

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JANUARY 22, 2014

REGULAR MEETING

TO: Don Mette, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Policy Analyst

AGENDA ITEM # 7: Cameron Hills Annexation to the Cameron Park Community
Services District

LAFCO Project No. 2013-03

PROPONENT(S): MCP Properties, LLC

DESCRIPTION OF PROJECT

The Cameron Hills Annexation to the Cameron Park Community Services District is a request to annex APN 116-010-04 (20.13 acres) into CPCSD in order to receive fire protection and emergency response services, and parks and recreation services to support the 41-lot Cameron Hills Subdivision.

The Cameron Hills property is a single-parcel service island, surrounded on all sides by CPCSD's service boundaries. This parcel has long been identified in the Cameron Park CSD sphere of influence. It has been designated to receive all CSD services. A map of the annexation area with current CPCSD boundaries is included as 'Attachment A' at the end of this report.

LOCATION

The parcel is located in Cameron Park on the west side of Cambridge Road approximately 150 feet south of the intersection with Berry Road. Access would be provided via Harvey Road and Berry Road from the north and Kimberly Road from the south. The 20-acre project site is currently undeveloped, but is surrounded by existing residential development.

PURPOSE

The applicant and landowner, MCP Properties, LLC, plans to subdivide APN 116-010-04 into 41 single family residential lots ranging in size from 0.14 to 0.47 acres, including

five open space lots ranging in size from 0.08 to 4.91 acres, totaling 8.16 acres. Annexation into CPCSD is requested in order to receive fire protection, emergency response, and park and recreation services for the Cameron Hills Subdivision. The subdivision was conditioned by the Board of Supervisors to include annexation into CPCSD prior to filing the final map.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Recognize that El Dorado County, as the lead agency for the project, has prepared a Mitigated Negative Declaration and CEQA determinations which have been found to be adequate for the purposes of the annexation and direct staff to file a Notice of Determination in compliance with CEQA and local ordinances implementing the same.
2. Consider and approve an amendment to the proposal to include concurrent detachment from County Service Area 9, Zone 17 – Ponderosa Recreation Zone.
3. Adopt LAFCO Resolution L-2014-XX (Attachment E), and approve the Cameron Hills Annexation, as amended, to the Cameron Park Community Services 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

Annexation into CPCSD

Following an analysis of the annexation with consideration of the 28 factors listed in Government Code §56668 and LAFCO Policies (Sections 1-28, below), staff recommends the Commission approve the Cameron Hills annexation into CPCSD in order to receive park and recreation, and fire protection and emergency medical services.

Amendment to Detach from CSA 9-Zone 17

Staff is recommending that the Commission amend the Cameron Hills proposal to include concurrent detachment from CSA 9-Zone 17. This action was not part of the landowner petition; however, it would 1) avoid creating a duplication of local jurisdiction boundaries which provide identical services, and 2) eliminate the need for the County Auditor's Office to create a new Tax Rate Area, specific to the proposal area. Amending the petition to include concurrent detachment will not have any effect on the amount of property tax revenue, assessment revenue or any other fee revenue collected by CPCSD or CSA 9-Zone 17, on behalf of the Cameron Hills Subdivision. However, it will help to create more orderly agency boundaries consistent with LAFCO's mission and eliminate the need to create an additional TRA.

Duplication of Service Providers

El Dorado County is responsible for providing recreation areas and parks within the unincorporated areas of the County that are not within a park and recreation service provider (typically a city or community services district). Funding for this service is collected through various zones of benefit under County Service Area (CSA) 9. The Quimby Act allows, and the Parks and Recreation Element of the 2004 El Dorado County General Plan requires, that final tentative and parcel map approval be conditioned upon the dedication of land or the payment of fees in lieu thereof, for park or recreational purposes. Subdivisions containing less than 50 parcels are eligible to pay the in lieu fees for the acquisition of additional parkland and recreational facilities.

The subject parcel is currently within CSA 9, Zone 17 – Ponderosa Recreation Zone for park and recreation services. CSA 9-Zone 17 does not collect a portion of the property taxes, but rather is a funding mechanism to collect Quimby parkland dedication in lieu fees at the time of final map filing.

El Dorado County Subdivision Ordinance 16.12.090, specifies that land or fees required under this ordinance shall be conveyed or paid directly to the local public agency which provides park and recreation services to the area within which the proposed development will be located. Upon approval of the Cameron Hills Annexation, Cameron Park CSD will be the park and recreation service provider to the project territory. Therefore, if the annexation is approved, regardless of whether the petition is amended to include concurrent detachment from CSA 9-Zone 17, the Quimby fees will be paid directly to CPCSD. Detachment from CSA 9-Zone 17 will simply avoid creating an unnecessary overlap of redundant jurisdictional boundaries. Amending the project is not expected to have any detrimental effect on CSA 9 Zone 17 and the applicant and the County has been notified of this recommendation.

Tax Rate Areas

A Tax Rate Area (TRA) is a geographical area comprised of a unique combination of taxing jurisdictions. Basically, a TRA is a code, specifying which local agencies and taxing jurisdictions provide service to a particular parcel. El Dorado County currently has over 400 active TRAs. After an annexation or detachment, properties are moved from one TRA to another. The TRA to which the property is moved may be a new TRA or an existing TRA. Typically, an annexed parcel is moved into a neighboring TRA which also includes the annexing agency; however, in the case of the Cameron Hills annexation, the surrounding parcels that are currently within CPCSD are not also within CSA 9-Zone 17. Therefore, the subject parcel cannot be included in this common TRA, unless it is concurrently detached from CSA 9-Zone 17.

If it is not detached, the County Auditor's Office will need to create a new TRA, specific to the Cameron Hills Subdivision, to include both CPCSD and CSA 9-Zone 17. Including both agencies is not only redundant, but also not recommended. This scenario is easily preventable by the Commission using its discretionary authority to amend the project.

BACKGROUND

The landowner initiated the annexation petition with LAFCO in May 2013. APN 116-010-04 is currently undeveloped and the planned future use is to subdivide the existing parcel into 41 residential lots to create the Cameron Hills Subdivision.

The Tentative Map to create 41 single-family lots was approved in June 2009 by the El Dorado County Board of Supervisors, including a zone change from One Family Residential (R1) to One Family Residential/Planned Development (R1-PD) and Open Space/Planned Development (OS-PD). The project provides for approximately 40% open space, above the required 30% that is associated with a Planned Development overlay.

CEQA

El Dorado County, as the Lead Agency for the project, prepared and certified a Mitigated Negative Declaration (MND) for the project on June 2, 2009. The environmental impacts of the annexation were addressed within the scope of this environmental document. The MND includes mitigation measures as necessary to lessen the potential significant effect that the project could have on the surrounding area. The County’s MND can be reviewed in its entirety as Attachment D. LAFCO staff analysis of these issues can be found within the corresponding 28 factors to be considered.

SUMMARY OF STATUTORY AND POLICY CONSIDERATIONS

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

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Need for organized services, probable future needs	1 – Consistent	Fire protection and park and recreation services will be necessary for the proposed 41-lot residential subdivision.
Ability to serve, level and range of service, time frames, conditions to receive service	2 – Consistent	CPCSD has affirmed that it is currently able to provide fire protection and emergency response services and park and recreation services to the Cameron Hills Subdivision.
Timely availability of adequate water supply	3 – Consistent	The subject parcel is already within the El Dorado Irrigation District service area; EID is expected to provide water and wastewater treatment services for Cameron Hills. The development will require 41 EDUs of water supply.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
<p>Alternatives to service, other agency boundaries, and local gov't structure</p>	<p>4 – Consistent</p>	<p>Absent the annexation, the subject parcel will remain outside of a local fire agency for structural fire protection, and Quimby park in lieu fees will be paid to CSA 9-Zone 17. The CP Fire Department would continue to be the first responder to calls in this area, and the future residents would still likely use District park and recreational facilities; however, the District would not have the benefit of recouping costs through property taxes.</p>
<p>Significant negative service Impacts</p>	<p>5 – Consistent</p>	<p>There are not expected to be any negative impacts to the current level of service for existing CPCSD residents.</p>
<p>Coordination of applications</p>	<p>6 – Consistent</p>	<p>No other services appear to be needed to serve this development, and there are no additional neighboring properties that require annexation to CPCSD.</p>
<p>Present cost/adequacy of governmental services, including public facilities</p>	<p>7 – Consistent</p>	<p>CPCSD has existing nearby parks, recreational facilities, and fire stations. The District already would be a first responder to the annexation area for fire protection, and future residents are likely to use CPCSD recreational facilities and parks due to close proximity.</p>
<p>Effect of proposal on cost & adequacy of service in area and adjacent areas</p>	<p>8 – Consistent</p>	<p>Property tax revenue, development impact fees, parkland dedication in lieu fees and other charges will support the costs of providing service.</p>

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Effect of alternative courses of action on cost & adequacy of service in area and adjacent areas	9 – Consistent	If the annexation is denied by LAFCO, CPCSD will still likely provide services to the Cameron Hills project area; however, the District will not receive property tax and other direct charge revenue to offset the costs of providing these services.
Sufficiency of revenues, per capital assessed valuation	10 – Consistent	CPCSD should receive sufficient revenue for providing services to the proposed development.
Revenue producing territory	11 – Consistent	Collected revenue is expected to offset the cost of providing fire protection and recreation services to the subject area; however, the revenue is not expected to exceed those costs.
56668.3 “best interest”	12 – Consistent	The annexation is in the best interests of the future residents of the Cameron Hills Subdivision by providing essential services to the proposed residential development.
Boundaries: logical, contiguous, not difficult to serve, definite and certain	13 – Consistent	The subject territory is completely surrounded by other parcels within CPCSD’s service area. Annexation of the parcel will eliminate a service island and will create a more logical District boundary.
Topography, natural boundaries, drainage basins, land area	14 – Consistent	There are no topographical features that will hinder service to this area.
Creation of islands, corridors, irregular boundaries	15 – Consistent	Approval of the petition as recommended will eliminate a service island and will create a more logical CPCSD boundary as well as eliminate the designation of redundant park agencies.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Conformance to lines of assessment, ownership	16 – Consistent	The boundaries of the proposed annexation conform to the existing lines of assessment and ownership. The proposal maps have been reviewed by the County Surveyor and have been found to be definite and certain.
Spheres of Influence	17 – Consistent	The boundaries for the annexation proposal are fully contained within the CPCSD sphere of influence.
Effect on adjacent areas, communities of interest	18 – Consistent	The subject parcel is within the Cameron Park Community Region. The proposed subdivision will primarily benefit only the future residents of the Cameron Hills Subdivision and is not expected to have a significant effect on the surrounding area.
Information or comments from landowners or owners	19 – Consistent	The landowner supports the proposed annexation and has not submitted additional comments or information to be considered. County staff has not objected to staff's recommendation to remove this parcel from CSA 9-Zone 17.
Effect on other community services, schools	20 – Consistent	There are no negative impacts expected for the other public service providers in the area.
Other agency comments, objections	21 – Consistent	No agency comments or objections were received regarding the annexation.
Fair share of regional housing needs	22 – Consistent	Annexation and development of the Cameron Hills Subdivision will increase the available market rate housing for the Cameron Park area.

FACTOR TO CONSIDER	POLICY / STATUTE CONSISTENCY	COMMENT
Land use, information relating to existing land use designations	23 – Consistent	The subject territory has been rezoned R1-PD and OS-PD. The land use designation remains HDR.
Population, density, growth, likelihood of growth in, and in adjacent areas, over 10 years	24 – Consistent	Upon development, the Cameron Hills project will add 41 homes and approximately 123 new residents to the area.
Proximity to other populated areas	25 – Consistent	The Cameron Hills parcel is located at the center of the CPCSD service area, surrounded by existing high density residential development. The parcel is also located approximately in the middle of the Cameron Park Community Region.
Consistency with General Plans, specific plans, zoning	26 – Consistent	The proposed subdivision is consistent with the current zoning (R1) and land use designations (HDR) of the subject parcel and with existing residential development in the surrounding area.
Physical and economic integrity of agriculture lands and open space	27 – Consistent	The project site and surrounding properties are designated for high-density residential development and there are no ongoing agricultural pursuits occurring within the project vicinity.
Optional factor: regional growth goals and policies	28 – Consistent	The proposed subdivision will assist the unincorporated part of the County in achieving its RHNA goals by providing 41 units of either Moderate or Above Moderate housing.

DETERMINATIONS

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

1. The subject territory is “uninhabited” per Government Code §54046. Application for this annexation is made subject to Government Code §56650 et. seq. by landowner petition.
2. The territory proposed for annexation is within the Sphere of Influence of the Cameron Park Community Services District and is surrounded on all sides by the existing District service boundary. The annexation will provide a more logical and orderly boundary.
3. The Mitigated Negative Declaration prepared for this project by El Dorado County satisfies the requirements of the California Environmental Quality Act.
4. The annexation will not result in negative impacts to the cost and adequacy of service otherwise provided in the area, and is in the best interests of the affected area and the total organization of local government agencies.
5. The annexation will not have an adverse effect on agriculture and open space lands.
6. The annexation will result in a decrease in water supply available for the build-out of regional housing needs determined by the Sacramento Area Council of Governments. The annexation will not, however, have a significant foreseeable effect on the ability of the County to adequately accommodate its fair share of those needs.

DISCUSSION

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

(Numbered items 1-6 relate to services)

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

RESPONSE: The purpose of the proposal is to annex the approved Cameron Hills development (approximately 20 acres) into CPCSD for fire protection and park and recreation services. Cameron Hills is a high density residential subdivision consisting of 41 single family homes and five open space areas. The annexation will allow CPCSD to provide essential development supporting services such as fire protection services and emergency medical services, recreational facilities, street lighting and landscape (retaining wall and fence maintenance), open space maintenance, and CC&R administration and enforcement. CPCSD is the logical provider to offer these services, as the project area is surrounded on all sides by CPCSD boundaries.

This parcel is currently located within County Service Area 9, Zone 17 – Ponderosa Recreation Zone. This zone of benefit does not currently maintain a park in the Cameron Park area. It is, instead, a County vehicle for collecting Quimby fees in the unincorporated area that is outside of a park and recreation district. Quimby fees are fees paid by a developer in lieu of dedicating land for a park. Not amending the project to detach this parcel from CSA 9-Zone 17 would mean that there would be redundant service provider districts listed for this parcel. Further, detaching this parcel in CSA 9-Zone 17 would not have a detrimental effect on the County since the County expected Cameron Park CSD to collect Quimby fees from this project.

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: Because the Cameron Hills Project area is located in the middle of the CPCSD service boundaries, and is a service island surrounded on all sides by other parcels within the District, CPCSD is the preferred agency to provide fire protection and park and recreation services to the Cameron Hills Subdivision. The District has affirmed that it is currently able to provide fire protection and emergency response services and park and recreation services to the Cameron Hills Subdivision.

Fire Protection

The Cameron Park Fire Department has reviewed the project and will require new fire hydrants for the site as well as road improvements and an approved fire safe plan in order to provide structural fire protection in the proposed subdivision. The Cameron Park Fire Department has two fire stations; Station 89 at 3200 Country Club Drive, and Station 88 at 2961 Alhambra Drive. Station 89 is located approximately 2.7 miles away from the project site. The Station is within a six minute response time from the project area, which meets the Cameron Park Fire Department standard and the County General Plan standard of eight minutes response time in urban areas 90% of the time, and 20 minute response 90% of time for rural areas.

Park and Recreation

CPCSD operates several recreational facilities in the vicinity of the Cameron Hills development that can potentially be used by the future residents; however, no new park is proposed as a part of the Cameron Hills Subdivision.

CPCSD's overall park standard is five acres of developed parkland per 1,000 residents and five acres per 1,000 residents for open space. Open space includes creek corridors, trails, slope easements, wetlands and other undeveloped natural lands. The project applicant will be responsible for paying the Quimby Act parkland dedication in lieu fees associated with the project for the District's acquisition of additional parkland and recreational facilities, based on values supplied by the Assessor's Office and calculated in accordance with the provisions of Section 16.12.090 of the County Code.

Currently, there are no conditions, covenants, and restrictions (CC&Rs) attached to the property. However, one of the County's conditions of approval is for all open space lots to be dedicated to a Homeowner's Association or similar entity (which would include the CPCSD) as open space with an appropriate maintenance program, complete with CC&Rs. The applicant and the District are still in discussions regarding potential open space maintenance for the subdivision. The open space maintenance program shall be submitted for review and approval by the County Planning Services Department prior to filing of the final map.

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 parcel is already within the El Dorado Irrigation District and the Cameron Hills development is expected to receive water and wastewater treatment services from the District. EID has indicated there are adequate facilities in place to serve the added residential units to be created by this project. According to EID's Facility Improvement Letter FIL0413-005 (May 2013), the proposed number of EDUs (equivalent dwelling units) necessary for the project will be 41 EDUs of water supply. Per EID's *2013 Water Resources and Service Reliability Report*, adopted by the EID Board in August 2013, there were 1,935 EDUs available in the Western/Eastern Water Supply Region, subject to 283 EDUs of contractual commitments. In order to receive service, infrastructure construction and improvements of facilities may be required, which will be determined by EID through an agreement with the developer.

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: If the Commission were to deny the annexation proposal, the subject parcel would remain outside of a local fire agency for structural fire protection; however, the Cameron Park Fire Department would continue to be the first responder to calls in this area without the benefit of recouping costs through property tax revenue. Being outside of a fire protection agency would also likely result in increased home insurance rates for the future parcels.

In addition, if the Commission denied the annexation the Quimby parkland dedication in lieu fees would be paid to the County's CSA 9-Zone 17; however, the future Cameron Hills residents would likely utilize CPCSD park and recreational facilities instead of County facilities due to the close proximity. Also, the applicant would be required to form a new Homeowners' Association for open space management and CC&R enforcement as required by the County.

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 CPCSD residents are expected to be minor. Upon annexation, CPCSD will receive a portion of the property tax increment from each of the proposed 41 lots. The newly created parcels will also be liable for development impact fees, Quimby parkland dedication in lieu fees, any newly created Lighting and Landscaping District assessments to cover the cost of open space maintenance, fence and retaining wall maintenance and CC&R enforcement, and their fair share of the Cameron Park Community Center Bond, in the form of an additional assessment. No negative fiscal, service or other impacts have been identified by CPCSD.

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 property is surrounded on all sides by the CPCSD service boundary; there are no additional neighboring properties that require annexation to the District. In addition, the parcel is currently within the El Dorado Irrigation District service area for future water and wastewater services; no other services appear to be needed to serve this property.

Staff recommends the utilization of the Commission's discretionary approval to detach this project from the service boundaries of CSA 9-Zone 17. Not detaching this parcel now introduces redundancies in governmental organization that will require another project to correct. As stated earlier, detaching this parcel from CSA 9-Zone 17 will not have a detrimental effect on County finances. Both the County and the applicant have been notified of staff's recommendation and have not objected.

(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:

As stated above in Section 2, the Cameron Park Fire Department is very likely to be the first responder to calls from the annexation area, from Station 89. No new fire service facilities would be required by the Cameron Park Fire Department to serve the Cameron Hills Subdivision. Response times to the area are lower than District and County standards and the addition of 123 District residents will have a very minor impact on staffing ratios.

El Dorado County is responsible for providing recreation areas and parks within the unincorporated areas of the County that are not within a park and recreation service provider. The parcel is currently within CSA 9, Zone 17 – Ponderosa Recreation

Zone. Absent annexation into CPCSD, Quimby parkland in lieu fees would be paid to the CSA to provide for park and recreational land for the project. However, the future residents of the Cameron Hills Subdivision would still likely utilize CPCSD's recreational facilities and parks due to the close proximity.

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: CPCSD has negotiated and approved a property tax increment agreement with the County for the annexation territory (see Section 10 below for more information). In addition to property tax revenue, development impact fees, parkland dedication in lieu fees, and other charges will support the cost of services. The annexation is expected to provide revenue that will offset the short- and long-term costs to the District.

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

RESPONSE: If the annexation is denied by LAFCO, CPCSD will still likely provide services to the Cameron Hills project area. The Cameron Park Fire Department will continue to be called to respond to incidents within the proposed annexation area, since it is the closest available resource for structural fires. CPCSD will also likely provide much of the park and recreation services to the future Cameron Hills residents; however, the District will not receive property tax and other direct charge revenue to offset the costs of providing these services.

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

RESPONSE: The current assessed value of the Cameron Hills parcel is \$365,200. A significant increase in the assessed value is expected to occur as a result of the subdivision of the Cameron Hills property and subsequent construction of residences.

The annexation is expected to provide sufficient revenue to the CPCSD to cover the short- and long-term costs of the new residents' use of existing District facilities. Although CPCSD had originally requested 25% of the property tax increment, the District and the County negotiated a property tax revenue sharing agreement based upon the Chief Administrative Officer's proposal (Attachment C), with CPCSD receiving 21% of the property tax revenue for the annexation area. Based upon this agreement, parkland dedication in lieu fees, development impact fees and any applicable assessments, the District should receive sufficient revenue for providing service to the proposed subdivision.

During the AB-8 process, the El Dorado County Emergency Services Authority expressed its dissatisfaction with this annexation to LAFCO staff. In order to grant

CPCSD a share of the property taxes, the County reduced the property tax increment of all agencies whose service boundaries encompass the Cameron Hills parcel. Among the agencies impacted, El Dorado County Emergency Services Authority's share (administered by CSA 7) was reduced by 0.9793% to a total of approximately 1.4954% (see Attachment C).

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

RESPONSE: The Cameron Hills Subdivision will consist of 41 single family homes upon subdivision. The total assessed value of the subject area is expected to increase as a result of the annexation, subdivision and development. Revenue will be collected by the annexing agency, through user charges, development impact fees, property taxes and parkland dedication in lieu fees, which is projected to be consistent with services provided, long-term agency operations and infrastructure costs. Collected revenue will offset the cost of providing fire protection and recreation services to the subdivision, but is not expected to exceed those costs.

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

RESPONSE: The annexation appears to be consistent with LAFCO and CPCSD policies and is in the best interests of the future residents of the Cameron Hills Subdivision by providing essential services to the proposed residential development. The annexation is supported by the current landowner and the annexing agency.

(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 Cameron Hills site is within CPCSD's sphere of influence and is completely surrounded by the District's service area on all sides. Annexation of the parcel will eliminate a service island and will create a more logical District service area. The District supports the annexation and has indicated that services can easily be extended to the project area. Detaching this parcel from CSA 9-Zone 17 will also create a more logical boundary line for this zone of benefit.

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 parcel is a 20-acre site set amidst existing residential neighborhoods. The site is currently vacant, with no existing development. It is surrounded by high-density residential development to the east, south, and north, with vacant land and medium density residential uses to the north.

Topography onsite is moderate to steep with the bulk of the property having slopes of 15 to 20 percent. The steepest slopes are in the westernmost corner adjacent to Woodleigh Lane, with slopes becoming gentler as the approach Cambridge Road.

Elevations range from 1,225 feet to 1,450 feet above sea level. Vegetation on the majority of the site is dominated by chaparral shrubs, with several interior live oaks on the project site.

The soil on the project site is Rescue extremely stony sandy loam. There are several ephemeral channels on the project site that drain the site to the south into Deer Creek. There are no wetlands or known cultural resources on the project site.

There are no topographical features that will hinder service to this area.

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

RESPONSE: As noted in Section 13, the parcel is surrounded on all sides by CPCSD's service area. Approval of the petition as recommended will eliminate a service island and will create a more logical CPCSD service area, as well as eliminate the designation of redundant park agencies.

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

RESPONSE: The boundaries of the proposed annexation conform to the existing lines of assessment and ownership. The proposal maps have been reviewed by the County Surveyor and have been found to be definite and certain.

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

RESPONSE: The boundaries of the proposed annexation are fully contained within the CPCSD 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 subject parcel is located in the middle of the Cameron Park Community Region and the proposal is in conformance with the existing surrounding residential uses in the area and will not introduce growth-inducing effects on the adjacent parcels. The proposed subdivision will primarily benefit only the future residents of the Cameron Hills Subdivision and is not expected to have a significant effect on the surrounding area.

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

RESPONSE: The landowner supports the proposed annexation and has not indicated that any additional comments or information need to be given consideration beyond the customary application materials. County staff and the applicant have been notified of staff's recommendation to amend the project to include the detachment of this parcel from CSA 9-Zone 17. No objections have been received.

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

RESPONSE: There are no negative impacts expected for other public service providers to the proposed annexation area. The following identifies the current public service providers and the expected impacts:

Police Protection: The El Dorado County Sheriff's Department would continue to provide police services for the Cameron Hills project area. Response times to the area would depend on the location of the nearest unit at the time of dispatch.

Water and Wastewater Service: The proposed development will require water and wastewater services, which will be provided by the El Dorado Irrigation District. The subject parcel is already within EID's current service area and will not require any boundary change by LAFCO. EID has determined that it is able to provide these services to the project, after the developer meets certain requirements set by the District.

Schools: The project site is located within the Rescue Union School District, the El Dorado Union High School District and the Los Rios Community College District. The students would most likely attend the following schools: Rescue Elementary School at 3880 Green Valley Road, Rescue; Pleasant Grove Middle School at 2540 Green Valley Road, Rescue; and Ponderosa High School at 3661 Ponderosa Road, Shingle Springs. The affected school districts will collect development impact fees from the construction of each residence to help offset the costs of providing new facilities for the additional students.

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

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

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

- El Dorado County Chief Administrative Office
- El Dorado County Department of Agriculture
- El Dorado County Elections Department
- El Dorado County Office of Education
- El Dorado County Planning Department
- El Dorado County Emergency Services Authority
- El Dorado County Representing CSAs 7, 9, 9 Zone 17, 10 and 10 Zone D
- El Dorado County Sheriff's Department
- El Dorado County Surveyor's Office
- El Dorado County Water Agency
- Farm Bureau
- Rescue Union School District
- El Dorado Union High School District
- Los Rios Community College District
- El Dorado Irrigation District
- El Dorado County Fire Protection District
- El Dorado Resource Conservation District

As noted above in Section 10, the El Dorado County Emergency Services Authority expressed dissatisfaction with the AB-8 apportionment for this annexation.

(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(I)).

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

low, low, moderate and above moderate. Allocation goals for the unincorporated portion of El Dorado County, are as follows:

MHI = Median Household Income

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

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

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

RESPONSE: In June of 2009, the Board of Supervisors approved a request to change zoning of the Cameron Hills Subdivision site from One Family Residential (R1) to One Family Residential / Planned Development (R1-PD) and Open Space / Planned Development (OS-PD). The land use designation is High Density Residential (HDR). The annexation and proposed development are consistent with the current zoning and land use designation of the subject territory.

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

RESPONSE: There are currently no registered voters residing in the proposal area and the subject territory is currently considered uninhabited per State Law. Upon completion of the Cameron Hills Subdivision development, there will be 41 residential units, resulting in approximately 123 new residents (accounting for an average of three persons per home).

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

RESPONSE: The Cameron Hills parcel is located at the center of the CPCSD service area, surrounded by existing high density residential development. The parcel is also located approximately in the middle of the Cameron Park Community Region.

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

RESPONSE: The proposed subdivision is consistent with the zoning and land use designations of the subject parcel and surrounding areas (see Section 23 for further details). The development is also consistent with existing residential development in the surrounding area.

	Zoning	General Plan	Current Land Use
Project Site: (116-010-04)	R1-PD	HDR	Vacant land: approved for development – Cameron Hills Subdivision, 41 lots (under half-acre)
North:	R1	HDR	High density residential / residences
East:	R1	HDR	High density residential / residences
South:	R1	HDR	High density residential / residences
West:	RE-5	HDR	Medium density residential / residences

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 located adjacent to any important agricultural areas. The project site and surrounding properties are designated for high-density residential development and there are no ongoing agricultural pursuits occurring within the project vicinity.

County Policy 2.2.3.1 requires that the Planned Development (-PD) Combining Zone District provide for a minimum of 30 percent open space. The project, as approved by the County, has provided for 40 percent (8.04 acres) of open space.

The project is located within or adjacent to an area that has wildlife resources (riparian lands, wetlands, watercourse, native plant life, rare plants, threatened and endangered plants or animals, etc.), and was referred to the California Department of Fish and Wildlife. The project is subject to a Department of Fish and Wildlife fee to help defray the cost of managing and protecting the States fish and wildlife resources.

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

RESPONSE: The annexation and development of the Cameron Hills Subdivision will contribute to the County in meeting its Regional Housing Needs Assessment goals for moderate to above moderate income levels. The proposal will increase available market rate housing for the central Cameron Park area, and will contribute to a decrease in the total available land for lower income housing categories. The County, however, may be able to meet these lower income regional housing needs allocations elsewhere. See Section 22 for more detail regarding SACOG's RHNA goals.

ATTACHMENTS

- Attachment A: Project Map with District Boundaries
- Attachment B: Landowner Application & Project Information
- Attachment C: BOS AB-8 Resolution
- Attachment D: El Dorado County Mitigated Negative Declaration for the Cameron Hills Subdivision
- Attachment E: LAFCO Draft Resolution L-2014-XX (amending the project to detach the parcel from CSA 9-Zone 17)
- Attachment F: LAFCO Draft Resolution L-2014-XX (originally proposed project)