

SONOMA LOCAL AGENCY FORMATION COMMISSION

Policies, Procedures and Guidelines

Revised September 2014

575 ADMINISTRATION DRIVE, ROOM 104A
SANTA ROSA, CA 95403
(707) 565-2577 FAX (707) 565-3778
www.sonomalafco.org

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SECTION I

INTRODUCTION

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PURPOSE OF LAFCO

Local agency formation commissions were created by state law in 1963 to encourage the orderly formation of local government agencies, to preserve agricultural and open space land, and to discourage urban sprawl. Sonoma LAFCO has jurisdiction over changes in local government organization occurring within Sonoma County.

Proceedings for changes of organization of special districts or cities are subject to LAFCO review, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000, et seq.) (“the Cortese-Knox-Hertzberg Act”).

A “change of organization” means any of the following:

- City incorporation;
- A district formation;
- An annexation to, or detachment from, a city or district;
- A disincorporation of a city;
- District dissolution;
- A consolidation of cities or special districts;
- A merger of a city and a district or establishment of a subsidiary district;
- The exercise of new or different functions or classes of services, or divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district

“Reorganization” means involving two or more of the above-listed changes of organization initiated in a single proposal.

The following local government agencies are specifically excluded from LAFCO jurisdiction:

- A school district or community college district
- A special assessment district
- An improvement district
- A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982
- A permanent road division formed pursuant to Section 1160 et seq. of the Streets and Highways Code

- An air pollution control district or an air quality maintenance district
- A service zone

The following local governmental agencies are not subject to LAFCO jurisdiction if the Commission of the principal county determines that they are not a “district” or a “special district:”

- A flood control district
- A flood control district and floodwater conservation district
- A flood control district and water conservation district
- A conservation district
- A water conservation district
- A water replenishment district
- A California water storage district
- A water agency and,
- A county water authority or a water authority

COMPOSITION OF SONOMA LAFCO

Sonoma LAFCO consists of seven members. The Commission is composed of two members of the County board of supervisors, chosen by the board; two members of city councils, chosen by a city selection committee composed of the mayor of each city in the county; two members of boards of directors of independent special districts, chosen by an independent special district selection committee composed of a representative from each independent special district in the county or by written ballot (paper or electronic), if the Executive Officer determines that a meeting of the selection committee is not feasible (Government Code Section 56332) and, one public member, from the general public, chosen by the other members of the Commission.

AGENCIES SUBJECT TO SONOMA LAFCO JURISDICTION

The Commission has jurisdiction over 45 independent special districts, eight dependent districts/zones, and nine municipalities. These jurisdictions, and for districts, the services they provide, are as follows. Some districts provide more than one type of service.

Cities

Cloverdale
 Cotati
 Healdsburg
 Petaluma
 Rohnert Park
 Santa Rosa
 Sebastopol
 Sonoma
 Windsor

Ambulance Districts

Coast Life Support
 Russian River Fire*
 Cloverdale Health Care

Cemetery Districts

Green Valley
 Shiloh

Fire Protection Districts

Cazadero Community Services District*
 Occidental Community Services District
 Bennett Valley
 Bodega Bay
 Cloverdale
 Rancho Adobe
 Forestville
 Geyserville
 Glen Ellen
 Graton
 Russian River *
 Kenwood
 Monte Rio
 Rincon Valley
 Roseland
 Schell-Vista
 Gold Ridge
 Timber Cove
 Valley of the Moon
 Windsor

Resource Conservation Districts (RCD)

Gold Ridge RCD

 Sonoma County RCD

Waste Disposal

Bodega Bay Public Utility District*
 Graton Community Service District
 Windsor County Water*

Health Care/ Hospital Districts

Sonoma Valley Health Care
 North Sonoma County Healthcare
 Palm Drive Health Care
 Petaluma Health Care

Pest Control District

Marin/Sonoma Mosquito & Vector Control

Water Utility Districts

Occidental Community Services District*
 Camp Meeker Recreation & Park District*
 Bodega Bay Public Utility District*
 North Bay Water
 Forestville Water
 Rains Creek Water
 Russian River Water
 Sonoma Mountain Water
 Sweetwater Springs Water
 Timber Cove Water
 Valley of the Moon Water
 Windsor County Water

Recreation and Park Districts

Cazadero Community Services District*
 Occidental Community Services District*
 Camp Meeker*
 Del Rio Woods
 Monte Rio
 Russian River

Dependent Sanitation Districts/Zones

Airport-Larkfield-Wikup Sanitation Zone
Geyserville Sanitation Zone
Penngrove Sanitation Zone
Occidental County Sanitation District
Russian River County Sanitation District
Sea Ranch Sanitation Zone
Sonoma Valley County Sanitation District
South Park County Sanitation District

Lighting and Lighting Maintenance

Occidental CSD*
Cazadero CSD *

*District providing more than one type of service

CONFLICT WITH STATE STATUTES

If any conflicts occur between the adopted Sonoma LAFCO procedures and state statutes, the state statutes shall govern.

SECTION II

COMMISSION MEMBERSHIP, MEETINGS AND BUDGET

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PURPOSE AND AUTHORITY

These rules are adopted pursuant to the authority vested in the Commission by Section 56375(i) of the Government Code, permitting the Commission to make and enforce regulations for the fair and orderly conduct of Commission hearings.

MEMBERSHIP

Commission

Sonoma LAFCO shall consist of seven regular members and four alternate members, appointed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended. The term of office of each regular and alternate member shall be four years and until the appointment and qualification of his or her successor. The expiration date of the term of office of each regular and alternate member shall be the first Monday in May in the year in which the term of the regular or alternate member expires. Any regular or alternate member may be removed at any time and without cause by the body appointing that regular or alternate member. If a county, city, or special district regular or alternate member ceases to hold his or her office during his or her term as a commissioner, that regular or alternate member's seat on the Commission shall be considered vacant.

Selection and Appointment of Members

A. County Members and Alternates

The Sonoma County Board of Supervisors shall appoint two regular members and one alternate member from its membership to serve on the Commission. The appointments shall be made in accordance with the Board of Supervisors' appointment policies and procedures.

B. City Members and Alternates

The City Selection Committee of the Mayors and Councilmembers' Association shall appoint two regular members and one alternate member, each of whom shall be a mayor or council member from one of the county's incorporated cities,

to serve on the Commission. The appointments shall be made in accordance with the City Selection Committee's appointment policies and procedures.

C. Independent Special District Members and Alternates

The independent special district selection committee shall appoint two regular members and one alternate member, each of whom shall be a member of a board of directors of an independent special district in Sonoma County, to serve on the Commission. One member shall be a board member of a fire protection, community services, or life support district (Class I), and the other member shall be a board member of any other independent special district (Class II). The alternate member shall be a board member of any independent special district in the county. The appointments shall be made in accordance with the independent special districts' appointment policies and procedures.

D. Public Member and Alternate

A public member and an alternate public member shall be appointed by the other regular members of the Commission. Selection of the public member and alternate public member shall require the affirmative vote of a majority of all the other regular members, including the affirmative vote of at least one regular member selected by each of the other appointing authorities. The public member/alternate public member cannot be a current officer or employee of the County of Sonoma or of any city or special district located in Sonoma County.

Alternate Members

Each category of membership (county, city, special district, and public) has an alternate member. Alternate members serve when a regular member, in the membership category he or she represents, is absent or chooses not to participate in a matter before the Commission. Alternate members are a valuable resource and are encouraged to attend and participate in Commission meetings and committees. Alternate members may provide comment on proposals coming before the Commission during public hearings on those proposals. Alternate members may participate in deliberations but may vote on proposals and participate in closed sessions of the Commission only when a regular member of the same category is absent or disqualifies him or herself from participating.

Member Vacancies

For the purposes of this policy, a vacancy is a position or office that is unfilled or unoccupied. A vacancy occurs if a commissioner resigns or otherwise leaves office during his or her term. Any vacancy in the membership of the Commission shall be filled for the unexpired term as follows:

A. County Members and Alternates

On behalf of the Commission, the Executive Officer shall notify the clerk of the Sonoma County Board of Supervisors requesting appointment of a replacement member to complete the term of office. The Executive Officer shall provide updated information to the Commission as to the status of the selection. Until a regular member is selected and qualified, the alternate member in that category shall serve on the Commission.

B. City Members and Alternates

On behalf of the Commission, the Executive Officer shall notify the clerk of the City Selection Committee of the Mayors and Councilmembers' Association requesting appointment of a replacement member to complete the term of office. The Executive Officer shall provide updated information to the Commission as to the status of the selection. Until a regular member is selected and qualified, the alternate member in that category shall serve on the Commission.

C. Independent Special District Members and Alternates

On behalf of the Commission, the Executive Officer shall notify the independent special districts of the vacancy and request selection of a replacement member to complete the term of office. If the Executive Officer determines that a meeting of the special district selection committee for this purpose is not feasible, the Executive Officer may conduct the business of the committee in writing, including notification to districts of the vacancy, call for nominations, and provision of a mail-ballot election. The Executive Officer shall provide updated information to the Commission regarding the status of the election process. Until a regular member is selected and qualified, the alternate member shall serve on the Commission.

D. Public Member and Alternate (*Note: All references to "public member" apply also to "alternate public member"*):

1. Unless the vacancy is announced at a Commission meeting, the Executive Officer shall notify Commissioners of the vacancy as soon as possible after notice is provided.
2. The Executive Officer shall place on the next Commission agenda consideration of filling the vacancy.
3. The Commission shall direct staff to give notice of the vacancy to the clerk or secretary of the legislative body of each local agency within the county. The Executive Officer shall provide notice to at least one newspaper of general circulation and to community and other organizations, as is deemed appropriate. The Executive Officer shall also cause notice to be posted outside the Commission's office and on the Commission's website.
4. The Executive Officer shall, unless otherwise directed by the Commission, establish an application period of 30 days from the date of the posting of the notice, for acceptance of applications. The Executive Officer shall review all applications received within the established time period, for completeness. The alternate public member may apply for the position of public member by submitting an application.
5. The Commission shall appoint an ad hoc subcommittee consisting of one regular county member, one regular city member, and one regular independent special district member. The Commission, at its discretion, may appoint an alternate county, city, or special district member, in lieu of appointing a regular member. The ad hoc subcommittee shall screen applications, interview applicants, and make a recommendation to the Commission. In selecting a candidate, the ad hoc subcommittee shall consider the applicant's qualifications as described in his or her application and the reasons he or she wishes to serve as a member of the Commission.
6. The ad hoc subcommittee shall present its findings and recommendation at a regular Commission meeting.
7. After considering the ad hoc subcommittee's recommendation, the Commission may appoint the recommended candidate or refer the matter to the ad hoc subcommittee for further review and recommendation. The Commission shall not fill the vacancy prior to the end of the application period.

8. The public member may participate as a commissioner as soon as he or she has been qualified.
9. Until the public member is selected and qualified, the alternate public member shall serve on the Commission.

Member Expiration of Term of Office

A. County Members and Alternates

In accordance with Board of Supervisors policies and procedures, the chair of the Board appoints county members in January of each year.

B. City Members and Alternates

At least 90 days prior to the expiration of the term, the Executive Officer shall notify the clerk of the City Selection Committee of the Mayors and Councilmembers' Association of the term expiration. The City Selection Committee shall appoint city regular members and alternates, according to its appointment policies and procedures. Until a regular member is selected and qualified, the alternate member shall serve on the Commission.

C. Special District Members and Alternates

At least 90 days prior to the expiration of the term, the Executive Officer shall notify the independent special district selection committee of the term expiration. If the Executive Officer determines that that a meeting of special district selection committee for this purpose is not feasible, the Executive Officer may conduct the business of the committee in writing, including notification to districts of the expiration of term, call for nominations, and provision of a mail-ballot election. The Executive Officer shall provide updated information to the Commission regarding the status of the process. Until a regular member is selected and qualified, the alternate member shall serve on the Commission.

D. Public Member and Alternate: *(Note: All references to "public member" also apply to "alternate public member").*

1. At or near the end of the public member's first term of office:

- a. At least 90 days prior to the expiration of the term of office, the public member shall notify the Commission whether he or she wishes to continue service on the Commission. If the public member wishes to continue to serve on the Commission, the Executive Officer shall place on the Commission's next agenda for which notice can be given consideration of re-appointment of the public member.
- b. The Commission may re-appoint the incumbent public member or may begin a recruitment process.
- c. If the Commission authorizes a recruitment process:
 - (1) It shall direct the Executive Officer to notify the clerk or secretary of the legislative body of each local agency within the county. The Executive Officer shall provide notice to at least one newspaper of general circulation and to community and other organizations, as deemed appropriate. The Executive Officer shall also cause notice to be posted outside the Commission's office and on the Commission's website.
 - (2) The Executive Officer shall, unless otherwise directed by the Commission, establish an application period of 30 days from the date of the posting of the notice, for acceptance of applications. The Executive Officer shall review all applications received within the established time, for completeness. The alternate public member may apply for the position of public member by submitting an application.
 - (3) The Commission shall appoint an ad hoc subcommittee consisting of one regular county member, one regular city member, and one regular independent special district member. The Commission, at its discretion, may appoint an alternate county, city, or special district member, in lieu of appointing a regular member. The ad hoc subcommittee shall screen applications, interview applicants, and make a recommendation to the Commission. In selecting a

candidate, the ad hoc subcommittee shall consider the applicant's qualifications as described in his or her application and the reasons he or she wishes to serve as a member of the Commission.

- (4) The ad hoc subcommittee shall present its findings and recommendation at a regular Commission meeting.
 - (5) After considering the ad hoc subcommittee's recommendation, the Commission may appoint the recommended candidate or refer the matter back to the ad hoc subcommittee for further review and recommendation. The Commission shall not fill the vacancy prior to the end of the application period.
- d. When a public member does not seek re-appointment or has served two or more consecutive terms of office, the Commission shall conduct a recruitment process, following the same steps as outlined in Section D (1) c above. The incumbent public member may apply for the position by submitting an application.
 - e. Selection of the public member shall be subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities.
 - f. The public member may participate as a commissioner as soon as he or she has been qualified.

Member Voting

A Commission member, or alternate member when sitting as a Commissioner, may not be disqualified from voting on any matter pertaining to his or her area or political jurisdiction (Section 56336). All Commissioners shall exercise their independent judgment on behalf of the interests of the residents, property owners, and the public as a whole and not solely the interests of the appointing authority (Section 56325.1).

OFFICERS

At the June meeting of each odd-numbered calendar year, the Commission shall elect its officers, who shall be a Chair, a Vice Chair, and a Chair Pro Tem. The Chair, Vice Chair, and Chair Pro Tem shall not be members of the same appointing authority (county, city, special district, public).

- A. The term of the Chair, Vice Chair, and Chair Pro Tem shall be two years.
- B. Should the Chair, Vice Chair, or Chair Pro Tem cease to be a member of the Commission, the Commission shall elect a successor to fill the unexpired term of the position at the next regular Commission meeting following the occurrence of the vacancy.
- C. The Chair shall preside at Commission meetings and shall conduct the business of the Commission in the manner prescribed by these rules. If the Chair is not present, the Vice Chair shall preside at the meeting. If neither the Chair nor Vice Chair is present, the Chair Pro Tem will preside. If none of the Officers is present, the Executive Officer will preside until a Chair is elected, from those Commissioners present, to act as Chair for the meeting. The Chair shall preserve order and decorum and shall decide questions of order subject to action of a majority of the Commission. The Chair shall be permitted to participate in debate without surrender of the chair.
- D. The Chair has the authority to act outside a meeting, in consultation with the Executive Officer, on procedural and administrative matters that cannot reasonably be deferred to the next Commission meeting.
- E. The Chair has authority to recommend members to standing subcommittees of the Commission and special-purpose subcommittees not named in these rules.

STANDING COMMITTEES

A Budget Committee and a Policy Committee are established as standing committees of the Commission. Each Committee shall have three regular members and up to three alternate members. Alternate members may be assigned to only the specific sub-

committee on which a regular member from the same category as the alternate (county, cities, special districts, public) serves. Each standing committee shall meet quarterly, or as necessary, and report to the full Commission. At the first meeting in each odd-numbered calendar year, the Chair shall nominate and the Commission may ratify the assignments to the standing committees. In the event of a vacancy, the Commission shall appoint a new member to serve the remainder of the term.

MEETINGS

Regular Meetings

Regular meetings of this Commission shall be held on the first Wednesday of each month, beginning at 2:00 p.m., unless modified by the Commission. The Commission staff will develop the annual meeting schedule and present it to the Commission for acceptance, prior to the first meeting of the calendar year. If a regular meeting date falls on a holiday, the regular meeting shall be held on the next succeeding Wednesday that does not fall on a holiday, unless modified by the Commission. If no matters have been set for a regular meeting and there is otherwise no business to transact, the Chair or the Commission, upon recommendation of the Executive Officer, may cancel the regular meeting and direct the Executive Officer to notify members of the Commission and those on the Commission's mailing list for meetings; notification of the cancellation will be posted on the Commission's website.

Special Meetings

Special meetings may be called by the Chair or the Commission by delivering personally, by mail, or by email, written notice to each member and to each local newspaper of general circulation, which has requested notice in writing. Such notice must be delivered at least 24 hours before the time of such special meeting as specified in the notice. The order calling the special meeting will specify the time, date and place of the meeting and the business to be transacted. No other business will be considered at that meeting. The call and notice will be posted at least 24 hours prior to the special meeting at the Commission's regular place of posting and on the Commission's website. The Commission may also determine, at a regular meeting, the need for a special meeting and may set a date, time, and place for the special meeting; all notification provisions will be followed.

Adjourned Meetings

The Commission may adjourn any meeting to a date and place certain. Any adjourned meeting shall be deemed a part of the original meeting so adjourned.

Location of Commission Meetings

Unless otherwise determined by the Commission, all Commission meetings are held in the Board of Supervisors' Chambers, Sonoma County Administration Building, 575 Administration Drive, Room 102A, Santa Rosa, California. Committee meetings may be conducted in conference rooms at the same general location, if possible.

Agendas for Meetings

At least 72 hours before a regular meeting, an agenda will be posted both at the Commission's regular place of posting and on the Commission's website. The agenda shall contain a brief description of each item of business to be transacted or discussed at the meeting.

Commission Mailing for Meetings

For each meeting, Commission staff will prepare an agenda, to be mailed, distributed personally, or emailed to Commissioners, depending on their preference, approximately one week before the meeting, to allow Commissioners opportunity for review. Also included in the mailing will be the Executive Officer's Report(s), including recommendations, draft resolutions, if appropriate, other materials relating to matters to be considered at the meeting, and minutes of the previous regular meeting and any intervening special meeting.

At least five days prior to the meeting, copies of the Executive Officer's Report(s) shall be mailed, or otherwise made available, to agencies and persons deemed by the Executive Officer to be affected parties or parties in interest. The Executive Officer's Report(s) shall be made available to the public not less than five (5) days prior to the hearing but not before the report is made available to the Commission.

Pursuant to SB 343, any writings or documents provided to a majority of the members of the Commission regarding any item on this agenda after the posting of the agenda and not otherwise exempt from disclosure will be made available for public review at the Commission office during normal business hours. If the supplemental materials are

made available to the members of the Commission at the meeting, a copy will be available for public review at the office and at the Commission meeting itself

The agenda, Executive Officer's Report(s), and other writings for the meeting shall be made available for public inspection in compliance with the Government Code.

MEETING PROCEDURE

Quorum

A quorum is the number of Commissioners who must be present to legally conduct business. Four or more members of the Commission constitute a quorum. A majority vote of the total membership (i.e., a vote of four members) shall be required to transact business; no act of the Commission shall otherwise be valid or binding. On a tie vote, the motion fails. When an alternate member replaces a regular member, he or she is considered a regular voting member.

Public Participation

All meetings of the Commission and its standing committees shall be open to the public. Property owners, registered voters, interested parties and members of the public are encouraged to attend Commission meetings and state their views.

- A. Any interested persons may address the Commission on any matter not on the agenda during the time allotted on the agenda for "General Public Comment."
- B. The Chair will announce the opportunity for public comment during public hearings on items on the Commission's agenda.
- C. The Commission will hear and consider all oral or written comments presented by any affected agency or any interested person on any agenda item.
- D. The Commission Chair may regulate the order of such presentations and may direct the focus of public comment for any given proposal.
- E. Comments of approximately three minutes per speaker are generally allowed. The Chair has full discretion and authority to impose time limits or grant

additional time to any speaker. When the Commission considers a proposal, the Chair may allow more time to an applicant and/or his or her representative or proponent and/or to an organized opposition group.

- F. Persons wishing to speak to the Commission should approach the Commission and, upon being recognized by the Chair, are asked to state their names and addresses for the record.
- G. Only those issues that are brought up at the public hearing or in written correspondence delivered to the Commission at or prior to a meeting may be raised in any legal challenge to actions taken by the Commission.

Public Hearing

All statements and questions from interested parties shall be directed to the Commission. To expedite proceedings, the Commission may regulate the order of such presentations and limit the time of each party's presentation. However, the Commission shall permit sufficient time to obtain necessary information on which to render its decision.

Vote

In the absence of an objection, the Chair may order the motion unanimously approved by the members present. This rule, however, shall not prohibit any member of the Commission from making a motion if he or she so wishes.

Roll Call Vote

The roll need not be called in voting upon a motion unless ordered by the Chair or requested by a member. When the roll is called on any motion, all members shall vote audibly. The Chair shall be called last, and the vote of each Commissioner shall be recorded.

Calendar

The Commission, in a single action, may act on more than one item at one time if those items are listed on the agenda under the heading "Consent Calendar."

Upon the request of any Commissioner, however, any item on the Consent Calendar shall be placed on the Regular Calendar. Items meeting the following criteria may be placed on the Consent Calendar:

- A. No notice is required under law.
- B. The proposal is consistent with applicable general or specific plans.
- C. The proposal is submitted with appropriate environmental documentation.
- D. The proposal has one or more of the following characteristics:
 - 1. The reason for the proposal is to obtain services primarily for existing uses.
 - 2. The proposal meets the requirements of Government Code Section 56375.3(a), prohibiting Commission denial of proposed annexations of territory substantially surrounded by the annexing city under specific circumstances. The Commission defines "substantially surrounded" territory as territory contiguous to the annexing city on at least 75 percent of its boundaries.
 - 3. The affected territory is fewer than 10 acres.
 - 4. Approval of the change of organization or reorganization is expected to result in residential development potential of fewer than 10 single-family units, or if comprised of commercial, industrial, or mixed uses, would potentially utilize sewer capacity of fewer than 10 equivalent single-family dwellings.
 - 5. The reason for the proposal is to obtain services other than sewer or water service.
 - 6. The proposal is otherwise not controversial.

Suspension of Order of Business

The order of business may be suspended at the discretion of the Chair, unless a majority of the Commissioners present expresses opposition.

Non-Agenda Items

Non-agenda items shall not be acted upon except as allowed by the Brown Act.

Records of Proceedings

Proceedings of Commission meetings shall be reported in writing and shall be permanently maintained in an appropriate Minutes File, which may be in digital form. A copy of the minutes of the preceding regular meeting and any intervening special meeting shall be mailed or otherwise distributed to each Commissioner along with the agenda. After Commission action, the approved minutes shall constitute the official record of the Commission.

BUDGET AND OPERATIONS

- A. In accordance with statutory requirements, the Commission shall adopt a proposed budget by May 1 and a final budget by June 15 of each year. Copies of the proposed and final budgets will be provided to the county and to the cities and independent special districts within the county, for comment and review. In accordance with the Cortese-Knox-Hertzberg Act, the proposed and final budgets shall equal the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will allow the Commission to fulfill its purposes and programs. The Commission shall approve all budgetary adjustments occurring during a fiscal year.

- B. The operating budget will cover the cost of salaries and benefits for Commission staff as well as costs associated with services and supplies necessary to carry out the Commission's goals and policies. Revenues from funding agencies and miscellaneous sources will be included to balance the Commission's budget. Revenues from processing fees shall be credited to the Commission's reserve fund. The Commission shall maintain a minimum reserve fund as determined by the Commission.

- C. In accordance with statutory requirements, the county, cities, and independent special districts will be responsible for funding net operating costs of the Commission. Each year, after the Commission adopts the final budget, the Sonoma County Auditor will bill each funding agency for its proportionate share of the Commission's net expenses, according to a formula approved by funding agencies in 2004 i.e., the county will pay 40 percent of net operating costs, the cities, as a whole, will pay 40 percent of net operating costs, and the independent special districts, as a whole, will pay 20 percent of net operating costs. Statutory authority provides mechanisms for the Auditor to collect the amounts apportioned.
- D. In the event that budgeted funds are inadequate due to changing operational needs and requirements, in accordance with provisions of the Cortese-Knox-Hertzberg Act, the Commission may request a loan from the county, to be repaid during the next fiscal year.
- E. The Executive Officer, or upon direction, the Assistant Executive Officer, shall serve as budget administrator to prepare, present, and transmit the budget to other agencies and to review, execute, and maintain the budget.
- F. Fund Balance: The Commission shall determine the amount of an unreserved/ undesignated fund balance to be maintained, to provide for contingency needs of the Commission. If the fund balance amount exceeds the Commission's determination, near or at the end of a fiscal year, the Commission, upon recommendation of Commission staff, may use the fund balance in the next fiscal year.

FEES

- A. Each year, as part of the budget process, the Commission will review fees proposed by staff and adopt a fee schedule, for the purpose of recovering costs associated with proceedings taken pursuant to the Cortese-Knox-Hertzberg Act. With notice, the Commission may change fee amount charged at any time.
- B. Fees are a flat charge or a deposit towards the actual cost of staff time and auxiliary charges from outside vendors. When deposits are made, the Executive Officer shall issue to the applicant, upon completion of a project, a statement

detailing all expenditures in excess of the deposit, or credits, if warranted. Excess funds shall be refunded to the applicant, as appropriate, and additional funds owed will be charged; all fee amounts owed must be paid prior to recordation of a certificate of completion for a project that the Commission has approved. Should fees be owed for a project denied or terminated, the outstanding amount must be paid within 90 days of the billing date or risk collections.

- C. In accordance with the Cortese-Knox-Hertzberg Act, the fees will not exceed the reasonable cost of providing the service.
- D. Applications submitted to the Commission must be accompanied by a non-refundable fee or deposit, as determined from the Fee Schedule in effect at the time the application is submitted. Unless other circumstances exist or other determinations have been made, processing will not begin until the application fee or required deposit is paid in full.
- E. The Commission may waive a fee if it finds that payment is detrimental to or contrary to the public interest.
- F. If an application is withdrawn by the applicant prior to the time that the application has been publicly noticed for hearing by the Commission, one-half of the processing fees shall ordinarily be returned to the applicant. If it is shown that the cost of processing as of the date of the request for withdrawal has exceeded the processing fees paid by the applicant, the Commission may choose to deny the return of fees or return less than half of the processing fees.
- G. If the Commission denies, without prejudice, an application for a change of organization or reorganization, processing fees may be waived at the time of re-application if all of the following occur:
 - 1. The Commission states its intention to waive fees upon re-application at the time of denial, or staff recommends a fee waiver at the time of re-hearing.
 - 2. Re-application is made to the Commission not less than one year or more than 18 months from the date of denial.
 - 3. The re-application request for a change of organization or reorganization is substantially similar to that of the original application. The Commission may also waive fees under other circumstances as deemed appropriate by the Commission.

- H. The Commission may waive fees charged for proposals involving the consolidation, merger, reorganization or annexation of fire services agencies, where a fire services agency is the applicant. The proposals shall include the following factors:
1. Consolidation, merger or reorganization of two or more existing fire districts. To qualify, the project must be capable of using a categorical exemption or a negative declaration for the purposes of the California Environmental Quality Act.
 2. Annexation of territory served by an existing volunteer fire department(s) or fire agency under contract to an existing fire district. To qualify, the project must be capable of using a categorical exemption or a negative declaration for the purposes of the California Environmental Quality Act.
 3. The Executive Officer determines that there is a demonstrated need to waive the fees for the fire services agency filing the application and the benefits of the project exceed the costs.

PUBLIC DISCLOSURES

Ethics Training

The California Government Code requires that all legislative body or local agency officials receiving compensation, salary, stipends or reimbursement for expenses receive ethics training as specified in Government Code section 53234-53235.2. Commission Counsel has determined that Commissioners are not included in these provisions and are not required to complete such training. However, a Commissioner who serves on a legislative body or local agency that does require ethics training should provide a copy of the certificate of training to Commission staff upon completion of the training.

Financial Disclosures

- A. Pursuant to Government Code Section 84308, regular members and alternate members are prohibited from accepting campaign contributions of \$250 or more from any person wishing to participate in proceedings by actively supporting or

opposing an application that will come before the Commission. This prohibition begins 12 months preceding the date on which an application is before the Commission and continues until three months after a final decision is rendered by the Commission. Any regular member or alternate member who has accepted such a contribution must disqualify himself or herself from the decision in the proceeding unless the regular member or alternate member returns that campaign contribution within 30 days of learning about the contribution and the fact that his or her contributor is a participant in the proceedings.

- B. Pursuant to Government Code Sections 56700.1, 57009, and 81000 et seq., any direct or indirect expenditures made for political purposes related to a proposal for a change of organization or reorganization that will be submitted to the Commission or for proceedings for a change of organization or reorganization that will be conducted by the Commission and contributions of \$1,000 or more in support of or in opposition to that proposal and/or that proceeding must comply with reporting and disclosure requirements of the California Political Reform Act of 1974, to the same extent and subject to the same requirements in that law as provided for local initiative measures.

SECTION III

STANDARDS, POLICIES, AND GUIDELINES FOR THE EVALUATION OF PROPOSALS

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The Sonoma Local Agency Formation Commission hereby adopts the following standards, policies and guidelines for the evaluation of proposals and repeals all resolutions in conflict therewith.

PURPOSE AND AUTHORITY

The Cortese-Knox-Hertzberg Act of 2000 amended Government Code Section 56300 to state

It is the intent of the Legislature that each commission, not later than January 1, 2002, shall establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.

This section implements the provisions of Government Code Section 56300 and the legislative intent and policies contained in the Cortese-Knox-Hertzberg Act of 2000.

APPLICATION

The Sonoma Local Agency Formation Commission hereby declares that these policies, standards, and guidelines shall be used by this Commission and its staff in evaluating all proposals for changes of organization and reorganizations. The Commission recognizes that not all of these policies, standards, and guidelines may necessarily apply to a given proposal. Furthermore, because of the unique circumstances of any given proposal, two or more applicable policies may potentially conflict. In evaluating a proposal, this Commission will consider these policies, standards, and guidelines, the Executive Officer's Report, and information presented by all interested parties at the public hearing.

JUSTIFICATION

If a proposal is inconsistent with one or more of the following policies, the applicant may be required to submit written justification for each inconsistency as a supplement to the application. If all required justifications are not submitted, the application shall not be accepted for filing.

POLICIES AND GUIDELINES

Policy: Agricultural Lands

Policy

In addition to considering the policies and priorities set forth in Government Code Section 56377 the Commission shall conform to the following policies in reviewing and approving or disapproving proposals that may result in the conversion of agricultural land to non-agricultural uses:

1. Agricultural significance of the subject territory and adjacent areas relative to other agricultural lands in the region.
2. Use of the subject territory and adjacent areas.
3. Whether public facilities for proposed development would be a) sized or situated so as to facilitate conversion of adjacent or nearby agricultural land, or b) extended through agricultural lands that lie between the project site and existing facilities.
4. Whether uses incompatible with adjacent agricultural uses are expected to result from the proposal and whether natural or man-made barriers would buffer adjacent or nearby agricultural lands from the effects of proposed development or other incompatible uses.
5. Whether the subject territory is located within the sphere of influence of a city or district providing sewer and/or water service or within an "Urban Service Boundary" designation of the Sonoma County General Plan.
6. Provisions of applicable general plan open space and land use elements, growth management policies, or other statutory provisions designed to protect agriculture.

The Commission shall discourage proposals which would likely convert to urban uses those lands identified by the County General Plan as suitable for long-term agricultural or open space use or identified by the Sonoma County Agricultural Preservation and Open Space District Acquisition Plan as a priority for acquisition or protection in cooperation with willing landowners.

Legal Authority

The Legislature provided each LAFCO with the authority to "establish written policies and procedures and exercise its powers...in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns." (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

Adopted: 2006

Amended: June 5, 2013

POLICY: Change of Organizational Boundaries

Policy

It is the policy of the Commission to:

1. Ensure that every determination made by the Commission is consistent with the spheres of influence of the local agencies affected by that determination.
2. Require that proposals for a change of organization or reorganization are consistent with the formation of orderly and logical boundaries.
3. Require that boundary descriptions accompanying proposals for a change of organization or reorganization are definite and certain.
4. Amend, condition, or disapprove proposals which create boundaries that are not definite and certain or that do not conform to lines of assessment or title. The splitting of lines of assessment or title shall be avoided, except for existing environmental limitations, such as wetlands, agricultural use or open space designation in a long-range or regulatory plan.
5. Disapprove proposals whose boundaries conflict with existing local agency jurisdictional boundaries.
6. Require that all proposals for annexation to a city include streets within the proposal area and the entire width of any street bounding the proposal area; the streets shall become city streets upon annexation. The Commission may exclude from a proposal any street bordering the affected territory if the Commission concludes that such exclusion would result in more logical boundaries.
7. Discourage boundaries which divide an identifiable community, commercial district, or any other area having social or economic homogeneity.
8. Discourage boundaries which are drawn so as to include only commercial or industrial areas, excluding adjacent residential areas.
9. Disapprove proposals for a change of organization or reorganization in which the proposed boundary configurations produce areas that are difficult or impossible to serve.

Legal Authority

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 encourages logical and orderly growth. To accomplish that goal, the Commission should adopt some guiding principles based on Government Code Section 56001, which states in part:

The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.....Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

Background and Discussion

In preparation of an application, proponents often require direction on how to tailor specifics of the proposal to meet the expectations of the Commission. The above guidelines are designed to provide the necessary direction to prepare a complete application that meets the minimal standards for processing.

Adoption Date: September 3, 2014

Policy: City of Cloverdale Sphere of Influence

Policy

In establishing the sphere of influence for the City of Cloverdale (City), the Commission's policies are as follows:

1. Prior to the Commission's consideration of the annexation of territory to the City, the City shall provide a Plan for Services demonstrating that the City has the fiscal and physical capability to provide municipal services to that territory.
2. Properties to the south of the existing City limits, including the "Industrial Exception Area" (Exhibit A), shall be considered for annexation only after a specific plan for the territory has been prepared and approved by the City and presented to and reviewed by the Commission. At a minimum, the specific plan shall include the pre-zoning of all the territory to be annexed, provisions for the preservation of open space, both within and adjacent to the territory and of agricultural lands adjacent to the territory, the extent, cost and financing of the proposed infrastructure improvements, and the proposed timing of development. Additionally, prior to annexation, the territory shall be brought within the voter approved Urban Growth Boundary.
3. Properties located to the west of the City between the existing City boundary and the 550 foot elevation (Exhibit B) shall be considered for annexation to the City provided that any portion of a parcel located above the 400 foot or 550 foot elevation (whichever is applicable to the property) is placed into a conservation easement, deeded to a public agency or otherwise restricted to open space or recreational uses to the satisfaction of the Commission. The conservation easement or restrictions shall be in favor of a third party, such as the Regional Park District, the Agricultural and Open Space District or Land Trust.

Legal Authority

The California Government Code states, in part:

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

Further, the Government Code defines a "sphere of influence" as a plan for the probable physical boundaries and service area of a local agency, as determined by the

Commission. Key to the definition is that the sphere of influence is a plan, which includes a map. This policy provides the plan for future expansion of the City.

The policy ensures logical and orderly development, provides a plan for the implementation of the sphere of influence and preserves the agricultural resources of Sonoma County.

Background and Discussion

The General Policy for establishing the Spheres of Influence for Cities states:

Spheres of influence are established by LAFCO to identify the probable physical boundaries and service areas of cities. Spheres of influence must be updated every five (5) years and are amended as conditions warrant. The intent of this policy is to promote the efficient, effective, and equitable delivery of local and regional services for existing and future residents through spheres of influence and to encourage a collaborative process with agencies.

By 2008, the Commission confirmed existing spheres of influence for all nine cities in the county. The spheres of influence and Urban Growth Boundaries for the nine cities in the County where voters have approved them often coincide, and, for most cities, the Urban Service Boundary, as designated in the Sonoma County General Plan, is frequently the same "line." However, because of the Board of Supervisors' approval of the 2020 General Plan in September 2008, there are a number of instances in which these three lines are not coterminous, i.e., where a city's sphere of influence differs from its Urban Growth Boundary and Urban Service Boundary, which are generally coterminous. In those cases, besides reviewing the general policy, the Commission, must evaluate any changes to the sphere of influence using the following criteria:

1. Relationship to city boundary, streets, open space
2. Existing uses
3. Size & development potential of parcel
4. Topographical & physical considerations
5. City's willingness to serve
6. City's ability to serve
7. Planning principles
8. Legal agreements and settlements

First, the City has requested that its sphere of influence be amended to include territory outside its Urban Growth Boundary and the County Urban Service Boundary. This request is exceptional and requires special conditions.

The special conditions are based on the City's General Plan having several unique policies, and physical features, including conservation areas outside its Urban Growth Boundary and "exception areas" inside its Urban Growth Boundary but not contiguous to the City boundary.

In order to annex the "Industrial Exception Area" the intervening territory between the City boundary and the "exception area" needs to be annexed. The intervening area consists of a variety of uses. To accommodate the goals of the City and conservation of agricultural and open spaces, a comprehensive specific plan is necessary.

Second, the City has stated that development west of the City should be limited to low intensity residential development, provided there is off-setting open space mitigation. While the Commission respects the City's desire to limit development and encourages open space areas, it also desires assurance that once annexed, urban level development does not occur in the conservation areas. Therefore, prior to considering any of the parcels in this area for annexation, the Commission will require documentation that a large portion of the parcel remains as open space in perpetuity.

Adopted: July 2, 2014

POLICY: City of Santa Rosa Southwest Area Annexations

Policy

For purposes of this policy, the Southwest Area of Santa Rosa is defined as the area generally bounded by California State Highway 12 to the north, South Wright Road to the west, the City of Santa Rosa Sphere of Influence to the south, and U.S. Highway 101 to the east.

1. The Commission will consider annexation to the City of Santa Rosa of any parcels located within the Southwest Area of Santa Rosa, as defined in this policy, only after a plan to annex all the unincorporated islands, located within the policy area and completely surrounded by the City, has been prepared by the City and reviewed by the Commission.
2. The Commission may consider annexation of unincorporated islands completely surrounded by the City and of fewer than 150 acres prior to the completion of the plan prepared by the City, provided that the annexation boundary includes the entire unincorporated island.
3. The annexation plan prepared by the City is not required to include those unincorporated areas within the City's sphere of influence that are only partially surrounded by the City, referred to as "fringe islands." Fringe islands have various shapes and individual characteristics, and the Commission understands that annexation of these areas maybe an incremental process. However, the Commission encourages that annexation proposals for these fringe islands include logical and uniform boundaries.

Legal Authority

The Knox-Cortese-Hertzberg Local Government Reorganization Act of 2000 encourages the logical extension of services.

Section 56001 states in part:

"The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services. The Legislature also

recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development. *Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.*” (Emphasis added)

The numerous “unincorporated islands” within City boundaries do not constitute logical boundaries or provide for efficient delivery of services.

Background and Discussion

In 2005, the Commission denied a proposal for a reorganization involving 58 parcels located in Southwest Santa Rosa. The reorganization would have reduced the overall size of an island but created two additional islands. Prior to denying the annexation, the Commission requested that the City amend the proposal to include additional territory. The Commission-recommended annexation boundary would have created a more logical City boundary, provided more effective delivery of City services, and shown a proactive approach, by the City, to the annexation of the entire Southwest area. The City declined to amend the boundary.

The Commission made the following findings and determinations with respect to the proposal:

- (a) Commission policy encourages orderly growth and development and discourages the creation of islands of unincorporated territory surrounded by City territory.
- (b) Annexation of the affected territory to the City of Santa Rosa would create two additional islands and create an illogical boundary.
- (c) Annexation of the affected territory to the City of Santa Rosa may impose service delivery problems and confusion for residents and affected agencies.
- (d) Annexation of all, or a large portion of, the Southwest Santa Rosa area would promote a more cohesive, logical City boundary and more effective delivery of services.

This policy reflects the Commission’s desire to encourage orderly growth, create logical boundaries and eliminate service delivery problems. This policy will require the City of Santa Rosa to prepare a comprehensive plan for annexations. Until such a plan has

been reviewed by the Commission, proposals to annex to the City in the Southwest area will not be approved.

Adoption Date: September 3, 2014

Policy: Comments from Affected Districts and Agencies

Policy

In the review and consideration of proposals, the Commission shall take into account the comments of affected district or affected local agencies. To the extent that such comments reflect the laws and policies of this Commission, the Commission shall give considerable weight to such comments.

Legal Authority

The California Government Code defines an affected district and affected local agency as:

"Affected district" means any special district, as defined by Section 56036, that contains or would contain, or whose sphere of influence contains or would contain, any territory for which a change of organization is proposed or ordered either singularly or as part of a reorganization.

"Affected local agency" means any local agency that contains, or would contain, or whose sphere of influence contains or would contain, any territory for which a change of organization is proposed or ordered, either singularly or as part of reorganization or for which a study is to be reviewed by the commission.

The law further states that the commissions shall review specific factors. Specifically California Government Code §56668 states the factors to be considered as follows:

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

- (i) The comments of any affected local agency or other public agency.*

The law gives little guidance on the weight a commission should give to the comments from an affected district or affected local agency in the commission's review and consideration.

Background and Discussion

The Commission believes local jurisdictions should work cooperatively to solve problems and create partnerships in the delivery of services. When conflicts exist between an applicant agency and an affected district or affected local agency, the Commission, in making its decision, shall attempt to resolve the conflict based on applicable laws and the merits of the proposal. Where possible, the Commission

encourages the agencies to resolve such conflicts prior to the LAFCO hearing on the proposal.

Adopted: 2006

Amended: June 5, 2013

Policy: Community Separators

Policy

The Commission shall disapprove any proposal to the extent that such proposal proposes any of the following for any territory having a community separator designation in the Sonoma County General Plan:

1. Annexation to a city.
2. Annexation to a special district providing sewer or domestic water service.
3. Inclusion within the sphere of influence for a city.
4. Inclusion within the sphere of influence for a special district providing sewer or domestic water service.

Legal Authority

The Legislature provided each LAFCO with the authority to “establish written policies and procedures and exercise its powers...in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.” (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

Background and Discussion

Community identity is an important aspect of the quality of life for many of the county's residents. Large, continuous areas of urban development where one city or community merges with another without visual relief may detract from this identity. Containment of urban areas is also important in maintaining compact city and community boundaries. On the other hand, property owners often consider areas between and around cities and communities to be prime land for development. The County General Plan 2020 Land Use Element designates these important lands and establishes policies consistent with the Open Space and Resource Conservation Element to reserve them between and around cities and communities. These designations and policies have been strongly supported by County and City decision makers and have been reinforced by the passage of two ballot measures that require voter approval prior to any significant change in their status.

There are eight areas that have been designated as community separators. These areas are as follows:

Petaluma/ Novato
Petaluma/ Rohnert Park
Rohnert Park/Santa Rosa

Santa Rosa/ Sebastopol
Windsor/Larkfield/Santa Rosa
Windsor/Healdsburg
Northeast Santa Rosa
Glen Ellen/Aqua Caliente

Sonoma LAFCO supports creation and continuation of these community separators.

Adopted: 2006

Amended: June 5, 2013

Policy: Consistency with City or County General and Specific Plans

Policy

Proposals shall be consistent with applicable city and county general and specific plans. The Commission discourages proposals that promote urban development in areas not designated for urban development by applicable plans.

Legal Authority

The legislature directed the Commission to consider a number of factors and policies in its review of proposals, in compliance with State law (§56668). One of the factors articulated in §56668 to be considered is city and county general plans.

The law states:

56668. Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

- (g) A regional transportation plan adopted pursuant to Section 65080, and consistency with city or county general and specific plans.

Background and Discussion

For the purposes of this policy, areas intended for urban development by the Sonoma County General Plan are those areas included in the County General Plan "urban service area" boundaries and areas included within a city's voter-approved "urban growth boundary." These boundaries have major impacts on the Commission's determinations as to the appropriate provision of urban services.

When conflicts exist between applicable general plans, the Commission, in making its decision, shall attempt to resolve the conflict based on applicable laws and the merits of the proposal. Where possible, the Commission encourages the affected jurisdictions to meet and resolve such conflicts prior to LAFCO consideration. In cases where there is a conflict between county and/or city general plans and LAFCO policy, the Commission's policy shall govern.

In 2009, state legislation added language to the factors that LAFCOs must consider in their review of proposals. Specifically, the Commission must now consider "a regional transportation plan." The regional transportation plan refers to provisions in the "Sustainable Communities and Climate Protection Act of 2008." Many regions in the state must prepare plans and, as active participants in the plan, LAFCOs are required to consider them in their decisions. As of 2011, the Association of Bay Area Governments and the Metropolitan Transportation Commission are developing the Sustainable

Communities Plan for the nine-county San Francisco Bay Area. Until a plan is adopted for Sonoma County, it is premature to include consideration of a regional transportation plan in the Commission's decisions.

Adopted: August 2006 as Policy 5

Amended: June 1, 2011

Policy - Consolidations and Mergers

Policy

The Commission encourages local government agencies to cooperate with each other in pursuit of providing services most efficiently and reducing costs. As a significant initial step, the Commission encourages agencies to enter into functional agreements, such as memoranda of understanding or joint powers agreements, in instances where the results of a special study initiated by agencies or a Municipal Service Review finds that such agreements would result in the better provision of services and reduction of costs. Experience under such agreements may determine the practical implications of potential future changes of organization, such as consolidations or mergers.

In instances where the implementation of such a functional agreement has provided satisfactory results for all affected agencies, the Commission encourages agencies to pursue changes of organization, such as consolidations or mergers.

By law, LAFCO has the power to initiate consolidations and mergers. Although the Commission generally defers operational considerations to local agencies, it reserves the right to initiate proposals for consolidation, or merger, when:

There is documentation through a Municipal Service Review or similar study that such a reorganization is physically and economically feasible, and

Reasonable efforts have been made by the Commission and affected agencies' staff to encourage the initiation of the action by resolution of one or more of the affected agencies.

All Municipal Service Reviews shall include review and analysis of any potential consolidations and mergers of the affected agencies.

Legal Authority

The Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Government Code §56000) (the Act). One of the Commission's responsibilities is to conduct comprehensive, regional studies of municipal services (Municipal Service Reviews, or MSR) in conjunction with reviews of city and district spheres of influence (SOIs). The Act requires the Commission, in a Municipal Service Review, to make determinations with regard to: (1) growth and population projections; (2) location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (3) present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies including any disadvantaged unincorporated communities (4) financial ability of agencies to provide services, (5) status of, and

opportunities for, shared facilities; (6) accountability for community service needs, including governmental structure and operational efficiencies; and (7) any other matter related to effective or efficient service delivery, as required by commission policy. The combination of these factors encourages the review and analysis of agencies' governance structures, including potential consolidations and mergers.

Background and Discussion

In recent years, there has been growing concern about the economic viability of many of the special districts in Sonoma County. In some cases, district expenditures for core services exceed traditional revenue sources. Enterprise districts, such as water districts, can charge for the services they provide, and special districts have the power to request special taxes or fee increases from constituencies to fund district operations. However, in cases where voters do not approve increased taxes or fees, other options for generating sufficient revenue may be limited.

The Commission prefers that special districts work cooperatively to find mutually beneficial solutions to common problems. The first step is to look at internal opportunities for reduced costs and efficient administration of services. If necessary, a district should then look externally to consider opportunities for cooperation with other agencies, including nearby cities or other districts providing similar services and/or those with contiguous boundaries.

The Commission on Governance for the 21st Century noted that joint powers agreements (JPAs) are valuable tools. The Commission saw that the rapid growth of joint powers agreements in recent years did not necessarily indicate increasing fragmentation in governance. Rather, it might signal the opposite. Although some JPAs are formed solely to take advantage of a financing mechanism not otherwise available, most are true collaborations of governments that promote greater cooperation and coordination of services, if only for specific purposes. The Commission noted advantages from the use of joint powers agreements included the following: (1) efficiencies may be attained in providing services; (2) public improvements may be financed more easily; (3) grants may be more easily accessed; (4) organizational flexibility is enhanced; (5) regional problems may be addressed; and (6) local power is retained.

In Sonoma County, the City of Sonoma and the Valley of the Moon Fire Protection District have formed the Valley of the Moon Fire and Rescue Authority under a Joint Powers Agreement. The Russian River Fire Protection District and the Forestville Fire Protection District have an agreement to share a fire chief. Further, as of September 1, 2011, the Central Fire Authority of Sonoma County assumed administrative control of the Rincon Valley Fire Protection District and the Windsor Fire Protection District. The Commission recognizes and encourages these types of cooperative ventures.

In cases where districts are unable to identify cost reduction opportunities, the Commission may initiate and provide reviews or special studies to assist these agencies. The Commission's main analytical tool, the Municipal Service Review, provides insight into the operations of the special districts. Though it is not the intent of the Commission to dictate operational changes or impose prescriptive solutions upon the subject district, the Act does direct the Commission to perform these reviews and requires the Commission to make determinations as indicated in the Legal Authority section, above.

In summary, the Commission believes that a cautious, metered, long-term plan is preferable to an abrupt reaction to immediate, though critical, problems. Consolidations and mergers are significant changes in governmental functions that need thorough review to determine the long-term implications.

Adopted: May 2, 2012

Policy: Designation of Disadvantaged Unincorporated Communities

Policy

The Commission determines that a “disadvantaged unincorporated community” in Sonoma County is a community identified in the 2010 United States Census as a “Census Designated Place,” with an annual median household income that is less than 80 percent of the statewide annual median household income pursuant to Section 79505.5(a) of the Water Code. The disadvantaged unincorporated communities in Sonoma County are: Boyes Hot Springs, Cazadero, Glen Ellen, Guerneville, Monte Rio, Temelec and Valley Ford.

Although, currently, there are no disadvantaged unincorporated communities contiguous to or surrounded by a city in Sonoma County, it is the Commission’s policy to deny an application for annexation to a city of territory greater than 10 acres if there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community has been filed with the executive officer. An application for annexation of the disadvantaged community shall not be required if an application for the same disadvantaged unincorporated community has been made in the preceding five years or if the Commission finds, based on written evidence, that a majority of the registered voters within the affected territory are opposed to annexation.

The Commission determines that “written evidence,” as used in Government Code Section 56375(a)(8)(B)(ii), may be in the form of annexation sentiment survey results from registered voters of the disadvantaged unincorporated community. The survey mailing list should be provided to the Commission, and the annexation survey should include information explaining the costs and benefits of potential annexation with regard to services, land use, voting, etc. The survey must be completed no more than two years prior to the filing of the annexation proposal.

Legal Authority

The Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Government Code §56000 et seq.) (“the Act”).

The Commission has both the power and duty to review and approve, with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the Commission (Government Code §56375). The Commission may adopt standards for any of the factors enumerated in Government Code §56668. In approving or disapproving a proposed change of organization or reorganization, the Commission shall consider, as one of the factors, the effect of the proposed action and

of alternative actions on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the County (Government Code §56668(c)).

With the passage of Senate Bill 244 (Wolk) in 2011, the state recognized the need to include “disadvantaged unincorporated communities” into existing cities, when possible. That end, the law states:

Section 56375 (A) Except for those changes of organization or reorganization authorized under Section 56375.3, and except as provided by subparagraph (B), a commission shall not approve an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community to the subject city has been filed with the executive officer.

(B) An application to annex a contiguous disadvantaged community shall not be required if either of the following apply:

- (i) A prior application for annexation of the same disadvantaged community has been made in the preceding five years.*
- (ii) The commission finds, based upon written evidence, that a majority of the residents* within the affected territory are opposed to annexation.*

The law permits the Commission, by policy, to set the threshold that triggers the requirement to annex territory. This policy establishes the threshold for Sonoma LAFCO.

Government Code Section 56033.5 defines “disadvantaged unincorporated community” as

Inhabited territory, as defined by Section 56046, or as determined by commission policy, that constitutes all or a portion of a “disadvantaged community” as defined by Section 79505.5 of the Water Code.

The law also allows the Commission discretion to determine what constitutes the physical boundaries of a “disadvantaged community.” This policy provides definitive and identifiable communities.

Section 79505.5(a) of the Water Code provides that:

Disadvantaged community¹ means a community with an annual median

¹ As approved in AB 2698, the 2012 CALAFCO Omnibus Bill, this is changed to “registered voters” as of January 2013.

household income that is less than 80 percent of the statewide annual median household income.

Finally, using the 2010 Census and the benchmark for income standards, the Commission establishes definite criteria for determining the existing disadvantaged unincorporated communities.

Background and Discussion

In 2011, the Cortese-Knox-Hertzberg Act was amended, under Senate Bill 244 (Wolk), to require a number of actions by LAFCO.

- With few exceptions, the Commission cannot approve a proposal for annexation of territory greater than 10 acres or as determined by Commission policy if a disadvantaged unincorporated community is contiguous to the area proposed for annexation unless an application for annexation of the disadvantaged unincorporated community has been filed with the executive officer.
- In updating an agency's sphere of influence after July 1, 2012, the Commission must consider and prepare, as part of a written statement of determinations for a city or special district that provides public facilities or services that relate to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those facilities and services of any disadvantaged unincorporated communities within the agency's existing sphere of influence.
- In conducting a Municipal Service Review, the Commission must prepare a statement of determinations, which includes the location and characteristics of any disadvantaged unincorporated community within or contiguous to an agency's sphere of influence and the present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to an agency's sphere of influence.

In determining what constitutes a "community" so as to then identify a "disadvantaged unincorporated community," the Commission could have considered the numerous neighborhoods and communities that exist throughout the County. However, although small neighborhoods may have more than 10 dwelling units in close proximity and are unincorporated, they typically are not considered a "community." There are in the County, however, 28 identified unincorporated island, fringe or legacy communities, all of which are designated as "census designated places" in the 2010 U.S. Census. These communities are stated in the Table 1.

Of these communities, the only unincorporated island community within or contiguous to the sphere of influence of any city is Roseland, within the sphere of influence of the City

of Santa Rosa. However, based on the definition as stated above, Roseland is not considered a “disadvantaged unincorporated community.” Because of the potential that Roseland or another community may, someday, qualify as a disadvantaged unincorporated community, the policy reflects the requirements of the law in confirming that 10-acre minimum and determination of “written evidence.”

Table 1. 2010 Census Designated Places

Bloomfield	Glen Ellen	Occidental
Bodega Bay	Graton	Penngrove
Bodega	Fulton	Roseland
Boyes Hot Springs	Geyserville	Salmon Creek
Carmet	Guerneville	Sea Ranch
Cazadero	Jenner	Sereno del Mar
El Verano	Kenwood	Temelec
Eldridge	Larkfield-Wikiup	Timber Cove
Fetters Hot Springs	Monte Rio	Valley Ford
Forestville		

The Commission believes that the purpose of the Wolk bill is to address the complex legal, financial, and political barriers that contribute to regional inequity and infrastructure deficits within disadvantaged unincorporated communities. When applied to Sonoma County, in many instances, it does not make sense. For example, Temelec is not a “disadvantaged community” when applying criteria of quality of infrastructure, housing quality, and neighborhood amenities. However, under the limited criteria within the law, Temelec is designated as a “disadvantaged unincorporated community.”

The Commission believes that designation of “disadvantaged unincorporated communities” and the factors that define them should be more reflective of local conditions. The Commission believes that additional criteria for consideration in identifying a “disadvantaged unincorporated community” should be incorporated into the law. These are: (1) the area is contiguous to an urbanized area, (2) the area completely lacks or has substandard infrastructure, and (3) the area is a social or economic community of interest as defined by the Commission. The criteria of a community with an annual median household income that is less than 80 percent of the statewide annual median household income should be one of several criteria, however, not required for qualification.

Policy Adoption

Adopted: October 10, 2012

Policy: Duplication of Authority

Policy

The Commission discourages inclusion of territory in the spheres of influence of two or more local agencies possessing common powers (also known as overlapping territory).

Territories located within a special district's boundaries and within the sphere of influence of a city shall be excluded from the special district's sphere of influence.

Legal Authority

The Legislature provided each LAFCO with the authority to "establish written policies and procedures and exercise its powers...in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns." (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

As defined by Government Code Section §56061, "overlap" or "overlapping territory" means "territory which is included within the boundaries of two or more districts or within one or more districts and a city or cities." The policy includes both the sphere of influence and territory within the boundary of a city or district.

Background and Discussion

Several areas within Sonoma County have agencies with overlapping spheres of influence. Generally, these areas are unincorporated territory located within a city's sphere of influence where services are being provided by an independent special district. For example, the City of Rohnert Park's sphere of influence includes territory in both the Rancho Adobe and Rincon Fire Protection Districts.

The Commission discourages these overlaps. If, after review of the city and district's spheres of influence, the Commission determines that service is better performed by the special district, then the territory may stay within the district until it is annexed into the city.

Adopted: 2006

Amended: June 5, 2013

Policy: Environmental Review

Policy

It is the Commission's policy to adopt the State California Environmental Quality Act ("CEQA") Guidelines approved by the State Department of Resources and as amended from time to time, in the preparation of all environment documentation.

Furthermore, whenever an agency other than the Commission is involved in the approval of a project, the Commission prefers that the other agency be designated as the "Lead Agency." For annexations and/or reorganizations involving annexation to a city, the city shall act as the Lead Agency under CEQA for the proposal. CEQA processing shall be undertaken in accordance with the most recent version of the California Environmental Quality Act, the State CEQA Guidelines, and the Sonoma Local Agency Formation Commission Procedures for Environmental Impact Review.

Legal Authority

Under Public Resources Code Section 15022, each public agency shall adopt objectives, criteria, and specific procedures consistent with CEQA and the Guidelines for Implementation of the California Environmental Quality Act for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents.

In adopting procedures to implement CEQA, a public agency may adopt the State CEQA Guidelines through incorporation by reference. The agency may then adopt only those specific procedures or provisions which are necessary to tailor the general provisions of the guidelines to the specific operations of the agency. A public agency may also choose to adopt a complete set of procedures identifying in one document all the necessary requirements.

Background and Discussion

The Commission has chosen to adopt the State CEQA Guidelines.

The Guidelines are the regulations that explain and interpret the law for both the public agencies required to administer CEQA and for the public generally. They are found in Chapter 3 of Title 14 in the California Code of Regulations. The Guidelines provide objectives, criteria and procedures for the orderly evaluation of projects and the preparation of environmental impact reports, negative declarations, and mitigated negative declarations by public agencies. The fundamental purpose of the Guidelines is to make the CEQA process comprehensible to those who administer it, to those subject to it, and to those for whose benefit it exists. To that end, the Guidelines are more than

mere regulations which implement CEQA as they incorporate and interpret both the statutory mandates of CEQA and the principles advanced by judicial decisions.

The Governor's Office of Planning and Research prepares and develops proposed amendments to the Guidelines and transmits them to the Secretary for Resources. The Secretary for Resources is responsible for certification and adoption of the Guidelines and amendments thereto.

Revision of the CEQA Guidelines is an on-going process. By statute, the Secretary of Resources is required to review and consider amendments to the Guidelines every two years. Annual changes to CEQA and evolving case law make revisions to the Guidelines necessary on a continual basis.

Adopted: 2006

Amended: June 5, 2013

Policy: Outside Service Area Agreements (OSAA)

Policy

It is the policy of the Commission:

A. The Executive Officer shall have the authority to (1) consult with cities and districts to determine whether their outside service area agreements are subject to Commission review, and (2) review, process, and approve outside service area agreements not exempt under the provisions of Section 56133 of the Government Code to ensure that such agreements comply with those provisions and do not promote growth opportunities without appropriate oversight. The Executive Officer, at his or her discretion, may refer any outside service area agreement to the Commission for approval.

B. Applications for Commission approval of outside service area agreements shall be filed with the Executive Officer by the city or district wishing to provide the service, on forms provided by the Executive Officer. Each application shall indicate the parties to the agreement for which approval is requested, and shall include the required filing fee and any and all other information and materials necessary to process the application.

C. Within 30 days after receipt of an application for Commission approval of an outside service area agreement, the Executive Officer shall:

1) Determine whether the agreement is exempt from Commission approval. The following agreements shall be exempt from Commission approval:

a. Any agreement solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.

b. Any agreement for the transfer of nonpotable or nontreated water.

c. Any agreement solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, any agreement for the extension of surplus water service to a

project that will support or induce development shall not be exempt from Commission approval.

d. Any agreement for an extended service that a city or district was providing on January 1, 2001.

e. Any agreement involving a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of its jurisdictional boundaries.

2) For agreements that are not exempt from Commission approval, determine whether the application is complete and acceptable for filing or whether the application is incomplete.

3) If the application is determined not to be complete, immediately notify the city or district applicant of that determination. The notice shall specify those parts of the application that are incomplete and the manner in which they can be made complete.

D. Within 60 days after determining that an application for Commission approval of an outside service area agreement is complete, the Executive Officer shall approve, disapprove, approve with conditions, or refer the agreement to the Commission for approval. The Executive Officer, or the Commission on referral, shall approve or approve with conditions any such agreement only under the following conditions:

1) The affected territory is outside the applicant city's or district's jurisdictional boundaries but within its sphere of influence, and the new or extended services to be provided under the agreement are in anticipation of a later change of organization; or

2) The affected territory is outside the applicant city's or district's jurisdictional boundaries and outside its sphere of influence, the new or extended services to be provided under the agreement are to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, and the following requirements are met:

a. The applicant city or district has provided the Commission with documentation of a threat to the health and safety of the public or the affected residents.

i. An existing on-site sewage disposal system may be deemed a threat to the health and safety of the public or the affected residents if it meets one or more of the following criteria, as determined by a County of Sonoma Permit and Resource Management Department Environmental Health Specialist:

(a) There is ponding or accumulation of wastewater or septic tank effluent at or above the surface of the ground.

(b) There is a lack of an unsaturated vertical soil separation between the bottom of a disposal field and seasonal high groundwater.

(c) There is a failure of the disposal field or septic tank to accept, treat, and dispose of wastewater in quantities discharged by the structure served.

(d) The on-site septic system is within 50 feet of a well or other water source.

(e) Any other condition associated with the operation or use of an on-site sewage system that could permit the exposure, either directly or indirectly, of individuals or domestic animals to inadequately treated wastewater.

ii. An existing water source used for domestic purposes may be deemed a threat to the health and safety of the public or the affected residents if it meets one or more of the following criteria, as determined by a County of Sonoma environmental health specialist:

(a) The water supply is impacted by biological, chemical, or radiological constituents that cannot be adequately or reasonably treated or removed to levels deemed safe for human consumption or contact.

(b) The quantity of the water supply is constantly or periodically inadequate (less than one gallon per minute) to meet the domestic needs for which its use is intended, and additional quantities cannot adequately or reasonably be developed.

(c) Any other condition in which the continued use of an existing water supply could result in negative impacts to human health.

b. The Commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code that has filed a map and a statement of its service capabilities with the Commission.

3) The applicant city or district has the ability to provide the new or extended services to be provided under the agreement without adversely affecting current service levels within its jurisdictional boundaries, and the applicant city or district has approved the agreement.

4) The agreement is the preferred method of providing the new or extended services to be provided under the agreement.

5) The County of Sonoma has determined that the agreement is consistent with the Sonoma County General Plan.

E. Within ten days after the Executive officer approves, disapproves, or approves with conditions an outside service area agreement, any interested person or affected agency may appeal the decision to the Commission by filing a written notice of appeal with the Executive Officer. The notice of appeal shall include the required appeal fee and shall state the reasons for the appeal. The Executive Officer shall set the appeal for hearing at the next meeting of the Commission for which notice can be given pursuant to Sections 56153, 56154, 56158, and 56159 of the Government Code. At the hearing, the Commission shall consider the appeal and receive any oral or written testimony. After the conclusion of the hearing, the Commission may affirm, reverse, or modify the decision of the Executive Officer.

F. Within ten days after the Executive officer approves, disapproves, or approves with conditions an outside service area agreement, any member of the Commission may request the Commission to review the decision by filing a written request with the Executive Officer. The request for review need not state the reasons for the review. The Executive Officer shall set the request for review for hearing at the next meeting of the Commission for which notice can be given pursuant to Sections 56153, 56154, 56158, and 56159 of the Government Code. At the hearing, the Commission shall consider the request for review and receive any oral or written testimony. After the conclusion of the hearing, the Commission may affirm, reverse, or modify the decision of the Executive Officer. A request for review shall not be deemed to be an allegation of any flaw in or a pre-judgment of the Executive Officer's decision, nor shall the fact that a member

of the Commission has filed a request for review affect that member's right to participate in the hearing and to affirm, reverse, or modify the decision of the Executive Officer, unless actual bias or prejudice is otherwise shown.

G. Within 30 days after the Commission disapproves or approves with conditions an outside service area agreement, the applicants may request reconsideration of the decision by filing a written request with the Executive Officer. In all other cases, the decision of the Commission on an outside service area agreement shall be final and conclusive. The request for reconsideration shall include the required reconsideration fee and shall state the reasons for the reconsideration. Reconsideration by the Commission shall be noticed and conducted pursuant to Section 56895 of the Government Code. The determinations of the Commission on reconsideration shall be final and conclusive.

Legal Authority

The Government Code §56133 states in part:

- (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the Commission in the affected county.
- (b) The Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

The Government Code authorizes a city to extend its services beyond its boundaries but clearly indicates that such action would be taken in anticipation of a later change of organization (i.e., annexation).

Background and Discussion

From a LAFCO perspective, an OSAA can:

- Protect the public from impending threats to health and safety
- Impose restrictions that limit development to existing intensities
- Discourage premature development of fringe properties

In many instances, use of an OSAA would provide services to meet the immediate needs of the property owners while allowing the agency sufficient time to develop a more comprehensive and beneficial plan of annexation for the entire territory.

Adopted: August 2006

Amended: February 3, 2010

Policy: Outside Service Area Agreements for Parcels within a City's Sphere of Influence

Policy

The Commission encourages development in cities rather than in unincorporated territory. The Commission recognizes that there may be efficiencies of scale and opportunities to encourage well-planned and phased development by permitting interim Outside Service Area Agreements for existing development, rather than requiring immediate annexation, when a documented threat to the public health or safety exists.

Where existing development is within a city's sphere of influence, and public services, such as water or sewer, are required to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, the Commission will consider approval of an Outside Service Area Agreement.

The Commission, or by direction, the Executive Officer, will consider authorization of an Outside Service Area Agreement for existing development within a city's sphere of influence under the following conditions only:

- A. There is a documented existing or potential threat to public health or safety;
- B. The property owner and city have entered into a recordable agreement that runs with the land, limiting development to existing levels;
- C. A covenant is recorded against the property prohibiting the current and future property owners from protesting annexation to the city; and
- D. The existing development has been determined to be either legal or legally non-conforming by the Sonoma County Permit and Resource Management Department.

The Commission, or by direction, the Executive Officer will not consider authorization of an Outside Service Area Agreement for new development within a city's sphere of influence, unless the new development meets the following criteria:

- A. The new development is a 100 percent affordable project as defined in Section 50079.5 of the Health and Safety code,
- B. The proposed new development is consistent with the City and County General Plans, and
- C. Annexation to the city is not feasible at the time of application

Legal Authority

The Government Code §56133 states in part:

- (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the Commission in the affected county.
- (b) The Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

The Government Code authorizes a city to extend its services beyond its boundaries but clearly indicates that such action would be taken in anticipation of a later change of organization (i.e., annexation).

Background and Discussion

The Commission recognizes that cities are the logical service providers for urban-level development. In those instances where a property with existing development has a failed or failing septic system or well, the Commission will permit an Outside Service Area Agreement, provided that there is adequate assurance that the extension of services is not for new development. The Commission expects the property to be eventually annexed into the city, and the use of an Outside Service Area Agreement is an intermediate step towards annexation.

From a LAFCO perspective, an Outside Service Area Agreement can:

- Protect the public from impending threats to health and safety
- Impose restrictions that limit development to existing intensities
- Permit a city to plan for future development in an orderly manner through the use of traditional zoning or specific plans
- Discourage premature development of fringe properties

The Commission acknowledges that the annexation of individual parcels within a city sphere may be premature and may require more resources than a larger annexation of multiple parcels. In these instances, the use of an Outside Service Area Agreement would provide services to meet the immediate needs of the property owners while allowing the city sufficient time to develop a more comprehensive and beneficial plan of annexation for the entire territory.

Adopted: August 5, 2009

Amended: October 7, 2009, with technical changes

Amended: March 3, 2010

Policy: Premature Extension of Urban Services - Cities

Policy

Prior to the Commission's consideration of a change of organization involving annexation of territory to a city, the applicant shall provide a plan for services including written evidence from the affected city that it has the physical and fiscal capability to adequately serve the subject territory.

Legal Authority

The state Legislature's policy calls for the logical formation of local government agencies and orderly modification of their boundaries. A preference is granted to growth within, or through the expansion of, the boundaries of those local agencies, which can best accommodate and provide necessary governmental services in the most efficient manner feasible.

California Government Code §56653 states in part:

(a) Whenever a local agency or school district submits a resolution of application for a change of organization or reorganization pursuant to this part, the local agency shall submit with the resolution of application a plan for providing services within the affected territory.

(b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer:

(1) An enumeration and description of the services to be extended to the affected territory.

(2) The level and range of those services.

(3) An indication of when those services can feasibly be extended to the affected territory.

(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

(5) Information with respect to how those services will be financed.

The Legislature empowered the commission to establish criteria for review and approval of proposals.

Background and Discussion

One of the underlying tenets of planning in Sonoma County is the cautious and deliberate expansion of public services. Recognizing that sprawling development generally results in more costly public services, the Commission discourages premature expansion of services.

Each city in Sonoma County has a voter-approved “urban growth boundary” that is, with few exceptions, the ultimate boundary for urban development of that city. Commission policy is to align a city’s sphere of influence with the city’s “urban growth boundary.” In most cities, the city’s “urban growth boundary” aligns with the city’s sphere of influence. In cases that the Sphere does not align with the Urban Growth Boundary, the Commission will conduct a Municipal Service Review prior to aligning the two boundaries.

Although a territory may be included in the Sphere of Influence, the Commission requires a city to pre-zone the subject territory prior to the submittal to the Commission of an application for a change of organization involving annexation. Further, the Commission also encourages cities to prepare a site-specific project review of any area that is the subject of an annexation proposal. Such review can provide the Commission with sufficient information to determine whether the territory within the annexation boundary can be adequately served and whether the proposed annexation is premature.

Adopted: August 2006

Amended: May 2, 2012

Policy: Premature Extension of Urban Services – Special Districts

Policy

Prior to the Commission's consideration of an expansion of a sphere of influence or a change of organization involving annexation of territory into a district, the applicant shall provide written evidence from the affected district that it has the physical and fiscal capability to adequately serve the subject territory.

The Commission discourages the extension of urban services (i.e., water and sewer service) in the absence of either existing development or plans for imminent development.

Legal Authority

State law calls for the logical formation of local government agencies and orderly modification of their boundaries. A preference is granted to growth within, or through the expansion of, the boundaries of those local agencies, which can best accommodate and provide necessary governmental services in the most efficient manner feasible.

California Government Code §56653 states in part:

(a) Whenever a local agency or school district submits a resolution of application for a change of organization or reorganization pursuant to this part, the local agency shall submit with the resolution of application a plan for providing services within the affected territory.

(b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer:

(1) An enumeration and description of the services to be extended to the affected territory.

(2) The level and range of those services.

(3) An indication of when those services can feasibly be extended to the affected territory.

(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

(5) Information with respect to how those services will be financed.

The legislature empowered the commission to establish criteria for review and approval of proposals.

Background and Discussion

One of the underlying tenets of planning in Sonoma County is the cautious and deliberate expansion of public services. Recognizing that sprawling development generally results in more costly public services, the Commission discourages premature expansion of services. Compact special district boundaries provide for a more efficient development pattern and lower costs. Generally, the boundaries of a special district are coterminous with its sphere of influence; thus any proposal to the Commission to annex territory to a special district must be accompanied by a request to amend the district's sphere of influence.

The County of Sonoma's General Plan designates "urban service area" boundaries for all sanitation districts or zones in the County. The Commission's policy is to align sanitation district/zone spheres of influence with the "urban service area" boundary. Therefore, prior to applying to the Commission to amend the sphere of a sanitation district, the applicant should apply to the County of Sonoma for a General Plan Amendment to expand the district's "urban service area" boundary, prepare the necessary environmental documents, and confirm the district's capacity to provide the requested service.

Whenever possible, the Commission encourages a district or applicant to prepare a site-specific project review prior to the submittal of an application for a sphere of influence amendment and annexation. Such reviews provide the Commission with sufficient information to determine whether the annexation is premature.

Adopted: August 2006
Amended: May 2, 2012

Policy: Pre-Zoning

Policy

The Executive Officer shall not accept proposals involving annexation to a city for filing unless accompanied by an ordinance or other proof that the city council of the affected city pre-zoned the affected territory pursuant to Government Code §56375.

Legal Authority

Government Code §56375 mandates that, as a condition of annexation, a city pre-zone territory to be annexed or present evidence satisfactory to the Commission that the existing development entitlements on the territory are vested or are already at build-out and are consistent with the city's general plan. All pre-zoning designations shall remain in effect for at least two years after the completion of the annexation unless the city council, at a public hearing, makes specific findings relating to changed conditions and circumstances that necessitate a departure from the pre-zoning in the application.

Background and Discussion

It is conventional practice for the cities within Sonoma County not to pre-zone territory until a property owner has filed an application with the city requesting pre-zoning and annexation or until the city wishes to annex territory. Therefore, annexation proposals submitted to LAFCO will require pre-zoning by the city council along with the necessary environmental review. No application for annexation to a city will be deemed complete unless the pre-zoning process has been completed. This also assumes that the city, as lead agency pursuant to the California Environmental Quality Act, will prepare and submit to Sonoma LAFCO its proposed environmental assessment prior to final determination of environmental effects, to allow LAFCO staff sufficient time to comment.

Sonoma LAFCO would encourage cities to pre-zone all existing unincorporated islands. Such pre-zoning would allow the Commission the option of amending annexation and reorganization applications to eliminate small islands when possible.

Adopted: August 2006

Amended: February 3, 2010

Policy: Sonoma City of – Sonoma Valley County Sanitation District Annexations

Policy

It is the Commission's policy to encourage concurrent annexation to the City of Sonoma and the Sonoma Valley County Sanitation District when the affected territory is:

- A. Contiguous to both City and District boundaries
- B. Within the City's Urban Growth Boundary
- C. Within the County General Plan's Urban Service Area Boundary
- D. Within the LAFCO-determined sphere of influence for the City.

Legal Authority

The Legislature provided each LAFCO with the authority to "establish written policies and procedures and exercise its powers...in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns." (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

Specifically, the Spheres of Influence and boundaries for the City of Sonoma and the Sonoma Valley County Sanitation District overlap in some areas. As defined by Government Code Section §56061, "overlap" or "overlapping territory" means "territory which is included within the boundaries of two or more districts or within one or more districts and a city or cities." The City is the only city in the County not providing sanitary sewer service, relying, instead, on the District to provide the service. Coordination between overlapping agencies is important, and, in this case, the Commission has determined is that all urban services should be provided to properties at the time of their annexation to the City.

Background and Discussion

At the LAFCO meeting of July 2, 2008, the Commission approved a reorganization proposal involving an annexation to the City of Sonoma (City) without a concurrent annexation to the Sonoma Valley County Sanitation District (District). Concerned about the long-term coordination between the City and the District when either expansion of existing structures or new development occurs, the Commission directed its staff to develop a policy for concurrent annexation to the City and District and to communicate it to both agencies.

To facilitate the coordination, if a parcel meets the policy-established criteria, the City is to notify applicants for annexation to the City about the Commission's policy and direct them to contact the Sonoma County Permit and Resource Management Department

(PRMD), which acts on behalf of the District to accept applications, to obtain information about concurrent application for annexation to the District.

Applications to LAFCO for reorganization, involving annexation to the City are not complete until the District board of directors has acted on the request for annexation to the District. Denial of the application by the District does not preclude LAFCO's approving annexation to the City, without annexation to the District. In some cases, a parcel is within the City's Urban Growth Boundary, the Sonoma County General Plan's Urban Service Area, and the LAFCO-determined sphere of influence, but not contiguous. In this case, annexation only to the District is appropriate.

Adopted: July 2, 2008

Policy: Sonoma Valley County Sanitation District - Sphere of Influence and Extension of Services

Policy

For purposes of clarity, the Commission separates the area encompassing the Sphere of Influence (SOI) for the Sonoma Valley County Sanitation District (District) into three zones, as described in the Background Discussion associated with this policy. The Commission policies for the zones are as follows:

- A. In the Northern Zone, the District SOI aligns with the District Urban Service Boundary (USB) as designated in the Sonoma County 2020 General Plan.
- B. In the Central Zone, the District SOI aligns with the USBs for both the District and the City of Sonoma as designated in the Sonoma County 2020 General Plan.
- C. In the Southern Zone, the District SOI extends beyond the District USB as designated in the Sonoma County General Plan, to include parcels with services through Outside Service Area Agreements, parcels within the District, parcels with existing district sanitation services, parcels with water table well and water table problems as well as parcels adjacent to District facilities and pipelines.
- D. Parcels served by the District but outside the District USB are excluded from the District SOI with the exception of those included in the Southern Zone.
- E. Islands, other than those included in the Southern Zone, are excluded from the District SOI. An island is defined as territory served or proposed to be served by the District that is outside of and not contiguous to main District boundaries and which may or may not be owned by the District.
- F. Annexation of parcels outside the District USB is discouraged. Extension of services, via an Outside Service Area Agreement (OSAA), to parcels within the District SOI but outside the District USB may be considered on a case-by-case basis.

Legal Authority

The California Government Code states in part:

56425 In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

The California Government Code states in part:

56133.(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county.

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

(c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

(1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

Background and Discussion

Spheres of influence are established by LAFCO to identify the probable physical boundaries and service areas of special districts. SOIs must be updated every five (5)

years and are amended as conditions warrant. The intent of this policy is to promote the efficient, effective, and equitable delivery of local and regional services for existing and future residents through spheres of influence and to encourage a collaborative process with agencies.

Annexations to the Sonoma Valley County Sanitation District prior to the establishment of its SOI or USB created an irregular District boundary including “islands” of territory served by the District but outside the District SOI and USB. Furthermore, the District has extended services, through OSAs, to numerous parcels outside the District SOI and USB. As such, the policy for amendments to the District SOI and the extension of services, particularly in the Southern Zone, is unique and specific to the District. This policy is intended to create a logical and consistent approach in LAFCO’s consideration of extension of services by the District. LAFCO has divided the District SOI into three zones for the application of policy:

Northern Zone - All territory west and north of the Urban Growth Boundary (UGB), USB and SOI for the City of Sonoma including Agua Caliente, Boyes Hot Springs and Glen Ellen. In this Zone, the District SOI aligns with the District USB.

Central Zone – All territory within the UGB/USB/SOI for the City of Sonoma. In this Zone, the District SOI aligns with the USB/UGB/SOI for the City of Sonoma and the District USB.

Southern Zone - All territory south of the UGB/ USB/SOI for the City of Sonoma. In this Zone, the District SOI includes an area larger than the District USB.

The General Plans of the City of Sonoma and the County of Sonoma include policies to retain the rural and agricultural character of the area in and around the Southern Zone. This area, typified by vineyards, grazing land and large parcels, provides a transition from the urban form of the City of Sonoma to the rural dairies and vineyards of the Carneros region.

The County General Plan provides policy guidance, in the form of the District USB, which the Commission may apply when considering an amendment to the District SOI. The USB is a starting point when reviewing the SOI, not a controlling factor.

In order to address the policies of both the County and City of Sonoma in discouraging untoward urbanization, change in character and loss of agricultural lands in the Southern Zone, LAFCO policy discourages annexation to the District of parcels located within this Zone. Extensions of service may be provided through Outside Service Area Agreements and subject to compliance with current County General Plan policies and zoning requirements.

Adopted: February 3, 2010

Policy: Spheres of Influence and Municipal Service Reviews

Policy

In updating spheres of influence, the Commission's general policies are as follows:

- A. The Commission will review all spheres of influences every five years for each governmental agency providing municipal services. Municipal services include cities and jurisdictions providing police, fire protection, waste disposal, and water services.
- B. Sphere of influence changes initiated by any agency providing a municipal service shall require either an updated or new service review.
- C. Spheres of Influence of districts not providing municipal services including, but not limited to, ambulance, recreation, hospital, resource conservation, cemetery, and pest control shall be updated as necessary.

This policy does not preclude the Commission from undertaking special studies or service reviews when requested by an agency or initiated by the Commission.

Legal Authority

The California Government Code states, in part:

- § 56425. (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies to subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city and each special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.
 - (f) Upon determination of a sphere of influence, the commission shall adopt that sphere of influence.
 - (g) On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.
- § 56430. (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a

service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

- (1) Growth and population projections;
 - (2) Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
 - (3) Present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
 - (4) Financial ability of agencies to provide services,
 - (5) Status of, and opportunities for, shared facilities;
 - (6) Accountability for community service needs, including governmental structure and operational efficiencies.; and
 - (7) Any other matter related to effective or efficient service delivery, as required by commission policy
- (b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. The commission may assess various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.
- (e) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

State law precludes the Commission from approving proposals for a change of organization of territory outside an existing sphere of influence for an affected agency. If the affected territory is outside the agency's sphere of influence, a proposal to LAFCO

must include a request for an amendment to the sphere of influence. The joint sphere and change of organization review is to maintain consistency in district boundaries and their spheres for the provision of services as it relates to proposed annexation sites.

Background and Discussion

LAFCO established spheres of influence to identify the probable physical boundaries and service areas of special districts. Spheres of influence are required to be updated every five (5) years and are amended as conditions warrant. The intent of this policy is to promote the efficient, effective, and equitable delivery of local and regional services for existing and future residents through spheres of influence and to encourage a collaborative process with agencies.

Almost 25 years ago, the courts explained that LAFCO could not approve a boundary decision if it failed to adopt the required spheres of influence (*Resource Defense Fund v. Local Agency Formation Commission* (1983)). If the Commission is to make decisions for annexations, reorganizations or an outside service area agreement, there must be legally compliant spheres of influence. In this respect, many features of Cortese-Knox-Hertzberg are similar to planning and zoning law (§65000). The legal requirements are that of “vertical consistency” rule, which requires local planning and subdivision decisions, be consistent with the county or city general plans. Counties and cities cannot approve entitlements if their general plans are incomplete or inadequate. Agencies have the implied duty to keep their general plans up to date.

An outdated sphere of influence is like an outdated general plan and does not provide the legal basis for making the statutorily required vertical consistency finding. The Commission supports maintaining up to date spheres while honoring the local agencies’ planning efforts.

The Cortese-Knox-Hertzberg Act requires that starting “on or before January 1, 2008 and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.”

Generally, when establishing sphere of influence for districts, the Commission includes only those properties within the boundaries of the district. If an owner of a parcel outside district boundaries and sphere of influence wants that parcel to be in a district, he or she must submit an application to LAFCO for a sphere amendment, service review (if the amendment is significant) and annexation. Each request will be reviewed for its impacts and minor amendments will not require a new service review.

Adopted: October 1, 2008

Revised: June 3013

Policy: Spheres of Influence - Cities

Policy

In establishing spheres of influence for cities, the Commission's general policies are as follows:

- A. Include all properties within the incorporated city.
- B. Include properties wholly within both the voter-approved Urban Growth Boundary and the Urban Service Boundary for the city in the Sonoma County General Plan. Include frontage roads.
- C. Include properties within a city's Urban Growth Boundary that are outside the Urban Service Boundary for the city in the Sonoma County General Plan.
- D. Exclude parcels outside the Urban Growth Boundary and Urban Service Boundary of a city.

Legal Authority

The California Government Code §56425 states, in part:

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

State law precludes the Commission from approving proposals for a change of organization of territory outside an existing sphere of influence for an affected city. If the affected territory is outside the city's sphere of influence, a proposal to LAFCO for annexation must include a request for amendment to the sphere of influence. The joint sphere and change of organization review is to maintain consistency in city boundaries and its sphere for the provision of services as it relates to proposed annexation sites.

Background and Discussion

Spheres of influence are established by LAFCO to identify the probable physical boundaries and service areas of cities. Spheres of influence must be updated every five (5) years and are amended as conditions warrant. The intent of this policy is to promote

the efficient, effective, and equitable delivery of local and regional services for existing and future residents through spheres of influence and to encourage a collaborative process with agencies.

By 2008, the Commission confirmed existing spheres of influence for all nine cities in the county. The spheres of influence and Urban Growth Boundaries for the eight cities in the County where voters have approved them often coincide, and, for most cities, the Urban Service Boundary, as designated in the Sonoma County General Plan, is frequently the same “line.” However, because of the Board of Supervisors’ approval of the 2020 General Plan in September 2008, there are a number of instances in which these three lines are not coterminous, i.e., where a city’s sphere of influence differs from its Urban Growth Boundary and Urban Service Boundary, which are generally coterminous. In those cases, besides reviewing the general policy, the Commission, must evaluate any changes to the sphere of influence using the following criteria:

- A. Relationship to city boundary, streets, open space
- B. Existing uses
- C. Size & development potential of parcel
- D. Topographical & physical considerations
- E. City’s willingness to serve
- F. City’s ability to serve
- G. Planning principles
- H. Legal agreements and settlements

Adopted: February 3, 2010

Policy: Spheres of Influence – Independent and Dependent Special Districts

Policy

In establishing spheres of influence for special districts, the Commission's general policies are as follows:

- A. Parcels within a special district should be within the district's sphere of influence. Include frontage roads within the sphere of influence.
- B. Creation of islands, i.e., territory to be served by the district which is outside of and not contiguous to main district boundaries and which may or may not be owned by the district, is generally contrary to Commission policy and shall be considered on a case-by-case basis.

Beyond these general policies, the Commission's policies relating to sanitation districts and zones are as follows:

- A. Align a district/zone sphere of influence with its Urban Service Boundary (USB) as designated in the Sonoma County General Plan.
- B. When the existing district boundary or Urban Service Boundary creates "islands" or "saw-tooth boundaries," the Commission will consider including adjacent areas to promote an orderly and logical sphere of influence.
- C. As a result of a voluntary combination ("merger" as defined in the Subdivision Map Act) of two parcels, one of which is within both the district and the Urban Service Boundary and the other is outside the district and the Urban Service Boundary, align the sphere with the boundary line of the original parcel that is in the district.
- D. As a result of a lot-line adjustment, in a situation where there are two parcels, one of which (Parcel A) is within the district and the Urban Service Boundary and the other (Parcel B) is outside the district and the Urban Service Boundary, and a portion of Parcel B becomes part of Parcel A so that the Urban Service Boundary includes all of Parcel A and a portion of Parcel B, align the sphere with the original Parcel A, acknowledging that a portion of that parcel is not within the district or the sphere.

Legal Authority

The California Government Code §56425 states in part:

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

State law precludes the Commission from approving proposals for a change of organization of territory outside an existing sphere of influence for an affected district. If the affected territory is outside the district's sphere of influence, a proposal to LAFCO must include a request for an amendment to the sphere of influence. The joint sphere and change of organization review is to maintain consistency in district boundaries and its sphere for the provision of services as it relates to proposed annexation sites.

Background and Discussion

Spheres of Influence are established by LAFCO to identify the probable physical boundaries and service areas of special districts. Spheres of influence are required to be updated every five (5) years and are amended as conditions warrant. The intent of this policy is to promote the efficient, effective, and equitable delivery of local and regional services for existing and future residents through spheres of influence and to encourage a collaborative process with agencies.

Generally, when establishing spheres of influence for special districts, the Commission includes within the sphere of influence only properties within the boundaries of the district. If an owner of a parcel outside district boundaries and sphere of influence wants that parcel to be in a district, he or she shall submit an application to LAFCO for sphere amendment and annexation, having previously received approval for annexation from the district's board of directors.

The Commission acknowledges that, over the passage of many years, islands, as defined in the policy statement above, were created and allowed to receive services from various special districts. The Commission recognizes that these special districts are, or may be, as of the date of adoption of this policy, serving such territory and accepts these as exceptions to this policy. A listing of such districts and the island territory served is maintained in the LAFCO office. The Commission may consider exceptions to its general policy against creation of islands on a case-by-case basis and only when a proposed island is to be used for district purposes necessary for the operation of the district.

Exclusively for sanitation districts and zones, the County of Sonoma's General Plan provides policy guidance, in the form of Urban Service Boundaries, to assist the Commission in considering adoption or amendment of spheres of influence for these

districts/zones. The Urban Service Boundaries are the starting point for the Commission when reviewing a sphere of influence for a sanitation district or zone. Although a USB for a sanitation district or zone may be changed as part of a General Plan Update or General Plan Amendment, the district/zone's sphere of influence cannot be changed until the Commission approves a proposal for a sphere amendment; this could, and likely would, be paired with a request for annexation to the district/zone.

In development of the policy to align spheres of influence for sanitation districts/zones with the Urban Service Boundary, the Commission is aware of situations in which the Urban Service Boundary splits a parcel, i.e., where only one section of the parcel receives services from a district, but the entire parcel is considered to be "in district." In those situations, the Commission has determined that the sphere of influence shall be aligned with the Urban Service Boundary, thus limiting the potential for sprawl or premature development.

In cases of unique situations, the Commission may consider exceptions to the general policies.

Adopted Date: October 1, 2008

Amended Date: February 3, 2010

Policy: Territory Subject to Williamson Act Agricultural Preserve Contract

Policy

Proposals establishing or amending spheres of influence and/or annexations for territory to a or city or district providing sewers or nonagricultural water or cities, with an existing Williamson Act Agricultural Preserve Contract shall be prohibited, unless these facilities or services benefit land uses that are allowed under the contract and the landowner consents .

Pursuant to Government Code §56426.5, the Commission may approve the inclusion of territory subject to the Agricultural Preserve Contract within the sphere of influence of a city or special district able to provide sewers or nonagricultural water if it complies with all of the following criteria:

1. Territory that is subject to a contract for which a notice of nonrenewal has been served pursuant to Section 51245 and has less than five (5) years remaining in the term of the contract.
2. Territory that is subject to a contract for which a tentative cancellation has been approved pursuant to Section 51282 and has less than five (5) years remaining in the term of the contract.
3. Territory for which the governing body of the county or city administering the contract has given its written approval to the change and the landowner consents to the change and has less than five (5) years remaining in the term of the contract.

Legal Authority

Government Code §56426.5 states that:

- (a) The commission shall not approve a change to the sphere of influence of a local government agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1) if that local government agency provides or would provide facilities or services related to sewers, nonagricultural water, or streets and roads to the territory, unless these facilities or services benefit land uses that are allowed under the contract and the landowner consents to the change to the sphere of influence.
- (b) Notwithstanding subdivision (a), the commission may nevertheless approve a change for that territory if it finds either of the following:

- (1) That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.
 - (2) That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date. In making this determination, the commission shall consider all of the following:
 - (A) The policies and implementation measures adopted by the city or county that would administer the contract both before and after any ultimate annexation, relative to the continuation of agriculture or other uses allowable under the contract.
 - (B) The infrastructure plans of the annexing agency.
 - (C) Other factors that the commission deems relevant.
- (c) This section shall not apply to any of the following:
- (1) Territory that is subject to a contract for which a notice of nonrenewal has been served pursuant to Section 51245.
 - (2) Territory that is subject to a contract for which a tentative cancellation has been approved pursuant to Section 51282.
 - (1) Territory for which the governing body of the county or city administering the contract has given its written approval to the change and the landowner consents to the change

The Legislature provided each LAFCO with the authority to establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns. This policy implements the intended goal of maintaining agricultural lands.

Background and Discussion

Sonoma County has a diversity of agricultural products. Agriculture is a vital and essential part of the Sonoma County economy and environment. Agriculture shapes and enhances the way Sonoma County residents and visitors view themselves and the quality of their lives. The diversity of agriculture is amazing, with apple orchards along

the Gravenstein Highway, the vineyards in the Dry Creek and Alexander Valleys, and the poultry and dairy ranches and farms in west and southern Sonoma County. Accordingly, boundary changes for urban development and services should only be proposed, evaluated, and approved in a manner which is consistent with the continuing vitality of agriculture in the county.

The County of Sonoma is the only jurisdiction in the county that has entered into Williamson Act Contracts. The protection of agricultural lands is so important that the County included an entire element of the General Plan is devoted to Agricultural Resources. The General Plan recognizes that policies are needed to create and support incentive programs to stabilize the farmer's economic situation and maintain the land in agriculture.

Sonoma LAFCO believes it is important to preserve the historic agricultural culture of the County and has adopted policy that narrowly defines the parameters under which property with Williamson Act contracts may be annexed to special districts providing sanitary sewer and water services..

Policy Adoption

Adopted: August 2006
Amended: May 2013

Policy: Transition Planning – Planning for Transition of Territory between Cities and Fire Protection Districts

Policy

Any independent fire district whose boundaries include territory within a city's sphere of influence is encouraged to develop plans for the orderly detachment of that territory from the district. Districts should plan their long-term revenues and expenditures (e.g., facilities, equipment and staffing) to reflect the eventual annexation of that territory.

If a fire protection district, in its planning, has determined and documented a substantial financial burden and/or disruption of services due to the annexation of specific territory, it is encouraged to enter into discussions with the affected city to develop a transition, or other, agreement to mitigate the impacts.

Where all or portions of a fire protection district are within a city's sphere of influence, the city is encouraged to develop policies that will anticipate the annexation of the district's territory within its sphere. The city is encouraged to consider the impacts, if any, of the annexation on the district and, if appropriate, enter into discussions with the affected fire protection district to develop a transition, or other, agreement to mitigate the impacts.

If a fire protection district, in its planning, has documented a substantial financial burden or disruption of services due to annexations and a transition, or other, agreement between the city and district has been executed, a copy of the agreement shall be submitted to the Commission as part of an application for annexation of any district territory to the city.

If an agreement between the city and district has not been reached, the city shall provide to the Commission a statement explaining the reason(s) that an agreement was not reached and is unnecessary, impracticable, and/or not in the public interest. The fire protection district may, at any time during the application process, submit a response to the city's statement.

Although this policy specifically addresses fire protection districts, the policy and procedures shall apply to any independent special district whose boundaries include territory within a city's sphere of influence.

Legal Authority

The Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Government Code §56000 et seq.) ("the Act").

The Commission has both the power and duty to review and approve, with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the Commission (Government Code §56375). The Commission may adopt standards for any of the factors enumerated in Government Code §56668. In approving or disapproving a proposed change in organization or reorganization, the Commission is directed by the Act to consider, among other factors, the following:

[The] probable effect...on the cost and adequacy of services and controls in the area and adjacent areas (§56668(b)) and

The effect of the proposed action and of alternative actions on adjacent areas, on mutual social and economic interests, and on the local government structure of the county (§56638(c))

Additionally, the Commission can require the payment of a mitigation fee to a public agency, either one-time or during the transition, as a condition of approval of a land boundary change between public agencies.

Background and Discussion

Over the years, there have been concerns about the economic viability of special districts, particularly fire protection districts, when the annexation of district territory to a city occurs.

The Commission's intent is not to delay annexations if they meet the requirements of the law and provide equal consideration to all agencies.

The Commission expects fire protection districts whose boundaries include territory within the sphere of influence of a nearby city to plan for the eventual annexation of that territory to the city. Planning should include consideration of both the fiscal and physical impacts on the district.

The Commission believes that transition agreements or memoranda of understanding are effective tools to provide for the orderly transfer of service from a fire protection district to a city. The agreements may involve the transfer of stations, personnel, equipment, property taxes, etc., as mutually determined by the city and fire protection district. Although the Commission is not a party to these agreements, it expects the parties to negotiate in good faith and to agree on terms and conditions that are fair and reasonable given local circumstances.

Adopted: May 2, 2012

Policy: Unincorporated Islands

Policy

The Commission shall require annexation of all parcels within an unincorporated island for islands meeting the following criteria:

1. The island is comprised of fewer than 150 acres;
2. The island is completely surrounded by the city;
3. Fewer than 12 registered voters reside within the entire island;
4. The proposal is exempt under California Environmental Quality Act Guidelines Section 15319 (existing public or private structures are developed to the density allowed by the current zoning or pre-zoning of either the city or county, whichever is more restrictive), as determined by the lead agency.
5. The numbers of owners of land who own more than 50 percent of the total assessed value of land within the island have consented to annexation or the combination of those owners and the owners of properties that have annexation covenants represents a majority of properties within the island.

Application for annexation of territory encompassing less than an entire island may be considered if the above criteria are not met.

Cities are encouraged to annex substantially surrounded fringe islands. The Commission defines “substantially surrounded” as territory contiguous to the annexing city on at least 75 percent of its boundaries.

The Commission encourages cities to use the island annexation provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (GC §56375.3).

The Commission discourages annexation of territory to a city if that annexation splits an island of unincorporated territory, creating additional islands. Special circumstances may exist, and islands may be created if the Commission finds that:

1. Application of the restriction against creating islands would be detrimental to the orderly development of the community, and
2. The area that would be enclosed as an island is so located that it cannot reasonably be annexed to another city or incorporated as a new city

Legal Authority

The Legislature provided each LAFCO with the authority to “establish written policies and procedures and exercise its powers...in a manner consistent with those policies and

procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.” (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

Further, the Cortese-Knox-Hertzberg Act addresses island annexations and the creation of islands as follows:

- Prohibits the creation of islands of unincorporated territory via annexation, unless the Commission determines otherwise.
- Waives the prohibition if the Commission can find that such restriction would be detrimental to the orderly development of the community and that the area to be included within the annexation boundary is located such that it could not be reasonably annexed to another city or incorporated as a new city.
- Assists cities and LAFCO in significantly streamlining the procedural requirements for island annexations that meet specific criteria. Upon a city’s use of this section of state law, the Commission must approve annexation of an island, after notice and hearing and must waive protest proceedings. The waiver of protest proceedings is scheduled to sunset as of January 2014, unless extended through state legislation.

The statute does not define “substantially surrounded.” In its previously-adopted *Commission Membership, Meetings and Budget Policies*, the Commission has defined this term a ‘territory contiguous to the annexing city on at least 75 percent of its boundaries.”

Background and Discussion

Recognizing that cities are the logical service providers for municipal-level services and that unincorporated islands can be more effectively and efficiently served by the cities that surround them, Sonoma LAFCO is committed to eliminate all existing unincorporated islands that are completely surrounded by a city. This goal aligns with that of the Sonoma County General Plan, which advocates locating “future growth within the cities and unincorporated service areas in a compact manner using vacant “infill” parcels and lands next to existing development at the edge of these areas.”

Providing efficient public services is hindered when numerous unincorporated islands are scattered throughout cities. It has been demonstrated that service providers have difficulty determining jurisdictional boundaries when routing or responding to calls for service. Reducing the size of a small island of less than five parcels, as an example, to two or three parcels makes identification even more difficult. The Commission desires that the small islands be annexed at one time.

By restricting the policy to islands that are “uninhabited” - defined in state law as territory in which fewer than 12 registered voters reside, the Commission eliminates the potential for the additional costs and effects of an election. Owners of land within an island would still have the potential to stop an annexation through a majority protest, but the likelihood of success of an annexation proposal is much higher with smaller islands.

The Commission’s staff works closely with the cities in Sonoma County in determining boundaries for each annexation proposal. Prior to submittal of an application of less than an entire island, the affected city should provide the Commission’s staff with a summary of an annexation sentiment survey. The Commission’s staff will work with each city by attending community meetings, preparing annexation information, and responding to inquiries by phone, e-mail, or in individual meetings.

Areas that are adjacent to many cities and are partially surrounded by the cities are referred to as “fringe islands.” These fringe islands have numerous shapes and individual characteristics. The Commission understands that annexation of these areas may be an incremental process. Islands on the fringe of cities do not have to be completely pre-zoned and annexed in a single action.

State law prohibits creation of islands through a proposal for annexation. Although the law allows waiver of such restriction if the Commission can make specific findings, the Commission strongly discourages annexation boundaries that would create one or more islands and, unless persuaded otherwise, would deny such a proposal.

In situations in which additional public services, such as connection to city sewer and/or water systems, for an entire unincorporated island are desired, the Commission advocates that such service(s) be extended through annexation of the affected territory to the city which would provide the service(s). However, the Commission is aware that emergency situations can arise and/or a city may not be prepared to annex large areas of territory. In those situations, the Commission may be willing to consider extensions of service via Outside Service Area Authorizations. In such instances, the Commission’s policy on *Extensions of Service Within a City’s Sphere of Influence* would apply.

Adopted: October 10, 2012

Policy: Urban Land uses to be within Cities

Policy

The Commission encourages urban development in cities rather than in unincorporated territory. Where existing urban development is adjacent to a city, the Commission encourages annexation to, and provision of services by, the adjacent city.

Legal Authority

The Legislature provided each LAFCO with the authority to “establish written policies and procedures and exercise its powers...in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.” (Government Code Section §56300) This policy implements the intended goal of well-ordered growth.

Background and Discussion

The *County General Plan 2020* states “generally, concentrated growth allows greater efficiency and economy in providing public services, conserves agriculture and resource lands, preserves the rural character desired by many of the County's residents, and can provide more affordable housing.” The *County General Plan 2020's Land Use and Housing Elements* reinforce city and community centered population growth patterns by reserving the residential lands in Urban Service Areas, which includes all cities, for more affordable, higher-density types of housing.

The Commission supports the planning principle that urban growth should be in cities. Cities are better equipped to provide a broad range of services than rural communities that rely on special districts for services.

Most of the urban scale growth is planned to occur in the cities. However, some growth is to occur in the “legacy communities.” A “legacy community” is a community that is older than 50 years and traditionally identified as community. Good examples of these are Monte Rio, Guerneville, Agua Caliente, Mark West and Valley Ford. To make community centered growth successful in an unincorporated area, adequate sewer and water service capacities are essential. Yet, many of the systems are operated by small districts without adequate funding for system improvements or long-term operation and maintenance. As a result, the capacity to accommodate planned growth in some communities is not assured.

Because of the uncertainty, the Commission will carefully review the expansion of special districts' ability to provide services when a sphere of influence or annexation is requested.

Adopted: 2006
Amended: June 5, 2013