



A Tradition of Stewardship
A Commitment to Service

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MEMORANDUM

To: Board of Supervisors	From: Molly Rattigan, Deputy CEO John McDowell, Principal Planner
Date: 10/29/2018	Re: Agenda Item 10 C- 10/30/2018- LAFCO SOI Policy

This memo is intended to provide the Board of Supervisors with staff comments and recommendations on LAFCO's Draft Sphere of Influence (SOI) Policy that is out for public comment.

Staff has reviewed the document in depth and notes that while text and layout changes are significant, the general intent of the policies remains highly aligned with Napa County's agricultural sustainability objectives. In many cases, proposed revisions appear to add clarity, and expand on the importance of setting SOI boundaries that do not conflict with agricultural protections established in Napa County. Staff specifically noted the following:

Section III: Objective

This section has been added stating LAFCO's overarching intent regarding SOIs. This section declares LAFCO's intent to recognize the importance of considering local circumstances and conditions.

Staff Comment and Recommendation: This is one area where the County may wish to comment that additional clarity be added. Staff strongly supports many of the statements in this section given the significant extent of older existing unique circumstances where urban services are present in agricultural areas, such as the City of Napa's water main running to Lake Hennessey and the out-of-service area water connections that tap into it.

However, staff has some concern how the intent statement discouraging duplication of services will be interpreted and applied in the future. Often when conflicts arise over SOI expansion, it revolves around situations where a city service was extended to a development many years before Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Additionally, there is no mention of AB 402 that effective January 1, 2016, introduced a pilot program for Napa County that established a mechanism for LAFCO to authorize service provisions outside a local agency's jurisdictional boundary and sphere of influence under special circumstances. In this regard, it seems appropriate that the intent language be revised to both discourage duplication of new or expanded services, and discourage annexation of existing developments outside of unincorporated islands where urban services were extended by a city

years or decades before the practice became discouraged, or under the provisions of AB 402.

Section IV: Definitions

Staff Comment: The Definitions section has been significantly augmented which appears to add clarity and improve document quality.

Section V: Local Considerations

Special Districts

Staff Comment: Previously there were separate SOI policies for cities and special districts. These have been refined into one set of policies titled "Local Considerations" which appear to be a significant improvement. The existing special district policies are geared toward avoiding agricultural lands, which results in an inherent conflict with several existing special districts in outlying unincorporated areas, such as in and around Lake Berryessa. The updated policies appear to account for these outlying special districts where incorporation into a city is not a reasonably foreseeable outcome, and provides flexibility for addressing their single or limited local community serving purpose(s).

Agricultural Protections

Staff Comment: Several policy statements have been added or augmented to emphasize the importance of the Agricultural Preserve, as well as all lands designated by the County for agricultural purposes. These augmentations appear to add significant improvement over current policy language in terms of supporting Napa County's General Plan.

Development of SOI Lands

Staff Comment: A policy calling for the removal of land within existing SOIs that has not developed in over 10 years has been deleted. Staff view this policy deletion as a suitable change. Regional housing needs primarily must be met within the cities and removal of land from existing SOIs appears to run contrary to that critical objective.

Existing and Future Outside Services

Staff Recommendation: The Board of Supervisors should consider commenting on Local Consideration Policy #5 addressing existing outside services. The proposed policy calls for LAFCO to request annexation of properties within a SOI that have existing municipal service. Similar to that mentioned above, many outside service agreements exist in Napa County that were agreed upon prior to Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The intent of AB 402 was to allow the continuation of outside services under certain provisions without triggering or requiring annexation. The proposed language lacks reference to both pre-2000 outside service agreements and the purpose of AB 402. This section should be removed or LAFCO should clarify that the intent of the policy to exempt service agreements subject to AB 402 and pre-2000 outside service agreements.

Collaboration with Napa County

Staff Comment: Local Consideration Policy #8 states that a SOI shall only be amended or updated in collaboration with the County of Napa. Staff strongly support the inclusion of this policy.