation Zone for park and recreation services, which is not requested to change as a part of this proposal. The El Dorado County Parks and Recreation Department is responsible for providing recreation areas and parks within the unincorporated areas not in Community Service Districts. CSA 9-Zone 17 does not collect a portion of the property taxes, but rather is a funding mechanism to collect Quimby parkland dedication in lieu fees at the time of final map filing.

The landowners are not requesting annexation into a CSD. Cameron Park CSD operates recreational facilities in the vicinity that can be potentially used by the future residents of the project. As non-residents, the future Porter homeowners will be paying higher admission fees for use of the CSD facilities to offset the cost for providing services to residents living outside the district.

Schools: The project site is located within the Buckeye Union School District, the El Dorado Union High School District and the Los Rios Community College District. The students would most likely attend the following schools: Blue Oak Elementary School (K-5) and Camerado Springs Middle School (6-8) at 2391 and 2480 Merrychase Drive in Cameron Park, and Ponderosa High School at 3661 Ponderosa Road, Shingle Springs. The affected school districts will collect

development impact 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
- Cameron Park Community Services District
- El Dorado Hills Community Services District
- El Dorado County Fire Protection District
- El Dorado County Emergency Services Authority
- El Dorado County Representing CSAS 7, 9, 9 Zone 17, 10 and 10 Zone H
- El Dorado County Water Agency
- El Dorado County Resource Conservation District
- El Dorado County Department of Agriculture
- El Dorado County Chief Administrative Office
- El Dorado County Office of Education
- Buckeye Union School District
- El Dorado Union High School District
- Los Rios Community College District
- El Dorado County Assessor's Office
- El Dorado County Auditor's Office
- El Dorado County Planning Department
- El Dorado County Surveyor's Office
- El Dorado County Elections Department
- El Dorado County Sheriff's Department
- Farm Bureau

As part of the standard notification process, LAFCO sent a project notice requesting agency comments to all affected agencies in June 2013 and a project hearing notice in February 2014.

On July 3, 2013, the Cameron Park CSD submitted comments to LAFCO regarding potential impacts that the Porter Subdivision will have on the CSD. CPCSD maintains that due to the close proximity to District facilities, the Porter Subdivision should be annexed into CPCSD for park and recreation services as well. LAFCO staff met with CPCSD staff and the landowner's designated agent to discuss possible annexation; however, the landowner again affirmed that the annexation

application was for EID services only. The following is a response to CPCSD's submitted comments found in Attachment D:

1. The Land Use Element of the County General Plan defines High-Density Residential (HDR) as areas suitable for intensive single-family residential development at densities from one to five dwelling units per acre. It further states that residential subdivisions utilizing the planned development concept (which the Porter Subdivision does) shall maintain a density range from one to five dwelling units per acre.
2. Mr. Porter is not the owner of adjacent APN 119-020-36, nor does he own any other properties in the project vicinity.
3. According to the County's adopted Conditions of Approval, the Porter Subdivision will be required to install four foot wide sidewalks on one side of the interior roadways.
4. The project would include two new Marble Valley Road segments, one between the project site and Beasley Road and the other between the easterly boundary of the project site and Flying C Road. The extension of Marble Valley Road from the easterly boundary of the project site to Flying C Road would provide primary access for the project to Highway 50 and Cambridge Road.

As noted above in Section 10, the El Dorado County Emergency Services Authority expressed its dissatisfaction with this annexation and the redistribution of property taxes.

(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: In February of 2008, the Sacramento Area Council of Governments (SACOG) Board of Directors adopted their 2006-2013 Regional Housing Needs Plan (RHNP), which allocates to SACOG cities and counties their "fair share" of the region's projected housing needs. Each city and county in the RHNP receives a Regional Housing Needs Allocation (RHNA) of total number of housing units that it must plan for within a 7.5 year time period through their General Plan Housing Elements. Allocations are distributed within four economic income categories; very low, low, moderate and above moderate. Allocation goals for the unincorporated portion of El Dorado County are as follows:

MHI = Median Household Income

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

This project assists the County with meeting the goals for moderate to high income levels.

- 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 February of 2009, the Board of Supervisors approved a request to change zoning of the Porter Subdivision site from Estate Residential 10 Acre (RE-10) to One-Family Residential-Planned Development (R1-PD). The land use designation is High Density Residential (HDR). The annexation and proposed development are consistent with the current zoning and land use designation.

- 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 no registered voters residing in the proposal area and the subject territory is considered uninhabited per Government Code 56046, which states, *"Inhabited territory" means territory within which there reside 12 or more registered voters...All other territory shall be deemed "uninhabited."* Upon completion of the Porter Subdivision development there will be 54 new residential units, resulting in approximately 162 new residents (accounting for an average of three persons per home).

- 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 subject site is surrounded on three sides by approved and pending residential development. The Campobello Subdivision is located to the north and the pending Village of Marble Valley Specific Plan borders the Porter site to the west and south. To the east is a vacant 35-acre parcel. The adjacent properties are designated High Density Residential, except for the Marble Valley properties which are currently Low Density Residential. The proposed subdivision will conform to the surrounding zoning and land use designations (refer to Section 26).

- 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: The proposed subdivision is consistent with the zoning and land use designations of the subject parcel and surrounding existing and approved residential development.

Surrounding Area	Zoning	Land Use Designation	Current Land Use	Planned Land Use
Project Site: 119-020-35	R1-PD	HDR	Residential, vacant: approved for development	Residential: Porter Subdivision, 54 lots
North:	R1 and R-20,000	HDR	Residential, vacant: approved for development	Residential: Campobello, 45 lots
West / South:	MV-TM	LDR	Mixed Use, vacant: Approved for Marble Valley Subdivision, 395 residential lots	Mixed Use: Proposed Village of Marble Valley Specific Plan, 3,236 dwelling units
East:	RE-10	HDR	Residential, vacant	No known changes

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: The subject parcel is comprised entirely of non-choice soils and is not utilized for any type of agricultural production, nor are any of the parcels adjacent to the project site. The parcel is within the Cameron Park Community Region and is surrounded by residential development. The proposed Porter Subdivision will not result in a loss of productive agricultural land or conflict with nearby agricultural uses.

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: The annexation and development of the Campobello 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 southern Cameron Park 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. See Section 22 for more detail regarding SACOG's RHNA goals.

ATTACHMENTS

- Attachment A: Project Map
- Attachment B: Landowner Application & Project Information
- Attachment C: BOS AB-8 Resolution
- Attachment D: Cameron Park CSD Comments
- Attachment E: Landowner Affirmation of Annexation Petition
- Attachment F: Project Area Map with CSD Boundaries
- Attachment G: El Dorado County Mitigated Negative Declaration for the Porter Subdivision
- Attachment H: LAFCO Draft Resolution L-2014-04