



**Local Agency Formation Commission**  
**LAFCO of Napa County**

1700 Second Street, Suite 268  
Napa, California 94559  
Telephone: (707) 259-8645  
Facsimile: (707) 251-1053  
<http://napa.lafco.ca.gov>

**August 4, 2008**  
**Agenda Item No. 6b**

July 28, 2008

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: City of Calistoga: Sphere of Influence Review (Public Hearing)**

The Commission will receive a report representing its scheduled sphere of influence review of the City of Calistoga. The Commission will consider a draft resolution approving the recommendation of the report to affirm with no changes Calistoga's existing sphere of influence and make related statements pursuant to California Government Code Section 56425.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update the sphere of influence of each city and special district within its jurisdiction every five years. LAFCO updates spheres to designate the territory it believes represents the appropriate and probable service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions.

As a prerequisite to sphere reviews, LAFCOs must prepare municipal service reviews to determine the adequacy and range of governmental services provided within the region. The collective purpose of these reviews is to inform and direct LAFCOs in their legislative mandate to coordinate the logical and timely development of local governmental agencies and services in a manner that meets the present and future needs of the community.

**A. Discussion**

The attached report represents LAFCO of Napa County's ("Commission") scheduled sphere review of the City of Calistoga. The report marks the first comprehensive review of Calistoga's sphere in 35 years and draws on information collected as part of the Commission's recent municipal service review on the City completed in May 2008. The report focuses on whether changes to the sphere are appropriate with respect to facilitating Calistoga's orderly growth and development consistent with Commission policies.

Jack Gingles, Commissioner  
Mayor, City of Calistoga

Juliana Inman, Commissioner  
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner  
Councilmember, City of American Canyon

Brad Wagenknecht, Chair  
County of Napa Supervisor, 1st District

Bill Dodd, Commissioner  
County of Napa Supervisor, 4th District

Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Vice Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

## **B. Summary**

The report uses four factors in identifying possible study areas to evaluate adding or removing from Calistoga's sphere: (a) relationship to incorporated boundary; (b) land use designations; (c) infrastructure capacities; and (d) agency comments. Based on a review of these factors, no study areas have been evaluated and the report recommends no changes to Calistoga's sphere are warranted at this time. Markedly, this recommendation is consistent with the Calistoga and County General Plans given neither document contemplates the City expanding its incorporated boundary beyond its current sphere. This determination is also consistent with written comments received from Calistoga in which the City states no changes to its sphere are needed.

The attached draft resolution codifies the recommendation of the report and is being presented for Commission consideration. The draft resolution includes statements addressing the four planning factors the Commission must consider anytime its makes a sphere determination. The adoption of the draft resolution would fulfill the Commission's sphere review requirement for Calistoga through 2013.

## **C. Recommendation**

It is recommended the Commission take the following actions:

- 1) Receive and file the attached report representing the sphere of influence review of the City of Calistoga; and
- 2) Approve the attached draft resolution with any desired changes making statements with respect to updating the sphere of influence for the City of Calistoga pursuant to California Government Code Section 56425.

Respectfully submitted,

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Keene Simonds  
Executive Officer

### Attachments:

- 1) Sphere of Influence Review: Final Report
- 2) Draft Resolution: Sphere of Influence Review

# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

## CITY OF CALISTOGA SPHERE OF INFLUENCE REVIEW

**Final Report  
August 2008**

### **Prepared by:**

**LAFCO of Napa County**  
1700 Second Street, Suite 268  
Napa, California 94559

*Committed to serving the citizens and government agencies of its jurisdiction by encouraging the preservation of agricultural lands and open-space and coordinating the efficient delivery of municipal services.*

Brad Wagenknecht, Chair, County Member  
Brian J. Kelly, Vice-Chair, Public Member  
Bill Dodd, Commissioner, County Member  
Jack Gingles, Commissioner, City Member  
Juliana Inman, Commissioner, City Member  
Cindy Coffey, Alternate Commissioner, City Member  
Mark Luce, Alternate Commissioner, County Member  
Gregory Rodeno, Alternate Commissioner, Public Member

Keene Simonds, Executive Officer  
Jacqueline Gong, Commission Counsel  
Brendon Freeman, Analyst  
Kathy Mabry, Commission Secretary



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## **I. INTRODUCTION**

### **A. Local Agency Formation Commissions**

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are responsible for administering a section of California Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. LAFCOs are delegated regulatory and planning responsibilities to coordinate the logical formation and development of local governmental agencies and services, preserve agricultural and open-space resources, and discourage urban sprawl. LAFCOs are located in all 58 counties in California and are generally governed by a five-member commission that includes two county supervisors, two city councilmembers, and one representative of the general public.<sup>1</sup>

### **B. Sphere of Influence**

A central planning responsibility for LAFCO is the determination of a sphere of influence (“sphere”) for each local agency under its jurisdiction.<sup>2</sup> LAFCO establishes, amends, and updates spheres to designate the territory it believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCO is required to review each local agency’s sphere by January 1, 2008 and every five years thereafter as needed.

In making a sphere determination, LAFCO is required to prepare written statements addressing four specific planning factors listed under California Government Code §56425. These factors range from present and planned land uses to the existence of any social or economic communities of interest. The intent in preparing the written statements is to capture the legislative intent of the sphere determination with regard to coordinating the sensible and timely development of each local agency.

Beginning in 2001, to help inform the sphere review process, LAFCO is responsible for preparing municipal service reviews to determine the level and range of governmental services provided in the region. The municipal service review can focus on a particular agency or type of service and culminates with LAFCO making determinations on a number of governance-related factors and may lead it to take other actions under its authority.

### **C. City of Calistoga**

This report represents LAFCO of Napa County’s (“Commission”) scheduled sphere review of the City of Calistoga. The report represents the first comprehensive review of Calistoga’s sphere in 35 years and draws on information collected as part of the Commission’s recent municipal service review on the City. The focus of the report is to consider whether changes to the sphere are warranted to facilitate the orderly development of Calistoga consistent with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission’s adopted policies.

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<sup>1</sup> Several LAFCOs also have two members from independent special districts within their county. Each category represented on LAFCO has one alternate member.

<sup>2</sup> LAFCOs have been required to determine spheres for cities and special districts within its jurisdiction since 1972.

## II. OVERVIEW

### A. Background

The City of Calistoga was incorporated in 1886 and operates under a council-manager system of government. Calistoga is approximately 2.9 square miles in size and provides a full range of municipal services directly or through contracts with other public or private entities. Municipal services provided directly by Calistoga include fire, police, sewer, and water. Calistoga has experienced a slight annual growth rate of 0.6% over the last 10 years and has a current estimated resident population of 5,302, making it the fourth largest municipality in Napa County.<sup>3</sup>

Calistoga's primary revenue source is drawn from its transient-occupancy tax and currently funds nearly half of the City's operating budget. Although this revenue source has proven reliable, a decline is expected given the increasing supply of hotels in Napa County, and as a result, represents a long-term funding challenge. Calistoga's remaining discretionary revenues are primarily drawn from property and sale taxes with the former having increased by almost double over the last five years.

### B. Sphere of Influence

Calistoga's sphere was established by the Commission in 1973. The Commission designated the sphere to reflect what it believed to be Calistoga's incorporated boundary. This included adding an approximate 5.2 acre parcel located along Calistoga's southeast "panhandle" section that was approved for annexation one year earlier. However, as part of the recent municipal service review, it was determined that the annexation was abandoned prior to recordation for unknown reasons. No amendments to the sphere have been approved by the Commission since its establishment.

In terms of proportions, Calistoga's sphere is approximately 1,657 acres or 2.9 square miles in size. The sphere includes a total of 1,660 assessor parcels with an average size of 0.9 acres. The sphere is coterminous with Calistoga's incorporated boundary with the aforementioned exception of including a 5.2 acre unincorporated parcel located along Calistoga's southeast panhandle section.

**City of Calistoga: Adopted Boundaries**  
(Source: County of Napa Geographic Information System)

	<b>Sphere of Influence</b>	<b>Incorporated Boundary</b>
<b>Total Acres:</b>	1,657	1,651
<b>Assessor Parcels:</b>	1,660	1,659

- \* A map depicting Calistoga's sphere and incorporated boundary is provided in Attachment One.

<sup>3</sup> Population estimates for Calistoga calculated by the California Department of Finance.



### C. Land Use Policies

Calistoga's General Plan was comprehensively updated in 2003 and codifies land use policies for the City through 2020. The General Plan is predicated on maintaining Calistoga's identity as a small-town and includes several growth control policies, such as discouraging the annexation of adjacent unincorporated lands. Calistoga does not designate or prezone any unincorporated lands outside its sphere. Calistoga recently established an allocation system to better control the annual rate of residential and non-residential growth in the City. Notably, this allocation system restricts the number of approved residential projects to ensure no more than a 1.35% annual increase in population. Allocations are subject to an application process and formally awarded by the City Council. In 2008, the City Council awarded allocations for 31 residential units that are expected to produce a population increase of 89.

The majority of unincorporated lands adjacent to Calistoga are designated under the County of Napa General Plan as *Agricultural Resource* or *Agriculture, Watershed and Open Space*. These designations support the preservation of existing agricultural and open-space land uses by requiring minimum parcel sizes of 40 and 160 acres, respectively. The majority of these unincorporated lands are also zoned by the County as *Agricultural Watershed* or *Agricultural Preserve* and presently include a number of commercial vineyards and wineries. A key exception involves an approximate 92 acre area located immediately south of Calistoga near the intersection of State Highway 29 and Diamond Mountain Road. The County designates and zones this area as *Rural Residential* and *Residential Country*, which requires a minimum parcel size of 10 acres.

- \* An aerial map depicting current land uses within and adjacent to Calistoga is provided in Attachment Two.
- \* A map depicting the land use designations under the Calistoga General Plan is provided in Attachment Three.
- \* A map depicting the land use designations under the County General Plan is provided in Attachment Four.

## III. DISCUSSION

### A. Objective

The objective of this report is to identify and evaluate areas that warrant consideration for inclusion or removal from Calistoga's sphere as part of a comprehensive review. Underlying this effort is to designate the sphere to facilitate the sensible and timely development of Calistoga consistent with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and the Commission's adopted policies.

The Commission's "General Policy Determinations" provide direction with respect to establishing and amending an agency's sphere in relationship to local conditions and circumstances. The General Policy Determinations state that a city's sphere shall exclude lands designated as agricultural or open-space for the purpose of urban development unless it is demonstrated that infill opportunities are limited or non-existent. The General Policy Determinations also state that the Commission will use the County General Plan to determine agricultural and open-space land use designations.

## **B. Timeframe**

State law requires all LAFCOs to review and update each local agency's sphere by January 1, 2008 and every five years thereafter as needed. Accordingly, it has been the practice of the Commission to review and update each local agency's sphere in a manner that emphasizes a probable five-year service area.

## **IV. ANALYSIS**

### **A. Consideration of Study Areas**

Four factors were used in identifying possible study areas to evaluate adding or removing from Calistoga's sphere as part of this comprehensive review. These factors include (a) relationship to incorporated boundary, (b) land use designations, (c) infrastructure capacities, and (d) agency comments. Based on a review of these factors, no study areas are proposed for evaluation at this time. Markedly, this determination is consistent with the Calistoga and County General Plans given neither document contemplates the City expanding its incorporated boundary beyond its current sphere. This determination is also consistent with written comments received from Calistoga in which the City states that no changes to its sphere are needed.

Notwithstanding the aforementioned determination, consideration was given to establishing a study area to reflect Calistoga's outside water service area, which extends north of the City along State Highway 128, Petrified Forest Road, and Tubbs Lane. The merits in establishing this type of study area relates to the role of the sphere in designating each agency's present and probable future service area. It also reflects recent changes in the law that now requires cities and special districts to request and receive written approval from LAFCO before providing new or extended services by contract or agreement outside their jurisdictions but within their spheres.<sup>4</sup> However, because the affected lands are designated and primarily used for agricultural purposes, adding the outside water service area to the sphere would conflict with LAFCO's principal mandate to protect agricultural and open-space resources from premature annexation and development. Accordingly, expanding the sphere to include the outside water service area is not further considered as part of this review.<sup>5</sup>

<sup>4</sup> City and special district requests to provide new or extended services outside their sphere may only be approved by LAFCO under certain conditions. (California Government Code §56133)

<sup>5</sup> As discussed in the municipal service review, it is recommended Calistoga and the Commission work on a local policy to ensure new and extended services provided by the City outside its jurisdiction is consistent with State law.

## V. RECOMMENDATION

It is recommended the Commission affirm with no changes to Calistoga's existing sphere. In accordance with California Government Code §56425(e), the following statements have been prepared in support of the recommendation:

**1. The present and planned land uses in the sphere, including agricultural and open-space lands.**

The present and planned land uses in the sphere are adequately contemplated under the Calistoga General Plan. The Calistoga General Plan provides for the current and future urban uses characterizing the majority of the sphere. A small amount of land located in the sphere is under agricultural use. These existing agricultural uses will not be affected by their retention in the sphere.

**2. The present and probable need for public facilities and services in the sphere.**

The City of Calistoga provides a full range of municipal services within the sphere either directly or through contracts with other public or private entities. These public services support the present and planned urban uses within the sphere as contemplated in the Calistoga General Plan.

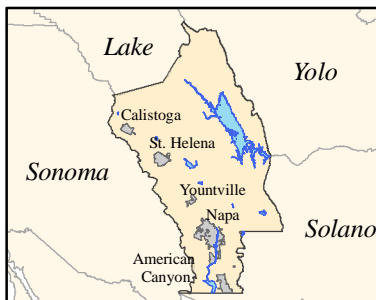
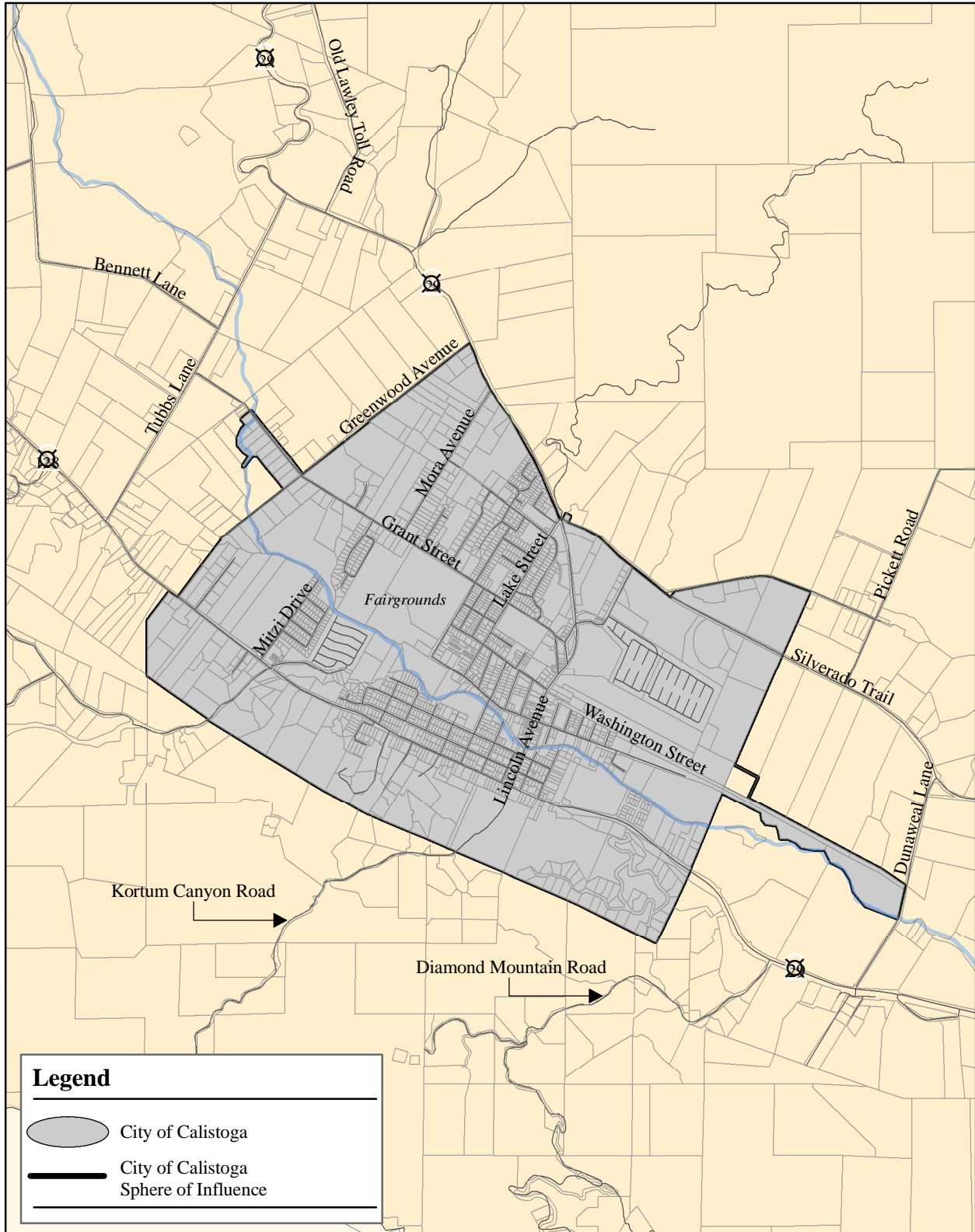
**3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The City of Calistoga has demonstrated its ability to provide an adequate level and range of public services within the sphere. These public services were comprehensively evaluated by LAFCO as part of a recent municipal service review completed in June 2008.

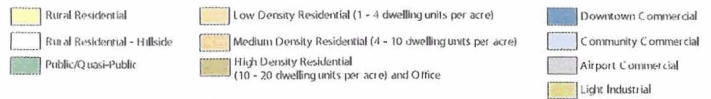
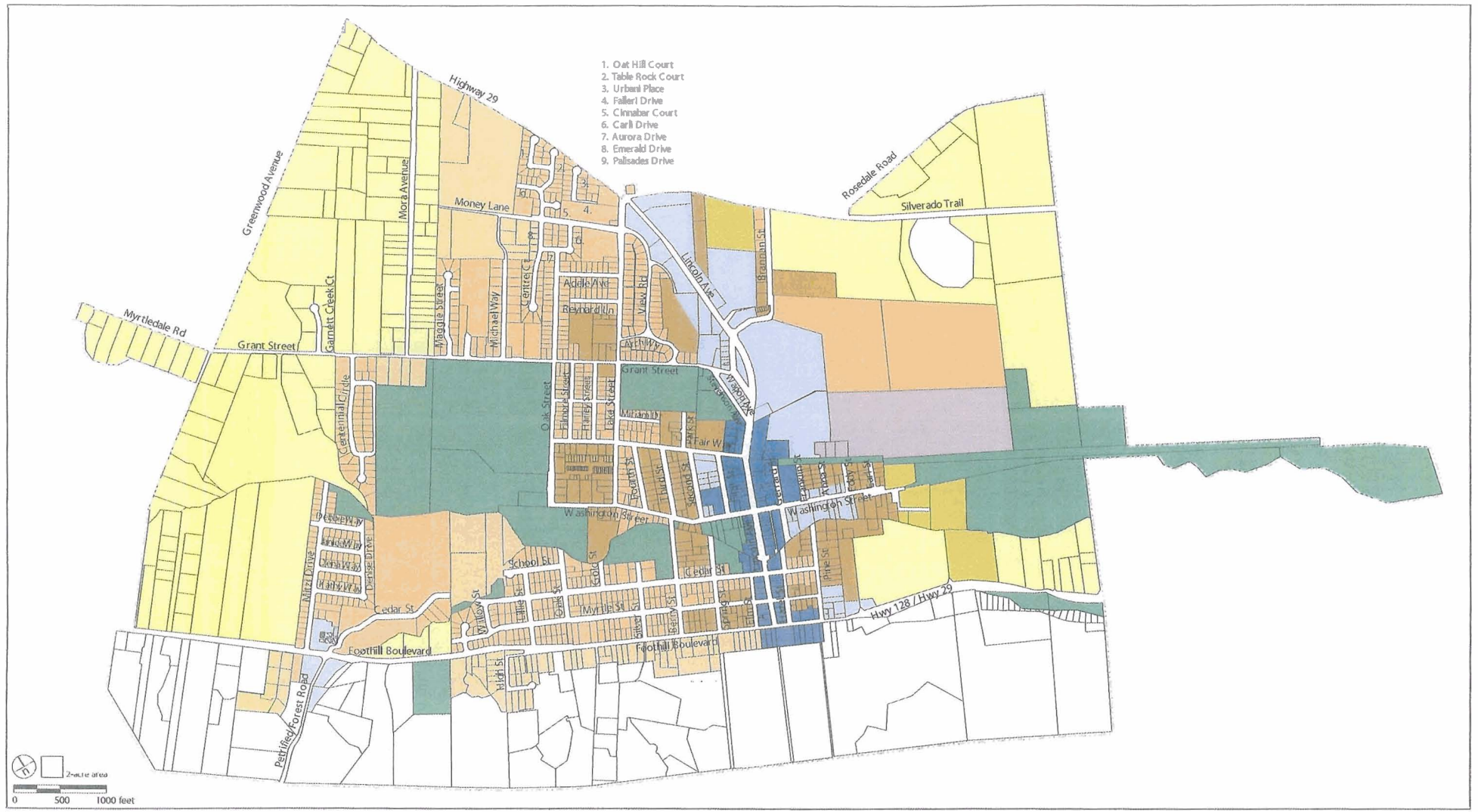
**4. The existence of any social or economic communities of interest in the sphere if the commission determines that they are relevant to the agency.**

The City of Calistoga has established social and economic interdependencies within the sphere that are distinct from neighboring unincorporated areas.

# City of Calistoga



*Not to Scale  
July 14, 2008  
Prepared by KS*



\*See Figure LU-6 for Overlay Land Use Districts

FIGURE LU-4

LAND USE DESIGNATIONS WITHIN THE CITY LIMITS

### Land Use Map

The Land Use Map Provides a Generalized Picture of the Goals and Policies Contained in the Land Use Element Report Using eight Broad Land Use Classifications and Eight Symbols. The Map Presents a Graphic Overview of the General Distribution and Location of Major Land Use Areas and Facilities



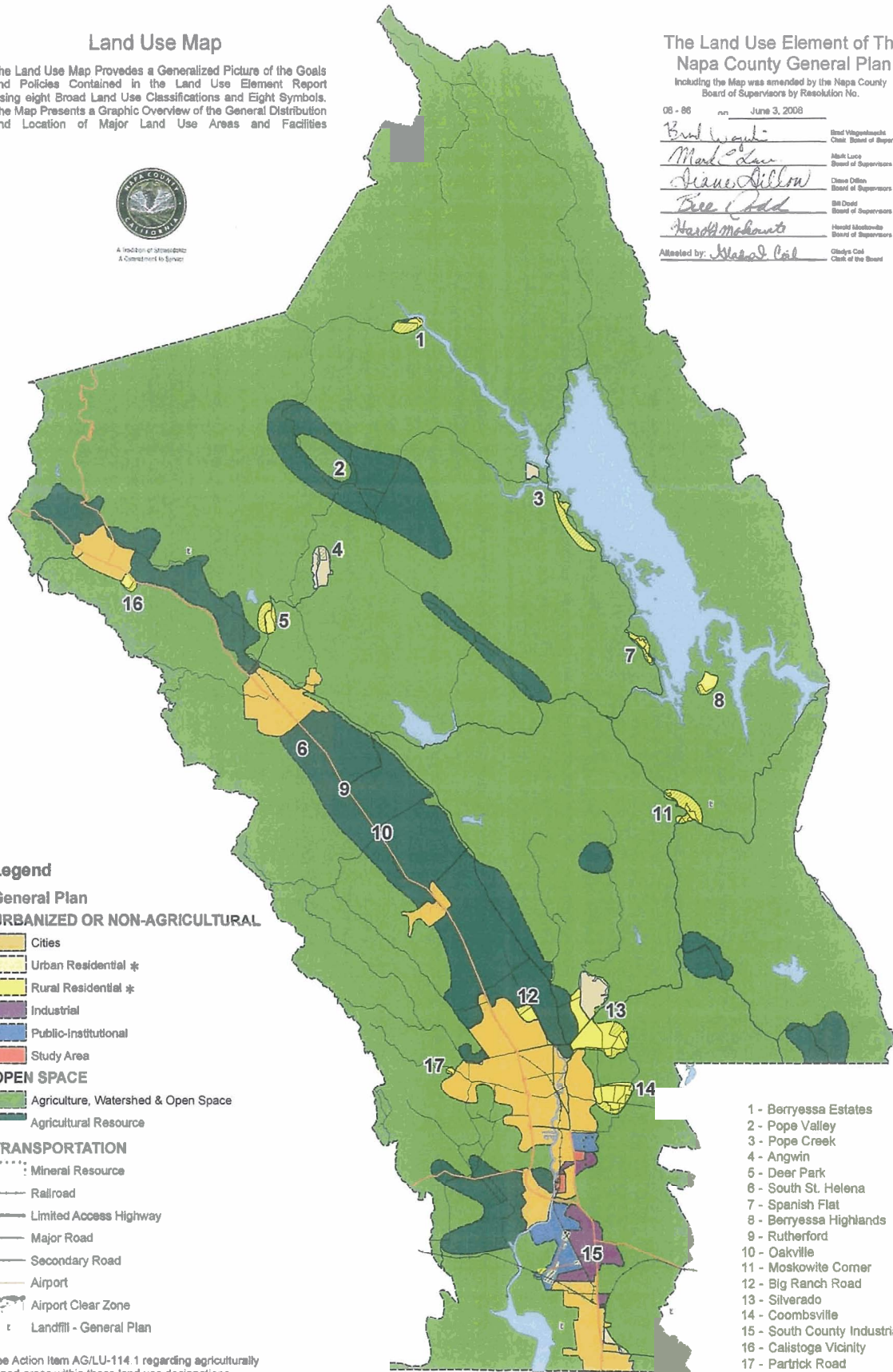
A tradition of stewardship  
A commitment to service

### The Land Use Element of The Napa County General Plan

Including the Map was amended by the Napa County Board of Supervisors by Resolution No.

06 - 06 on June 3, 2008

<i>Bruce Wright</i>	Brad Wigenhauck	Chair, Board of Supervisors - District 1
<i>Mark Lee</i>	Mark Lee	Board of Supervisors - District 2
<i>Steve Dillon</i>	Steve Dillon	Board of Supervisors - District 3
<i>Bill Dodd</i>	Bill Dodd	Board of Supervisors - District 4
<i>Harold Moskowitz</i>	Harold Moskowitz	Board of Supervisors - District 5
<i>Allyson Cole</i>	Allyson Cole	Chair of the Board



#### Legend

#### General Plan

#### URBANIZED OR NON-AGRICULTURAL

- Cities
- Urban Residential \*
- Rural Residential \*
- Industrial
- Public-Institutional
- Study Area

#### OPEN SPACE

- Agriculture, Watershed & Open Space
- Agricultural Resource

#### TRANSPORTATION

- Mineral Resource
- Railroad
- Limited Access Highway
- Major Road
- Secondary Road
- Airport
- Airport Clear Zone
- Landfill - General Plan

- 1 - Berryessa Estates
- 2 - Pope Valley
- 3 - Pope Creek
- 4 - Angwin
- 5 - Deer Park
- 6 - South St. Helena
- 7 - Spanish Flat
- 8 - Berryessa Highlands
- 9 - Rutherford
- 10 - Oakville
- 11 - Moskowite Corner
- 12 - Big Ranch Road
- 13 - Silverado
- 14 - Coombsville
- 15 - South County Industrial Areas
- 16 - Calistoga Vicinity
- 17 - Patrick Road

\* See Action Item AG/LU-114.1 regarding agriculturally zoned areas within these land use designations

Revised Date: 06/03/2008

Horizontal Datum: NAD 83,  
CA State Plane Coordinates,  
Zone II, feet

Disclaimer: This map was prepared for informational purposes only. No liability is assumed for the accuracy of the data delineated herein.

## Napa County Land Use Plan 2008 - 2030

County of Napa

Office of Conservation  
Development and Planning

0 0.5 1 2 3 4 Miles

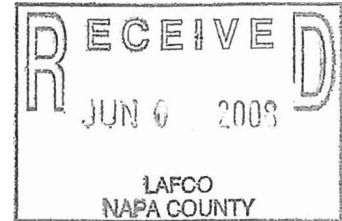
# CITY OF CALISTOGA

1232 Washington Street • Calistoga, CA 94515  
707.942.2800



June 4, 2008

Keene Simonds, Executive Officer  
LAFCO of Napa County  
1700 Second Street, Suite 268  
Napa, CA 94559



Dear Keene:

This letter is in response to LAFCO's pending review of the City's Sphere of Influence. The City has evaluated its planned population and growth needs, public facility needs and other social/economic interests identified in our General Plan. After careful review of potential needs and interests and in consideration of input received from the community, the City Council, through adoption of a resolution on June 3, 2008, has determined that the current boundary of the City's Sphere of Influence is adequate and that there will be no need to alter or expand the Sphere.

Thank you for the opportunity to participate in LAFCO's review of the City's Sphere of Influence. We look forward to continuing to work with LAFCO towards orderly growth, efficient delivery of municipal services and the preservation of open space and agricultural lands in the County.

If you have any questions regarding this matter please do not hesitate to contact James C. McCann, City Manager, at 942-2805.

Sincerely,

Jack Gingles  
Mayor

cc: Supervisor Diane Dillon  
Nancy Watt, Napa County Executive Officer  
Hillary Gitelman, Director of Planning and Conservation

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE  
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
MAKING DETERMINATIONS**

**CITY OF CALISTOGA  
SPHERE OF INFLUENCE REVIEW**

**WHEREAS**, the Local Agency Formation Commission of Napa County, hereinafter referred to as “the Commission”, adopted a schedule to conduct studies of the provision of municipal services in conjunction with reviewing the spheres of influence of the local governmental agencies whose jurisdictions are within Napa County; and

**WHEREAS**, the Executive Officer of the Commission, hereinafter referred to as “the Executive Officer”, prepared a review of the sphere of influence of the City of Calistoga pursuant to said schedule and California Government Code Section 56425; and

**WHEREAS**, the Executive Officer prepared a written report of the review, including his recommendation to affirm with no changes the existing sphere of influence; and

**WHEREAS**, said Executive Officer’s report has been presented to the Commission in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all the evidence presented at a public meeting held on August 4, 2008; and

**WHEREAS**, the Commission considered all the factors required by law under California Government Code Section 56425.

**NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER** as follows:

1. The Commission, as lead agency, hereby determines an action to affirm with no changes an agency’s existing sphere of influence qualifies for a general exemption from the requirements of the California Environmental Quality Act (CEQA). Approval to affirm an existing sphere of influence will not result in any land use changes or physical impacts to the environment. This proposal qualifies for a general exemption under CEQA because there is no possibility it will adversely affect the environment [CEQA Guidelines, Section 15061(b)(3)].
2. The proposed sphere of influence review for the City of Calistoga is APPROVED.



3. This sphere of influence review is assigned the following distinctive short-term designation:

**CITY OF CALISTOGA  
SPHERE OF INFLUENCE REVIEW**

4. The sphere of influence for the City of Calistoga is hereby affirmed with no changes to include the affected territory as shown on the attached map identified as "Exhibit A."
5. Pursuant to California Government Code Section 56425 of the Government Code, the Commission makes the statements of determinations in the attached "Exhibit B."
6. The effective date of this sphere of influence review shall be immediate.
7. The Executive Officer shall revise the official records of the Commission to reflect this review of the sphere of influence.

The foregoing resolution was duly and regularly adopted by the Commission at a meeting held on August 4, 2008 by the following vote:

AYES:           Commissioners       \_\_\_\_\_

NOES:           Commissioners       \_\_\_\_\_

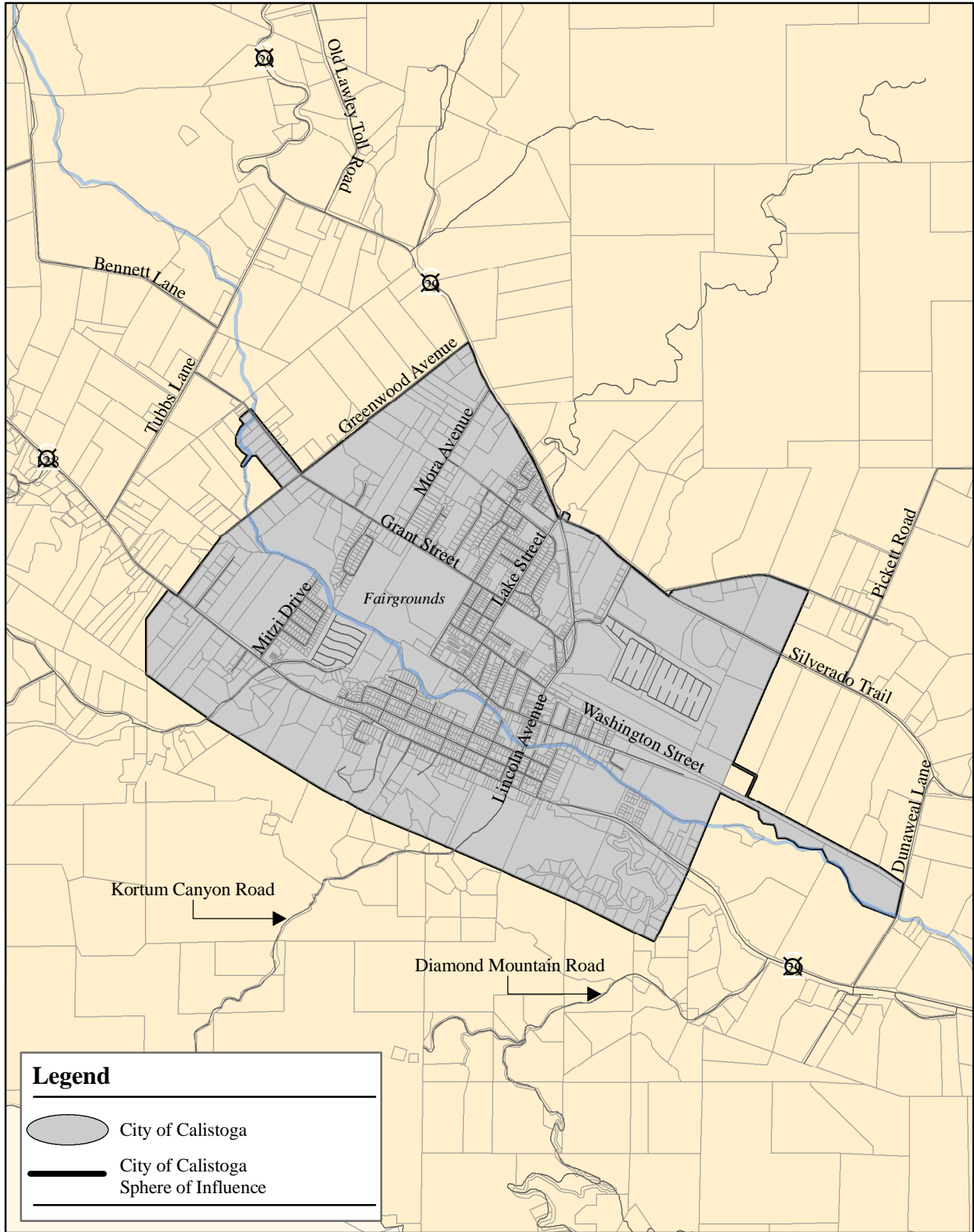
ABSENT:        Commissioners       \_\_\_\_\_

ABSTAIN:       Commissioners       \_\_\_\_\_

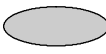

ATTEST:        Keene Simonds  
                  Executive Officer

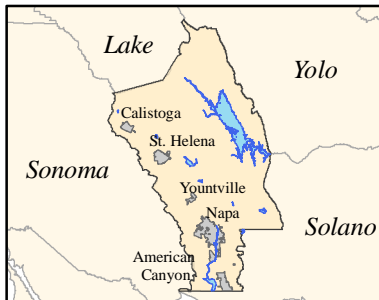
Recorded by: \_\_\_\_\_  
                  Kathy Mabry  
                  Commission Secretary

# City of Calistoga



**Legend**

-  City of Calistoga
-  City of Calistoga Sphere of Influence



*Not to Scale  
July 14, 2008  
Prepared by KS*



LAFCO of Napa County  
1700 Second Street, Suite 268  
Napa, California 94559  
<http://napa.lafco.ca.gov>

**EXHIBIT B**  
**STATEMENT OF DETERMINATIONS**

**CITY OF CALISTOGA**  
**SPHERE OF INFLUENCE REVIEW**

- 1. The present and planned land uses in the area (sphere), including agricultural and open-space lands.**

The present and planned land uses in the sphere are adequately contemplated under the Calistoga General Plan. The Calistoga General Plan provides for the current and future urban uses characterizing the majority of the sphere. A small amount of land located in the sphere is under agricultural use. These existing agricultural uses will not be affected by their retention in the sphere.

- 2. The present and probable need for public facilities and services in the area (sphere).**

The City of Calistoga provides a full range of municipal services within the sphere either directly or through contracts with other public or private entities. These public services support the present and planned urban uses within the sphere as contemplated in the Calistoga General Plan.

- 3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The City of Calistoga has demonstrated its ability to provide an adequate level and range of public services within the sphere. These public services were comprehensively evaluated by the Commission as part of a recent municipal service review completed in May 2008.

- 4. The existence of any social or economic communities of interest in the area (sphere) if the commission determines that they are relevant to the agency.**

The City of Calistoga has established social and economic interdependencies within the sphere that are distinct from neighboring unincorporated areas.