

Attachment 2

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

DRAFT Revisions to Adopted

POLICIES AND PROCEDURES

Relating to Spheres of Influence
and Changes of Organization and Reorganization

(With Tracked Changes)

(Recommended additions to existing adopted policy wording are underlined [“underlined”]
and words recommended for elimination are crossed-out [“crossed-out”].)

June 28, 2010

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES RELATING TO SPHERES OF INFLUENCE AND CHANGES OF ORGANIZATION AND REORGANIZATION

Table of Contents

A. INTRODUCTION	2 - 3
B. DEFINITIONS	2 - 6
C. SPHERE OF INFLUENCE POLICIES AND CRITERIA	
I. Legislative Authority	2-10
II. Policy Guidelines for Spheres of Influence	2-11
III. Procedural Guidelines	2-13
IV. Sphere of Influence Update, Amendment and Service Review	2-15
V. Minor Sphere of Influence Amendment	2-19
VI. Preliminary Sphere of Influence Reviews	2-20
VII. Additional Policies Relating to the Former Fort Ord Area	2-24
D. STANDARDS FOR THE EVALUATION OF PROPOSALS FOR A CHANGE OF ORGANIZATION OR REORGANIZATION	
I. Introduction	2-25
II. Determination of Boundaries	2-27
III. Duplication of Authority to Perform Similar Functions	2-31
IV. Conformance with City or County General and Specific Plan	2-31
V. Conformance with Spheres of Influence	2-31
VI. Environmental Impact Assessment	2-32
VII. Economics, Service Delivery and Development Patterns	2-32
VIII. Phasing	2-36
IX. Open-Space and Agricultural Land	2-36
X. Groundwater Standards	2-39
XI. Incorporation Guidelines	2-41
XII. Regional Traffic Impacts	2-41
XIII. Efficient Urban Development Patterns	2-41
XIV. Contract/Agreement Service Extension	2-41
E. PRESERVATION OF OPEN-SPACE AND AGRICULTURAL LANDS	
I. Introduction	2-43
II. Policy	2-44
F. HOUSING AND JOBS	
I. Introduction	2-56
II. Policy	2-57

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES RELATING TO SPHERES OF INFLUENCE AND CHANGES OF ORGANIZATION AND REORGANIZATION

A. INTRODUCTION

This document is a compilation of the policies of the Local Agency Formation Commission of Monterey County and is intended to guide LAFCO's review and consideration of requests for Sphere of Influence amendments and changes in organization or reorganization.

These policies are based on the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended, which is included in section 56000 et seq. of the California Government Code.

Section 56300 of the Government Code requires that LAFCO establish written policies and procedures and exercise its powers consistent with these policies and procedures. The State Legislature's intent is for these policies and procedures to encourage planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.

The Policies and Procedures relating to Spheres of Influence and Changes of Organization and Reorganization are divided into six parts:

- A. An **Introduction** which is intended to create a context for the document;
- B. **Definitions** where the meaning of words used in the Policies and Procedures are listed. Additional definitions related to LAFCO can be found in Government Code section 56010 et seq.;
- C. **Sphere of Influence Policies and Criteria** which provides guidance for LAFCO's consideration of applications for Sphere of Influence updates and amendments;
- D. **Standards for the Evaluation of Proposals for a Change of Organization or Reorganization**, which provides guidance for LAFCO's consideration of proposals for changes of organization and reorganization, including annexations, city incorporations, district formations, detachments, consolidations, mergers, disincorporations and dissolutions, the exercise of new or different functions or classes of services by a special district;

E. Preservation of Open-Space and Agricultural Lands which outlines preservation policies applying to LAFCO's review and consideration of both Spheres of Influence and Changes of Organization and Reorganization.

F. Housing and Jobs which outlines policies relating to job availability and creation, and housing supply and demand, and applies to LAFCO's review and consideration of both Spheres of Influence and Changes of Organization and Reorganization.

While it is LAFCO's intent that these Policies and Procedures are consistent with State law, if a conflict exists State law will have precedence.

Policy Background

Three former LAFCO of Monterey County stand-alone policy documents provide the basis of this policy compilation, and provide the basis for Parts C, D and E, as described above, of the Policies and Procedures:

- o The Basis for Part C: General Policies and Criteria for the Development and Determination of Spheres of Influence, originally adopted on November 30, 1988, and subsequently amended.
- o The Basis for Part D: Standards for the Evaluation of Proposals, originally adopted on 11/25/1986, and subsequently amended; and
- o The Basis for Part E: The Policy on Preservation of Open-Space and Agricultural Lands, adopted on January 25, 2010 (Resolution 10-01).

Part F, Housing and Jobs, is a new Part recommended for adoption in 2010.

Additionally the following policies are included within the compilation, and are appropriately referenced:

- o LAFCO Adoption of State Guidelines for the California Environmental Quality Act (CEQA) on July 22, 1986 (Resolution 86-9);
- o The Fort Ord Policies adopted by minute order on 8/25/1992;
- o The Minor Sphere of Influence Amendment Criteria adopted by minute order on 3/25/2002;
- o The Preliminary Sphere of Influence Evaluation Program adopted on 12/2/2002 (Resolution 02-19);
- o State Incorporation Guidelines adopted on 6/24/2003 (resolution 03-18);
- o The Regional Traffic Impact and Efficient Development Standards policies adopted on 10/23/2006 (Resolutions 06-15 and 06-16), and
- o The policy for requiring a Sphere of Influence Update with annexation requests adopted by minute order on 9/24/2007.

The Agricultural Lands Preservation Policy, adopted on November 27, 1979 (Resolution 79-30) and subsequently amended, has been replaced by the 2010 Policy on Preservation of Open-Space and Agricultural Lands.

Statutory References

Unless otherwise indicated, all statutory references are to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended. (Government Code section 56000, et seq.)

POLICIES AND PROCEDURES
RELATING TO SPHERES OF INFLUENCE
AND CHANGES OF ORGANIZATION AND REORGANIZATION

B. DEFINITIONS¹

1. **Act:** The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Section 56000, et seq.)
2. **Agricultural Lands:** Land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program. (SGovernment Code section 56016.)
23. **Agricultural Preserve:** Lands subject to an existing land conservation agreement established pursuant to the California Land Conservation Act of 1965. (the Williamson Act, Government Code section 51200 et seq.)
4. **Annexation:** The annexation, inclusion, attachment, or addition of territory to a city or district. (Section 56017.)
5. **Change of Organization:** Any of the following:
 - (a) A city incorporation.
 - (b) A district formation.
 - (c) An annexation to, or detachment from, a city or district.
 - (d) A disincorporation of a city.
 - (e) A district dissolution.
 - (f) A consolidation of cities or special districts.
 - (g) A merger or establishment of a subsidiary district.
 - (h) A proposal for 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. (Section 56021.)
6. **Consolidation:** The uniting or joining of two or more cities located in the same county into a single new successor city or two or more districts into a single new successor district. (Section 56030.)

¹ Part B, "Definitions," was previously Section II. of the "Sphere of Influence Policies and Criteria." Additional definitions of relevance to LAFCO are contained in the Act (Section 56010, et seq.)

73. County: Monterey County.

8. Detachment: The detachment, deannexation, exclusion, deletion, or removal from a city or district of any portion of the territory of that city or district. (Section 56033.)

9. Disincorporation: The disincorporation, dissolution, extinguishment, and termination of the existence of a city and the cessation of its corporate powers, except for the purpose of winding up the affairs of the city. (Section 56034.)

10. Dissolution: The dissolution, disincorporation, extinguishment, and termination of the existence of a district and the cessation of all its corporate powers, except as the commission may otherwise provide pursuant to Section 56886 or for the purpose of winding up the affairs of the district. (Section 56035.)

114. Essential Services: Those basic services necessary to protect the health, safety, and general well-being of a community, including but not limited to police, fire, water, sanitation, etc.

12. Executive Officer: The executive officer appointed by a commission. (Section 56038.)

13. Formation: The formation, incorporation, organization, or creation of a district. (Section 56039.)

145. General Purpose Government: A city or county government.

15. Incorporation: The incorporation, formation, creation, and establishment of a city with corporate powers. Any area proposed for incorporation as a new city shall have at least 500 registered voters residing within the affected area at the time commission proceedings are initiated. (Section 56043.)

166. LAFCO: Monterey County Local Agency Formation Commission of Monterey County.

177. Local Agency: A city, county or special district. (Section 56054.)

18. Merger: The extinguishment, termination, and cessation of the existence of a district of limited powers by the merger of that district with a city as a result of proceedings taken pursuant to this division. (Section 56056.)

198. Open Space Lands: Any parcel or area of land or water which is substantially unimproved and devoted to open space use as defined in Government Code section 65560. (Section 56059.)

209. **Planning Concern Area:** An area established by the Local Agency Formation Commission with the assistance of the appropriate cities and the County designating a general area of concern of a city for which planning decisions and other governmental actions of the County may have an impact on the city. A "Planning Concern Area" will usually be larger than the adopted Sphere of Influence boundary and may take into consideration the planning area of the city as identified within their local general plans.

2140. **Prime Agricultural Land:** An area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than agriculture and that meets any of the following qualifications:

_____ (a) Land that qualifies, if irrigated, qualifies for rating as Class I or II in the USDA Natural Resources Conservation Service land-use capacity classification, whether or not the land is actually irrigated, provided that irrigation is feasible;

_____ (b) land that qualifies for rating 80 through 100 in the Storie Index Rating;

_____ (c) land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003;

_____ (d) land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a non-bearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre for three of the previous five calendar years; and

_____ (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years. (~~S~~Government Code section 56064.)

2244. **Regional Agencies:** Association of Monterey Bay Area Governments (AMBAG), Regional Water Quality Control Board, Monterey Bay Unified Central Coast Regional Coastal Commission, Air Pollution Control Board~~District~~, etc.

23. **Reorganization:** Two or more changes of organization initiated in a single proposal. (Section 56073)

24

42. **Sphere of Influence:** A plan for the probable physical boundaries and service area of a local agency, as determined by LAFCO. (Section 56076.) The area around a local agency eligible for annexation and extension of urban service within a twenty-year period.

2543. **Sphere of Influence Boundary:** Boundary, adopted by the Monterey County Local Agency Formation Commission, which delineates the limits beyond which a local governmental agency will not annex territory.

2644. **Urban Services:** Those services which are provided to an urban area including, but not limited to, police, structural fire protection, non-agricultural water, sewer, drainage, street lighting, streets and roads.

2745. **Urban Service Districts:** Special districts which are authorized to provide public sanitary sewer services or domestic water distribution services.

2846. **Urban Service Area:** Developed, undeveloped, or agricultural land, either incorporated or unincorporated, within the Sphere of Influence of a city, which is served by urban facilities, utilities, and services or which are proposed to be served by urban facilities, utilities, and services during the first five years of an adopted capital improvement program of the city if the city adopts that type of program for those facilities, utilities, and services. The boundary around an urban area shall be called the "urban service area boundary" and shall be developed in cooperation with a city and adopted by LAFCO pursuant to policies adopted by LAFCO in accordance with Sections 56300, 56301, and 56425. (Section 56080.)
~~Urban developed areas within an urban service district or city sphere of influence, which is now served by existing urban facilities, utilities, and services or is proposed to be served by urban facilities, utilities and services within the next five years.~~

2947. **Urban Transition Area:** Area within the Spheres of Influence boundaries of a city or an urban service district which is not programmed for urban facilities or utility extensions within the next five years. This area will most likely be used for urban expansion within approximately five to twenty years.

3048. **Future Study Area:** Territory outside of an adopted Sphere of Influence that may warrant inclusion in the sphere in future years. Further study would have to be completed prior to inclusion.

~~49. **Principal County:** Principal County has the meaning contained in any definition of Principal County, as set forth in the principal act. If the principal act has no definition of principal county, or if there is any inconsistency between the definitions contained in two or more applicable principal acts, principal county means the county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change of organization or reorganization is proposed.~~

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES **RELATING TO SPHERES OF INFLUENCE** **AND CHANGES OF ORGANIZATION AND REORGANIZATION**

C. SPHERE OF INFLUENCE POLICIES AND CRITERIA²

I. LEGISLATIVE AUTHORITY

The State Legislature has provided Local Agency Formation Commissions (LAFCO's) with the following directions in the preparation of Spheres of Influence:

1. In creating local agency formation commissions the State Legislature found "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" and "that providing housing for persons and families of all incomes is an important factor in promoting orderly development." (Section 56001.) Additionally "one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities." (Section 56301.)"Among the purposes of a Local Agency Formation Commission are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local governmental agencies based upon local conditions and circumstances. One of the objects of the Local Agency Formation Commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local governmental agencies so as to advantageously provide for the present and future needs of each County and its communities..."
2. "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 Local Agency Formation Commission shall

² Part C of the Policies and Procedures is based on the "General Policies and Criteria for the Development and Determination of Spheres of Influence" originally adopted on November 30, 1988, and subsequently amended. Portions of this Part which were derived from other LAFCO policy documents are referenced as such.

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." As used in this section, "sphere of influence" means a plan for the probable ultimate physical boundaries and service area of a local governmental agency. (Section 56425[a].)

3. "In determining the Sphere of Influence of each local governmental agency, the cCommission shall consider and prepare a written statement of its determinations with respect to each of the following:
- The present and planned land uses in the area, including agricultural and open space lands.
 - The present and probable need for public facilities and services in the area.
 - The present capacity of public facilities and the adequacy of public services which the agency provides or is authorized to provide.
 - The existence of any social or economic communities of interest in the area if the cCommission determines that they are relevant to the agency."

(Section 56425[e].)

43. "Every determination made by a Gcommission involving regarding ... [proposals for changes of organization or reorganization]... shall be consistent with the Spheres of Influence of the local agencies affected by those determinations." (Section 56375.5.)

54. "The cCommission may recommend governmental reorganizations to particular agencies in the County, using Spheres of Influence as the basis for such those recommendations." (Section 56425[h].)

IIII. POLICY GUIDELINES FOR SPHERES OF INFLUENCE³

The ~~Commission~~LAFCO will generally apply the following policy guidelines in the Spheres of Influence program, in addition to the local conditions and circumstances of each local agency. The ~~Monterey County~~Local Agency Formation Commission of Monterey County will consider the particular local conditions and circumstances of each agency and community.

- LAFCO intends that its Sphere of Influence determination will serve as a master plan for the future organization of local government within the County. The spheres shall be used to discourage urban sprawl; limit proliferation of local governmental agencies; encourage efficiency, economy and orderly changes in

³ The former Section II ("Definitions") of the "Sphere of Influence Policies and Criteria" has been removed from this document and made into "Part B" of the combined Policies and Procedures.

local government; promote compact, community centered urban development; and minimize adverse impacts on lands classified as prime agriculture.

2. The Sphere of Influence lines shall be a declaration of policy which shall be a primary guide to LAFCO in the decision on any proposal under its jurisdiction. Every determination made by ~~the Commission~~LAFCO shall be consistent with the Spheres of Influence of the agencies affected by those determinations.
3. Any proposal which is inconsistent with an agency's adopted Sphere of Influence shall not be approved until ~~the Commission~~LAFCO, at a noticed public hearing, has considered an amendment or revision to that agency's Sphere of Influence.
4. Inclusion within an agency's Sphere of Influence does not assure annexation to that agency. ~~The Commission~~LAFCO shall evaluate boundary change proposals as they relate to all of the relevant factors listed in the ~~Cortese-Knox Local Government Reorganization Act of 1985 (Government Code section 56841 et seq.)~~.
5. When possible, a single larger general purpose agency, rather than a number of adjacent smaller ones, established for a given service in the same general area will be preferred. Where an area could be assigned to the Sphere of Influence of more than one agency providing a particular needed service, the following hierarchy shall apply dependent upon ability to serve:
 - a. Inclusion within a city Sphere of Influence.
 - b. Inclusion within a multi-purpose district Sphere of Influence.
 - c. Inclusion within a single-purpose district Sphere of Influence.

In deciding which of two or more equally ranked agencies shall include an area within its Sphere of Influence, LAFCO shall consider the agencies' service and financial capabilities, social and economic interdependence, topographic factors, and the effect that eventual service extension will have on adjacent agencies.

6. Duplication of authority to perform similar functions in the same territory will be avoided. Sphere of Influence boundaries shall not create islands or corridors unless it can be demonstrated that the irregular boundaries represent the most logical and orderly service area of an agency.
7. The adopted Sphere of Influence shall reflect city and County General Plans, plans of regional agencies, growth management policies, annexation policies, resource management policies, and any other policies related to ultimate boundary or service area of an affected agency unless those plans or policies conflict with the legislative intent of the ~~Cortese-Knox Act of 1985 (Government Code section 56000 et seq.)~~.

Where inconsistencies between plans exist, LAFCO shall rely upon that plan which most closely follows the Legislature's directive to discourage urban sprawl, direct development away from prime agricultural land and open-space lands, and

encourage the orderly formation and development of local governmental agencies based upon local conditions and circumstances.

8. Extension of urban type services promotes urban development and such development belongs in cities or areas of development concentration in the unincorporated area of Monterey County. In evaluating proposals involving urban development requiring an urban level of governmental services, the ~~Commission~~LAFCO will discourage the formation of new special districts or premature annexation of territory within existing city Spheres of Influence or logical expansion area. The ~~Commission~~LAFCO will discourage boundary change proposals involving urban development outside adopted city Spheres of Influence that have the potential to negatively impact prime agriculture or open space lands, public service capacity, existing local governmental agencies, or generally represents illogical growth patterns.
9. This ~~Commission~~LAFCO, in recognition of the mandated requirements for considering impacts on open space lands and agricultural lands, will develop and determine Spheres of Influence for Cities and urban service districts in such a manner as to promote the long-term preservation and protection of this County's "Resources." The ~~Commission~~LAFCO believes the public interest will be best served by considering "Resources" in a broad sense to include open space, recreational opportunities, wildlife, and agricultural land. Sphere of Influence determinations must conform with the ~~Commission's~~LAFCO's Aggricultural Preservation Policy on Preservation of Open-Space and Agricultural Lands adopted in November, 1979 on January 25, 2010 [Section E of this Policy Document].
10. The ~~Commission~~LAFCO recognizes the many inter-relationships and impacts which one agency's land use, planning, and governmental decisions may have on other agencies even though they may be outside of the "Sphere of Influence" of the secondary agency. Consequently, this ~~Commission~~LAFCO, when necessary, will seek to establish and identify Areas of Planning Concern for each city within the County. The "Planning Concern Area" will seek to identify those areas which in a broad sense affect the city in terms of planning and land use decisions. Such "Planning Concern Areas" will be established with the assistance and guidance of the affected cities and the County. The "Planning Concern Area" normally will extend beyond the adopted "Sphere of Influence" of the city. Once established, the ~~Commission~~LAFCO will solicit the cooperation and involvement of the affected cities and the County to jointly involve one another in planning decisions for these areas.

IIIIV. PROCEDURAL GUIDELINES

1. LAFCO will designate a Sphere of Influence for each local agency representing the agency's probable physical boundary within a zero to twenty year period.

2. ~~LAFCO shall consider the following factors in determining or amending an agency's sphere of influence:~~

- ~~a. Present and future need for agency services and the service levels specified for the subject area in applicable general plans, growth management plans, annexation policies, resource management plans, and any other plans or policies related to an agency's ultimate boundary and service area.~~
- ~~b. Capability of the local agency to provide essential and urban services, taking into account evidence of resource capacity sufficient to provide for internal needs and urban expansion.~~
- ~~c. The existence of agricultural preserves, agricultural lands and open space lands in the area and the effect that inclusion within a sphere of influence shall have on the physical and economic integrity of maintaining the land in non-urban use.~~
- ~~d. Present and future cost and adequacy of services anticipated to be extended within the sphere of influence.~~
- ~~e. Present and projected population growth, population densities, land uses, land area, ownership patterns, assessed valuations, and proximity to other populated area.~~
- ~~f. The agency's capital improvement or other plans that delineate planned facility expansions and the timing of that expansion.~~
- ~~g. Social or economic communities of interest in the area.~~

23. ~~The Commission~~LAFCO may establish an urban service area within an adopted Sphere of Influence to discourage urban sprawl and to promote compact growth patterns. Urban service areas consist of territory now served by urban facilities, utilities and services or proposed to be served within the next five years, and may include the following:

- a. Urbanized Areas. This includes all existing areas, either incorporated or unincorporated, developed to urban densities.
- b. Urban Expansion Areas. This consists of vacant land, either incorporated or unincorporated, which is capable of holding urban growth expected within the next five years.

The territory included within urban service areas will be considered by LAFCO to be eligible for annexation within five years. Consideration will be given to the capability of a city and special district ~~capability~~ to provide needed services with related time schedules for planned expansion of services. Cities and special districts are encouraged to develop Capital Improvement Programs and other

plans for the phased extension of services to assist LAFCO in determining logical urban service area boundaries.

34. ~~The Commission~~ LAFCO may establish urban transition areas within adopted Spheres of Influence to discourage premature pressure for development. Transition areas consist of the residual lands between designated urban service areas and the ultimate Sphere of Influence boundary. This land will most likely be used for urban expansion within approximately five (5) to twenty (20) years. Territory included within urban transition areas, but not within urban service areas, generally will not be considered eligible for annexation to receive urban services within five years.

45. LAFCO may adopt a zero Sphere of Influence encompassing no territory for an agency. This occurs where LAFCO determines that the public service functions of the agency are either non-existent, no longer needed, or should be reallocated to some other agency of government.

The local agency which has been assigned a zero Sphere of Influence should ultimately be dissolved. Special districts that lie substantially within the boundary or Sphere of Influence of a general purpose government which is capable of assuming the public service responsibilities and functions of that special district may be allocated a zero Sphere of Influence designation.

56. Territory not in need of urban services, including open space, agriculture, recreational, rural lands or residential rural areas, shall not be assigned to an agency's Sphere of Influence unless the area's exclusion would impede the planned, orderly and efficient development of an area.

67. LAFCO may adopt a Sphere of Influence that excludes territory currently within that agency's boundaries. This occurs where LAFCO determines that the territory consists of agricultural lands, open space lands or agricultural preserves whose preservation would be jeopardized by inclusion within the agency's Sphere of Influence. Exclusion of these areas from an agency's Sphere of Influence indicates that detachment is appropriate.

78. Two or more local agencies providing the same service(s) may be allocated a consolidated Sphere of Influence to include the areas served by both agencies. This would be the case where LAFCO ~~believes~~ determines that the particular service(s) should be provided to the entire area by a single local agency.

89. LAFCO may establish future study areas outside of adopted Spheres of Influence. These areas indicate territory which may ultimately be appropriate for inclusion within an agency's sphere upon future study or modified conditions.

IV. SPHERE OF INFLUENCE UPDATE, AMENDMENT AND SERVICE REVIEW

140. LAFCO shall adopt, update, amend or revise Sphere of Influence determinations following the procedural steps set forth in the Cortese-Knox Act of 1985 (Government Code section 56076 et seq.).

244. LAFCO shall review Sphere of Influence determinations not less than every five years. If a local agency or the County desires amendment or revision of an adopted Sphere of Influence, the local agency by resolution may file such a request with the Executive Officer. The request shall state the nature of the proposed amendment and the reasons for the request, include a map of the proposed amendment, and contain additional data and information as may be required by the Executive Officer.

312. ~~The Commission~~LAFCO encourages any private individual desiring a revision of an adopted Sphere of Influence to request that the affected local agency initiate sphere reconsideration by resolution to promote consultation between the parties.

413. ~~At least 30 days p~~Prior to submitting an application to the ~~Commission~~LAFCO for a determination of a new Sphere of Influence, or to update an existing Sphere of Influence for a city, the city shall complete the requirement to meet with the County to discuss the proposed new boundaries of the sphere and explore methods to reach agreement on development standards and planning and zoning requirements as contained in Section 56425. ~~representatives from the city shall meet with county representatives to discuss the proposed sphere, and its boundaries, and explore methods to reach agreement on the boundaries, development standards, and zoning requirements within the sphere to ensure that development within the sphere occurs in a manner that reflects the concerns of the affected city and is accomplished in a manner that promotes the logical and orderly development of areas within the sphere. If no agreement is reached between the city and county within 30 days, then the parties may, by mutual agreement, extend discussions for an additional period of 30 days. If an agreement is reached between the city and county regarding the boundaries, development standards, and zoning requirements within the proposed sphere, the agreement shall be forwarded to the Commission~~LAFCO, ~~and LAFCO the Commission shall consider and adopt a Sphere of Influence for the city consistent with the policies adopted by the Commission~~LAFCO pursuant to this section, and the ~~Commission~~LAFCO shall give great weight to the agreement, to the extent that it is consistent with LAFCO policies, in the its Commission's final determination of the city sphere.

14. ~~If the Commission's final determination is consistent with the agreement reached between the city and county pursuant to subdivision 13, the agreement shall be adopted by both the city and county after a noticed public hearing. Once the agreement has been adopted by the affected local agencies and their respective general plans reflect that agreement, then any development approved by the county within the sphere shall be consistent with the terms of that agreement.~~

~~15. If no agreement is reached pursuant to subdivision 13, the application may be submitted to the Commission and the Commission shall consider a sphere of influence for the city consistent with the policies adopted by the Commission pursuant to this section.~~

~~546. When adopting, amending, or updating a Sphere of Influence for a special district, the Commission~~LAFCO shall do all of the following:

- ~~a. Require existing districts to file written statements with the Commission~~LAFCO specifying the functions or classes of services provided by those districts.
- ~~b. Establish the nature, location, and extent of any functions or classes of services provided by existing districts. (Section 56425[i].)~~

~~647. In order to prepare and to update Spheres of Influence in accordance with Section 56425, the Commission~~LAFCO shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the ~~Commission~~LAFCO. ~~(Section 56430.) The Commission shall include in the area designated for service review the county, the region, the subregion, 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:~~

~~Infrastructure needs or deficiencies.~~

~~Growth and population projections for the affected area.~~

~~Financing constraints and opportunities.~~

~~Cost avoidance opportunities.~~

~~Opportunities for rate restructuring.~~

~~Opportunities for shared facilities.~~

~~Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.~~

~~Evaluation of management efficiencies.~~

~~Local accountability and governance.~~

~~748. In conducting a service review, the~~ CommissionLAFCO shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. ~~(Section 56430[b].)~~

~~849. The~~ CommissionLAFCO 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.

~~920. Individuals desiring~~ LAFCO to initiate revision or amendment of an existing sphere of influence shall file a written request with the Executive Officer. The request shall state the nature of the proposed amendment and the reasons

for the request, include a map of the proposed amendment area, and contain additional data and information as may be required by the Executive Officer.

1024. The Executive Officer shall review each request for amendment, prepare a report and recommendation, and place the request on the agenda of the next meeting of the ~~Commission~~LAFCO for which notice can be given after determining conformance with the California Environmental Quality Act. Copies of the Executive Officer report shall be provided to the person(s) making the request, each affected local agency, and each person who has filed a request for a report.

1122. Any local agency, ~~county,~~ or private individual making such a request shall reimburse the ~~Commission~~LAFCO for the actual and direct costs incurred by the ~~Commission~~LAFCO. The ~~Commission~~LAFCO may waive such requirement if it finds that the request may be considered as part of its periodic review of Spheres of Influence.

1223. The ~~Monterey County~~ Local Agency Formation Commission shall adopt, amend, or revise Spheres of Influence after a public hearing called and held for that purpose. At least 15 days prior to the date of any such hearing, the Executive Officer shall give mailed notice of the hearing to each affected local agency and the County, and to any interested party who has filed a written request for such notice with the Executive Officer. In addition, at least 15 days prior to the date of any such hearing, the Executive Officer shall cause notice of the hearing to be published in a newspaper of general circulation which is circulated within the territory affected by the Sphere of Influence proposed to be adopted or amended.

LAFCO may continue from time to time any Sphere of Influence hearing. At any Sphere of Influence hearing, LAFCO shall hear and consider oral or written testimony presented by any affected local agency, ~~the County,~~ or any interested person who wishes to appear.

1324. On the date and time set for hearing and provided in the notice, the ~~Commission~~LAFCO may, without further notice, consider the amendments to a Sphere of Influence or set a future date for the hearing on the request.

1425. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the proposal mitigates its regional traffic impacts by, for example, monetary contribution to a regional transportation improvement fund as established by the Transportation Agency of Monterey County or otherwise.⁴

1525. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the city in which the annexation or Sphere of Influence amendment is proposed has included certain goals, policies, and objectives into its General Plan that encourages mixed uses,

⁴ Subsection IV.14 was added through Resolution 06-15, October 23, 2006.

mixed densities, and development patterns that will result in increased efficiency of land use, and that encourages and provides planned, well-ordered, efficient urban development patterns.⁵

16. Except as allowed in Section VI (below) for Minor Sphere of Influence Amendments, as part of the package of LAFCO forms and procedures given to every applicant, LAFCO will screen each application for an annexation change to ensure that there is a current Sphere of Influence (within the last five years); or that the application includes a concurrent Sphere update for affirmation by the ~~Commission~~LAFCO. If the screening process identifies that a Sphere update is needed, the application package already identifies the information needed for the four standard determinations by the ~~Commission~~LAFCO, and informs the applicant of the City-County consultation process required by State law. This administrative procedure will result in a current Sphere of Influence for every annexation change. This procedure does not change or affect other LAFCO procedures and policies that encourage comprehensive Sphere updates with 20-year horizons, and the staggering of Sphere and annexation proposals⁶

V. MINOR SPHERE OF INFLUENCE AMENDMENT

149. ~~The Commission~~LAFCO 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. (Section 56430[c].) The only exceptions⁷ to the need for a service review are for the approval of the following minor sphere amendments:

- a. An amendment that would be necessary to correct an immediate health and safety problem, as supported by the Monterey County Division of Environmental Health. *(LAFCO has often annexed territory to districts or cities to correct failing septic or water systems. In some of those cases, a sphere amendment was necessary. This provision would allow LAFCO to continue to process these types of applications without conducting an extensive service review.)*
- b. An amendment that would be necessary for any project that meets the provisions of the Categorical Exemptions in section 15319 in the California Environmental Quality Act Guidelines (CEQA) for annexations of existing facilities and lots for exempt facilities. *(The Guidelines contains exceptions for the construction of small structures and existing facilities. LAFCO has*

⁵ Subsection IV.15 was added through Resolution 06-16, October 23, 2006.

⁶ This section was added by Commission Minute Order on September 24, 2007.

⁷ Consistent with the Municipal Service Review Guidelines prepared by the State Office of Planning and Research, these exceptions were approved by the Commission by Minute Order on March 25, 2002.

processed small annexations and sphere amendments for such projects and the use of this provision would shorten the process for those types of proposals that do not have area-wide service implications.)

- c. An amendment to add any small portion of territory to a request, otherwise located wholly in the existing Sphere of Influence, in order to maintain logical boundaries. *(Some sphere boundaries around cities and districts do not necessarily conform to existing natural or parcel boundaries. This provision would be used in those cases where it makes sense to include a small portion of additional territory to make a more logical boundary. The amendment would proceed without the need to complete a service review.)*
- d. Any request for a Sphere of Influence amendment that appears to be beyond the scope of the criteria or has area-wide service impacts will be brought to the Commission LAFCO for a determination. If the staff and the applicant have agreed to process the amendment with a service review this determination will not be necessary.

VI. PRELIMINARY SPHERE OF INFLUENCE REVIEWS⁸

1. INTRODUCTION: The State Legislature, through the Cortese – Knox – Hertzberg Local Government Reorganization Act (the “Act”), California Government Code section 56000 et seq., has declared 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.” Government Code section 56001 (unless otherwise indicated, all statutory references are to the Government Code). In the Act, the Legislature further finds that the policy of orderly growth and development “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 person and families of all incomes in the most efficient manner feasible.” *Id.*

In order to carry out its duties with respect to orderly growth and development, a local agency formation commission is charged with the responsibility to, amongst other things, “develop and determine the Sphere of Influence of each local agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere” (a Sphere of Influence being defined as “a plan for the probably physical boundaries and service area of a local agency”). Sections 56076 and 56425 (a). A local agency formation commission is charged with reviewing and updating spheres of influence as necessary every five (5) years. Section 56425 (g).

⁸ Section VI. was originally added through Resolution 02-19, December 2, 2002. The above rewording was recommended for adoption by the LAFCO Sphere of Influence and Annexation Policy Committee on June 16, 2010.

One of the purposes of a local agency formation commission is "to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies . . . and to shape the development of local agencies so as to advantageously provide for the present and future needs of [the] county and its communities." Section 56301. In addition to its other powers and duties, a local agency formation commission may undertake studies of existing local agencies. Section 56378. The authority to conduct studies is broad, and all local, regional and State agencies, and their officers and employees are required to cooperate in the undertaking of the study, and to provide land use information, studies, plans, and any records or information necessary to assist the local agency formation commission or its executive officer. *Id.*, Section 56386.

The Local Agency Formation Commission of Monterey County ("LAFCO") believes that it is beneficial for a city or special district undertaking or contemplating certain actions affecting its Sphere of Influence to receive from LAFCO preliminary guidance on the state of that Sphere of Influence without the formality of a formal review, update or modification of the Sphere of Influence. Such actions could include when a city is considering an update to a general plan, or prior to a formal application for a change to a Sphere of Influence. LAFCO believes that preliminary guidance will assist the local agency in the timely and efficient completion of the actions for which such preliminary guidance is appropriate. LAFCO further believes that the appropriateness of such preliminary guidance need not result in a comprehensive review or study, and that any review be conducted accordingly.

In order to implement the intent and purposes of the Act with respect to the development and determination of spheres of influence, and to provide local agencies within its jurisdiction with guidance from time to time concerning the state of an agency's Sphere of Influence, LAFCO adopts the following policy.

2. POLICY

It is the policy of LAFCO that, consistent with sections 56300 (a), 56301, 56378, and 56425 (a) of the Act, LAFCO may initiate preliminary Sphere of Influence reviews ("Preliminary Review") for any local agency. Such Preliminary Reviews shall be in addition to, and not a substitute for, the periodic Sphere of Influence reviews authorized in section 56425 (g) of the Act. Preliminary Reviews shall be designed to provide guidance to affected local agencies with respect to issues affecting spheres of influence, and shall not be comprehensive in nature. A Preliminary Review may be initiated, without limitation, when a city is updating or amending its general plan in a manner that may affect the city's current Sphere of Influence; a district is providing, or considering providing, services outside its jurisdictional boundaries; or, a local agency is contemplating an application to change its Sphere of Influence, and guidance from LAFCO would be beneficial.

A Preliminary Review may be initiated by LAFCO and performed as follows:

- a. Any local agency may request a Preliminary Review of its Sphere of Influence by providing a written request to the Executive Officer. The Executive Officer shall place the initiation of the Preliminary Review on the next available agenda for LAFCO to consider, and the Executive Officer shall make a recommendation with respect to the initiation of the Preliminary Review. Written notice of the item shall be provided to the affected local agency including the recommendation of the Executive Officer.
- b. In the alternative, the Executive Officer may determine in the first instance that a Preliminary Review is appropriate. Upon a determination by the Executive Officer that a Preliminary Review is appropriate, the Executive Officer shall place the initiation of a Preliminary Review on the next available agenda for LAFCO to consider, and the Executive Officer shall make a recommendation with respect to the initiation of the Preliminary Review. Written notice of the item shall be provided to the affected local agency, and shall include the recommendation of the Executive Officer.
- c. LAFCO shall determine whether to initiate a Preliminary Review after considering a report from the Executive Officer, the position of the local agency subject to the Preliminary Review, and such other testimony and evidence as may be presented at the hearing on the item.
- d. Upon initiation of a Preliminary Review, the Executive Officer shall undertake the review and make a report to LAFCO. The review shall not be comprehensive in nature, and shall be designed to provide initial observations on the state of the local agency Sphere of Influence and guidance to the local agency accordingly. The review shall consider any factors the Executive Officer deems appropriate, consistent with the factors applicable to a periodic review and update of a Sphere of Influence pursuant to section 56425 (g) of the Act, and a municipal service review pursuant to section 56430 of the Act. Local agencies, their officers and employees shall cooperate in the conduct of the Preliminary Review as provided in sections 56378 and 56386 of the Act.
- e. Upon completion of the Preliminary Review, the Executive Officer shall set the matter for the next available LAFCO meeting for consideration, and shall provide the Executive Officer's report to the affected local agency. LAFCO shall consider the report, the position of the affected local agency with respect to the report, and such other testimony and evidence as may be presented at the hearing. LAFCO may accept, reject, or modify the report in its discretion. If accepted or modified, the report shall not be considered a directive of LAFCO, but, consistent with the intent and purposes of this policy, shall be considered guidance to the affected local agency concerning the state of the agency's Sphere of Influence.

- f. A Preliminary Review for a local agency shall generally not be initiated within two (2) years following a review and update of a Sphere of Influence for that agency pursuant to section 56425 (g) of the Act, unless the Preliminary Review is requested by the local agency. Not more than one (1) Preliminary Review for a local agency shall be performed within any five (5) year period, unless additional Preliminary Reviews are requested by the local agency.

1. ~~PURPOSE: The Sphere of Influence for each city and special district within the purview of the Local Agency Formation Commission (LAFCO) of Monterey County shall be evaluated every five years in accordance with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended.~~

~~A preliminary Sphere of Influence evaluation may be conducted by LAFCO as an initial step to a Sphere of Influence update for a city or special district. The purpose of the review will be to determine the nature and extent of a Sphere of Influence update study. This process may be used by LAFCO to accelerate the Sphere of Influence update program, to identify issues related to sphere updates, and to assist agencies in evaluating service areas.~~

~~The preliminary evaluation, and subsequent determinations, shall be conducted as follows:~~

2. ~~PRELIMINARY SPHERE REVIEW:~~

- a. ~~LAFCO staff will coordinate with affected cities and districts in preparing a preliminary report that will include information regarding current and proposed land uses within the agency boundaries; existing sphere and surroundings; changes in growth forecasts or patterns; and service issues, including infrastructure needs and deficiencies, financial information and governance. Both functional and organizational service delivery options as well as revenue enhancement options will be evaluated in the report, as warranted. The preliminary report will contain sufficient information for LAFCO and the affected agencies to determine how and to what extent a sphere update will be conducted. The report will include the municipal service review information, as available, that is required for Commission determinations and specified in Government Code section 56430. The report will include a recommendation by the Executive Officer either to proceed with a comprehensive sphere update or affirm the agency's existing sphere.~~
- b. ~~The preliminary report shall be distributed to the subject agency, other affected cities and special districts, and interested parties for a 30-day public comment period. The report shall be made available to the Commission, but the Commission shall not act on recommendations in the report until the end of the review period.~~

- ~~c. The Executive Officer shall present a report and recommendation to the Commission at a noticed public hearing, along with the input from the subject city or district and comments from other interested parties. The Commission shall approve or deny, with or without changes, the Executive Officer's recommendation.~~
- ~~d. As appropriate, within 30 days following the Commission hearing, LAFCO and city or special district staff will determine a work program and time frame for completion of the Sphere of Influence update. The work program shall include an environmental review process, provide for public meetings or workshops as necessary, and consider an agency's general or master plan. The work program shall use the State Guidelines on Service Review as a basis for including a required municipal services review.~~
- ~~e. The sphere update shall be conducted consistent with LAFCO's Sphere of Influence Policies and the Cortese Knox Hertzberg Local Government Reorganization Act of 2000, as amended.~~

VII. ADDITIONAL POLICIES RELATING TO THE FORMER FORT ORD AREA⁹

Specifically applying to Spheres of Influence in the former Fort Ord, LAFCO adopted the following policy statements pursuant to a minute order on August 22, 1992:

1. ~~The Commission~~LAFCO encourages sphere proposals that will facilitate initial development efforts which focus on existing facilities and developed area; locate future urban uses adjacent to existing urban areas; phase development based on the availability of urban services and infrastructure; create a positive jobs/housing balance; provide fiscal resource capabilities; and lead to urban patterns that compliment objectives and goals of air quality, transportation, and housing plans of affected local and regional agencies.
2. ~~The Commission~~LAFCO will encourage sphere proposals that consider region-wide goals with local agencies' ability to provide service. ~~The Commission~~LAFCO will encourage sphere proposals that promote equitable distribution of the costs of regional facilities, related benefits, and cover all service impacts.
3. ~~This Commission~~LAFCO, in recognition of the mandated requirements for considering impacts on open space lands and agricultural lands, will develop and determine Spheres of Influence for Cities and urban service districts in such a manner as to balance the need to promote cost-effective logical urban expansion and economic recovery with the objective of promoting the long-term preservation and protection of this County's "Resources." ~~The Commission~~LAFCO believes the public interest will be best served by

⁹ Policies specific to the area of the former Fort Ord were added by Commission Minute Order on August 25, 1992.

considering "Resources" in a broad sense to include open space, recreational opportunities, wildlife, agricultural land, and fiscal resources.

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES **RELATING TO SPHERES OF INFLUENCE** **AND CHANGES OF ORGANIZATION AND REORGANIZATION**

D. STANDARDS FOR THE EVALUATION OF PROPOSALS **FOR A CHANGE OF ORGANIZATION OR REORGANIZATION**¹⁰

I. INTRODUCTION

The Monterey County Local Agency Formation Commission (LAFCO) of Monterey County operates pursuant to the Cortese-Knox Local Government Reorganization Act of 1985 (California Government Code, section 56000 et seq.). Among the purposes of the local agency formation commission are discouraging the discouragement of urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the encouragement of the orderly formation and development of local agencies based upon local circumstances and conditions. (Section 56301.)

State law provides that the Commission LAFCO may adopt standards for the evaluation of proposals. The primary purpose of standards is to identify issues and requirements associated with boundary change proposals to promote achievement of LAFCO goals and objectives. Standards also promote a rational and consistent process of review, which can be applied to all proposals. It should be noted that no one standard is of paramount importance nor is universally absolute. Because local circumstances and conditions vary, the commission LAFCO must consider the facts in evidence as they relate to all standards.

California Government Code sections 56375(g) and (h) provides that standards may be based on any of the factors enumerated in Section 5684456668 -as follows:

D.a. Population and; population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area and in adjacent incorporated and unincorporated areas during the next ten years.

¹⁰ Part D of the Policies and Procedures is based on the "Standards for the Evaluation of Proposals," originally adopted on 11/25/1986, and subsequently amended. Portions of this Part which were derived from other LAFCO policy documents are referenced as such.

E.b. The ~~n~~Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division and includes the public facilities necessary to provide those services.

F.c. The effect of the proposed action and of alternative actions on adjacent areas, on mutual social and economic interest, and on the local governmental structure of the County.

G.d. The conformity of both the proposal and its anticipated effects with both the adopted ~~Commission~~ LAFCO policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

H.e. The effect of the proposal on maintaining the physical and economic integrity of agricultural land, as defined by Section 56016.

I.f. The definiteness and certainty of the boundaries of the territory, the non-conformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

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

K.h. The Sphere of Influence of any local agency which may be applicable to the proposal being reviewed.

i. The comments of any affected local agency or other public agency.

j. The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

k. Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.

l. The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

m. Any information or comments from the landowner or owners, voters, or residents of the affected territory.

- n. Any information relating to existing land use designations.
- o. The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

~~The following~~ This report ~~outlines~~ lists the Monterey County Local Agency Formation Commission's Standards for the Evaluation of Proposals. The standards have been organized to correspond to the major LAFCO policies of the Commission including Boundaries, Duplication of Service Functions, Conformance with Planning Documents, Conformance with Spheres of Influence, Environmental Impacts, Economics, Service Delivery-Development Patterns, Phasing, Open Space, and Agricultural Land, Groundwater Standards, Regional Traffic Impacts, and Efficient Urban Development patters. The citation following each standard references the related State factor.

II. DETERMINATION OF BOUNDARIES

1. Definite and certain maps and legal descriptions must be filed as part of an application for boundary change proposal. All maps and written geographic legal descriptions must comply with the following LAFCO and State Board of Equalization requirements. (Section 5666856841f.). Detailed requirements of the State Board of Equalization are found in the "Change of Jurisdictional Boundary – Requirements for Statements, Boundary Descriptions, Maps and Schedule of Processing Fees" which is included in the LAFCO application packet.

Map:

- a. ~~Every map shall bear a north point, graphic scale, date, title, or short term designation and the name(s) of the affected agency or agencies.~~
- b. ~~Every map must clearly indicate all existing streets, roads, and highways within and adjacent to the subject territory, together with the current names of the thoroughfares.~~
- c. ~~Maps must not be drawn on paper less than 8 ½" by 11" or larger than 24" by 36." One map, 8 ½" by 11" must be submitted.~~
- d. ~~Every map shall include a regional location vicinity map showing its relationship to the local agency to which annexation to or detachment from is proposed. The boundaries of the existing district or city (if applicable) and the proposed~~

~~boundary must be distinctively shown without obliterating any essential geographic or political features.~~

~~e. The point of beginning of the legal description must be shown on the map. The boundaries of the subject territory must be distinctively shown on the map without obliterating any essential geographic or political features. The use of yellow lines to highlight the boundaries is urged, as the color photographs a light gray.~~

~~f. All maps must be prepared by a registered civil engineer or licensed land surveyor. Rough sketches of maps or plans will not be accepted.~~

~~g. The computed or estimated acreage shall be set forth in the legal description or on the map.~~

~~h. Bearings and distances must be shown on all lines. If the scale of the map is such that it is impractical to letter adjacent to or near the line, then a table may be used and the course designated by a number or a series of inclusive numbers. The table should appear on the same sheet as the map.~~

Legal Description:

~~1. The description must be headed with the date, title or short-term designation of the proposal, and the name of the affected agency or agencies.~~

~~2. Every description must be self-sufficient within itself and without the necessity of reference to any extraneous document. When a description refers to a deed of record, the deed should be used only as a secondary call.~~

~~3. When writing a metes and bounds description of a contiguous annexation, all details or the contiguous portion(s) of the boundary should be omitted. The junction points between the proposed boundary and the existing boundary must be clearly established.~~

~~4. A description making reference only to a subdivision or a lot within a subdivision or similar references without actually describing the perimeter boundary of the subject area is not acceptable.~~

~~5. The description must describe only the subject area. Descriptions of larger areas with exceptions are not acceptable unless the exception is an "island" totally surrounded by land proposed for annexation.~~

~~6. A specific parcel description in sectionalized land (e.g. the SW1/4 of Section 22, T1N, R1W) is permissible without a metes and bounds description of the perimeter boundary.~~

~~(1)2. To the greatest possible extent, boundaries should follow existing political boundaries and natural or man-made features such as rivers, lakes, railroad tracks,~~

and freeways. Where boundaries do not meet this standard, the proponent shall justify the reasons for non-conformance. (Sections ~~5666856844~~ a. and f.)

~~(2)~~3. Boundaries should not be drawn so as to create an island, corridor, or strip either within the proposed territory or immediately adjacent to it. Where such an island, corridor, or strip is created, the proponent shall justify the reasons for non-conformance with this standard. (Section ~~5666856844~~ d.)

~~(3)~~4. Whenever practicable, boundary lines of areas proposed to be annexed to cities and/or districts shall be located so that all streets and rights-of-way will be placed within the same jurisdiction as the properties which abut thereon and/or for the benefit of which such streets and rights-of-way are intended. (Section ~~5666856844~~ d.)

5. The creation of boundaries that divide assessment parcels should be avoided whenever possible. Where such division occurs, the proponents shall justify to the ~~Commission~~LAFCO the necessity for such division. (Section ~~5666856844~~ d.)

~~1~~6. Boundaries should avoid dividing an existing identifiable community, commercial district, or any other area having social or economic homogeneity. Where such division occurs, the proponents shall justify the reasons for non-conformance to this standard. (Section ~~5666856844~~ c.)

~~11~~7. The following guidelines related to road right-of-way apply to all proposals submitted to the ~~Commission~~LAFCO. (Section ~~5666856844~~ f.)

~~1~~a. **The following should not be allowed:**

- (1) City limits which include a portion of the road right-of-way.
- (2) Road islands of County maintained roads.
- (3) Islands of road caused by annexation on both sides.
- (4) Strip annexation roads.

*b. In the following cases where the road is the boundary and is a major County arterial, the street or road should be retained by the County. These roads would not have direct access from the property:

~~a~~(1) Roads which carry through traffic.

~~b~~(2) Planned development by developer or city which provides limited access and protects the capacity of the road.

***Note:** Each case should be considered on its own merit.

c. The following should be annexed to the city. These roads would have direct access to the annexing property and would serve the residents of the property:

- (1) Minor or local roads.
- (2) When the street will be used for the city sewer lines, water lines, or storm drains.
- (3) Piece-meal development by developer causing difficult coordination between two or more agencies.
- (4) Where the annexation will complicate drainage or traffic control.

III.8. Where feasible, city and related district boundary changes should occur concurrently to avoid an irregular pattern of boundaries. (Section ~~5666856841~~ b.).

IV.9. ~~Should the Commission~~ LAFCO modify the boundaries of a proposal, LAFCO may condition the proposal on the proponent preparing a new boundary description which conforms with LAFCO and State Board of Equalization requirements. (Section ~~5666856841~~ f.).

V.10. Boundaries should reasonably include all territory which would reasonably benefit from agency services. (Section ~~5666856841~~ b.).

III. DUPLICATION OF AUTHORITY TO PERFORM SIMILAR FUNCTIONS

1. Proposals, where feasible, should minimize the number of local agencies and promote the use of multi-purpose agencies. (Sections ~~5666856844~~ b and c.)
2. The effect of the approval of a proposal which would result in two or more districts or a city and a district possessing any common territory, the authority to perform the same or similar functions shall be considered by the ~~Commission~~LAFCO. The views of the governing body of the city or special district possessing authority to perform the same or similar function in the subject territory should be made known to the ~~Commission~~LAFCO. Proponents must justify the need for boundary change proposals which result in duplication of authority to perform similar functions. (Section ~~5666856844~~ b and c.)

IV. CONFORMANCE WITH CITY OR COUNTY GENERAL AND SPECIFIC PLANS

1. Each proposal should be consistent with the appropriate city or county general and specific plans. Where the proposal does not abide by these plans, the proponent shall specify the reasons for plan non-conformance. (Section ~~5666856844~~ g.)
2. Pursuant to ~~Section 56375 of the Government Code~~, for proposals involving city annexations, the LAFCO Executive Officer shall not file a Certificate of Filing, which acknowledges that an application is complete, until the city has completed a rezoning process for the subject property in a manner consistent with the city's general or specific plan. (Section ~~5666856844~~ g.)

V. CONFORMANCE WITH SPHERES OF INFLUENCE

1. Proposals shall be consistent with the Spheres of Influence for the local agencies affected by those determinations. (Sections ~~56375.556377.5~~ and ~~5666856844~~ h.)
2. In the case of city incorporations and agency formations, the ~~Commission~~LAFCO shall determine a Sphere of Influence within one year from the effective date of the proposal. (Section ~~56426.5.56844~~ h.)
3. With the exception of city incorporations and agency formations, the ~~Commission~~LAFCO shall adopt a sphere for affected agencies prior to consideration of related boundary change proposals. (Section ~~5666856844~~ h.)
4. When a proposal is inconsistent with the adopted Sphere of Influence, the applicant shall justify reasons for amending the Sphere of Influence. An annexation application for land outside an adopted Sphere of Influence may be considered concurrently with a request for amendment to the Sphere of Influence. (Section ~~5666856844~~ h.)

5. Proposals involving changes of organization or reorganization affecting city boundaries shall comply with the Urban Service Area and Urban Transition Area designations. ~~An Urban Service Area consists of existing developed and undeveloped land within an agency's Sphere of Influence, which is now served by existing urban facilities, utilities, and services or is proposed to be served within five years. An Urban Transition Area is an area within the Sphere of Influence boundaries of a city which is not programmed for urban facilities or utilities extensions within the next five years. The Urban Transition Area will most likely be used for urban expansion within 5 to 20 years (Section 56841 h).~~
6. Pursuant to ~~Government Code~~ Section 56375 (a) (42), the ~~Commission~~ LAFCO shall not have the power to disapprove an annexation to a city, initiated by resolution, of contiguous territory which the ~~Commission~~ LAFCO finds is located within an Urban Service Area delineated and adopted by the ~~Commission~~ LAFCO, which is not prime agricultural land, as defined by Section 56064, and is designated for urban growth by the general plan of the annexing city. (Section ~~5666856844~~ h.)

VI. ENVIRONMENTAL IMPACT ASSESSMENT

A.1. ~~In January 1975, in the Bezung Case, the California Supreme Court held that LAFCOs are subject to the terms of the California Environmental Quality Act (CEQA) and the regulations of the California Resources Agency, which establishes the guidelines for its implementation. All environmental factors introduced by the proposal shall be considered as outlined in the Act and the State Guidelines. "Monterey County Local Agency Formation Commission Guidelines for Implementation of the California Environmental Quality Act" and CEQA.~~

B.2. The potential environmental impacts of proposals involving changes of organization or reorganization shall be reviewed by LAFCO environmental staff and the appropriate environmental determination shall be considered by the ~~Commission~~ LAFCO in accordance with state law and the State's "Guidelines the LAFCO Regulations and Procedures for the Implementation of the California Environmental Quality Act of 1970."¹¹

VIII.VII. ECONOMICS, SERVICE DELIVERY AND DEVELOPMENT PATTERNS

5.1. ~~The Commission~~ LAFCO shall discourage proposals that would have adverse financial impacts on the provision of governmental services or would create a relatively low revenue base in relationship to the cost of affected services. Applications shall describe related service and financial impacts (including revenues and expenditures) on the County, cities, and/or special districts and provide feasible measures which would mitigate such adverse impacts. (Section ~~5666856844~~ a, b; and c.)

¹¹ LAFCO officially adopted the State CEQA Guidelines on July 22, 1986 (Resolution 86-9).

6.2. Applications must address current and ultimate service needs for governmental services and facilities as established by the appropriate land use plans and rezoning. Proposals shall not be approved unless a demonstrated need for additional service exists or will soon exist. In reviewing boundary change proposals, the Commission/LAFCO shall consider alternative government structure options which may be more appropriate in light of the demonstrated need for service. The formation of, or annexation to, a single governmental agency, rather than several limited purpose agencies, shall be encouraged when possible. (Section ~~5666856844~~ a and, b.)

7.3. Applications must indicate that the affected agencies have the capability to provide service. Territory shall be annexed to a city or special district only if such agency has or soon will have the capability to provide service. (Section ~~5666856844~~ b.)

8.4. Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall submit with the resolution of application a plan for providing services within the affected territory. The plan for providing services shall include all of the following information. (Section 56653.)

- a. An enumeration and description of the services to be extended to the affected territory.
- b. The level and range of those services.
- c. An indication of when those services can feasibly be extended to the affected territory.
- d. 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.
- e. Any conditions which would be imposed or required within the affected territory such as, but not limited to, improvement or upgrading of structures, roads, and sewer or water facilities.
- f. Information with respect to how those ~~A description of how such services and improvements will be financed (Section 56653).~~

A plan for providing services may consist of:

- a. A master plan for providing services throughout all or a portion of a city or distinct Sphere of Influence for use in evaluating all proposals affecting the area covered in the master plan.

b. A proposal-specific supplement which updates and/or provides a higher level of detail than is contained within the master plan for services. Such supplement may include by reference or in summary form those pertinent sections of the master plan for services which remain valid. The supplement need discuss in detail only that information which is not current or discussed in sufficient detail in the master plan for services.

6. ~~The Commission~~ LAFCO discourages proposals which will facilitate development that is not in the public interest due to topography, isolation from existing developments, premature intrusion of urban-type developments into a predominantly agricultural area, or other pertinent economic or social reason. (Section ~~56668~~ 56841 a.)

7. ~~The Commission~~ LAFCO shall consider the testimony from all potentially affected agencies or individuals in reviewing boundary change proposals. Proposals submitted by resolution of application shall include information indicating that landowners in the affected area support the proposal. (Section ~~56668~~ 56841 i.)

8. An application for incorporation of a new city shall be supplemented by sufficient information to enable ~~the Commission~~ LAFCO to determine. (Section ~~56668~~ 56841 a, b, and c.):

a. The long-term fiscal feasibility of the new city. A five-year service plan including revenue projections shall be required of all incorporation proposals. A service plan extending for longer than five years is acceptable.

b. The existing and projected population base in the affected area warrants urban-type services.

c. The service and financial impacts on all potentially affected agencies, including existing cities, districts, and the County.

d. The proposal territory includes the entire area that would reasonably benefit from city services and would not logically be more appropriate for annexation to an existing city.

9.9. A city application for annexation of an unincorporated island without an election shall, in addition to the plan for providing services, be supplemented by sufficient information to enable ~~the Commission~~ LAFCO to determine within the affected territory:

a. The total acreage of the unincorporated island and the boundaries of all cities and/or counties and, if applicable, the Pacific Ocean, which border thereon.

b. The presence or absence of Pprime Agricultural Land ~~as defined in sections 56064 of the Cortese-Knox Local Government Reorganization Act.~~

c. The availability of public utility services.

d. The presence of public improvements.

e. The presence or absence of physical improvements upon each parcel.

f. The benefits from such annexation or the benefits now being received from the annexing city.

4.10. If a proposal is for the incorporation of a new city or the formation of a new agency, the application shall include a service plan demonstrating the economic feasibility of the proposed formation. (Section ~~5666856844~~ a, b and c.)

VIII. PHASING

- ~~g.1.~~ The Commission LAFCO, in furtherance of its objectives of preserving prime agricultural land, containing urban sprawl, and in providing a reasonable assurance of a city/district's ability to provide services shall consider the appropriateness of phasing annexation proposals which include territory that is not within a city/district's urban service area and has an expected build-out over a period longer than five to seven years. (Sections 5666856844 a, b and, e.)
- ~~h.2.~~ Change of organization and reorganization proposals which are totally within a city or district's adopted urban service area shall not be considered appropriate for phasing. Urban service areas are, by definition, territory expected to be developed/serviced in the next five years. (Sections 5666856844 a, b and, c.)
- ~~i.3.~~ Proposals which contain territory which is not within a city or district's adopted urban service area and have an expected build-out extending beyond a five- to seven-year period may be considered appropriate for phasing. For the purpose of this policy, "phasing" shall be defined as a planned incremental approval of a project and "building-out" shall be interpreted as 70 to 80 percent developed. When an exception from this policy is desired, the proponent shall justify to the Commission LAFCO the reasons why phasing is not appropriate. Included within the justification for exception, the proponent shall demonstrate the jurisdiction's ability to provide necessary public services. (Sections 5666856844 a, b and, e.)
4. The Executive Officer shall not issue a certificate of filing pursuant to Section 56658 until the local agencies included in the property tax revenue exchange negotiation, within the 60-day negotiation period, present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues. (California Revenue and Taxation Code section 99[b][6].)

IX. OPEN SPACE AND AGRICULTURAL LAND

- ~~5.~~ This Commission, through its actions, desires to maintain the physical and economic integrity of land in an agricultural preserve as may be established by either the Board of Supervisors of Monterey County or a city council within the County (Section 56841 e).
- ~~6.~~ This Commission will attempt to guide the provision of governmental services and development to areas other than those classified as prime agricultural land as defined in Section 56064 of the Government Code, except where such development would promote the planned, orderly, and efficient development of that area (Sections 56377 a and 56841 e).
- ~~7.~~ This Commission encourages and will assist to implement the development of existing vacant or non-prime agricultural land for urban uses within an agency's existing jurisdiction or within an agency's sphere of influence before it will consider

~~with favor or will approve any proposal which would allow for or lead to the development of existing open space land for non open space uses which are outside of the agency's existing jurisdiction or outside of an agency's existing sphere of influence (Section 56377 b and 56841 e).~~

~~4.1. It is the policy of this Commission LAFCO to encourage and to seek to provide for planned, well-ordered, efficient urban development pattern while at the same time remaining cognizant of the need to give appropriate consideration to the preservation of open space and agricultural land within such patterns. (Section 56300). Proposals for a change of organization or reorganization will be judged according to LAFCO's adopted Policy on Preservation of Open-Space and Agricultural Lands [Section E of this Policy Document].~~

~~j. In determining whether a boundary change proposal may affect prime land, the Commission shall apply the definition of "prime agricultural land" established under the Cortese Knox Local Government Reorganization Act Section 56064.~~

~~k. Boundary change proposals which would allow or likely lead to the conversion of prime agricultural land or other open space land to other than open space uses shall be discouraged by the Commission unless such an action would promote the planned, orderly, efficient development of an area, or the affected land use planning jurisdiction has accomplished the following:~~

~~a. Identified within its sphere of influence all "prime agricultural land" as defined under Government Code Section 56064.~~

~~b. Demonstrated to LAFCO that effective measures have been adopted to preserve for agricultural use prime agricultural land identified in (a). Such measures may include, but not be limited to, establishing agricultural preserves pursuant to the California Land Conservation Act; designating land for agricultural or other open space uses on that jurisdiction's general plan, adopted growth management plan, or applicable specific plan; adopting an agricultural element to its general plan; and undertaking public acquisition of prime agricultural land for the purpose of leasing back such land for agricultural use.~~

~~c. Prezoned pursuant to Government Code Section 56375 (a) (2), both territory within the agency's general planning area to be maintained for agricultural use and also territory within the annexation area to indicate anticipated level of development.~~

~~l. In reviewing a proposal which will lead to the conversion of agricultural or open space land to urban uses, the Commission will consider the following criteria to determine whether the proposed action would (a) adversely affect the agricultural resources of the community, or (b) not promote the planned, orderly, efficient development of an area:~~

~~a. The agricultural significance of the proposal area relative to other agricultural land in the region (soil, climate, and water factors).~~

- b. ~~The use value of the proposal area and surrounding parcels.~~
- c. ~~Determination as to whether any of the proposal area is designated for agricultural preservation by adopted local plans, including Local Coastal Plans, the County General Plan, Land Use and Open Space Element, and Growth Management Policies.~~
- d. ~~Determination of:~~
 - i. ~~Whether public facilities would be extended through or adjacent to any other agricultural land to provide services to the development anticipated on the proposal property.~~
 - ii. ~~Whether the proposal area is adjacent to or surrounded by existing urban or residential development.~~
 - iii. ~~Whether surrounding parcels may be expected to develop to urban uses within the next five years.~~
- m. ~~Whether natural or man-made barriers would serve to buffer the proposal area from existing urban uses. Government Code Section 51243.5 provides that the Clerk of the Board of Supervisors shall give written notice to any city within the County of its intention to consider adoption of a Williamson Act contract which includes land within one mile of the exterior boundaries of that city. Such notice shall be given at least 30 days prior to the time the Board of Supervisors intends to consider the execution of such a contract. If such city files with the Local Agency Formation Commission a resolution protesting the execution of a contract which includes land within one mile of the exterior boundaries of the city, and the Commission, following a hearing, upholds the protest upon a finding that the contract is inconsistent with the publicly desirable future use and control of the land in question, then should the Board of Supervisors execute such a contract, the city shall have the option provided in subdivision (b) of Section 51243 of not succeeding to the contract upon annexation of the land to the city.~~
- n. ~~_____~~
- e. ~~Applications of protest to the establishment of a Williamson Act contract shall include the following information which is necessary for the Commission to determine that the contract is inconsistent with the publicly desirable future use and control of the land in question:~~
 - a. ~~A map showing the location of the contract in relation to the adopted sphere of influence of the protesting city.~~
 - b. ~~A summary of the County and protesting city general or specific land use plan designations and policies for the proposed contract area and surrounding territory.~~

~~An analysis of the economic feasibility of the current and future agricultural operations in the proposal contract area and surrounding territory.~~

X. GROUNDWATER STANDARDS

Informational Requirements

~~10.1.~~ 10.1. The ~~Commission~~LAFCO shall encourage the Monterey County Water Resources Agency, the Pajaro Valley Water Management Agency, and the Monterey Peninsula Water Management District to complete water management plans, develop or revise allocation of water supply as necessary, and promote County-wide standards. The LAFCO standards shall be reviewed periodically to reflect changes in information and current water management policy.

~~11.2.~~ 11.2. In considering a proposal which may significantly impact the groundwater basin, as documented by the Lead Agency pursuant to the California Environmental Quality Act (CEQA), the ~~Commission~~LAFCO shall review the following information. This information can be submitted to the ~~Commission~~LAFCO in an environmental document or as a part of the LAFCO application.

- a. The projected water demand of the proposed project based on guidelines provided by the appropriate water resources agency.
- b. The existing water use and historical water use over the past five years.
- c. A description of the existing water system including system capacity serving the site.
- d. A description of proposed water system improvements.
- e. A description of water conservation or reclamation improvements that are to be incorporated into the project.
- f. An analysis of the impact that proposed water usage will have on the groundwater basin with respect to water quantity and quality, including cumulative impacts.
- g. Evidence of consultation with the appropriate water agency. The agency shall be consulted at the earliest stage of the process, so that applicable recommendations can be included in the environmental document.
- h. A description of water conservation measures currently in use and planned for use on the site such as drought tolerant landscaping, water-saving irrigation systems, installation of low-flow plumbing fixtures, retrofitting of plumbing fixtures with low-flow devices, and compliance with local ordinances.
- i. A description of how the proposed project complies with adopted water allocation plans.

- j. A description of those proposals where the agency has achieved water savings or where new water sources have been developed that will off-set increases in water use on the project site that would be caused by the proposal.
- k. A description of how the proposal would contribute to any cumulative adverse impact on the groundwater basin.
- l. A description of those boundary change proposals that, when considered individually and after taking into account all mitigation measures to be implemented with the project, still cause a significant adverse impact on the groundwater basin.

12.3. Any proposal considered by the ~~Commission~~LAFCO that uses water will be referred to the Monterey County Water Resources Agency, the Pajaro Valley Water Management Agency, Monterey Peninsula Water Management District, or any other affected water agency. Recommendations of the agencies will be considered by the ~~Commission~~LAFCO and, where appropriate, should be incorporated into the project design prior to approval of the boundary change proposal.

13.4. The ~~Commission~~LAFCO recognizes that water usage will vary due to soil type, location of aquifer, characteristics of aquifer, and type of project. Each project must be reviewed on a case-by-case basis.

14.5. Should an agency adopt similar or more restrictive informational requirements, the LAFCO informational ~~Standard Requirement~~ Nos. 1 through 45 will no longer apply.

Policy Statements

15.6. The ~~Commission~~LAFCO will encourage boundary change proposals involving projects that use reclaimed wastewater, minimize nitrate contamination, and provide beneficial use of storm waters.

16.7. The ~~Commission~~LAFCO will encourage proposals which have incorporated water conservation measures. Water conservation measures include drought tolerant landscaping, water-saving irrigation systems, installation of low-flow plumbing fixtures, retrofitting of plumbing fixtures with low-flow devices, and compliance with local ordinances.

17.8. The ~~Commission~~LAFCO will encourage those proposals which comply with adopted water allocation plans as established by applicable cities or water management agencies.

18.9. The ~~Commission~~LAFCO will encourage those proposals where the affected jurisdiction has achieved water savings or new water sources elsewhere that will off-set increases in water use in the project site that would be caused by the proposal.

~~19.10. The Commission~~LAFCO will discourage those proposals which contribute to the cumulative adverse impact on the groundwater basin unless it can be found that the proposal promotes the planned and orderly development of the area.

~~20.11. The Commission~~LAFCO will discourage those boundary change proposals which, when considered individually and after taking into account all mitigation measures to be implemented with the project, still cause a significant adverse impact on the groundwater basin.

XII. INCORPORATION GUIDELINES¹²

1. LAFCO shall utilize the "Guide to the LAFCO Process for Incorporations" issued by the Governor's Office of Planning and Development as the guideline for processing proposals for city incorporation.

XII. REGIONAL TRAFFIC IMPACTS¹³

1. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the proposal mitigates its regional traffic impacts by, for example, monetary contribution to a regional transportation improvement fund as established by the Transportation Agency of Monterey County or otherwise.

XIII. EFFICIENT URBAN DEVELOPMENT PATTERNS¹⁴

1. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the city in which the annexation or Sphere of Influence amendment is proposed has included certain goals, policies, and objectives into its General Plan that encourages mixed uses, mixed densities, and development patterns that will result in increased efficiency of land use, and that encourages and provides planned, well-ordered, efficient urban development patterns.

XIV. CONTRACT / AGREEMENT SERVICE EXTENSION¹⁵

1. Requests for Service Extension:
 - a. In evaluating requests for service extensions outside an agency's jurisdictional boundary, ~~the Commission~~LAFCO shall consider the Sphere of Influence of the affected agency.

¹² Subsection XI was added through Resolution 03-18, June 24, 2003.

¹³ Subsection XII was added through Resolution 06-15, October 23, 2006.

¹⁴ Subsection XIII was added through Resolution 06-16, October 23, 2006.

¹⁵ Subsection XIV was added through Resolution 94-5, February 25, 1994.

- b. Applicants shall submit an application to LAFCO prior to consideration of the proposal. Within 30 days the Executive Officer shall determine if the application is complete, and transmit the need for additional information immediately. Within 90 days after the application is deemed complete, the request shall be placed before the ~~Commission~~LAFCO for a determination.
- c. LAFCO may authorize a city or district to provide new or extended service outside its jurisdictional boundaries but within its Sphere of Influence in anticipation of a later change of organization. In this instance, LAFCO~~The Commission~~ will consider the factors enumerated in ~~s~~Section 56841-56668 of the California Government Code in reviewing the requests for service extension outside of an agency's existing boundary.
- d. LAFCO may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and Sphere of Influence to respond to a documented existing or impending threat to the public health or safety of the residents of the affected territory if the LAFCO has notified any alternative service provider as outlined in Section 56133.
- d.e. The Executive Officer may administratively approve requests for service extension outside an agency's jurisdictional boundary if the applicant has satisfactorily demonstrated the existence of a public health or safety issue exists as identified in writing from the local public health officer. The Executive Officer is required to inform the~~Commission~~LAFCO at the next available ~~LAFCO~~ meeting of any administratively approved service agreements.

2. LAFCO authority over contract/agreement service extension does not apply to: (1) contracts or agreements 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; (2) contracts for the transfer of non-potable or non-treated water, and (3) contracts or agreements 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 directly support agricultural industries. However, prior to extending surplus water that will support or induce development, the agency must receive written approval from LAFCO. (Section 56133.)

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES RELATING TO SPHERES OF INFLUENCE AND CHANGES OF ORGANIZATION AND REORGANIZATION

E. PRESERVATION OF OPEN-SPACE AND AGRICULTURAL LANDS¹⁶

I. INTRODUCTION

Significant debate exists concerning the authority of a local agency formation commission (“LAFCO”) to adopt policies, rules, regulations, guidelines, or conditions regarding the establishment of “agricultural buffers” or other methods to address the preservation of open space and agricultural lands. The Cortese – Knox – Hertzberg Local Government Reorganization Act (the “Act”), California Government Code section 56000 et seq., is replete with provisions that grant to a local agency formation commission LAFCO the authority to consider and provide for the preservation of open space and agricultural lands. “Among the purposes of a [LAFCO local agency formation commission] are discouraging urban sprawl [and] preserving open-space and prime agricultural lands,” Section 56301. Furthermore, “[i]t is the intent of the Legislature that each commission, . . . , shall establish written policies and procedures and exercise its powers pursuant to this part in a manner . . . that encourages and provides planned, well-ordered, efficient urban development patterns *with appropriate consideration of preserving open-space and agricultural lands* within those patterns.” Section 56300 (a) (emphasis added). The Legislature has also declared that the preservation of open-space and prime agricultural lands is a “state interest” to be balanced against the promotion of orderly development. Section 56001.

A local agency formation commission LAFCO is specifically charged in some instances with protecting open space and agricultural land. For example, an island annexation may not be approved if the island consists of prime agricultural land. Section 56375.3 (b)(5). A local agency formation commission LAFCO may not approve a change to a Sphere of Influence where the affected territory is subject to a farmland security zone or Williamson Act contract, unless certain conditions exist. Sections 56426 and 56426.5.

In other situations, a local agency formation commission LAFCO is charged with considering specific circumstances affecting open space or agricultural land when

¹⁶ Part E of the Policies and Procedures is based on the “Policy on Preservation of Open-Space and Agricultural Lands, adopted on January 25, 2010.”

making a decision. For example, when considering a proposal that could reasonably be expected to lead to the conversion of open space lands to non open space uses; a local agency formation commission~~LAFCO~~ must consider guiding such conversion away from prime agricultural land towards non prime lands. Section 56377s (a) and 56668 (d). In addition, a local agency formation commission~~LAFCO~~ should encourage the conversion of open space lands within the jurisdiction or Sphere of Influence of a local agency before approving any proposal that would lead to such conversion outside the jurisdiction or Sphere of Influence of that agency. Sections 56377 (b) and 56668 (d). Finally, a local agency formation commission~~LAFCO~~ must consider the "effect of [a] proposal on maintaining the physical and economic integrity of agricultural lands," Section 56668 (e).

While a local agency formation commission~~LAFCO~~ has considerable authority to provide for the preservation of open space and agricultural land, it may not directly regulate land use: "A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements." Section 56375. A local agency formation commission~~LAFCO~~ may, however, require that property sought to be annexed be rezoned, although it may not specify how it shall be rezoned. *Id.*

In order to implement the intent and purposes of the Act with respect to the preservation of open-space and agricultural lands, the Local Agency Formation Commission of Monterey County ("~~Commission~~LAFCO") adopts the following policy.

II. POLICY

It is the policy of the ~~Commission~~LAFCO that, consistent with section 56300 (a) of the Act, applications or proposals for a change in organization or reorganization, or for the establishment or any change to a Sphere of Influence or urban service area (hereinafter, "Proposal" or "Proposals"), shall provide for planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns. To implement this policy, it is the further policy of the ~~Commission~~LAFCO that:

1. A Proposal must discuss how it balances the state interest in the preservation of open space and prime agricultural lands against the need for orderly development. (Government Code section 56001.) Proposals that fail to discuss this balance, in the opinion of the executive officer, will be deemed incomplete. Proposals may be denied if they fail to demonstrate to the satisfaction of the ~~Commission~~LAFCO that the need for orderly development is balanced against the preservation of open space and prime agricultural lands.
2. A Proposal must discuss its effect on maintaining the physical and economic integrity of agricultural lands. (Government Code section 56668 (a).) Proposals that fail to discuss their effect, in the opinion of the executive officer, will be deemed incomplete. Proposals may be denied if they fail to demonstrate to the satisfaction of the ~~Commission~~LAFCO that the physical and economic integrity of agricultural lands is maintained.

3. A Proposal must discuss whether it could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space land to uses other than open-space uses. (Government Code section 56377.) Proposals that fail to discuss potential conversion, in the opinion of the executive officer, will be deemed incomplete. Proposals may be denied if they fail to demonstrate to the satisfaction of the ~~Commission~~ LAFCO that: a) they guide development or use of land for other than open-space uses away from existing prime agricultural lands in open-space use and toward areas containing nonprime agricultural lands (Government Code section 56377 (a)); and b) development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the Sphere of Influence of a local agency will occur prior to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing Sphere of Influence of the local agency (Government Code section 56377 (b)).

4. A Proposal must, if applicable, provide for pre-zoning (Government Code section 56375 (a)), and must demonstrate that it is consistent with the General Plans and Specific Plans of the existing local agency and any immediately adjacent local agency (Government Code sections 56375 (a) and 56668 (g)). Proposals may be denied if they are not consistent with such plans, or, if not pre-zoned, if the Proposal does not demonstrate to the satisfaction of the ~~Commission~~ LAFCO that the existing development entitlements are consistent with the local agency's plans.

To further these policies, it is the position of the ~~Commission~~ LAFCO that agricultural buffers provide an important means to preserve open-space and agricultural lands and preserve the integrity of planned, well-ordered, efficient urban development patterns. Such buffers may be permanent, temporary, or rolling, and may take many forms; easements, dedications, appropriate zoning, streets, or parks, for example. How agricultural buffers are used to further the state policy of preserving open-space and agricultural lands within patterns of planned, well-ordered, efficient urban development is left to the discretion of each local agency; however, Proposals will be judged on how state-wide policies under the Act, and ~~Commission~~ LAFCO adopted policies, with respect to the preservation of open-space and agricultural lands are furthered. Agreements between neighboring local agencies with regard to the preservation of open-space and agricultural lands are encouraged, and such agreements may be incorporated by the ~~Commission~~ LAFCO into a Proposal as a condition of approval, or may be required as a condition precedent to approval.

AGRICULTURAL LANDS PRESERVATION POLICY

ADOPTED NOVEMBER 27, 1979

MONTEREY COUNTY LOCAL AGENCY FORMATION COMMISSION

Subject: ~~Disposition of proposals which involve the conversion of agricultural or open space lands to urban uses.~~

Purpose: ~~To establish guidelines for the Commission's implementation of Government Code Sections 54774, 54790.2 and 54796 (Knox-Nisbet Act). These sections set forth priorities and policies for LAFCO's maintenance and preservation of agricultural and other open space lands.~~

DISCUSSION

Statutory Framework

~~— The Knox-Nisbet Act, LAFCO's enabling statute, requires that LAFCOs consider the effect of maintaining the physical and economic integrity of designated agricultural preserves when determining an agency's Sphere of Influence or reviewing proposals. Government Code Section 54790.2, establishes two policies to be used by LAFCOs in reviewing, approving, or disapproving proposals with respect to agricultural and open space lands:~~

~~First, that development shall be guided away from existing prime agricultural lands toward areas containing non-prime agricultural lands, unless such an action would not promote the planned, orderly, efficient development of an area; and~~

~~Second, that development within an agency's existing jurisdiction or Sphere of Influence should be encouraged before approval of any annexation to that agency which would lead to conversion of existing open space lands to other than open space uses.~~

~~Further, Sections 54774 and 54796 respectively, require that LAFCOs consider the effect of maintaining the physical and economic integrity of designated agricultural preserves when determining an agency's Sphere of Influence or when reviewing an annexation proposal.~~

~~— State law provides no more specific criteria or guidelines by which to implement the agricultural and open space land preservation policies established by the Knox-Nisbet Act. However, through Government Code Section 54774.5, the Legislature directed that LAFCO's establish policies and exercise their powers....to encourage and~~

~~provide planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open space lands within such patterns."~~

~~All referenced Code Sections are attached for reference.~~

~~County Policy on Agricultural Lands~~

~~Adopted policy such as The General Plan and Growth Management Policy, have established Monterey County's priority for preserving and protecting prime and productive agricultural lands and its agricultural economy.~~

~~The County's General Plan, Land Use Element, Principles and Standards for Agriculture establishes:~~

- ~~1. Prime agricultural lands, wherever possible, should be separated and protected from other uses, and only those uses related to agriculture should be located on prime agricultural lands.~~
- ~~2. Agricultural uses should be encouraged as a means of providing open space.~~
- ~~3. Agricultural uses which are used by grazing and other purposes, although not considered prime soils, should be given protection.~~
- ~~4. Prime agricultural land must be recognized as an equal to other major land uses and given the protection it deserves as a developed use.~~

~~The Open Space Element maintains agricultural lands afford a particularly advantageous method of providing large areas of open space. They form desirable separation between towns and cities in the Salinas Valley and are not only pleasant to view, but are also economic assets to the County. This element defines retention of agricultural lands for open space as well as for economic reasons as a principle and standard.~~

~~The Zoning and Land Use Procedures in Monterey County's Growth management Policy state:~~

~~Agriculture continues to be the basis of the economy of the County. Agricultural lands in Monterey County are some of the world's finest. Productive agricultural lands are our greatest resource and must be preserved. Protection of this land can be provided through the use of such devices as zoning, scenic easements and Williamson-Act contracts. Furthermore, developments of lands adjoining productive agricultural lands must be nonpolluting and not otherwise detrimental to the agricultural uses. The improvement of roads and other facilities serving areas of productive agricultural lands should be delimited consistent with the agricultural uses.~~

The County has adopted in its Growth Management Policies "Priorities for Growth." Priority will be for development in lands adjacent to existing and densely settled urban areas where the necessary services and facilities are available, except where this impacts prime and productive agricultural lands.

State Policy on Agricultural Lands

Through the Knox-Nisbet Act, the Land Conservation Act of 1965 (Williamson Act), the California Coastal Act and the California Environmental Quality Act, the California legislature has clearly established the priority of preserving the State's most productive agricultural lands.

Both the Williamson and Coastal Acts have placed the responsibility for identifying significant agricultural open space lands with local general purpose governments and established standards by which to identify such lands. The Williamson Act encourages that local governments identify prime agricultural lands within their jurisdiction by designating agricultural preserves. The Coastal Act, through the Local Coastal Program, requires local agencies to identify both "prime agricultural land" and "potentially prime agricultural lands."

Definition of Prime Agricultural Land

The Knox-Nisbet Act requires LAFCOs to determine whether agricultural preserves or prime agricultural land would be adversely affected if a proposed annexation were approved. However, the Knox-Nisbet Act and the Municipal Organization Act (MORGA) establish different definitions of prime agricultural land for city and district annexation proposals.

For city proposals, Section 35046 (MORGA) defines "prime agricultural land" as land qualifying under any of the five Williamson Act criteria (soil quality and economic productivity). However, for district proposals, Section 54775(p) (Knox-Nisbet) defines "prime agricultural land" in terms of only the two Williamson Act soil quality criteria. This apparent inconsistency is eliminated when Section 351560 is reviewed. It states "Except as otherwise provided in this part (all of MORGA is Part 2), such powers and duties shall be exercised in accordance with the provisions of Chapter 6.6 (Knox-Nisbet Act is Chapter 6.6.). To the extent of any inconsistency between Chapter 6.6 and this part, the provisions of this part shall control."

Proposed Policies

1. In determining whether an annexation or incorporation proposal may affect prime agricultural land, the commission shall apply the definition of "prime agricultural land" established under Section 35046 of MORGA.

~~2. Annexation or incorporation proposals which would allow or likely lead to the conversion of prime agricultural land or other open space land (as defined in Sections 35046 and 65560) to other than open space uses shall be discouraged by the Commission unless such an action would not promote the planned, orderly, efficient development of an area, or the affected land use planning jurisdiction has accomplished the following:~~

~~(a) Identified within its Sphere of Influence all "prime agricultural land" as defined under Government Code Section 35046;~~

~~(b) Demonstrated to LAFCO that effective measures have been adopted to preserve for agricultural use those prime agricultural lands identified in (a). Such measures may include, but not be limited to, establishing agricultural preserves pursuant to the California Land Conservation Act; designating land for agricultural or other open space uses on that jurisdiction's general plan, adopted growth management plan, or applicable specific plan; adopting an agricultural element to its general plan; and undertaking public acquisition of prime agricultural lands for the purpose of leasing back such lands for agricultural use;~~

~~(c) Prezoned pursuant to Government Code Section 54790(a)(3), both territory within the agency's general planning area to be maintained for agricultural use, and also territory within the annexation area to indicate anticipated level of development.~~

~~3. In reviewing a proposal which will lead to the conversion of agricultural or open space land to urban use, the Commission will consider the following criteria to determine whether the proposed action would (a) adversely affect the agricultural resources of the community, or (b) not promote the planned, orderly, efficient development of an area:~~

~~(a) The agricultural significance of the proposal area relative to other agricultural lands in the region (soil, climate, and water factors);~~

~~(b) The use value of the proposal area and surrounding parcels;~~

~~(c) Determination as to whether any of the proposal area is designated for agricultural preservation by adopted local plans, including Local Coastal Plans, the County General Plan, land use and Open Space Element and Growth management Policies;~~

~~(d) Determination of:~~

~~(1) Whether public facilities would be extended through or adjacent to any other agricultural lands to provide services to the development anticipated on the proposal property;~~

~~(2) Whether the proposal area is adjacent to or surrounded by existing urban or residential development.~~

~~(3) Whether surrounding parcels may be expected to develop to urban uses within the next five years.~~

~~(4) Whether natural or man-made barriers would serve to buffer the proposal area from existing urban uses.~~

~~4. The Commission shall encourage proposals that result in in-filling, particularly where the prime agricultural land represents a small unit and is essentially surrounded by nonagricultural land.~~

~~5. The Commission shall discourage proposals that intrude on prime agricultural land when such intrusion would lead to the disruption of viable agricultural units and the encouragement of further urban development on such lands.~~

~~6. Proposed annexations or incorporation of prime agricultural land shall be consistent with the following:~~

~~(a) City General Plan;~~

~~(b) County General Plan;~~

~~(c) Spheres of Influence (when adopted).~~

~~7. The Commission shall encourage proposals for land uses adjacent to prime agricultural land which would result in compatible uses (e.g., green belts, greenhouses, linear parks, light industry). Similarly, the Commission shall discourage proposals which would result in less compatible uses (e.g., residential and retail commercial uses).~~

REFERENCED CALIFORNIA GOVERNMENT CODE SECTIONS

35046. Prime Agricultural Land

~~“prime Agricultural Land” means an area of land, whether a single parcel or~~

~~contiguous parcels, which:~~

~~(i) has not been developed for a use other than an agricultural use and~~

~~(ii) meets any of the following qualifications:~~

~~(a) Land which qualifies for rating as Class I or Class II in the Soil Conservation Service land use capability classification;~~

~~(b) Land which qualifies for rating 80 through 100 Storie Index Rating;~~

~~(c) Land which supports livestock used for the production of food and fiber and which has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935;~~

~~(d) Land planted with fruit or nut bearing trees, vines, bushes or crops which have a non-bearing period of less than five years and which will normally return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than two hundred dollars (\$200.00) per acre;~~

~~(e) Land which has returned from the production of unprocessed agricultural plant products in annual gross value of not less than two hundred dollars (\$200.00) per acre for three of the previous five years.~~

~~(f) Land which is used to maintain livestock for commercial purposes.~~

54773. ~~Short title.~~

~~This chapter shall be known and may be cited as the Knox-Nisbet Act.~~

~~(Added Stats. 1965, c. 587, pg. 1916, §10)~~

54774. ~~Purposes; powers; sphere of influence; recommendations; financial assistance~~

~~Among the purposes of a local agency formation commission are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local governmental agencies based upon local conditions and circumstances. One of the objects of the local agency formation commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local governmental agencies so as to advantageously provide for the present and future needs of each county and its communities.~~

~~In addition to its other powers, the local agency formation commission shall initiate and make studies of existing governmental agencies. Such studies shall include but shall not be limited to inventorying such agencies and determine their maximum service area and service capacities. In conducting such studies, the commission may ask for land use information, studies, and plans of cities, counties, and districts, including school districts, and regional agencies and state agencies and departments. Cities, counties, districts, including school districts, regional agencies, and state agencies and departments, shall comply with the request of the commission for such information and the commission shall make its studies available to public agencies and any interested person. In making these studies, the commission may cooperate with the county planning commission.~~

~~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 to the county and its communities, the local agency formation commission shall develop and determine the sphere of influence of each local governmental agency within the county. As used in this section "sphere of influence" means a plan for the probable ultimate physical boundaries and service area of a local governmental agency. Among the factors considered in determining the sphere of influence of each local governmental agency, the commission shall consider:~~

~~(a) The maximum possible service area of the agency based upon present and possible service capabilities of the agency.~~

~~(b) The range of services the agency is providing or could provide.~~

~~(c) That projected future population growth of the area.~~

~~(d) The type of development occurring or planned for the area, including, but not limited to, residential, commercial, and industrial development.~~

~~(e) The present and probable future service needs of the area.~~

~~(f) Local governmental agencies presently providing services to such area and the present level, range and adequacy of services provided~~

~~(g) The existence of social and economic interdependence and interaction between the area within the boundaries of a local governmental agency and the area which surrounds it and which could be considered within the agency's sphere of influence.~~

~~(h) The existence of agriculture preserves in the area which could be considered within an agency's sphere of influence and the effect on maintaining the physical and economic integrity of such preserves in the event that such preserves are within a sphere of influence of a local governmental agency.~~

~~The commission shall periodically review and update the spheres of influence developed and determined by them. —~~

~~The spheres of influence, after adoption, shall be used by the commission as a factor in making regular decisions on proposals over which it has jurisdiction. The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for such recommendations. Such recommendations shall be made available, upon request, to other governmental agencies or to the public.~~

~~The commission, or the board of supervisors on behalf of the commission, is authorized to apply for or accept, or both any financial assistance and grants in aid from public or private agencies or from the state or federal government or from a local government.~~

~~(Amended by Stats. 1976, c. 31)~~

54774.5 — Urban development patterns; preservation of open space lands

~~It is the intent of the Legislature that local agency formation commissions establish policies and exercise their powers pursuant to this chapter in such manner to encourage and provide planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open space lands within such patterns.~~

~~(Added by Stats. 1974, c. 531.)~~

54790.2 — Conversion of open space to other use; policies and priorities

~~In reviewing and approving or disapproving proposals which could reasonable be expected to induce, facilitate or lead to the conversion of existing open space lands to uses other than open space uses, the commission shall consider the following policies and priorities:~~

~~(a) Development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing nonprime agricultural lands, unless such an action would not promote the planned, orderly, efficient development of an area.~~

~~(b) Development of existing vacant or nonprime agricultural lands for urban uses within an agency's existing jurisdiction or within any agency's sphere of influence should be encouraged before any proposal is approved which would allow for or lead to the development of existing open space lands for non open space uses which are outside of the agency's existing jurisdiction or outside of an agency's existing sphere of influence.~~

~~(Added by Stats. 1974, c. 531.)~~

54796. ~~Factors to be considered~~

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

~~(a) Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.~~

~~(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for such services and controls; probable future needs for such services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. As used in this subdivision, "services" is to be construed as referring to governmental services whether or not the services are such as would be provided by local agencies subject to this chapter, and as including the public facilities necessary to provision of services.~~

~~(c) 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.~~

~~(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development and the policies and priorities set forth in Section 54790.2 of this code.~~

~~(e) The effect of the proposal on maintaining the physical and economic integrity of lands in an agricultural preserve in an agricultural preserve in open space uses.~~

~~(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.~~

~~(g) Conformity with appropriate city or county general and specific plans.~~

~~(h) The "sphere of influence" of any local agency which may be applicable to the proposal being reviewed.~~

~~(Amended by Stats. 1970, c. 1249, 1. 2247, sec. 4; Stats. 1972, c. 792, p. 1411, sec. 3; Stats. 1973, c. 652, Sec. 2; Stats. 1974, c. 531.)~~

§ 65560. ~~Definitions~~

~~(a) "Local open space plan" is the open space element of a county or city general plan adopted by the board or council, either as the local open space plan or as the interim local open space plan adopted pursuant to Section 65563.~~

~~(b) "Open space land" is any parcel or area of land or water which is essentially unimproved and devoted to an open space use as defined in this section, and which is designated on a local, regional or state open space plan as any of the following:~~

~~(1) Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, including habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays and estuaries; and coastal beaches, lakeshores, banks of rivers and streams, and watershed lands.~~

~~(2) Open space used for the managed production of resources including but not limited to, forest lands, rangeland, agricultural lands and areas of economic importance for the production of food or fiber; areas required for recharge of ground water basins; bays, estuaries, marshes, rivers and streams which are important for the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.~~

~~(3) Open space for outdoor recreation, including but not limited to, areas of outstanding scenic, historic and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas which serve as links between major recreation and open space reservations, including utility easements, banks of rivers and streams, trails, and scenic highway corridors.~~

~~(4) Open space for public health and safety, including, but not limited to, areas which require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plans, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs and areas required for the protection and enhancement of air quality.~~

LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

POLICIES AND PROCEDURES RELATING TO SPHERES OF INFLUENCE AND CHANGES OF ORGANIZATION AND REORGANIZATION

E. HOUSING AND JOBS¹⁷

I. INTRODUCTION

The State Legislature, through the Cortese – Knox – Hertzberg Local Government Reorganization Act (the “Act”), California Government Code section 56000 et seq., has declared 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.” Government Code section 56001 (unless otherwise indicated, all statutory references are to the Government Code). The Act is replete with references for the need to consider housing and residential development in correlation with commercial and industrial development, and the efficient provision of government services. For example, in the Act the Legislature recognizes that “providing housing for persons and families of all incomes is an important factor in promoting orderly development,” and further finds that the policy of orderly growth and development “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 person and families of all incomes in the most efficient manner feasible.” *Id.* Furthermore, the Act recognizes that “urban population densities and intensive residential, commercial, and industrial development necessitate a broad spectrum and high level of community services and controls.” *Id.*

One of the purposes of a local agency formation commission is to encourage the “orderly formation and development of local agencies based upon local conditions and circumstances.” Section 56301. To further that purpose, and implement the policies of the Act, amongst other things, a local agency formation commission makes determinations concerning changes in organization or reorganization, Spheres of Influence, urban service areas, and municipal service reviews. See generally, sections 56080, 56375, 56425, and 56430. Each of these determinations requires a local agency formation commission to consider factors such as population and population density, future growth, land area and land use, mutual social and

¹⁷ New Policy recommended for adoption by the LAFCO Sphere of Influence and Annexation Policy Committee on June 16, 2010.

economic interests, the present and planned capacity of public facilities, and the present and future adequacy of public services. These factors relate in part to job availability and creation, and housing supply and demand.

The Local Agency Formation Commission of Monterey County ("LAFCO") believes that applications or proposals for a change in organization or reorganization, or for the establishment or any change to a Sphere of Influence (hereinafter, "Proposal" or "Proposals") should consider the impact that the Proposal may have, if any, on job availability and creation, and housing supply and demand not only for the local community, but for adjacent communities, whether incorporated or unincorporated, and the region.

In order to implement the intent and purposes of the Act with respect to the matters set forth above, LAFCO adopts the following policy.

II. POLICY

It is the policy of LAFCO that, consistent with section 56300 (a) of the Act, Proposals must discuss the impact of the Proposal, if any, on job availability and creation, and housing supply and demand not only for the local community, but for adjacent communities, whether incorporated or unincorporated, and the region. That impact, if any, shall be considered by the Commission in acting upon the Proposal.