

## **Fresno LAFCo Annexation Program Guidelines**

It is Fresno LAFCo policy (102-01) that “within the sphere of influence each agency should implement an orderly, phased annexation program. A proposal should not be approved solely because the area falls within the sphere of influence of an agency.” LAFCo recommends that each local agency fulfill this policy through the exercise of one or more of the following basic principles and actions.

**1. The annexation program is consistent with LAFCo’s Sphere of influence (SOI) for the city.**

Suggested actions:

- City and county shall reach agreement on development standards and planning 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. GC §56425
- City responds to a request to extend service outside of its city limits and SOIs in consultation with GC §56133 and Fresno LAFCo policy.

Background:

LAFcos have numerous powers under the Act, but those of primary concern are the power to act on local agency boundary changes and to adopt spheres of influence for local agencies:

A "Sphere of influence" means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission. GC §56076

The SOI is an important component of a city’s general plan implementation:

Every determination made by a commission regarding the matters provided for by subdivisions (a), (m), and (n) of Section 56375 and by subdivision (a) of Section 56375.3 shall be consistent with the spheres of influence of the local agencies affected by those determinations. GC §56375.5

The annexation program should also anticipate needed updates of the city’s sphere of influence and the appropriate development standards developed in consultation with the County to promote the logical and orderly development of areas within the sphere. GC §56425

Because cities provide multiple municipal services, they are occasionally asked to extend service outside of their city limits and SOIs. The statute allows these extensions—with LAFCo authorization—subject to certain conditions, though not as an alternative to annexation or amendment of the SOI. GC §56133.

**2. The annexation program clearly implements the city's general plan.**

Suggested actions:

- City annexation applications shall describe how the proposal implements the city's general plan, and support these statements with information from other official sources such as the annual budget, capital improvement plan, and so forth.
- A rezoning ordinance shall not be encumbered with extraneous conditions that preclude the ordinance's effective date by the time of LAFCo hearing on the annexation.

Background:

The decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and rezoning of the city. When the development purposes are not made known to the annexing city, the annexation shall be reviewed on the basis of the adopted plans and policies of the annexing city or county. A commission shall require, as a condition to annexation, that a city rezone the territory to be annexed or present evidence satisfactory to the commission that the existing development entitlements on the territory are vested or are already at build-out, and are consistent with the city's general plan. However, the commission shall not specify how, or in what manner, the territory shall be rezoned. 56375(a)(7)

**3. The annexation program emphasizes the use of cities' resolution of application versus property owner/registered voter petitions.**

Suggested action:

- For the city to consider opposing property owner petition-initiated reorganizations as these would not have proceeded through the process of city development review and approval, which is an important step in the management of a city's general plan.

Background:

The LAFCo statute permits property owner/registered voter petition-initiated reorganizations and SOI amendments. While Fresno LAFCo will comply with the statute, in many cases property-owner/registered voter petitions complicate the process, increase liabilities, and otherwise thwart the orderly completion of LAFCo's responsibilities. Some cities encourage petitions because they don't have the resources to process annexations, or for other reasons. The challenge is that all cities in Fresno County have MOUs with the County to comply with Revenue and Tax Code section 99 regarding property tax revenue transfer upon annexation. These MOUs also include "standards of annexations." The LAFCo is not a party to the MOUs, though it often hosts the MOU section 2.2 meetings and otherwise plays a third-party role as cities and the County coordinates their MOU activities.

Property-owner petitions may actually add inefficiencies to the MOU process. For example, in order to complete an approved annexation, LAFCo staff requires certain documents from the city (right-to-farm, addressing, tentative map acceptance, etc.) and the city staff may not be

prepared to respond in a timely manner. This could be remedied by earlier coordination between LAFCo and city staff if the staff were assisting with the application.

While it is possible to independently develop solutions for service delivery to a parcel, this practice does not promote the overall planning, construction and integration of facilities into the municipal service delivery network. Proper long-range land use planning must recognize and balance competing interests and the need to provide for future roadways and coordination with other service providers that would be affected by planned growth. There is a civic obligation on the city's part to assertively manage the implementation of its general plan beginning with the review and approval of planning applications, then make application to LAFCo for annexation, and finally take responsibility for the construction compliance with building and safety codes.

**4. The annexation program supports orderly growth by identifying areas to be annexed, general time frames for growth, and a plan for extension of services to these areas.**

Suggested actions:

- Capital improvement plan and/or facilities plans include all lands within the SOI;
- Development impact fees that fund the extension of services are established and maintained;
- Impacts to service delivery are assessed in the city's EIR or project-specific CEQA documents and appropriately-scaled mitigation is approved and implemented.
- The city coordinates its public policy documents in support of the annexation program.

Background:

The annexation program should coordinate the policies, facilities, funding, and construction of city service infrastructure by linking the general plan land use diagram and policies, capital improvement plans, service delivery plans (such as a fire department's Standards of Cover), and annual budget. The product of this work can serve as the foundation for development policies that direct growth to certain areas whether all or part of the city's sphere, or restrict growth to defined areas until certain actions (funding, studies, etc.) are complete.

LAFCo's interest in cities' growth and development can be summarized by three words: order, logic, and efficiency.

- Order is a state in which all components or elements are arranged logically, comprehensibly.
- Logic describes the use of valid reasoning in some activity. These elements are already in a city's plans, policies, budgets, etc.
- Efficiency in general describes the extent to which time, effort or cost is well used for the intended task or purpose, it is measured by a comparison of production with cost (as in energy, time, and money) "Efficiency is doing things right, while Effectiveness is doing the right things."

An official document is created to describe how annexations implement the city's General Plan growth and development policies.

By coordinating the city's plans and policies, the annexation program also supports the efficient delivery of urban services throughout the rest of the city.

**5. The annexation program anticipates changes of organization of existing service districts and service areas in the SOI or adjacent to the SOI.**

Suggested action:

- The Program should describe the transition of services that will occur when the city annexes/detaches (CID, NCFPD, FCFPD, KRCD, etc.); inversely, the document describes the status of or continuation of services when annexations do not result in detachment (FID, FMFCD, etc.).

**6. The annexation program anticipates the location of Disadvantaged Unincorporated Communities within a city's sphere of influence.**

Suggested action:

- Cities should become proficient in implementing their responsibilities under Senate Bill 244, should review Fresno LAFCo DUC policy and review Senate Bill 244 Technical Advisory.

Background:

The statute requires LAFCo to make determinations regarding "disadvantaged unincorporated communities" ("DUCs") when considering a change of organization, a reorganization, a sphere of influence amendment and municipal service reviews (an "MSR"). Generally, LAFCo will not approve annexations of territory greater than ten (10) acres if there is DUC contiguous to the proposal.

GC §65302.10 defines "Disadvantaged Unincorporated Community" as a fringe, island, or legacy community in which the median household income is 80 percent or less than the statewide median household income and requires that cities identify DUCs in their general plan land use element. GC §56033.5 further refines this definition for the purposes of annexations and Fresno LAFCo policy 106 establishes procedures to evaluate DUCs in light of nearby annexation proposals.

LAFCo is working with the County and the Fresno Council of Governments to establish and update a County-wide map of DUCs. This will be available to cities.

**7. The annexation program informs citizens in annexation areas of their rights, benefits, and changes that will occur on annexation.**

Suggested actions:

- City to establish and maintain on its website a description of the information above, how citizens can engage the process, how the city engages citizens and stakeholders and other information related to annexation. This information should include a description of the SOI, protest processes, and how LAFCo is involved.
- For those portions of a city's SOI that contain a large number of rural residential parcels that are planned for urban uses, the city is strongly encouraged to develop a long-term plan to annex and serve these areas.

**8. The annexation program will be coordinated with LAFCo's MSR for the city.**

Suggested action:

- City applications should include an assessment of current MSR determinations and recommendations.

Background:

Municipal Service Reviews are a major feature of LAFCo's responsibilities. The MSR is essential for the Commission to determine a local agency's sphere of influence. MSRs include 'determinations' based on facts and information provided by the local agencies to advise the Commission's decision on SOI updates. In approving an MSR, the Commission may also make recommendations to a local agency on matters related to the order, logic, and efficiency of that agency's operation. LAFCo staff will evaluate whether progress has been made by a local agency on the MSR recommendations when analyzing annexations and SOI updates.

**9. The annexation program is managed by an assigned and responsible city staff member.**

Suggested action:

- City identifies a staff member to serve as a genuine point of contact with LAFCo, that is, a staff member responsible and accountable for managing applications, knowledgeable of the project and of LAFCo's process, and empowered to facilitate the city's annexation program.

**10. City entitlement analysis is integrated with LAFCo policies**

Suggested action:

- Local agencies, including Fresno County, are strongly advised to include Fresno LAFCo in their initial request for comments.
- When initial planning applications that will eventually require annexation are submitted to cities, they are encouraged to submit a pre-application to LAFCo so that LAFCo can track the project at its beginning, and provide comments that would facilitate annexation in time for these to be considered in a timely and efficient manner.
- To provide city staff with LAFCo's comments that ultimately should be considered(?) once the project is through the city.

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