

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

AGENDA OF SEPTEMBER 27, 2006

REGULAR MEETING

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

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Policy Analyst

AGENDA ITEM # 4: Preacher & Reay Annexation to El Dorado Irrigation District

LAFCO Project No. 05-15

PROPONENT(S): Michael and Anita Preacher, APN 090-260-18 Landowners
Richard and Cathy Reay, APN 090-260-10 Landowners

DESCRIPTION OF PROJECT

This project includes two parcels, consisting of approximately 26 acres, proposing to annex into the El Dorado Irrigation District (EID) for the provision of municipal water service. The annexation would include APN 090-260-10 (15.92 acres) owned by Richard and Cathy Reay ("Reay Property") and APN 090-260-18 (10.02 acres) owned by Michael and Anita Preacher ("Preacher Property"). Located in the El Dorado area, the two parcels are contiguous to one another and EID's service boundary.

The Preacher Property has one primary residence, and a secondary residence for their elderly parents; both homes on the Preacher Property share a single well for water. The Reay Property has one primary residence and a secondary rental residence; each home has a separate well for water. Because the well for the secondary residence is currently sufficient, the landowners do not intend for this home to receive water services from EID at this time. Although there are a total of four homes on the two properties, only three will receive water from EID upon annexation. Therefore, for purposes of discussion in this report, only the three homes requesting service will be addressed.

PURPOSE

To obtain potable water for three existing homes on the two subject properties. Both properties currently have existing wells which have a history of poor production and an

increasing likelihood of running dry.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Find that the project is exempt from provisions of the California Environmental Quality Act under Section 15319(a) of the Public Resources Act and direct staff to file the Notice of Exemption in compliance with CEQA and local ordinances implementing the same.
2. Adopt Staff's recommended list of findings and recommendations (as specified in Attachment D), adding any additional conditions the Commission finds appropriate and approve the Preacher and Reay 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

The two properties involved have wells that are failing, according to the County Environmental Management Department and, therefore, are in need of municipal water service. The parcels are currently developed with a total of four residences and nine inhabitants. Annexation into EID is necessary to provide essential water to the two parcels. Both properties have an out-of-agency service agreement (OASA) with EID for purposes of installing infrastructure on-site but are not currently receiving water service.

LOCATION

The properties are located in the El Dorado area, south of the intersection between Kingvale Road and Motherlode Drive.

CEQA

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15319(a) of the Public Resources Act (Annexations of Existing Facilities). In particular, this section provides for the annexation of an area containing an existing private structure that is allowed under the current zoning.

BACKGROUND

On October 21, 2005, the landowners of the two properties entered into an out-of-agency service agreement with EID for the provision of water service outside of the EID boundaries. EID submitted the OASA to the Commission for authorization, which was

approved on December 7, 2005. The OASA enabled the landowners to apply to EID for infrastructure improvements prior to annexation approval. EID is not currently supplying the properties with municipal water.

Prior to the OASA, numerous past efforts have been made to drill new wells, with inadequate results. The non-viable wells did not produce sufficient water and, subsequently, had to be abandoned. In addition to drilling attempts, the landowners have significant holding tanks to store as much water as possible; however, the storage does not offset the poor well production and lack of water. The landowners are currently having water delivered to their homes by a private company at great expense.

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	The existing homes need potable water; drilling new wells is not a viable option given the numerous unsuccessful attempts in recent years. Long-term transporting in of potable water is not a feasible option, given the high costs.
Ability to serve, level and range of service, time frames, conditions to receive service	2 – Consistent	EID indicates an ability and adequate availability to serve the parcels; a water line extension must be constructed and connected to the nearest existing water line before service can be provided.
Timely availability of adequate water supply	3 – Consistent	2½ equivalent dwelling units (EDUs) of potable water are needed for this proposal; 1,378 EDUs are available in this service region; service will be available after all EID fees and hook up charges are paid and the necessary infrastructure improvements are completed by the landowners.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Alternatives to service, other agency boundaries, and local gov't structure	4 – Consistent	No other public service alternatives are available; private wells are not feasible options due to poor well production and failed attempts at drilling for new wells; water delivery is not a viable long term solution due to high costs.
Significant negative service Impacts	5 – Consistent	EID indicates in its analysis that it does not expect any negative impacts to neighboring EID customers as a result of annexation.
Coordination of applications	6 – Consistent	No other services are needed for the properties; there are no neighboring parcels included in the annexation.
Present cost/adequacy of governmental services, including public facilities	7 – Consistent	EID has stated that they have adequate excess water supply in the Western/Eastern Water Supply Region to serve this annexation without any negative cost or service impacts to present customers.
Effect of proposal on cost & adequacy of service in area and adjacent areas	8 – Consistent	There are no foreseeable external costs involved in this proposal to EID or the current customers in adjacent areas.
Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas	9 – Consistent	There are no other viable alternatives; private wells have proven inadequate in this area and potable water delivery is too expensive to use as a permanent solution.
Sufficiency of revenues, per capital assessed valuation	10 – Consistent	Property tax redistribution plan approved by EID and the County; revenue collected is expected to be sufficient to support the needed services.

Revenue producing territory	11 – Consistent	No significant revenue generation is proposed; collected revenue should offset the cost of providing water service.
56668.3 “best interest”	12 – Consistent	The annexation is consistent with LAFCO and EID policies and appears to be in the best interest of the landowners and EID.
Boundaries: logical, contiguous, not difficult to serve, definite and certain	13 – Consistent	The parcels are contiguous to the EID service boundary and existing water lines are nearby. The annexation area will not be difficult to serve.
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 comprise the entire two parcels and will not create an irregular boundary, island, peninsula, cherry stem or flag configuration.
Conformance to lines of assessment, ownership	16 – Consistent	The proposal encompasses the entire parcels and the maps have been reviewed by the County Surveyor.
Spheres of Influence	17 – Consistent	The boundaries for the proposed parcel annexations are fully contained within the EID sphere of influence.
Effect on adjacent areas, communities of interest	18 – Consistent	The proposed annexation does not break any Community of Interest, nor will it affect the social or economic interests of adjacent areas.

Information or comments from landowners or owners	19 – Consistent	The Preachers submitted documentation of failed drilling attempts, storage efforts and water delivery to augment the insufficient well production. They also included a map depicting the approximate locations of each attempt. These documents are available for public review at the LAFCO office.
Effect on other community services, schools	20 – Consistent	Each of the parcels is fully developed and both contain two existing homes. There is not expected to be any significant effect on the need for additional school or other community services as a result of this annexation.
Other agency comments, objections	21 – Consistent	Diamond Springs/EI Dorado FPD commented on the inclusion of fire hydrants; the landowners requested hydrants at the time of application to EID; the inclusion of fire hydrants was reflected in EID's FIL to the applicants.
Fair share of regional housing needs	22 – No effect	The proposal will have no effect in assisting the County in meeting its Regional Housing Needs Assessment. Both parcels are entirely developed and contain two homes each. The annexation will neither contribute to, nor hinder, the County in achieving its fair share of regional housing needs.
Land use, information relating to existing land use designations	23 – Consistent	Both parcels have a Rural Residential land use designation and are zoned RE-10. The current land use is consistent with the designations. The annexation will not change the future land use.

Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years	24 – Consistent	There are currently nine registered voters residing in the subject area; annexation will not effect the population of the parcels, nor will it induce growth.
Proximity to other populated areas	25 – Consistent	The subject properties are surrounded on three sides by five- to ten-acre residential parcels and on one side by land in Agricultural Preserve.
Consistency with General Plans, specific plans, zoning	26 – Consistent	The two subject properties are both completely developed and in conformance with the land use designation (Rural Residential) and zoning (RE-10).
Physical and economic integrity of agriculture lands and open space	27 – Consistent	The subject properties do not contain choice soils; they are adjacent to land under a Williamson Act contract; however, annexation should not interfere in any way with current neighboring agricultural activities.
Optional factor: regional growth goals and policies	28 – Unknown	Neither SACOG nor SPO could provide applicable regional growth goals and policies.

DETERMINATIONS

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

1. The subject territory is “uninhabited” per Government Code §54046. Application for this annexation is made subject to Government Code §56650 et. seq. by petition of the landowners.
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 project is exempt from the provisions of the California Environmental Quality Act under the section of the Public Resources 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 this proposal is to annex into EID in order to obtain potable water service for three existing homes on two adjacent parcels. Annexation would result in the installation of two water meters; one for the Preacher Property (to service both the primary and secondary residences) and one for the Reay Property. No other water purveyor may feasibly extend services to the site. The current and past private wells have a history of poor production that is not capable of sustaining the existing homes and residents. The landowners currently have a minimum of 3,000 gallons of potable water transported to their homes via a private water service per week; however, given the high cost, the long-term continuation of this effort is not feasible.

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

RESPONSE: A Facility Improvement Letter (FIL) from EID, dated May 4, 2005, states that an 8-inch water line exists in Gold Country Drive and a 6-inch water line exists in Gold Country Drive. The Diamond Springs/El Dorado Fire Protection

District has determined that the minimum fire flow for this project is 500 gallons per minute for a 2-hour duration while maintaining a 20-psi residual pressure. In order to provide this fire flow and receive service, a water line extension connecting to the existing 6-inch water line in Gold Country Drive must be constructed. This would allow the capacity to provide the required domestic and fire protection needs for the proposal.

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

RESPONSE: The subject parcels are within EID's Western/Eastern Water Supply Region, which according to the FIL, had 1,966 equivalent dwelling units (EDUs) available as of January 2004. The most recent estimate available comes from EID's 2006 Water Resources and Service Reliability Report, which estimates the water meter availability to be 1,378 EDUs in this region of EID, after all contractual commitments are fulfilled. The annexation proposal would require 2½ EDUs to provide service to the two parcels. The Preacher Property would require 1½ EDUs to service the primary residence and the secondary residence, and the Reay Property would require 1 EDU to service the primary residence (the well for the secondary residence is sufficient for the time being).

Application for water service is subject to EID requirements. EID staff confirms that two meters would be available for purchase by the landowners upon annexation. Service will be available after all EID fees and hook up charges are paid and the necessary infrastructure improvements are completed by the landowners. Service is contingent upon LAFCO Commission approval of the annexation.

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

RESPONSE: There are no other public service alternatives. The landowners of the two parcels have tried, on numerous occasions, to drill new wells; however, these attempts have not resulted in a viable well that produces sufficient water to support the existing homes. Given the poor well production history and failed attempts to drill new wells, private wells are not feasible options for the landowners. Due to the great expense already incurred by the landowners to have potable water delivered to their homes from a private service, continuing this practice as a permanent solution is not fiscally possible. See also #9.

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 appear to be negligible. Only two meters will be installed if the annexation proposal is approved. EID staff has confirmed that before each FIL is generated, an analysis of neighboring customer usage and expected new customer usage is conducted to determine the impact of additional meters to the subject area. EID did not find that existing customers would see a negative impact to their current level of service.

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

RESPONSE: The subject properties are within the Diamond Springs / El Dorado Fire Protection District for fire suppression services and have existing septic systems in place to serve each of the three homes. No other services appear to be needed to serve these properties. There are no neighboring properties that require reorganization or additional services.

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

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

RESPONSE: EID stated in their FIL to the applicants on May 4, 2005 that they have adequate excess water supply in the Western/Eastern Water Supply Region to serve this annexation without any negative cost or service impacts to present customers. The FIL estimated the available EDUs in that region to be 1,966. A more recent estimate included within EID's 2006 Water Resources and Service Reliability Report estimated the water meter availability to be 1,378 EDUs.

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 proposed project affects only two parcels, so the effect on overall service in the area is expected to be negligible. EID has provided information stating that they have adequate water to serve these parcels, and that there would be no foreseeable adverse effects involved to existing customers.

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: At this time, there are no other water service providers in this area of the county. The alternative would be the use of private wells or transported water. These are not viable options for the landowners due to the inadequacy of the current wells, past drilling attempts and the high cost of water delivery as a long-term solution.

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

RESPONSE: The current assessed value of APN 090-260-10 is \$281,339; the current assessed value of APN 090-260-18 is \$376,344. These values reflect the total amount after exemptions are taken out. Upon annexation to EID, the assessed values are expected to increase slightly. The County and EID have negotiated a property tax revenue sharing agreement, with EID receiving 2.667% of the property tax revenue. Based upon the revenue share agreement, EID's user fees, and the applicants' responsibility for covering the cost of extending water lines, EID should receive sufficient revenue for providing service to these parcels.

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

RESPONSE: The increase in assessed valuation of the two properties is expected to be minor; no significant revenue generation is proposed. EID will collect revenue through property tax increments which should offset the cost of providing water service.

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 is consistent with LAFCO and EID policies and appears to be in the best interest of the landowners and EID.

(Numbered items 13-17 relate to boundaries)

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

to existing lines of assessment and ownership (Policy 3.9.2, §56668(f)).

RESPONSE: Contiguity with the EID service area occurs on the eastern boundary of the proposal territory. Boundaries conform to existing lines of assessment and ownership. Water lines are located nearby and the annexation area will not be difficult for EID 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 are fairly level with mild rolling topography. Vegetation exists in the form of native trees and grasses. 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 comprise the entire two 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 conform to the existing lines of assessment and ownership. The project maps have been reviewed by the County Surveyor.

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

RESPONSE: The boundaries for the proposed parcel annexations 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 proposed annexation does not break any Community of Interest, nor will it affect the social or economic interests of adjacent areas. The annexation

is in conformance with the uses in the area and will not introduce induce growth-inducing effects on the adjacent parcels or on the subject properties themselves because the parcels are already developed with existing homes. There were no comments received from neighboring landowners regarding this proposal.

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

RESPONSE: Michael and Anita Preacher submitted a letter from El Dorado Water and Shower detailing the contract to deliver water in order to augment their well's insufficient production, along with a detail of checks in payment for the water delivery. They also submitted various letters from local well drilling companies which verify the failed attempts at drilling and storage efforts, and a map of the approximate locations of each of the past drilling attempts on the Preacher's property. These documents, while not attached to this report, are available for public review at the LAFCO office. All four landowners have given their written consent for the proposed annexation; therefore, the noticing requirement of neighbors within 300 feet of the project was not required.

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: Each of the parcels is completely developed and both contain two existing homes. School impact fees were collected at the time the building permits were issued to mitigate any increased need for school service. There is not expected to be any significant effect on the need for additional community services as a result of this annexation. No comments were received from the local school districts, state agencies or other community service providers regarding this proposal.

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 (l), §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 County representing County Service Areas 07, 09, 09 Mother Lode Recreation, 10 and 10 Zone H
El Dorado Irrigation District
Diamond Springs/El Dorado Fire Protection District
El Dorado County Water Agency
El Dorado County Resource Conservation District
Los Rios Community College District
Mother Lode Union Elementary School District
El Dorado Union High School District

The Diamond Springs/El Dorado Fire Protection District submitted comments that the annexation may improve fire protection, infrastructure and insurance access if it were inclusive of a hydrant system. The landowners requested fire hydrants along with municipal water service at the time of application. The applicant's request for, and EID's planned installation of, fire hydrants was reflected in the FIL to the applicants (see Attachment C).

No other agency comments or objections were received.

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

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

RESPONSE: The proposal will have no effect in assisting the County in meeting its Regional Housing Needs Assessment. Both parcels are entirely developed and contain two homes each in accordance with current zoning. The annexation will neither contribute to, nor hinder, the County in achieving its fair share of regional housing needs.

- 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: Both parcels have a Rural Residential land use designation (RR) as determined by the 2004 County General Plan and are zoned Residential Estate 10-acre minimum (RE-10). Each parcel contains one primary residence and one secondary, permitted "granny flat" residence. The proposed annexation is in conformance with these designations and will not change the future use of the properties.

The subject properties are located in an area of other similar five- to ten-acre parcels with single family residences. The surrounding land use is predominantly Residential Estate (RE-10) and Low Density Residential (LDR) on three sides of the annexation area. There is an area to the north that encompasses three parcels,

totaling approximately 70 acres, which is in Williamson Act Contract and is used as an agricultural preserve.

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

RESPONSE: There are currently nine registered voters residing in the proposal area. This is not expected to change as a direct result of the annexation. Both parcels are completely developed with two homes on each property. Extension of municipal water is intended to address the problem of insufficient well production and will not effect the population of the subject properties.

- 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 properties are already fully developed with residential structures and are consistent with the surrounding land uses. The adjacent land uses are primarily residential. The subject properties are surrounded on the western and southern sides by Rural Residential parcels of approximately 10 acres each. The zoning for these parcels is Residential Estate (RE-10). To the east of the subject area there are Low Density Residential parcels that are five acres each with single family residences. To the north of the subject area is an Agricultural Preserve (AE) area consisting of approximately 70 acres that is currently under a Williamson Act contract. The annexation is not expected to hinder or interfere with the agricultural activities of this territory in any way.

- 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 two subject properties are both completely developed and in conformance with the land use designation (Rural Residential) and zoning (RE-10). The Preacher Property has one primary residence and a permitted secondary residence that serves as a home to their elderly parents. The Reay Property has one primary residence and a secondary residence that is used as a rental property. Both secondary residences are fully permitted with the County.

- 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 project site is not considered Prime Farmland, Unique Farmland or Farmland of Statewide Importance. The subject properties are not under a

Williamson Act contract; however, an adjacent parcel is currently under Williamson Act Protection. North of the subject properties, three parcels, encompassing approximately 70 acres, are currently in Agricultural Preserve under a Williamson Act contract. The annexation is not expected to interfere with the agricultural activities in the surrounding area.

- 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: Staff contacted both SACOG and the Sierra Planning Organization. Neither agency could provide applicable regional growth goals and policies under this provision for LAFCO consideration.

Map A: Project Map & Legal Description

Attachment A: Landowner Petition and Project Information

Attachment B: Auditor's Report

Attachment C: Facility Improvement Letter (FIL)

Attachment D: Findings and Recommendations