

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

EXECUTIVE OFFICER'S REPORT

AGENDA OF JANUARY 30, 2008

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 # 7: Briggs Reorganization to the City of Placerville

LAFCO Project No. 05-13

PROPONENT(S): Brian Briggs

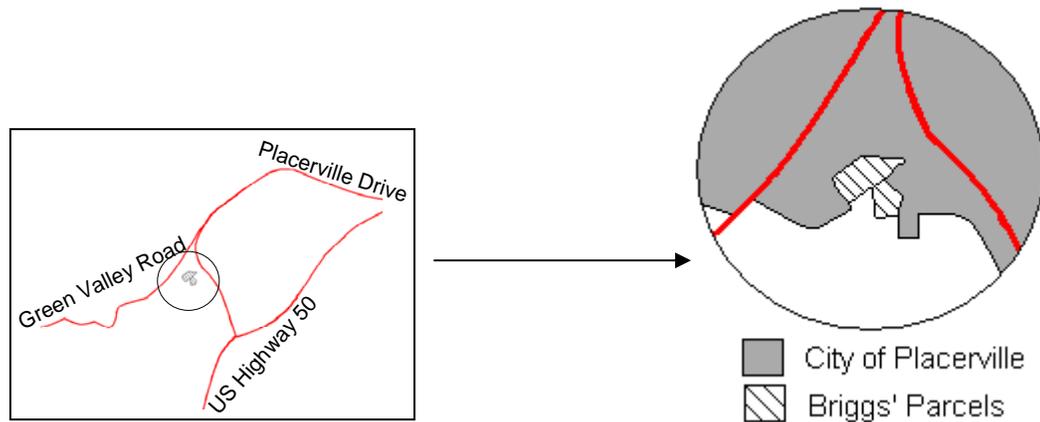
DESCRIPTION OF PROJECT

The proposed Briggs reorganization will annex two parcels (APNs 325-120-31 and 325-160-16), consisting of 1.792 acres, into the City of Placerville with concurrent detachment from County Service Area (CSA) #9 and CSA #9's Zone 19 (Mother Lode Recreation Zone). In addition, the city boundary change will necessitate a detachment from El Dorado County Fire Protection District's (ECF) Placerville Zone with concurrent annexation into the ECF City of Placerville Zone. The reorganization will result in the following changes in service provision to the subject parcels:

Service	Current Provider	Proposed Provider
General Administration	El Dorado County	City of Placerville
Fire Protection and Emergency Response	ECF, Placerville Zone	No change in service; ECF, City of Placerville Zone
Water	El Dorado Irrigation District	No change in service; billing administered by the City of Placerville
Wastewater Treatment	Private; septic systems	City of Placerville
Police Protection	El Dorado County Sheriff	City of Placerville Police Department
Parks and Recreation	CSA #9 (parks only)	City of Placerville
Road Maintenance	Private; public easement	No change
Drainage	None	City of Placerville
Solid Waste	Private; Waste Connections	No change

LOCATION

The reorganization area is adjacent to the Placerville city limits on three sides, approximately 800 feet south of the intersection between Green Valley Road and Placerville Drive. The two properties are located at 169 and 181 Placerville Drive, between Western Plaza and Hangtown Brewery.



PURPOSE

The property owners (Briggs) have expressed an interest in potentially converting the two residential parcels into some sort of commercial development. One possibility for the lots is to combine them with seven adjoining parcels which are under the same ownership and are already within the city. Reorganization of the area would allow for all nine of the Briggs' parcels to receive uniform public services under the jurisdiction of the City of Placerville. However, at this time, the owners do not have definitive development plans for the area, so the any future project is largely speculative and subject to change. The owners have indicated that until final plans are set, the parcels will remain in residential use with occupied rental homes.

BACKGROUND

The applicant initiated a reorganization petition with LAFCO in July of 2005. The two subject parcels, APNs 325-120-31 and 325-160-16, have a total of 1.792 acres that are currently utilized for residential purposes with one rental unit each. The tentative planned future use is to develop the subject parcels, possibly along with seven adjacent parcels, for mixed-commercial use. The Placerville City Council supports the reorganization and adopted a resolution on August 9, 2005 authorizing the filing of a Preliminary Annexation Application with LAFCO, although the proceedings had already been initiated by the landowner. In October of 2006, the City Council approved a General Plan map amendment and a zoning map amendment to change the pre-zoning of the properties from Residential to Commercial in anticipation of the future commercial development.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Recognize that City of Placerville, as the lead agency in consultation with LAFCO, has prepared a Negative Declaration of Environmental Impact, an accompanying Addendum and CEQA determinations, which have been found to be adequate and complete for the purposes of this reorganization.
2. Adopt LAFCO Resolution L-2008-02 (Attachment D), adding any additional conditions the Commission finds appropriate and approve the Briggs Reorganization to the City of Placerville; LAFCO Project No. 05-13.
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

Annexation into the City of Placerville will serve two purposes. The primary purpose is to fill in a "niche" in the City's currently irregular boundaries. The secondary reason is to place the two subject parcels in the City's jurisdiction for the provision of public services that could support either the current use or the eventual development of an integrated commercial project. The reorganization will allow the parcels to receive the same types of city services, including wastewater treatment, parks, recreation, police protection and road drainage that the landowners currently enjoy for the other properties they own in the surrounding area.

CEQA

The City of Placerville, as the Lead Agency for the project, prepared and certified a Negative Declaration of Environmental Impact (ND) for the reorganization on August 1, 2006. In the ND's Initial Study, the City defined the "project" as solely the act of annexation and consequently examined the proposal as such, determining that the reorganization and proposed map amendments would not result in any significant environmental impacts. The conclusion was that the reorganization proposal would not require a more robust environmental review. The City argued that once the Briggs' had development plans for the parcels, it would be left to the City to issue the necessary discretionary permits, and the environmental impacts could be studied at that time.

Past legal precedents have made it clear that LAFCOs are required to consider all environmental impacts from an annexation before the annexation occurs (the *Bozung* case and others). Therefore, subsequent review by LAFCO staff concluded that, although the ND was valid for the City's uses, it was deficient for LAFCO's purposes. This conclusion was made because the ND did not address the environmental effects of

the potential conversion of the site from residential to commercial uses under the maximum density allowed under the new pre-zoning (which is Commercial).

In response to LAFCO's conclusion, the City prepared an Addendum to the Negative Declaration (Addendum) pursuant to CEQA, on July 17, 2007, which better addressed the potential environmental impacts of the reorganization. Absent concrete development plans by the owners, the City based their analysis on the maximum commercial development that would likely be permitted for the area. The City concluded that the subject parcels could accommodate a 15,000 square foot commercial building with required parking of 75 spaces as well as the required landscaping. This conclusion was based on several other like-kind land assemblies in Placerville under the same Commercial zoning designation. The assumed commercial project is similar in size, nature and land use to the Western Plaza commercial development located immediately north of the subject site, which is property of similar size, shape and parcel area, as well as access to Winter Lane, an improved private road, under control and ownership of the Applicant.

The mitigation measures outlined in the Addendum to the ND are standard requirements for all City development projects. Sections within the ND and Addendum of particular interest to LAFCO are as follows:

Land Use and Planning

Commercial use of the subject site as described above would be consistent with the proposed Commercial land use and (current Commercial pre-) zoning. The site's proximity to existing commercial uses, arterial road service access and utilities makes it an ideal site for commercial use. The likely and logical access to the site would be by way of Winter Lane, which is a private road that is under control of the Applicant. Because any proposed development would be subject to the City's Site Plan Review Regulations, and the area already enjoys moderate commercial uses, activity and ambient noise level, it is unlikely that the commercial development of the site would create adverse impacts on nearby residential uses.

Impact: Implementation of the proposed project is not anticipated to conflict with locally adopted plans and policies. This is considered to be a less than significant impact.

Fire Protection and Emergency Medical Services

The project site is currently within the service area of the El Dorado County Fire Protection District (EDCFPD), which has existing facilities and equipment that currently serve the existing residences within the subject area. Additional firefighters and infrastructure should not be necessary to service the commercial building. Implementation of the proposed project would not result in an increase in the population of the EDCFPD service area, but has the potential to result in an increase in the number of fire and emergency response calls received by the EDCFPD in a given year. Because the City of Placerville partially funds the services provided by the EDCFPD, the revenue generated from the property taxes assessed on the project would offset the costs of additional staffing and equipment to serve the project site, if and when such increases in staffing are necessary. EDCFPD also collects an impact fee of 13.5¢ per square foot for commercial uses. In addition, all development must comply with the 1997 Edition of the Uniform Fire Code.

Impact: The proposed project would not result in the need for additional or expanded fire protection facilities and would not result in decreased fire protection service levels. This impact is considered less than significant.

The project proponent shall provide documentation from the City of Placerville Engineering Department to show that the water flow requirement of 1,500 gallons per minute, for a duration of two hours, will be met by the project. This shall be completed prior to issuance of the Certificate of Occupancy. The City of Placerville Public Works Department will monitor and enforce this requirement.

Impact: Implementation of the above measure would ensure that the required water flow standard would be met and that project impacts would remain less than significant.

Law Enforcement

The City of Placerville Police Department provides all law enforcement services within the Placerville city limits. The City's Police Department has one office, located at 730 Main Street, which is approximately one and one-half miles east of the project site.

Impact: The proposed project would not result in the need for additional or expanded law enforcement facilities and would not result in decreased police service levels. This impact is considered less than significant.

Public Schools

The project site is served by two school districts; Placerville Union School District (PUSD), which serves grades K-8, and El Dorado Union High School District (EDUHSD), which serves grades 9-12. The project proposes a 15,000 square foot commercial building, which could potentially generate up to five additional students for the PUSD and EDUHSD, based on generation rates established in the EDUHSD and PUSD Facilities Master Plan Updates and the City of Placerville General Plan. In addition, State Law authorizes school districts to impose developer fees as a condition of the issuance of building permits to finance certain school facility costs. According to the El Dorado County Office of Education, current fees levied against developers in the Placerville districts are at the rate of 42¢ per square foot for commercial land uses.

Impact: Implementation of the project would not increase student enrollment at both EDUHSD and PUSD's schools and would not require new school facilities and related services. This impact is considered less than significant.

Parks and Recreation

The City of Placerville Recreation and Parks Department, with the guidance of the Recreation and Parks Commission, oversees and manages park and recreation resources within the city limits. Currently, the City has six parks and one recreational trail. The project was evaluated for its impact on parks and recreational services based on a review of the City of Placerville General Plan, Placerville City Code Section 8-11-2, and consultations with relevant city staff.

For any residential project proposed within the City of Placerville, the General Plan requires that in order to mitigate for increase rates of deterioration of existing neighborhood parks and community facilities, the project applicant must either dedicate land or the applicant must pay for mitigation in the form of in-lieu fees. The addition of five new residents, all of which are assumed to be park users, would not result in the need to construct new park facilities or expand existing park facilities within the city or adjacent areas of El Dorado County.

Impact: Build-out of the proposed project would not require the construction or expansion of additional park and recreation facilities. This would be a less than significant impact.

Water

The subject properties currently receive residential water service from the El Dorado Irrigation District (EID). The site is currently attached to EID's distribution system and water services for the project site are presently available. When the two existing dwellings were initially constructed, all necessary water connections were established at that time; thus, negating the need for significant construction to run water and other services to the site for the proposed commercial uses. The project site would connect to existing water supply lines located within the right-of-way of Placerville Drive.

The project is supplied by the Western/Eastern Service Area and is considered to be in the Eastern Region for supply purposes only. Water demand for the proposed project was calculated using EID's projection of 2.77 acre feet per commercial unit per year within the Eastern Region. If the subject properties' current use were to remain unchanged, continuing to be utilized as single-family residential properties, the water demand would be closer to 0.48 acre feet per household per year.

Impact: Implementation of the proposed project would not increase the demand on EID's water supply and water distribution facilities. This is considered a less than significant impact.

Wastewater

Currently, the subject parcels utilize private septic systems; however, the proposed project would receive wastewater treatment through the City of Placerville. Based on projections within the 2006 City of Placerville Sewer System Master Plan, general commercial uses generate an average of 1,200 gallons per day (gpd) per acre. It is estimated that the proposed project consisting of 15,000 square feet would generate approximately 2,160 gpd (1,200 gpd x 1.8 acres). The additional gpd generated by the proposed project would increase demand on the system by less than one percent (1%). If the subject properties' current use were to remain unchanged, continuing to be utilized as single-family residential properties, the wastewater generated would be closer to 422 gpd (211 gpd x 2 dwelling units).

Impact: Implementation of the proposed project would not require the expansion or alteration of existing sewage conveyance facilities; however, it would contribute to existing sanitary sewer overflows during wet weather events and would result in increased sewage flows entering the Hangtown Creek Wastewater Treatment Plant and the current demand for sewage treatment services. This is considered a potentially significant impact. The project is required to pay a fair share portion of capital improvement fees to be applied to wastewater system upgrades, consistent with General Plan Policy IV B 7, resulting in a less than significant impact.

Transportation and Circulation

The subject site is accessible by way of Winter Lane, which is a private road that conforms to City commercial driveway standards. The subject site is approximately several hundred feet from Placerville Drive, a publicly maintained road. It is estimated that a 15,000 square foot commercial building would generate approximately 375 vehicle trips per day. Presently, Placerville, in the vicinity of Winter Lane, has approximately 16,000 vehicle trips per day, placing it at a Level of Service C – D. Based

on proposed project trip generation rates, it appears that the project will not change the current Level of Service range for Placerville Drive.

It is likely that a commercial development of 15,000 square feet would require roadway improvements to Winter Lane, such as minor widening. However, the City's Public Works Department cannot speculate on the exact specifications absent a project to review. A 15,000 square foot commercial building would be required to pay approximately \$85,000 in Traffic Impact Mitigation fees upon issuance of a construction permit.

Impact: A 15,000 square foot commercial building at the subject site would have a de minimus affect upon the City's traffic and circulation system.

Mandatory Findings of Significance

Neither the Negative Declaration nor the accompanying Addendum identified any potentially significant unmitigatable impacts or cumulative impacts resulting from the proposed project.

Findings

The Addendum finds, "There are no substantial changes proposed by the revised environmental document that require major revision to the existing Initial Study / Mitigated Negative Declaration¹ or preparation of an Environmental Impact Report due to involvement of new significant environmental effects. The project involves minor modifications to previously studied lands adjacent to the City of Placerville located within the City's sphere of influence. The most intensive commercial development would be a 15,000 square foot commercial building and accessory uses, which will not result in individual or cumulative significant impacts. Further, there have not been changes in the circumstance relative to the Addendum that would result in any new significant environmental impacts. Lastly, there are no substantial changes to the mitigation measures proposed for adoption and applicable to the annexation. Certain of the mitigation measures have been clarified and made more specific. These mitigation measures, however, are generally consistent with those incorporated into the original environmental document as adopted by the City Council on October 10, 2006."

Conclusion

The City concluded that the project described in the Addendum does not result in substantial major revisions to the original Initial Study / Mitigated Negative Declaration¹. No significant new information or changes in circumstances surrounding the project have occurred since the adoption of the original environmental review; therefore, the accompanying Addendum was found to be the appropriate document to update the environmental analysis.

SUMMARY OF STATUTORY AND POLICY CONSIDERATIONS

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

¹ The original environmental document prepared by the City was a Negative Declaration, not a Mitigated Negative Declaration, as referenced by the City above and within the accompanying Addendum.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Need for organized services, probable future needs	1 – Consistent	The reorganization would provide services necessary to support the eventual development of an integrated commercial project.
Ability to serve, level and range of service, time frames, conditions to receive service	2 – Consistent	The City has the capability to provide service upon annexation. EID and ECF currently provide water and fire protection service to the parcels and will continue to do so when, and if, they are annexed to the City.
Timely availability of adequate water supply	3 – Consistent	EID has sufficient water available to accommodate the potential increase in demand that will be required to convert the subject area to commercial use.
Alternatives to service, other agency boundaries, and local gov't structure	4 – Consistent	Absent reorganization into the City, the parcels would continue to receive necessary public services, largely through El Dorado County rather than the City of Placerville.
Significant negative service Impacts	5 – Consistent	Service impacts to the existing city services and residents as a result of this reorganization are expected to be negligible.
Coordination of applications	6 – Consistent	No additional services are necessary for the proposed commercial development and no neighboring parcels require reorganization at this time.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Present cost/adequacy of governmental services, including public facilities	7 – Consistent	All of the potential service providers appear to have sufficient service capabilities that would allow them to adequately serve the annexation area. None of the providers are expected to require an expansion of facilities and infrastructure prior to the provision of service.
Effect of proposal on cost & adequacy of service in area and adjacent areas	8 – Consistent	The City Council and the Board of Supervisors negotiated and approved a property tax revenue sharing agreement for the reorganization territory based on recommendations made by the County Auditor-Controller (see Attachment C).
Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas	9 – Consistent	Reorganization into the City of Placerville appears to be a logical option for the efficient provision of services to the subject site that would be required by commercial use.
Sufficiency of revenues, per capital assessed valuation	10 – Consistent	If the land were to be developed for commercial use, the parcels' value would be reassessed, likely reflecting an increase in value. The City and other service providers should receive sufficient revenues to offset the cost of providing service.
Revenue producing territory	11 – Consistent	With continued residential use, the value of the parcels would not likely change; if the parcels were converted to commercial use, the value could increase significantly.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
56668.3 "best interest"	12 – Consistent	Reorganization will provide city-based services to the current single-family residences and the potential future commercial development. The site's proximity to existing commercial uses, major road access and utilities makes it an ideal site for commercial use.
Boundaries: logical, contiguous, not difficult to serve, definite and certain	13 – Consistent	The subject area is contiguous with the city limits on three sides and is near existing service infrastructure. The proposed reorganization would create a logical boundary extension for service provision that is not difficult to serve.
Topography, natural boundaries, drainage basins, land area	14 – Consistent	The subject properties do not contain any natural features which would make the reorganization area difficult to serve.
Creation of islands, corridors, irregular boundaries	15 – Consistent	The annexation will comprise the entire parcels and will not create an irregular city boundary.
Conformance to lines of assessment, ownership	16 – Consistent	The boundaries of the reorganization area conform to existing lines of assessment and ownership.
Spheres of Influence	17 – Consistent	The boundaries for the proposed reorganization are fully contained within the City of Placerville sphere of influence.
Effect on adjacent areas, communities of interest	18 – Consistent	Reorganization will unify the nine Briggs parcels and integrate the jurisdiction of the City of Placerville. The potential commercial use will be consistent with surrounding businesses.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Information or comments from landowners or owners	19 – Consistent	The landowners support the reorganization 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 City of Placerville, other public service providers within the city or nearby schools.
Other agency comments, objections	21 – Consistent	There were no significant comments or objections received regarding this proposal.
Fair share of regional housing needs	22 – Consistent	Neither the continued residential use nor the proposed commercial development will provide any additional housing for the City, leaving the City’s RHNA goals unaffected.
Land use, information relating to existing land use designations	23 – Consistent	The City amended the pre-zoning of the properties in 2006 from RE-5 to Commercial in anticipation of a reorganization proposal and tentative plans by the owner for future commercial development. The parcels are currently zoned R1 by El Dorado County.
Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years	24 – Consistent	The subject parcels are considered uninhabited per State Law. Commercial development of the properties would not likely alter this designation.
Proximity to other populated areas	25 – Consistent	The project area is bounded on three sides by existing commercial development and by single-family residences on the fourth.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Physical and economic integrity of agriculture lands and open space	26 – Consistent	The reorganization appears to have no impact to agriculture. The parcels are surrounded by residential and commercial development with no agricultural activities in the nearby vicinity.
The extent to which the proposal will promote environmental justice	27 – Consistent	The reorganization and probable future use is not expected to promote or discourage the fair treatment of any minority or economically disadvantaged groups.

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 reorganization is made subject to Government Code §56650 et. seq. by petition of the landowners.
2. The territory proposed for the reorganization is within the Sphere of Influence of the City of Placerville and is contiguous to the existing boundary. The reorganization will provide a more logical and orderly boundary.
3. The Negative Declaration and accompanying Addendum prepared for this project by the City of Placerville is adequate and complete and satisfies the requirements of the California Environmental Quality Act.
4. The reorganization 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 reorganization will not have an adverse effect on agriculture and open space lands.

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 this proposal is to annex the two subject parcels into the City of Placerville to form more logical boundaries and to receive services that would support either the current residential use or a potential integrated commercial project. The reorganization will allow the parcels to receive municipal services provided by the City, including wastewater, parks, recreation, solid waste, police protection and road drainage in a consistent fashion as with other nearby property owned by the landowners.

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: The City has indicated that it is capable and willing to provide all municipal services listed in Section 1 to the subject parcels upon annexation. Although the funding mechanism would change, ECF will continue to provide equivalent fire protection and emergency services to the area as it currently does now. The reorganization area is already within the boundaries of EID and water service is currently provided to the two single-family homes at the site. In addition to the two residential water connections, commercial meters are also in place on adjacent parcels owned by the applicant that are already within city boundaries. EID will continue to provide water service to the reorganization area when, and if, it is developed for commercial use. None of the providers are expected to require an expansion of facilities and infrastructure prior to the provision of service.

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

RESPONSE: Until the ultimate scope and final plans for the future commercial development are concrete and the engineering and design plans are completed under the City's regulations, it is not possible to precisely calculate the amount of water consumption for the net change from residential to commercial use. However, it is assumed that demand would increase upon change in land use from residential to commercial. According to EID's Projected 2009 Demand per Active Meter, which is contained within the 2007 Water Resources and Service Reliability Report, commercial use is approximately two times greater than single-family residential use per meter (1.43 acre-feet versus 0.65 acre-feet). Assuming that the existing residential meters would be converted to commercial meters and no additional meters would be added to the site, water demand for the parcels could potentially double.

The reorganization area is within EID's Eastern Water Supply Region. According to EID's 2007 Water Resources and Service Reliability Report, there are 2,426 equivalent dwelling units (EDUs) of water available in this region. After accounting for EID's contractual commitments in the region and recent annexations

approved by since January of 2006², it is reasonable to assume that EID's Western/Eastern Water Supply Region has approximately 1,061-1,068 EDUs that are available for purchase and not yet implicitly committed to other prospective customers. This amount is more than sufficient to accommodate the likely increased demand that would be required to convert the subject area to commercial use.

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: The alternative to the proposal would be for no reorganizational change to occur; the subject territory would remain within tax rate area 078-002, which is outside of the incorporated city boundaries. Absent a project, the parcels would continue to receive necessary public services, largely through El Dorado County rather than through the City of Placerville. General administration and park services would be provided by El Dorado County and County Service Area #9 instead of the City of Placerville and police protection would be provided by the El Dorado County Sheriff's Department rather than the City of Placerville Police Department. The area would continue to receive water and fire protection services from the current providers; however, EID would issue the customer billing (as opposed to the City Administration) and funding for fire protection services would be collected directly by ECF rather than through the District's City of Placerville Zone. In addition, the owners would most likely continue to utilize private septic systems for wastewater disposal.

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: Service impacts to the existing city services and residents as a result of this reorganization are expected to be negligible. As described in detail in Section 20 below, the reorganization and possible future commercial development of the subject area will have a minimal impact on wastewater, water, fire protection, public safety, parks and recreation services, among others.

5. **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: There are no neighboring properties that require reorganization or additional services at this time. Upon reorganization the subject properties will

² Preacher 05-15 (3 EDUs), Marble Valley 05-08 (443-450 EDUs), Garrett 2007-02 (5 EDUs)

receive all public services necessary for residential or commercial use. The City of Placerville will provide wastewater treatment, municipal water billing, police protection, parks and recreation services, drainage and general administration. Fire protection will continue to be provided by ECF, although the subject properties will be detached from the Placerville Zone and annexed to the City of Placerville Zone. Municipal water service will continue to be provided by EID, although City Administration services will issue the bill.

(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: Existing government facilities that will serve the reorganization area include:

Wastewater: The City of Placerville operates and maintains a wastewater treatment plant that currently processes one million gallons per day (MGD); with a design capacity for 2.3 MGD. The treatment plant has been functioning at the same level for approximately ten years and has not seen any increase due to the City's efficient Infiltration Abatement Program. It is anticipated that the reorganization area would connect to the City's wastewater system, when the site develops more intensively than its current use. Wastewater treatment improvements are currently under construction in a \$40 million upgrade to comply with new state waste discharge requirements. The City is partially funding the upgrades with bonds and the reorganization area will be taxed for bonded indebtedness.

Fire Protection and Emergency Response: ECF's services include: fire protection and suppression, public assistance, arson and other investigation, plan checking/permit review, inspections (commercial, residential, life safety, hydrant and gas line, fire safety, etc.), burn permits, controlled burn programs, rescue and hazardous materials response. The first response to incidents in the project area will continue to be from ECF Station #25, which is located at 3034 Sacramento Street, approximately two miles from the reorganization area. The station is fully staffed 24-hours a day with three personnel assigned to the engine and two personnel assigned to the JPA funded paramedic ambulance based there.

Police Protection and Public Safety: The City of Placerville Police facility is located at 730 Main Street in downtown Placerville. The Police Department, which operates its own dispatch system, has 22 sworn officers and ten non-sworn staff. Response times for city police responding to calls within the city boundaries average four minutes or less for emergency calls and 10-15 minutes for non-emergency calls.

Parks and Recreation Services: The City of Placerville has approximately one hundred acres of existing park/open space, approximately half of which is undeveloped. The City has several neighborhood parks, a community size park and a regional size park. Using the Quimby Act guidelines, the City currently exceeds the ratio for per capita park area. The Recreation and Parks Department is also

responsible for the delivery of leisure and recreation services to the community in the form of adult and youth programs that are designed to be self-supporting through user fees.

Water: Refer to Section 3 above for more information about existing water provision capabilities in the reorganization area.

Road Maintenance and Drainage: Winter Lane is a privately maintained road and will continue to be so in the future. Presently, there are no public storm drainage facilities within the reorganization area. Improved storm drainage infrastructure is in place nearby, at Green Valley Road and Debbie Lane. Any future development will require storm drainage analysis by the City prior to receiving permits.

General Administration: The following city services will be available to the subject parcels upon reorganization: The City Administrative Services Department administers the financial affairs of the City, including water and sewer billings, budget administration, management of city staff and all duties that pertain to the City Council. The City Manager/City Attorney provides administration oversight of the affairs of the City, oversees public affairs and legal duties and is responsible directly to the City Council. The Community Development Department consists of three divisions: Planning, Building and Grant Administration. Duties of the department include reviewing proposed development projects, implementing the City's General Plan and Zoning Regulations, review construction plans, issue building permits, and provide grant management for economic development and the City's Housing Rehabilitation Program.

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: The City Council and the Board of Supervisors negotiated and approved a property tax revenue sharing agreement for the reorganization territory based on recommendations made by the County Auditor-Controller (see Attachment C). Commission approval of the reorganization would prompt removal of the subject parcels from tax rate area (TRA) 078-002 and place them in TRA 001-027, which would result in the following tax increment changes:

The County, ECF and EID's portion of the tax will decrease by a total of 19.0% to accommodate the proposed allotment for the City and ECF City of Placerville Zone. The change is shown in the enclosed Estimate of Property Tax Revenue and Distribution Report (Attachment C).

Agency	Pre-Reorganization	Current Share	Post-Reorganization	Agreement Share	Net Change
County General Fund	Inside	32.6249%	Inside	26.7045%	- 5.9204%
City of Placerville	Outside	0.00%	Inside	3.80%	+ 3.80%
ECF	Inside	8.4605%	Outside	0.00%	- 8.4605
ECF, City of Placerville Zone	Outside	0.00%	Inside	15.20%	+ 15.20%
EID	Inside	7.2858%	Inside	2.1977%	- 4.6191

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: Reorganization into the City of Placerville appears to be a logical option for the efficient provision of services to the subject site that would be required by commercial use. The alternative would be for the territory to remain within the unincorporated portion of the County and to continue to receive general administration services through the County. In addition, the properties would continue to utilize private septic systems for wastewater treatment. Fire and water services would remain largely unchanged.

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

RESPONSE: The current assessed value of APNs 325-120-31 and 325-160-16 is \$413,871 and \$317,322, respectively. Although reorganization will not prompt reassessment of the properties, the values are expected to increase slightly upon annexation into the City. However, if the land were to be developed for commercial use, the parcels' value would be reassessed, likely reflecting an increase in value.

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

RESPONSE: Absent a change in land use, the total assessed value of the subject parcels is not expected to increase as a result of the reorganization into the City. However, commercial development would trigger reassessment of the parcels' value likely reflecting an increase. Although there are no concrete plans for development of the two subject parcels at this time, the landowner has indicated that one possibility is to combine the two parcels with seven other contiguous parcels to create a large commercial or mixed use development. This could significantly increase the value of the territory.

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 reorganization appears to be consistent with LAFCO and City policies and appears to be in the best interest of the surrounding area. The site's proximity to existing commercial uses, major road access and utilities makes it an ideal site for commercial use. The reorganization, which is supported by the City, will provide city-based services to the current single-family residences and potentially, to a future commercial development.

(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 the City of Placerville's sphere of influence and is contiguous with the city boundary on the northern, eastern and approximately half of the western sides. The proposed reorganization would create a logical boundary extension for service provision that is not difficult to serve.

- 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 properties do not contain any natural features which would make the reorganization area difficult to serve. Both properties are currently served by existing water lines and private septic systems.

- 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 comprise the entire parcels and will not create an irregular boundary, island, peninsula, cherry stem or flag configuration.

- 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 reorganization conform to 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. A Preliminary Annexation Application was approved by the City Council by Resolution No. 7299 on August 9, 2005.

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 reorganization are fully contained within the City of Placerville 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 landowners own seven other adjoining parcels which are already within the city boundaries and are zoned for commercial use. Potential development plans may include an integrated commercial development of the nine parcels, intended for shops and offices. The design will be consistent with surrounding buildings and converted residential structures. Reorganization would unify the nine Briggs parcels and place development of the site under the jurisdiction of the City of Placerville.

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

RESPONSE: The two subject parcels are owned in their entirety by Ron and Kelly Briggs who support the proposed reorganization. Due to 100% owner consent, the Noticing requirement of neighbors within 300 feet of the project was not required. The landowners 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 City of Placerville, other public service providers within the city or nearby schools. The following identifies the current and future public service providers and the expected impacts:

Wastewater: Although the two subject properties utilize private septic systems, it is anticipated that the reorganization area would connect to the City's wastewater system, if the site develops more intensively than its current use. Sewer service in the reorganization area would utilize either the existing 12-inch sewer line in Placerville Drive, or the 6-inch sewer line in Green Valley Road. The City collects capital facilities fees to offset future capital costs of the City's wastewater collection and treatment system. These fees will apply to any future development on the site.

Fire Protection and Emergency Response Services: The subject area currently receives fire protection and emergency services from ECF, which will not change as a result of the reorganization. The City of Placerville, which is fully contained within the boundaries of the ECF, contracts with the District for all fire and emergency services. However, the reorganization will shift the subject parcels from the Placerville Zone to the City of Placerville Zone. No new fire infrastructure, equipment or facilities will be needed to serve the reorganization area.

Police Protection and Public Safety: Public safety services in the reorganization area are currently provided through the El Dorado County Sheriff's Department. The City of Placerville, however, often provides the first response to emergency calls generated in or near the area due to the close proximity of the City Police facility located on Main Street in downtown Placerville. The change from residential use to commercial use will not have a substantive effect on public safety services.

Parks and Recreation Services: With the potential conversion of two single-family residential parcels to commercial, the potential population in the reorganization area would decrease (decreasing the demand for parks and recreation services) and revenues available to support these services will increase.

Water: The reorganization area is within the boundaries of EID, which provides water to the two single-family homes at the site. In addition to these two water connections, commercial meters are also in place on adjacent parcels already within city boundaries that are under the same ownership. In the event that the land is developed for commercial use, EID will convert the residential connections to commercial meters and continue to provide water services to the parcels. The potential conversion of two residential meters to commercial meters will not result in any physical change in water delivery, although it will prompt a change to commercial water rates. Water billings inside the incorporated city boundaries are administered by the City Administration Services Department.

Road Maintenance: Winter Lane, which serves the reorganization area, is a private road with public access permitted by easement. The road is maintained by the owners, who expect to continue use as a private road after any development occurs. Road improvements consistent with city regulations, including pedestrian routes, would be required by the City to be included in the applicant's design and engineering plans for the project.

General Administration: General administrative services that are currently provided by El Dorado County will be provided by the City of Placerville upon reorganization. Refer to Section 7 above for more information about general city services.

- 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:

- City of Placerville
- El Dorado County Agricultural Commission
- El Dorado County Committee on School District Organization
- El Dorado County Farm Bureau
- El Dorado County Fire Protection District
- El Dorado County Planning Department
- El Dorado County Representing CSAs #7, #9, #9 Zone 18, #10 and #10 Zone H
- El Dorado County Resource Conservation District
- El Dorado County Surveyor's Office
- El Dorado County Water Agency
- El Dorado Irrigation District
- El Dorado Union High School District
- Los Rios Community College District
- Mother Lode Union Elementary School District

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

RESPONSE: In October of 2007, the Sacramento Area Council of Governments (SACOG) released a revised draft of their Regional Housing Needs Assessment (RHNA) Allocation Goals for the incorporated and unincorporated portions of the county, which quantifies the need for housing by income level for 2006-2013. The RHNA allocations for the City of Placerville 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
388 (100%)	50 (12.9%)	56 (14.4%)	75 (19.3%)	207 (53.3%)

Neither the proposed commercial development of the subject parcels, nor continued residential use, will provide any additional housing for the City, leaving the City's RHNA goals unaffected.

- 23. LAND USE, INFORMATION RELATING TO EXISTING LAND USE DESIGNATIONS AND CONSISTENCY WITH GENERAL PLANS, SPECIFIC PLANS AND ZONING:** The Commission shall consider any information relating to existing land use designations (§56668(m)) and the general plans of neighboring governmental entities (Policy 3.1.4(g)).

RESPONSE: The subject properties are currently designated High Density Single-Family Residential by El Dorado County and are pre-zoned Commercial by the City. At the request of the landowner, the pre-zoning was amended by the City Council in October of 2006 from Residential Estate 5-acre minimum to Commercial in anticipation of a reorganization proposal, ultimately prompted by tentative plans for future commercial development. Such development would be consistent with the current Commercial pre-zoning of the territory and surrounding land uses. Presently, surrounding land use within the unincorporated area is primarily residential and adjacent land use within the City is commercial.

- 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: Both parcels contain single-family rental residences which are currently occupied. According to the County Recorder-Clerk's Office, there are no registered voters residing in the proposal area, so the subject territory is considered uninhabited per State Law. Commercial development of the properties would not likely alter this designation.

- 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 project area, just west of Raley's Supermarket, is bounded on three sides by existing commercial development, including the Western Plaza building and Hangtown Brewery and Restaurant. The fourth side is utilized for residential purposes. A potential commercial development would conform to the surrounding land uses, as would a continued residential use.

- 26. PHYSICAL AND ECONOMIC INTEGRITY OF AGRICULTURE LANDS AND OPEN SPACE LANDS:** LAFCO decisions will reflect its 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 parcels consist entirely of choice soils, which is not uncommon for much of the territory within the western portion of the city. Located just off of Placerville Drive west of Raley's, the parcels are surrounded by residential and commercial development, with no agricultural activities in the nearby vicinity. The El Dorado County Department of Agriculture submitted comments

regarding the project, stating that the proposed reorganization “appears to have no impact to agriculture.”

27. THE EXTENT TO WHICH THE PROPOSAL WILL PROMOTE ENVIRONMENTAL JUSTICE: As used in this context, ‘environmental justice’ means the fair treatment of people of all races, culture, and incomes with respect to the location of public facilities and the provision of public services. [§56668(o); SB 162, January 1, 2008]

RESPONSE: The act of annexing the two subject parcels into the City is not expected to promote or discourage the fair treatment of any minority or economically disadvantaged groups in the vicinity, inside or outside of the incorporated area. Probable future land use of the parcels is expected to either convert to mixed-commercial use or to remain residential in nature. Neither use would likely adversely affect socially or economically disadvantaged groups in the subject or in the surrounding area. Even the potential conversion of the site from residential to commercial would have a negligible impact on the City’s housing goals or any other negative effects on any disadvantaged groups that may live in the area. In other words, the loss of residential housing would not severely impact the market and the contemplated commercial use would not be of the type that would introduce severe hazards to the surrounding area.

The City of Placerville’s population is 87.4% white, with Hispanics and Latinos of any race comprising the largest minority population at 12.6%. Other minority groups combined, including black, American Indian, Asian and Pacific Islanders account for less than 5%.³

Attachments

Attachment A: Project Map & Legal Description

Attachment B: Landowner’s Petition and Project Information

Attachment C: Auditor-Controller’s Estimated Property Tax Schedule

Attachment D: LAFCO Resolution L-2008-02 (Draft)

³ These values do not add up to 100%, in part because census data allows for multiple race selections, especially within the category “Hispanic or Latino of any Race,” which includes individuals that may be accounted for in other categories as well.