



Local Agency Formation Commission of Napa County
LAFCO of Napa County

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

Juliana Inman, Chair
Bill Dodd, Vice Chair
Lewis Chilton, Commissioner
Brian J. Kelly, Commissioner
Brad Wagenknecht, Commissioner
Joan Bennett, Alternate Commissioner
Mark Luce, Alternate Commissioner
Gregory Rodeno, Alternate Commissioner

REGULAR MEETING AGENDA

Monday, October 4, 2010
County of Napa Administration Building
1195 Third Street, Board Chambers
Napa, California 94559

1. **CALL TO ORDER; ROLL CALL: 4:00 P.M.**
2. **PLEDGE OF ALLEGIANCE**
3. **AGENDA REVIEW**
Requests to re-arrange agenda items will be considered at this time.
4. **PUBLIC COMMENTS**
In this time period, anyone may comment to the Commission regarding any subject over which the agency has jurisdiction. No comments will be allowed involving any subject matter that is scheduled for hearing, action, or discussion as part of the current agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented at this time.
5. **CONSENT ITEMS**
All items calendared as consent are considered ministerial or non-substantive. With the concurrence of the Chair, a Commissioner may request discussion of an item on the consent calendar.
 - a) **Approval of Minutes (Action)**
The Commission will consider approving summary minutes prepared for the August 2, 2010 regular meeting.
 - b) **Current and Future Proposals (Information)**
The Commission will receive a report summarizing current and pending proposals. No new proposals have been submitted since the August 2, 2010 meeting.
 - c) **Notice of Review by the Napa County Grand Jury (Information)**
The Commission will receive written correspondence from the Napa County Grand Jury regarding their intention to review LAFCO as part of their 2010-2011 schedule.
6. **PUBLIC HEARING ITEMS**
Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than five minutes unless additional time is permitted by the Chair.
 - a) **Adoption of Amendments to Conflict of Interest Code**
The Commission will consider a resolution to amend and update its adopted conflict of interest code. The proposed update makes several changes to reflect recent changes involving the Political Reform Act.
7. **ACTION ITEMS**
Items calendared for action do not require a public hearing before consideration by the Commission. Applicants may address the Commission. Any other member of the public may receive permission to provide comments on any item at the discretion of the Chair.
 - a) **Proposed Annexation of the Eucalyptus Grove and American Canyon High School Properties to the City of American Canyon**
The Commission will consider a proposal from American Canyon to annex 156.1 acres of unincorporated territory comprising two non-contiguous areas. Staff recommends approval of the proposal with modifications to concurrently include annexation to the American Canyon Fire Protection District and detachment from County Service Area No. 4. The County Assessor identifies the affected parcels as 058-030-056 and 059-040-077.

8. DISCUSSION ITEMS

A member of the public may receive permission to provide comments on any item calendared for discussion at the discretion of the Chair.

a) Concurrent Municipal Service Review and Sphere of Influence Update on County Service Area No. 4

The Commission will receive a draft report from staff representing the agency's scheduled municipal service review and sphere of influence update for County Service Area No. 4. The draft report is being presented to the Commission for discussion in anticipation of future action.

b) Concurrent Municipal Service Review and Sphere of Influence Establishment on the Napa County Regional Park and Open Space District

The Commission will receive a draft report from staff representing the agency's scheduled municipal service review and sphere of influence establishment on the Napa County Regional Parks and Open Space District. The draft report is being presented to the Commission for discussion in anticipation of future action.

9. EXECUTIVE OFFICER REPORT

The Commission will receive a verbal report from the Executive Officer regarding current staff activities, communications, studies, and special projects. This includes, but is not limited to, the following topics:

- Ad Hoc Committee on Policies and Procedures
- Municipal Service Review on the Lake Berryessa Region
- Geographic Information System Update Program
- California Association of Local Agency Formation Commission's 2010 Annual Conference

10. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

11. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING:

December 6, 2010

Materials relating to an item on this agenda that have been submitted to the Commission after distribution of the agenda packet are available for public inspection at the LAFCO office during normal business hours. Commissioners are disqualified from voting on any proposals involving entitlements of use if they have received campaign contributions from an interested party. The law prohibits a Commissioner from voting on any entitlement when he/she has received a campaign contribution(s) of more than \$250 within 12 months of the decision, or during the proceedings for the decision, from any interested party involved in the entitlement. An interested party includes an applicant and any person with a financial interest actively supporting or opposing a proposal.



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October 4, 2010
Agenda Item No. 5a (Action)

September 28, 2010

TO: Local Agency Formation Commission

FROM: Kathy Mabry, Commission Secretary

SUBJECT: Approval of Meeting Meetings

The Commission will consider approving draft minutes prepared by staff for the August 2, 2010 regular meeting.

A. Information/Discussion

Staff has prepared draft minutes for the Local Agency Formation Commission of Napa County's August 2, 2010 regular meeting. The draft minutes are in summary form and presented for approval by the Commission.

All eight Commissioners were present at the August 2, 2010 meeting.

B. Recommendation

It is recommended the Commission approve the draft minutes for the August 2, 2010 meeting with any clarifications or corrections noted.

Respectfully submitted,

Kathy Mabry
Commission Secretary

Attachment:

1) Draft Minutes for August 2, 2010 Meeting

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

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

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

DRAFT SUMMARY MEETING MINUTES

AUGUST 2, 2010

1. CALL TO ORDER; ROLL CALL

Chair Inman called the regular meeting of August 2, 2010 to order at 4:01 P.M. At the time of roll call, the following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Juliana Inman, Chair	Joan Bennett	Keene Simonds, Executive Officer
Lewis Chilton	Mark Luce	Jackie Gong, Commission Counsel
Bill Dodd	Gregory Rodeno	Brendon Freeman, Analyst
Brian J. Kelly		Kathy Mabry, Secretary
Brad Wagenknecht		

2. PLEDGE OF ALLEGIANCE

Tracy Schulze, Napa County Auditor-Controller led the Pledge of Allegiance.

3. APPROVAL OF MINUTES

The Commission was presented with draft minutes from the June 7, 2010 meeting for approval with a request from staff to provide clarification regarding the intent of an approval condition involving the update to the City of American Canyon's sphere of influence (Item No 6a). Upon discussion, Commissioners confirmed the addition of lands into the sphere of influence identified in the corresponding report as Study Area "A" were independently conditioned on each affected property having a recorded industrial easement by August 2, 2010 unless extended. Commissioner Kelly motioned and Commissioner Wagenknecht seconded adopting the draft summary minutes of June 7, 2010 with the preceding clarification noted. The motion was unanimously approved with Commissioner Dodd abstaining given his absence from the meeting.

4. PUBLIC COMMENT

Chair Inman invited members of the audience to provide public comment.

John Stewart, President of the Los Carneros Water District provided an update on the District's feasibility study currently being conducted by the Corps of Engineers. He said the District is into its third year of assessments with the intent to fund the study, and it is now almost complete. Mr. Stewart also commented on how the District is now using the services of Napa County, and very much appreciates the cooperation of staff, including LAFCO.

No other comments were received.

5. CONSENT ITEMS

a) Amendment to Support Services Agreement (SSA) with County of Napa

The Commission considered approving an amendment to its support services agreement with the County of Napa. The proposed amendment establishes the Commission's 2010-2011 annual charge for information technology services from the County in the amount of \$14,945.

b) Fourth Quarter Budget Report for 2009-2010

The Commission received a fourth quarter budget report for 2009-2010. The report compared adopted and actual expenses through the fourth and final quarter and confirms the Commission finished the fiscal year with \$122,820 in unexpended budgeted funds.

5. CONSENT ITEMS – continued:

c) 2010-2011 Budget Amendments

The Commission considered budget amendments for 2010-2011 to reflect revised agency contribution calculations that have been prepared in conjunction with the close of 2009-2010.

d) Request from the City of American Canyon for a Time Extension to Meet Approval Conditions in LAFCO Resolution No. 10-13

The Commission considered a written request from the City of American Canyon to receive an extension of time to complete conditions associated with the approval to add certain territory to the City's sphere of influence included in LAFCO Resolution No. 10-13. The request would extend the time to complete approval conditions from August 2, 2010 to August 4, 2010. This item was added to the agenda following the regular posting and was considered by the Commission upon a determination by a majority of members requiring immediate action as provided under Government Code Section 54954.2.

Upon motion by Commissioner Wagenknecht and second by Commissioner Lewis, the consent items were unanimously approved by the Commission as recommended.

6. PUBLIC HEARING ITEMS

a) Sphere of Influence Update on American Canyon Fire Protection District

The Commission received a final report on its scheduled sphere of influence update on the American Canyon Fire Protection District. The final report recommends adding four distinct areas to the sphere of influence totaling 402 acres. Staff provided a brief verbal review of the final report and highlighted key policy issues. The Chair opened the hearing to the public. No comments were received. Upon motion by Commissioner Dodd and second by Commissioner Kelly, the Commission unanimously adopted the sphere of influence update as recommended in the final report. (**Resolution No. 10-17**).

7. ACTION ITEMS

a) Devlin Road/South Kelly Road Annexation to the City of American Canyon

The Commission considered a proposal from the City of American Canyon to annex approximately 293 acres of unincorporated territory located near Devlin Road and South Kelly Road. The affected territory – as originally proposed – included one contiguous area comprising three distinct properties commonly referred to as Atkins, Headwaters, and Panattoni. Staff provided a brief verbal review of the proposal and its recommendation to approve the request with three modifications: 1) remove the Atkins property due to American Canyon not completing the necessary conditions of approval tied to adding the land to the sphere; 2) concurrently annex the affected territory to the American Canyon Fire Protection District; and 3) concurrently detach the affected territory from County Service Area No. 4. At Chair Inman's invitation, American Canyon's Community Development Director Brent Cooper addressed the Commission and clarified the reasons why American Canyon chose not to complete the terms associated with adding the Atkins property to the sphere. After a brief discussion, Commissioner Dodd motioned and Commissioner Kelly seconded approving the proposal with the modifications outlined by staff. The seconded motion was unanimously approved by the Commission. (**Resolution No. 10-18**).

7. ACTION ITEMS - continued:

b) California Association of Local Agency Formation Commissions: Annual Conference

The Commission considered appointing a delegate and alternate delegate for the California Association of Local Agency Formation Commission's annual conference scheduled for October 6-8, 2010 in Palm Springs. The Commission also considered submitting nominations for CALAFCO board vacancies and achievement awards. After a brief discussion by staff, Commissioner Chilton motioned and Commissioner Wagenknecht seconded appointing Chair Inman and Vice Chair Dodd as delegate and alternate delegate. The seconded motion was unanimously approved. Commissioner Chilton motioned and Commissioner Wagenknecht seconded nominating Chair Inman for the CALAFCO Board. The seconded motion was unanimously approved. Commissioner Chilton motioned and Commissioner Wagenknecht seconded nominating *Napa County Mosquito Abatement District: Municipal Service Review and Sphere of Influence Update* for CALAFCO's "Project of the Year" award. The seconded motion was unanimously approved.

c) Island Annexation Program

The Commission received a report summarizing staff's activities to date in developing an island annexation program aimed at eliminating unincorporated pockets within the City of Napa. The Commission made the following comments:

- Chair Inman said staff should continue to work on this program, also recommending a town-hall type meeting to provide more public outreach.
- Commissioner Kelly stated the program is outdated and staff should move on from this, especially in light of the current recession.
- Commissioner Wagenknecht agreed that community outreach would be the best way to promote the program, since some citizens still believe there are no benefits to annexing into the city limits.
- Commissioner Rodeno noted that citizens should be made aware that they would be able to vote and obtain other municipal services if they were in the city limits.
- Commissioner Chilton remarked that maybe a better option would be to allow a process where staff sends out a letter to the residents in the islands stating what the annexation would provide for them and how staff would shepherd them through the process, and should include waiving of the fees.
- Commissioner Dodd commented that no one has asked for LAFCO to do this program, not the cities or the County, and in these tight times it would require increased staff time to proceed.

Upon motion by Commissioner Chilton and second by Commissioner Wagenknecht, staff was directed to return with a second update in early 2011, which includes scheduling a third mailing to the West Pueblo Park area at the end of the calendar year. Commissioner Dodd voted no.

8. DISCUSSION ITEMS

a) Legislative Report

Staff provided the Commission with a status report on the second year of the 2009-2010 session of the California Legislature as it relates to bills directly or indirectly effecting Local Agency Formation Commissions, which summarized the bills under consideration in the current legislative session relevant to the Commission. Staff provided the Commission with a letter from Senator Patricia Wiggins on the passing of Senate Bill 1023 expediting the conversion of resort improvement districts (RIDs) and municipal improvement districts (MIDs) into community service districts (CSDs). No action was taken.

9. EXECUTIVE OFFICER REPORT

The Commission was provided with a verbal report from the Executive Officer regarding the following items:

- Ad Hoc Committee on Policies and Procedures – meets prior to each Commission meeting and is working on a policy for the Commission to weigh in on.
- Agency Correspondence – no report.

10. INFORMATION ITEMS

a) California Association of Local Agency Formation Commissions

The Commission received a report on the results of the California Association of Local Agency Formation Commissions' proposal to amend its bylaws to establish regions for purposes of electing board of directors. The proposal was approved by a vote of 51 to 2.

b) Request to Defer Scheduled Sphere of Influence Review and Update for County Service Area No. 3

The Commission received a written request from the County of Napa to defer the currently scheduled sphere of influence review and update on County Service Area No. 3 to January 2011. Staff informed the Commission that CSA #3 studies will be prepared next calendar year.

c) Current and Future Proposals

The Commission received a report summarizing current and future proposals. No new proposals have been submitted to LAFCO since the June 7, 2010 meeting.

d) Report on Website Visits

The Commission received a report from Brendon Freeman, Analyst, summarizing visitor traffic to the agency's new website since January 2010.

11. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS

There was no discussion of this item.

12. ADJOURNMENT

The meeting was adjourned at 4:58 p.m. The next regular LAFCO meeting is scheduled for Monday, October 4, 2010 at 4:00 p.m.

Juliana Inman, Chair

ATTEST: Keene Simonds, Executive Officer

Prepared by:

Kathy Mabry, Commission Secretary



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October 4, 2010
Agenda Item No. 5b (Information)

September 28, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: Current and Future Proposals

The Commission will receive a report summarizing current and future proposals. The report is being presented for information. No new proposals have been submitted since the August 2, 2010 meeting.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. This includes approving or disapproving proposals involving the formation, expansion, merger, and dissolution of cities and special districts.

A. Information

There are currently three active proposals on file with LAFCO of Napa County ("Commission"). A summary of these active proposals follows.

Clarke Ranch West and American Canyon Middle School Annexation to the City of American Canyon

The City of American Canyon proposes the annexation of two unincorporated and non-contiguous areas totaling approximately 52.5 acres. The two areas include all or portions of three assessor parcels lying within American Canyon's urban limit line. Consistent with policies and practices, the Commission's review of the proposal will also include concurrent annexation of the affected territory to the American Canyon Fire Protection District (ACFPD) and detachment from County Service Area (CSA) No. 4. Each area is assigned a short-term designation and summarized below.

- **American Canyon Middle School**

This property is 22.1 acres in size and includes one entire assessor parcel and a portion of a second assessor parcel owned by the Napa Valley Unified School District. The property is scheduled to be developed into a 530-student middle school with construction commencing later this year.

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Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

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

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

- **Clarke Ranch West**

This property is 30.4 acres in size and includes a portion of an assessor parcel owned by American Canyon immediately southwest of the Eucalyptus Grove property. The property is undeveloped; however, a portion is used by the American Canyon 4-H Club and includes equipment and animals for educational purposes. The property lies outside American Canyon's sphere of influence, but is eligible for annexation under Government Code Section 56742. This section allows cities to annex non-contiguous lands lying outside their spheres if certain preconditions exist. This includes land that is less than 300 acres in total size and owned and used by the city at the time of proposal initiation for municipal purposes. The Commission has previously utilized this section for similar type of annexations involving Alston and Trancas Crossing Parks to the City of Napa.

Status: Staff issued a request for review on March 25, 2010 from local governmental agencies. No comments have been received to date. Staff has also issued a status letter to American Canyon requesting additional information and fees necessary to process the proposal. This includes a map and geographic description of the affected territory. American Canyon has requested staff delay processing the proposal to allow the City to establish a conservation easement on the Clarke Ranch property.

Silverado Trail/Zinfandel Lane Annexation to the City of St. Helena

The City of St. Helena proposes the annexation of approximately 100 acres of unincorporated territory located northwest of the intersection of Silverado Trail and Zinfandel Lane. The affected territory consists of one entire parcel and a portion of a second parcel, which are both owned and used by St. Helena to discharge treated wastewater from an adjacent treatment plant through a spray irrigation system. Both subject parcels are located outside the City's sphere of influence. Rather than request concurrent amendment, St. Helena is proposing only the annexation of a portion of the second parcel to ensure the affected territory is non-contiguous to its incorporated boundary and therefore eligible for annexation under Government Code Section 56742. This statute permits a city to annex non-contiguous land it owns and uses for municipal purposes without consistency with its sphere of influence. However, if sold, the statute requires the land be automatically detached. The two subject parcels are identified by the County Assessor as 030-240-017 (portion) and 030-250-018.

Status: Staff has completed its review of the proposal. St. Helena has filed a request with the Commission to delay consideration of the proposal in order to explore a separate agreement with the County to extend the current Williamson Act contract associated with the affected territory.

Formation of the Villa Berryessa Water District

This application has been submitted by Miller-Sorg Group, Inc. The applicant proposes the formation of a new special district under the California Water District Act. The purpose in forming the new special district is to provide public water and sewer services to a planned 100-lot subdivision located along the western shoreline of Lake Berryessa. A tentative subdivision map for the underlying project has already been approved by the County. The County has conditioned recording the final map on the applicants receiving written approval from the United States Bureau of Reclamation to construct an access road and intake across federal lands to receive water supplies from Lake Berryessa. Based on their own review of the project, the Bureau is requesting a governmental agency accept responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

Status: Staff is currently awaiting a response to an October 2008 request for additional information.

Staff is aware of two specific proposals that are expected to be submitted to the Commission in the future. A summary of these future proposals follows.

American Canyon Town Center Project

The City of American Canyon has adopted a resolution of application to annex approximately 320 acres of unincorporated land for purposes of facilitating a conceptualized mixed urban use project located southeast of the intersection of State Highway 29 and South Napa Junction Road. No specific uses or densities currently exist. The Commission added 220 acres of this territory to American Canyon's sphere of influence as part of a comprehensive sphere update at its June 7 meeting. The City Council, serving as *ex officio* Board of Directors, also adopted a resolution of application proposing concurrent annexation of the affected territory into ACFPD. Based on practice, the Commission's review of the proposal would also include concurrent detachment from CSA No. 4.

Status: The underlying applicant (McGrath Properties) is currently working with all subject landowners to receive written consent before the proposal is filed with the Commission.

St. Regis Resort Project

The City of Napa has approved a planning process to develop approximately 93 acres of land comprising four parcels located along Stanly Lane in the Stanly Ranch area. The approved project is intended to accommodate a 245-room luxury resort with a commercial vineyard. Commission approval will be needed to annex the affected territory to Napa Sanitation District for the purpose of extending public sewer service. Staff recently met with the project proponent and was informed the landowners may file an expanded proposal to annex the entire Stanly Ranch area for purposes of economizing resources.

Status: The St. Regis Group has delayed filing a proposal with the Commission to annex the affected territory to the Napa Sanitation District until a legal challenge to the environmental impact report is further resolved.

B. Commission Review

The Commission is invited to review and discuss any of the current or future proposals identified in this report.

Attachments: none



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October 4, 2010
Agenda Item No. 5c (Information)

September 28, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Notice of Review by the Napa County Grand Jury

The Commission will receive written correspondence from the Napa County Grand Jury regarding their intention to review the agency.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. This includes approving or disapproving proposals involving the formation, expansion, merger, and dissolution of cities and special districts.

A. Information

LAFCO of Napa County (“Commission”) has received written notice from the Napa County Grand Jury of its intention to investigate the agency as part of the 2010-2011 review schedule. Staff believes this will mark the first investigation of the Commission. Staff looks forward to reviewing the observations and findings of the Grand Jury with the Commission once a report is published.

B. Commission Review

The Commission is invited to review and discuss the Grand Jury’s notice.

Attachments:

- ~~1) Letter from the Napa County Grand Jury~~

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

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October 4, 2010
Agenda Item No. 6a (Public Hearing)

September 27, 2010

TO: Local Agency Formation Commission

FROM: Jacqueline M. Gong, Commission Counsel

SUBJECT: Adoption of Amendments to Conflict of Interest Code

The Commission will consider a resolution to amend and update its adopted conflict of interest code. The proposed update makes several changes to reflect recent changes involving the Political Reform Act.

California Government Code Section 87300 codifies the Political Reform Act of 1974 and requires all local government agencies to adopt a conflict of interest code. The code must designate positions with the agency that are required to file a Statement of Economic Interest ("Form 700") along with assigning disclosure categories specifying the types of interests to be reported. Agencies are required to review their adopted code every even-numbered year to determine whether amendments are appropriate.

A. Discussion/Analysis

The Local Agency Formation Commission of Napa County's ("Commission") Counsel has reviewed its adopted conflict of interest code and believes three amendments are appropriate to address recent changes involving the Political Reform Act. The first proposed amendment addresses the availability of the Fair Political Practices Commission or Commission Counsel to provide designated employees with assistance in complying with the conflict of interest code. The second proposed amendment to address administrative, criminal and civil sanctions for violations of the conflict of interest code. The third and final proposed amendment updates the legal monetary limit for gifts from a single source from \$390.00 to \$420.00. The proposed amendments to the conflict of interest code is provided as "Exhibit A" of the attached draft resolution.

The Executive Officer circulated the draft amendments to the conflict of interest code for review and comment to the Commission and interested persons on Thursday, September 9, 2010. The Executive Officer has also provided notice of the public hearing scheduled for the Commission to consider adopting the proposed amendments in accordance with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act. No comments – support or oppose – have been submitted as of date.

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

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

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Keene Simonds
Executive Officer

B. Alternatives for Commission Action

The following two alternative actions are available to the Commission.

Alternative One: (a) open the public hearing and receive testimony from audience members; (b) close the public hearing; (c) consider a motion to approve with or without amendment the attached draft resolution; and (d) direct the Executive Officer to file the adopted updated conflict of interest code with the County Board of Supervisors.

Alternative Two: (a) open the public hearing and receive testimony from audience members and (b) continue the public hearing to a future meeting and provide direction to staff for additional information as needed.

C. Recommendation

It is recommended the Commission approve Alternative One as outlined above.

Respectfully submitted,

Jacqueline M. Gong
Commission Counsel

Attachments:
1) Draft Resolution

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY AMENDING ITS CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act of 1974 (Government Code Sections 81000 et seq., hereinafter referred to as "Act") requires the Local Agency Formation Commission of Napa County (hereinafter referred to as "LAFCO") to adopt a Conflict of Interest; and

WHEREAS, the Fair Political Practices Commission (hereinafter referred to as "FFPC") has adopted a regulation (Section 18730 of Title 2 of the California Code of Regulations) containing a standardized conflict of interest code which may be incorporated by reference into the code of a local government agency or the agency may develop its own Conflict of Interest Code as required by the Act; and

WHEREAS, LAFCO is required to amend its Conflict of Interest Code from time to time to conform to amendments to the Act and due to changed circumstances; and

WHEREAS, LAFCO has served notice of the proposed revisions to its Conflict of Interest Code on the Napa County Board of Supervisors, as the code reviewing body for LAFCO, and on all affected Commissioners, officers, employees and consultants of LAFCO, and has published in a newspaper of general circulation within the jurisdiction of LAFCO a Notice of Intention to Adopt the Conflict of Interest Code, including notice of a written comment period of not less than 21 days and the availability of the proposed Conflict of Interest Code (hereinafter referred to as the "Code") and supporting documentation for inspection and copying; and

WHEREAS, at a regular meeting of LAFCO held on October 4, 2010, oral and/or written comments on the proposed Conflict of Interest Code were received from affected persons and/or the general public, and these comments and the proposed Code were considered by LAFCO;

NOW, THEREFORE, BE IT RESOLVED by LAFCO that the Conflict of Interest Code shall be amended and readopted in the manner set forth in Exhibit "A", effective upon confirmation by the Napa County Board of Supervisors acting as the code reviewing body for LAFCO.

The foregoing resolution was duly and regularly adopted at a regular meeting of the Local Agency Formation Commission of Napa County, held on the 4th day of October, 2010, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

By: _____
Juliana Inman, Chair of LAFCO

ATTEST: Secretary of LAFCO

By: _____
KEENE SIMONDS, Executive Officer

APPROVED AS TO FORM:

By: E-Signature Jacqueline M. Gong,
Commission Counsel

Date: 9/7/10

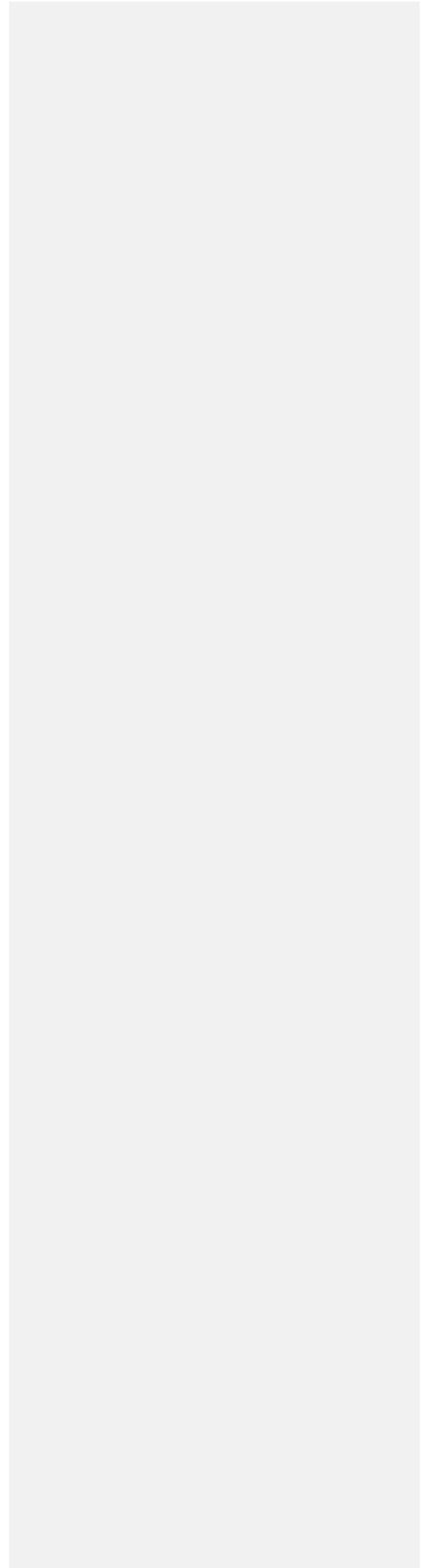


EXHIBIT "A"

**THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
("LAFCO")
CONFLICT OF INTEREST CODE**

1. Incorporation of Definitions and Standard Terms of Model Code. The definitions contained in the Political Reform Act of 1974 (the "Act") and in the model code set forth in Section 18730 of Title 2 of the California Code of Regulations (the "model code"), and any amendments to the Act or regulations, are incorporated by reference into this Code.

2. List of Designated Employees. The Designated Employees of LAFCO shall be the persons holding those offices and/or positions set forth in Appendix "A". It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on their economic interests.

3. List of Disclosure Categories. For purposes of the requirements of the Act, the disclosure categories for the Designated Employees of LAFCO shall be those set forth in Appendix "B". These disclosure categories specify which kinds of economic interests are reportable.

4. Documents Comprising Conflict of Interest Code. For purposes of the Act, the provisions of this Code, the model code, and Appendices "A" and "B" shall together constitute the Conflict of Interest Code of LAFCO on and after the date of confirmation of the Code by the Napa County Board of Supervisors.

5. Effective Date of Code. This Conflict of Interest Code shall become effective when approved by the Napa County Board of Supervisors acting as the code reviewing body for LAFCO.

6. Documents to be filed with the Board of Supervisors. The LAFCO Executive Officer is the "Filing Officer" as referred to in this Code. The LAFCO Executive Officer shall file three certified copies of the Conflict of Interest Code, as approved/amended by the LAFCO Commission, with the Napa County Board of Supervisors along with a brief description of the duties and terms of all consultants working for the LAFCO who have been determined by the LAFCO Executive Officer as of the effective date of the Conflict of Interest Code to be exempt from the Designated Employee "contract consultant" category, and the reasons for such exemption. The LAFCO Executive Officer shall prepare and maintain an updated list whenever such exempt positions are added or dropped.

7. Time of Filing Statements of Economic Interests.

A. Statement of Economic Interests refers to that document developed by the Fair Political

Conflict Code 2010

Practices Commission and more commonly known and referred to as "Form 700".

B. Initial Statements-Amendments to Code. All employees already occupying a position when the position is newly designated as a result of an amendment to this Code shall file their initial statements of economic interests within 30 days after the effective date of such an amendment to this Code.

C. Assuming Office Statements-Employees Not Previously Occupying a Designated Position. Employees when first assuming a designated position shall file their initial statement of economic interests within 30 days after assuming the position.

D. Annual Statements. All designated employees shall file their annual statements of economic interests no later than April 1st of each year.

E. Leaving Office Statements. Leaving office statements of economic interests shall be filed within thirty (30) days of any of the events described below occurring:

1. Leaving a designated position (subject to the exception in Section 8 below).
2. Occupying a position which ceases to be a designated position due to a reclassification or other similar personnel action.
3. Occupying a position that due to an amendment to this Code is no longer classified as a designated position.

8. Statements of Economic Interests; Persons Who Resign From Office Prior To Making or Influencing Decisions or Receiving Compensation.

A. Persons who resign within 12 months of their initial appointment, or within 30 days of the date they are notified by the Filing Officer of the requirement to file an assuming office statement of economic interests, are not deemed to have assumed office or left office, provided they did not make or participate in the making of, or use their position to influence any decision and did not receive or become entitled to receive any form of payment as a result of their appointment. Such persons are not required to file either an assuming or leaving office statement of economic interests.

B. Persons who resign a position within 30 days of the date they are notified by the Filing Officer of the requirement to file an assuming office statement of economic interests shall do both of the following:

1. File a written resignation with LAFCO; and
2. File a written statement with the Filing Officer declaring under penalty of perjury that, during the period between appointment and resignation, they did not make, participate in the making, or use their position to influence any decision of the agency or board or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

9. Statement of Economic Interests; Contents of and Period Covered.

A. Contents of Initial Statements. Initial statements of economic interests shall disclose any reportable investments, interests in real property and business positions held on the effective date of the Code and income received during the 12 months prior to the effective date of the Code.

B. Contents of Assuming Office Statements. Assuming office statements of economic interests shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office, and income received during the 12 months prior to the date of assuming office or the date of being appointed.

C. Contents of Annual Statements. Annual statements of economic interests shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year. Notwithstanding the previous sentence, the period covered by a designated employee's first annual statement of economic interests shall begin on the date of assuming office.

D. Contents of Leaving Office Statements. Leaving office statements of economic interests shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

10. Place of Filing. Designated employees shall file their Statements of Economic Interests with the LAFCO Executive Officer who shall retain the original Statements in the LAFCO business office.

11. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the Filing Officer, and shall contain the following information:

A. Investments and Real Property Disclosure. When an investment or an interest in real property is required to be reported the statement of economic interests shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;¹
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one

¹ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).²

B. Personal Income Disclosure. When personal income is required to be reported,³ the statement of economic interests shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

C. Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁴ the statement of economic interests shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

D. Business Position Disclosure. When business positions are required to be reported, a

² Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

³ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁴ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

E. Acquisition or Disposal During a Reporting Period. In the case of an annual or leaving office statement of economic interests, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement of economic interests, the statement of economic interests shall contain the date of acquisition or disposal.

12. Prohibition on Receipt of Honoraria.

No designated employee shall accept any honorarium from any source if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.⁵ Subdivisions (a), (b), and (c) of Government Code section 89501 shall apply to the prohibitions in this section. This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.⁶

13. Prohibition on Receipt of Gifts in Excess of the Allowed Statutory Amount.

No designated employee shall accept gifts with a total value of more than the amount established by 2 Cal. Code Regs. section 18703.4 in a calendar year from any single source (~~\$390,420~~ as of ~~2008~~2010), if the designated employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.⁷

14. Prohibition Regarding Certain Personal Loans.

A. Except as set forth in subsection B below, a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.

⁵ § 89501. See Addendum.

⁶ § 89506. See Addendum.

⁷ § 89503. See Addendum.
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b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

B. This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in the Political Reform Act of 1974 and implementing regulations of the Fair Political Practices Commission.

3. A loan that subsection A of this section would require to be treated as a gift but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that subsection A of this section would require to be treated as a gift but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision to not commence a collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

C. Nothing in this section shall exempt any person from any other provisions of the Political Reform Act of 1974 and the implementing regulations of the Fair Political Practices Commission.

15. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the designated employee or a member of his or her immediate family or on:

A. Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

B. Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

C. Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by, or promised to, the designated employee within 12 months prior to the time when the decision is

made;

D. Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

E. Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating more than that amount established by 2 Cal. Code Regs. ~~Section~~ ~~section~~ 18703.4 (~~\$390,420~~ as of ~~20082010~~) provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

16. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

17. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by a disclosure of the disqualifying interest.

18. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this Code may request assistance from the Fair Political Commission pursuant to Government Code section 83114 and 2 Cal. Code of Regs. sections 18329 and 18329.5 or from LAFCO counsel, provided that nothing in this section requires LAFCO counsel to issue any formal or informal opinion.

1819. Public Inspection of Conflict of Interest Code and Statements. A copy of the Conflict of Interest Code and all filed Statements shall be maintained in the office of the LAFCO Executive Officer and available for public inspection and copying during regular business hours. Copies shall be provided in accordance with LAFCO policy on fees for the production of public records.

1920. LAFCO Review.

A. No later than October 1 of each even-numbered year, LAFCO shall submit to the Napa County Board of Supervisors, as the code reviewing body for LAFCO, a written statement signed by the LAFCO Executive Officer, or his designee, that either:

1. LAFCO has reviewed the Conflict of Interest Code, that the Conflict of Interest Code designates accurately all positions which make or participate in the making of governmental decisions for LAFCO, that the disclosure assigned those positions accurately require the

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disclosure of all investments, business positions, interests in real property, and sources of income which may foreseeably be affected materially by the decisions made by those designated positions, and that the Conflict of Interest Code contains the provisions required by Government Code ~~Section-section~~ 87302; or

2. LAFCO has reviewed the Conflict of Interest Code and has determined that amendment is necessary to designate all positions which make or participate in the making of governmental decisions for LAFCO, or to update the disclosure categories assigned to require the disclosure of all investments, business positions, interests in real property and sources of income which may be affected materially by the designated positions, or to include other provisions required by Government Code ~~Section-section~~ 87302. If the statement contains this report, LAFCO shall submit the amendment to the Napa County Board of Supervisors within 90 days of the report.

B. Changed circumstances which require amendment of the Conflict of Interest Code shall include, but not be limited to:

1. The creation of positions which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest;

2. The reclassification, renaming, or deletion of previously designated positions;

3. The addition, deletion, or modification of statutorily-required provisions of this Conflict of Interest Code; or

4. The addition, deletion, or modification of the specific types of investments, business positions, interests in real property, and sources of income which are reportable unless such changes have been automatically incorporated into this Conflict of Interest Code as the result of inclusion of the changes into the model code by the Fair Political Practices Commission.

21. Violations.

This code has the force and effect law. Designated employees violating any provision of this Code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91014. In addition a decision in relation to which a violation of the disqualification provisions of this Code or of Government Code section 87100 or section 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

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2022. Conflict Between Local Code and California Code of Regulations.

If there are inconsistencies or conflicts between this Code and the state regulations found at 2 California Code of Regulations ~~Section-section~~ 18730, the state regulations will prevail and be the controlling authority unless this Code imposes a requirement for conflict avoidance that is more stringent than the state regulations.

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ADDENDUM

§ 89501. Honorarium. (a) For purposes of this chapter, "honorarium" means, except as provided in subdivision (b), any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

(b) The term "honorarium" does not include:

(1) Earned income for personal services which are customarily provided in connection with the practice of a bona fide business, trade, or profession, such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting, unless the sole or predominant activity of the business, trade, or profession is making speeches. The commission shall adopt regulations to implement this subdivision.

(2) Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the State Controller for donation to the General Fund, or in the case of a public official for local government agency, delivered to his or her agency for donation to an equivalent fund, without being claimed as a deduction from income for tax purposes.

(c) Section 89506 shall apply to all payments, advances, or reimbursements for travel and related lodging and subsistence.

§ 89503. Acceptance of gifts by officers or employees. (a) No elected state officer, elected officer of a local government agency, or other individual specified in Section 87200 shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250).

(b) (1) No candidate for elective state office, for judicial office, or for elective office in a local government agency shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250). A person shall be deemed a candidate for purposes of this subdivision when the person has filed a statement of organization as a committee for election to a state or local office, a declaration of intent, or a declaration of candidacy, whichever occurs first. A person shall not be deemed a candidate for purposes of this subdivision after he or she is sworn into the elective office, or, if the person lost the election, after the person has terminated his or her campaign statement filing obligations for that office pursuant to Section 84214 or after certification of the election results, whichever is earlier.

(2) Paragraph (1) shall not apply to any person who is a candidate as described in paragraph (1) for judicial office on or before December 31, 1996.

(c) No member of a state board or commission or designated employee of a state or local government agency shall accept gifts from any single source in any calendar year with a total value of more than two hundred fifty dollars (\$250) if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(d) This section shall not apply to a person in his or her capacity as judge. This section shall not apply to a person in his or her capacity as a part-time member of the governing board of any public institution of higher education unless that position is an elective office.

(e) This section shall not prohibit or limit the following:

(1) Payments, advances, or reimbursements for travel and related lodging and subsistence

permitted by Section 89506.

(2) Wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value.

(f) Beginning on January 1, 1993, the commission shall adjust the gift limitation in this section on January 1 of each odd-numbered year to reflect changes in the Consumer Price Index, rounded to the nearest ten dollars (\$10).

(g) The limitations in this section are in addition to the limitations on gifts in Section 86203.

§ 89506. Limitations on payments for travel; Gifts of travel. (a) Payments, advances, or reimbursements, for travel, including actual transportation and related lodging and subsistence that is reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy, are not prohibited or limited by this chapter if either of the following apply:

(1) The travel is in connection with a speech given by the elected state officer, local elected officeholder, candidate for elected state office or local elected office, an individual specified in Section 87200, member of a state board or commission, or designated employee of a state or local government agency, the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech, and the travel is within the United States.

(2) The travel is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, as defined in Section 203 of the Revenue and Taxation Code, a nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person domiciled outside the United States which substantially satisfies the requirements for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

(b) Gifts of travel not described in subdivision (a) are subject to the limits in Section 89503.

(c) Subdivision (a) applies only to travel that is reported on the recipient's statement of economic interests.

(d) For purposes of this section, a gift of travel does not include any of the following:

(1) Travel that is paid for from campaign funds, as permitted by Article 4 (commencing with Section 89510), or that is a contribution.

(2) Travel that is provided by the agency of a local elected officeholder, an elected state officer, member of a state board or commission, an individual specified in Section 87200, or a designated employee.

(3) Travel that is reasonably necessary in connection with a bona fide business, trade, or profession and that satisfies the criteria for federal income tax deduction for business expenses in Sections 162 and 274 of the Internal Revenue Code, unless the sole or predominant activity of the business, trade, or profession is making speeches.

(4) Travel that is excluded from the definition of a gift by any other provision of this title.

(e) This section does not apply to payments, advances, or reimbursements for travel and related lodging and subsistence permitted or limited by Section 170.9 of the Code of Civil Procedure.

APPENDIX "A"

LIST OF DESIGNATED EMPLOYEES

Because of the nature of the powers and duties conferred on the Local Agency Formation Commission of Napa County under the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.), the policies adopted by the LAFCO Commission, and the terms of support services and consultant agreements approved by the LAFCO Commission, the following positions within LAFCO may involve the making or participation in the making of decisions of LAFCO which may foreseeably have a material effect on financial interests of the holders of the positions. The positions are listed because their scope of authority or work involve either making final decisions for LAFCO which have financial consequences or developing and/or exercising such a level of expertise and ongoing relationship with those who make such decisions that the decision-makers can reasonably be expected to routinely trust and rely upon their advice.

For purposes of filing Statements of Economic Interests as required by this Conflict of Interest Code, the "Designated Employees" of LAFCO shall be those persons who actually occupy or carry out the functions of the following positions, whether as elected or appointed officers, compensated employees, or contracted consultants:

DESIGNATED EMPLOYEE POSITIONS

Members of the LAFCO Commission (including any persons serving as **Alternate Commission Members** in the absence of a regular Commissioner)

LAFCO Executive Officer

LAFCO Legal Counsel

Auditor-Controller (Napa County Auditor-Controller, serving ex-officio)

Contract Consultants for LAFCO - Contract consultants shall be included in the list of Designated Employees and shall disclose their material financial interests in regard to all of the adopted disclosure categories, subject to the following limitation:

The LAFCO Executive Officer may determine in writing that a particular contract consultant, although a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to comply or fully comply with all of the disclosure requirements described in Appendix "B". This written determination shall include a description of the contract consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. This determination is a public record and shall be retained for public inspection and be available for inspection and copying in the same location and manner as LAFCO's copy of the Conflict of Interest Code.

APPENDIX “B”

DISCLOSURE CATEGORIES

The decisions which the Designated Employees may make, or participate in making, for LAFCO may involve exercising or directly influencing the exercise of powers conferred on LAFCO by the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.).

The decisions by the Designated Employees in the course of their work for LAFCO may have the potential to materially impact any or all of those types of financial interests listed in all the Disclosure Schedules of the Statement of Economic Interests Form 700 adopted by the Fair Political Practices Commission.

For this reason, all of the Designated Employees under this Conflict of Interest Code, other than contract consultants who are exempted from disclosure pursuant to Appendix “A”, shall comply with the broadest possible Disclosure Category under the current Form 700 and Disclosure Schedules: disclosing all sources of income, interests in real property, investments and business positions in business entities.

CERTIFICATIONS

I hereby certify that I am the Secretary and custodian of records of the Local Agency Formation Commission and that the attached Resolution is a true and correct copy of the original approved by the LAFCO Commission and on file in the LAFCO office.

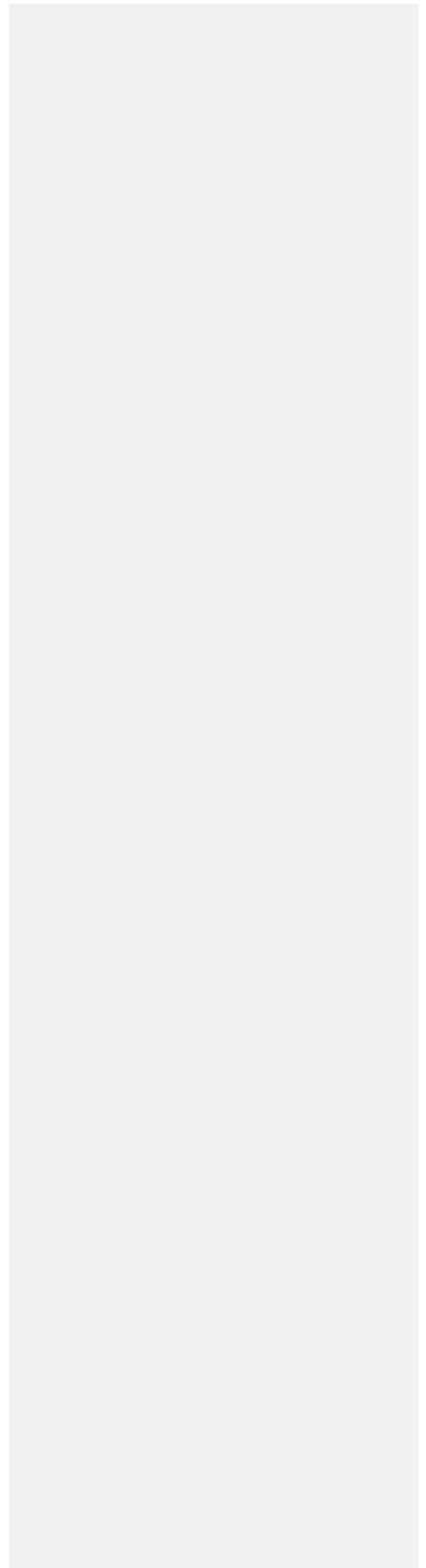
Keene Simonds,
LAFCO Secretary

By _____

I hereby certify that the Conflict of Interest Code for the Local Agency Formation Commission of Napa County was approved and confirmed by the Napa County Board of Supervisors, as the code reviewing body for LAFCO by action of the Board of Supervisors on _____, 20__, and recorded in the certified minutes of the Board of Supervisors for that date.

Clerk of the Napa County Board of Supervisors

By _____





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>

October 4, 2010
Agenda Item No. 7a (Action)

September 27, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: Proposed Annexation of the Eucalyptus Grove and American Canyon High School Properties to the City of American Canyon

The Commission will consider a proposal from the City of American Canyon to annex 156.1 acres of unincorporated territory comprising two non-contiguous areas. Staff recommends approval of the proposal with modifications to concurrently include annexation to the American Canyon Fire Protection District and detachment from County Service Area No. 4.

The Commission is responsible under California Government Code (G.C.) Section 56375 to approve, modify, or disapprove boundary changes consistent with its adopted written policies, procedures, and guidelines. The Commission is also authorized to establish conditions in approving boundary changes as long as it does not directly regulate land uses. Underlying the Commission's determination in approving, modifying, or disapproving proposed boundary changes is to consider the logical and timely development of the affected agencies in context with local circumstances and needs.

A. Overview

Proposal Description

LAFCO of Napa County ("Commission") has received an application by resolution from the City of American Canyon proposing the annexation of approximately 156 acres of unincorporated territory. The affected territory consists of two non-contiguous areas comprising two assessor parcels. These areas are commonly referred to as "Eucalyptus Grove" and "American Canyon High School" properties and are summarized below.

- The Eucalyptus Grove property is 106.6 acres in size and includes one entire assessor parcel. The property is located immediately adjacent to American Canyon north of Eucalyptus Drive's intersection with Wetlands Edge Road. The affected assessor parcel is identified as 058-030-056.
- The American Canyon High School property is 49.5 acres in size and includes one entire assessor parcel. The property is located immediately adjacent to American Canyon northeast of American Canyon Road's intersection with Newell Drive. The affected assessor parcel is identified as 059-040-077.

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice Chair
County of Napa Supervisor, 4th District

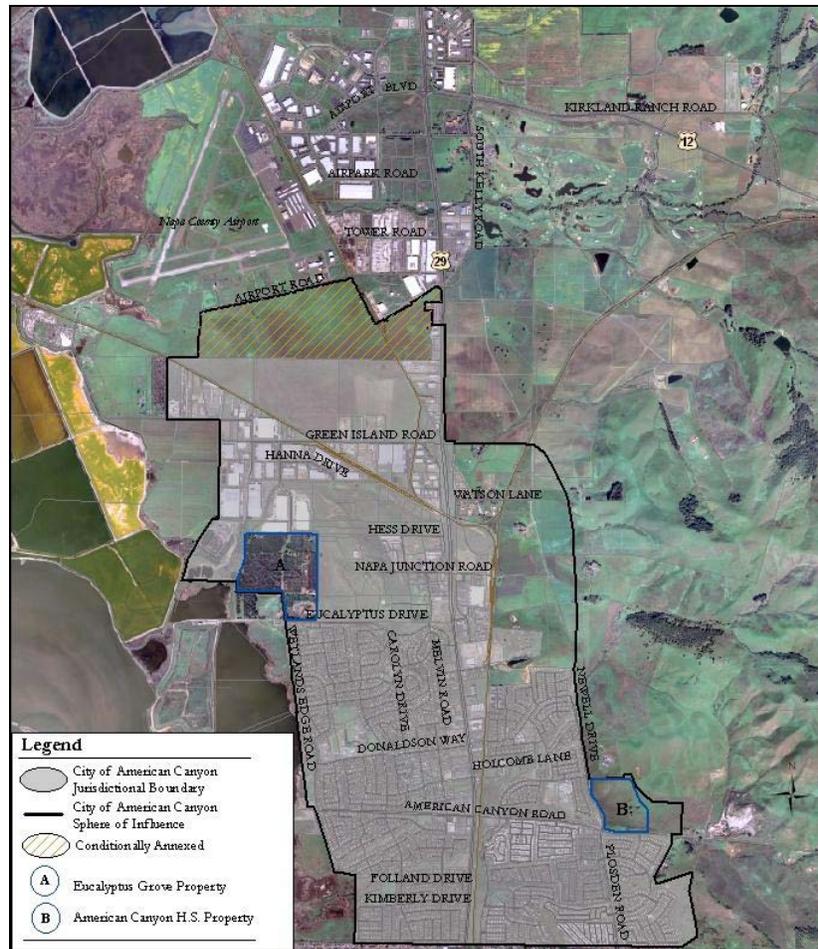
Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer



Proposal Review

Staff recommends approval of the proposal with modifications to concurrently include annexation to the American Canyon Fire Protection District (ACFPD) and detachment from County Service Area (CSA) No. 4. Approval as modified would be consistent with the Commission's policies and practices in supporting the orderly growth and development of American Canyon relative to local needs and circumstances. Staff also believes it would be appropriate to include a special approval condition requiring American Canyon to concurrently annex the Eucalyptus Grove property back into CSA No. 4 if vineyard planting is permitted as currently authorized under the American Canyon General Plan. A summary of key issues evaluated in the review of the proposal follow.

- Concurrent annexation to ACFPD is appropriate to help ensure the delivery of coordinated public safety services to the affected territory. An expanded discussion evaluating this modification is detailed on page three of this report.
- Concurrent detachment from CSA No. 4 is appropriate given the discontinuity between the affected territory's existing and expected uses and the role of the District in providing public farmworker housing services. An expanded review of potential service impacts is detailed on page four of this report.

- No significant deficiencies have been identified relative to American Canyon's ability to effectively extend and maintain an appropriate level of municipal services to the affected territory. An expanded review of potential service impacts is detailed on pages five to fifteen of this report.

B. Discussion

Agency Profile

American Canyon is approximately 4.9 square miles in size and provides a full range of municipal services directly or through contracts with outside contractors with limited exceptions. American Canyon is the second largest municipality in Napa County and has been one of the fastest growing communities in the entire San Francisco Bay Area with an average annual population increase of 7.3% over the last 10 years. The Department of Finance estimates the current population at 16,836 as of January 1, 2010. American Canyon's adopted operating budget is \$15.3 million and intended to cover all general expenditures in 2010-2011. American Canyon's unrestricted/undesignated fund balance is \$1.8 million as of July 1, 2010.

Proposal Purpose

The purpose of the proposal is to (a) the existing use of the American Canyon High School property and (b) facilitate the future development of the Eucalyptus Grove property under the service and land use authority of American Canyon.

Potential Proposal Modifications

In reviewing the application materials, staff has identified two potential modifications to the proposal appearing appropriate given the Commission's policies and practices. These potential modifications are labeled "One" and "Two" and summarized below.

Modification One: Concurrent Annexations of the Affected Territory into the American Canyon Fire Protection District

The affected territory is currently dependent on a basic level of fire protection and emergency medical services provided by the County. The affected territory was previously added to American Canyon Fire Protection District's (ACFPD) sphere of influence as part of a comprehensive update to coordinate public safety services in expectation of the lands' future annexation to American Canyon. Commission policy states all annexations to American Canyon located outside of ACFPD shall be required to concurrently annex to the District if the affected territory lies within its sphere of influence unless waived based on special conditions.¹ Staff has not identified any special conditions meriting a waiver and therefore recommends the two properties be concurrently annexed into ACFPD. No objections have been raised by ACFPD concerning this modification. Further, this type of modification was contemplated in American Canyon's application materials.

¹ Refer to Commission Policy Determination V/(D)(2)(b).

Modification Two: Concurrent Detachment from County Service Area No. 4

County Service Area (CSA) No. 4 was formed in 2002 and includes all unincorporated territory along with certain incorporated territory located within the Cities of Calistoga, Napa, St. Helena, and Yountville. The intent and function of CSA No. 4 is to sponsor a voter-approved special assessment on all assessor parcels within its jurisdiction containing one acre or more of bearing vineyards for the purpose of funding farmworker housing services. CSA law has historically included a provision requiring land be automatically detached from a CSA upon its annexation to a municipality unless waived by LAFCO based on specific findings. This automatic detachment provision was deleted effective January 1, 2009 as part of a comprehensive rewrite of CSA law. The legislative intent in deleting the provision is to broaden LAFCO's discretion in determining whether it believes land should be detached from a CSA upon annexation to a municipality.

With regards to this proposal, both properties comprising the affected territory are in CSA No. 4, but outside its special assessment zone. Vineyard development is contemplated under American Canyon's land use policies for the Eucalyptus Grove property, although unlikely given the City's stated intent of developing the site for commercial recreational uses. American Canyon's land use policies do not contemplate vineyard development for the American Canyon High School property. These factors support the Commission exercising its discretion to modify the proposal to include the concurrent detachment of the affected territory from CSA No. 4. However, given the existing land use allowance, it would be appropriate to condition approval to require American Canyon file a proposal to annex the Eucalyptus Grove property back into CSA No. 4 if vineyard development is permitted in the future. No objections have been raised concerning this modification by CSA No. 4.

C. Analysis

G.C. Section 56375 delegates LAFCOs the responsibility to approve or disapprove with or without amendment proposals for changes of organization consistent with its adopted written policies, procedures, and guidelines. LAFCOs are also authorized to establish conditions in approving proposals as long as they do not directly regulate land uses. Underlying LAFCOs' determination in approving or disapproving proposed changes of organization is to consider the logical and timely development of the affected agencies in context with statutory objectives and local circumstances.

Required Factors for Review

G.C. Section 56668 requires the Commission to consider certain factors anytime it reviews proposed changes of organization. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process. An evaluation of these factors as it relates to the proposal follows.

1) 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 areas, during the next 10 years.

- **Eucalyptus Grove Property**

This property is 106.6 acres in size and generally undeveloped with no registered voters. An approximate 700 square-foot single-family residence is located in the northwest portion of the property and is believed to be presently occupied. It is also believed there are an unknown number of persons residing on the property in trailers and other make-shift dwelling structures. The remaining and majority of the property is presently used by two separate paintball operations (Paintball Jungle and Sherwood Forest Paintball). These operations have been operating onsite since the mid-1990s despite expired use permits. The property has also been subject to past code enforcement issues ranging from court-ordered cleanup to rooster fighting.

No known projects are currently tied to the property. American Canyon contemplates the property will be eventually developed for private or public commercial recreational uses consistent with its land use designation as detailed on page 12 of this report. These contemplated uses are not expected to result in significant urban-type growth in the area. Significant new growth is also not expected within adjacent lands given existing and planned uses. Specifically, adjacent lands to the south across from Eucalyptus Drive are incorporated and already developed with single-family residences as part of the Waterton subdivision. Adjacent lands to the north, northwest, and east are also incorporated and generally already developed with industrial and public-type uses, including American Canyon's Wastewater Treatment Plant. Adjacent lands to the southeast comprise an unincorporated property known as "Clarke Ranch West," which is subject to a pending annexation proposal.

Topography within the property slopes modestly west to northeast with an elevation range of 6 to 95 feet above sea level. Actual slope has been calculated at two degrees. American Canyon's jurisdictional boundary borders the property to the north and east.² Seasonal wetlands lie to the west and south of the property. The total assessed value is \$172,522.

- **American Canyon High School Property**

This property is 49.5 acres in size with no registered voters. The property was recently developed into a 2,200 student high school operated by Napa Valley Unified School District (NVUSD). This existing use is consistent with American Canyon's land use designation as detailed on page 12 of this report.

² The affected territory is 74% surrounded by American Canyon. The property does not qualify as an "island" for purposes of applying the expedited annexation proceedings under G.C. Section 56375.3 given a portion of the land qualifies as prime agriculture and it does not meet the Commission's criteria for "developed" or "developing."

No significant growth is anticipated within adjacent lands given existing and planned uses. Adjacent lands to the west across Newell Drive and south of American Canyon Road are incorporated and already developed with single-family residences as part of the Vintage Ranch and La Vigne subdivisions, respectively. Adjacent lands to the north are unincorporated and undeveloped and designated for non-urban uses by the County. Adjacent lands to the east are also unincorporated, but subject to an approved 530 student middle school expected to be completed by August 2012. These adjacent eastern lands are also subject to a pending annexation proposal on file with the Commission.

Topography slopes modestly from the south to north with an elevation ranging from 77 to 142 feet above sea level. Actual slope has been calculated at one degree. The property is surrounded to the west and south by American Canyon. The southern portion of the property is traversed by American Canyon Creek, trending east to west. The property is publicly owned and therefore not assigned as a taxable value.

- 2) **The 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.**

The present need for elevated services within the affected territory is limited to the American Canyon High School property given the recent development of a 2,200 student high school. A more limited range of elevated services would also be needed in the Eucalyptus Grove property *if* annexed to American Canyon based on the City's quasi-urban land use policies for the lands (emphasis added).

The Commission's recent municipal service review on the southeast county region along with American Canyon's application materials indicate the City – as principal urban service provider for the area – has sufficient capacities and controls to reasonably accommodate current and projected demands within the two properties. Actual demands within the two properties relative to the adequacy of core governmental services provided by American Canyon follow.

Law Enforcement Service

American Canyon would formally assume law enforcement service responsibilities for the affected territory from the County upon annexation with the City's police station located between 0.9 and 1.5 miles away at 911 Donaldson Way. (American Canyon presently provides second-response law enforcement services to the property as part a mutual aid agreement with the County.) The Commission's recent municipal service review on the southeast county region noted American Canyon's average response time for all high-priority law enforcement calls was approximately two minutes from dispatch to arrival. This average response time satisfies American Canyon's five minute performance standard for all high-priority public safety calls

established under the City General Plan. No deficiencies were identified in the report with respect to American Canyon responding to service calls within the surrounding areas to the affected territory. The non-residential uses targeted for the affected territory would not impact American Canyon's current ratio of 1.4 sworn officers for every 1,000 residents.

Water Service

Water service is currently provided by American Canyon to both properties comprising the affected territory. Water service to the Eucalyptus Grove property was established by the American Canyon County Water District and assumed by American Canyon at the time of its incorporation in January 1992. Water service to the American Canyon High School property was established in August 2010 through an outside service agreement. In assessing current and future water service needs for the affected territory, it is assumed demands will be entirely dependent on potable supplies given non-potable supplies are not currently available to either site.³ Specific analysis relating to the availability and adequacy of water service in the affected territory is summarized below.

Supply and Demand

American Canyon's contracted potable water supplies currently provide a reliable annual yield of 5,316 acre-feet under normal conditions.⁴ The current annual demand recorded for 2009 and adjusted to account for conditionally approved annexations totals 4,166 acre-feet. These existing demands result in an available surplus of 1,150 acre-feet. The adjusted peak day demand is 17.7 acre-feet.⁵

The affected territory's buildout under American Canyon is projected to generate an additional annual water demand of 76.2 acre-feet.⁶ This demand amount is sufficiently contemplated under American Canyon's Urban Water Management Plan (UWMP) and would consume 6.6% of the City's available supply surplus under normal conditions. American Canyon's peak day demand would also increase to 18.0 acre-feet.⁷

³ American Canyon has established a recycled water service program providing tertiary treated supplies for landscape irrigation. This program currently provides 100 acre-feet per year to one customer, Green Island Vineyards. It is expected the affected territory will receive recycled water as part of American Canyon's planned expansions, although no timetable currently exists.

⁴ American Canyon contracts for annual water supplies with Napa County Flood Control and Water Conservation District and City of Vallejo. The reliable yield estimate assumes American Canyon will receive 70% of its entitlement through the State Water Project and 100% of its entitlement from Vallejo.

⁵ American Canyon's current annual water demand is 3,953 acre-feet with a peak day demand of 16.8 acre-feet. These amounts have been adjusted to reflect the recent annexation approval of 267.6 acres of undeveloped land known as Headwaters and Panattoni. Buildout of these properties is expected to generate an additional demand of 213.3 acre-feet and raise the peak day demand to 17.7 acre-feet.

⁶ Projected annual water use for the Eucalyptus Grove property is 29.9 acre-feet. This amount has been calculated by staff based on a comparable use at Kennedy Park in the City of Napa. Projected annual water use for the American Canyon High School property totals 46.3 acre-feet. This amount has also been calculated by staff based on comparable use at Vintage High School.

⁷ Estimate reflects a peak day demand factor of 1.55 based on current usage.

Buildout of the affected territory would intensify American Canyon’s existing water supply shortfall under single and multiple dry year conditions. American Canyon, however, has recently adopted a water conservation plan to help mitigate existing and projected dry year supply shortfalls. This includes establishing a four-tiered program to reduce demands during dry years through volunteer and mandatory measures.

Baseline Conditions

(Assumes Normal Conditions; Amounts in Acre Feet)

Annual Supply	Annual Demand	Peak-Day Demand	Available Surplus
5,316	4,166	17.7	1,150

Post-Annexation with Buildout of Affected Territory

(Assumes Normal Conditions; Amounts in Acre Feet)

Annual Supply	Annual Demand	Peak-Day Demand	Available Surplus
5,316	4,242	18.0	1,074

Treatment and Storage

American Canyon is responsible for treating three-fourths of its contracted water supplies at its treatment facility located off of Jamieson Canyon Road. (The remaining one-fourth amount is pre-treated by Vallejo.) The treatment facility was recently upgraded and is capable of treating up to 16.8 acre-feet of water daily. Treated water enters and pressurizes American Canyon’s distribution system by collecting within one of four reservoir tanks with a combined storage capacity of 14.4 acre-feet. Significantly, as noted in the municipal service review, American Canyon’s water treatment and storage facilities have surpassed their capacities in independently accommodating current peak day demands. Buildout of the affected territory under American Canyon is expected to raise the peak day water demand by 1.8% to 18.0 acre-feet.

Current Treatment Capacity	Current Storage Capacity	Current Peak Day Demand	Peak Day Demand with Buildout of Affected Territory
16.8	14.4	17.7	18.0

Amounts are in acre-feet

Buildout of the affected territory would exacerbate American Canyon’s existing water treatment and storage deficiencies with respect to independently accommodating peak day demands. The latter deficiency is expected to be addressed with the planned construction of a 2.0 million gallon steel storage tank to be located adjacent to the American Canyon High School property. The construction of the new storage tank was negotiated as part of the underlying development project and will increase American Canyon’s available storage capacity to 20.5 acre-feet; an amount that will satisfy the City’s projected peak day demands upon buildout of the affected territory. American Canyon anticipates completing construction of the new storage tank no later than 2014.

Sewer Service

American Canyon began providing sewer service to the American Canyon High School property as of August 2010. The Eucalyptus Grove property is served by a private septic system. Specific analysis relating to the availability and adequacy of sewer service in the affected territory is summarized below.

Collection and Treatment

American Canyon’s collection system is divided between three distinct basins covering the central, west, and northern portions of American Canyon’s service area. Wastewater collected in the central basin is primarily generated from residential users and represents approximately four-fifths of the total average demand. The remaining amount is generated by commercial and industrial users in the western and northern basins. Each basin includes its own pump station and conveys raw sewage to American Canyon’s wastewater treatment facility located at the western terminus of Eucalyptus Drive northwest of the Eucalyptus Grove property.

American Canyon recently upgraded its wastewater treatment facility to accommodate average dry weather flows of 2.5 million gallons and peak wet weather flows of 5.0 million gallons. American Canyon also has an approximate 5.0 million gallon adjacent earthen basin to temporarily store excessive flows before returning for treatment. The current average dry and wet weather daily flows, which are adjusted to account for conditionally approved annexations, are estimated at 1.6 and 4.0 million gallons, respectively.⁸ These daily flow amounts represent 64% and 80% of the treatment plant’s design capacity.

The buildout of the affected territory is expected to generate on average additional dry weather and peak weather daily flows of 0.05 and 0.07 million gallons.⁹ These projected amounts will consume 6.0% and 6.8% of the available dry weather and wet weather treatment capacity. This indicates American Canyon’s sewer collection and treatment facilities are sufficient to accommodate demands within the affected territory.

Baseline Conditions

Dry Weather Capacity	Dry Weather Demand	Available Dry Weather Capacity	Wet Weather Capacity	Wet Weather Demand	Available Wet Weather Capacity
2.5	1.6	0.9	5.0	4.0	1.0

⁸ The 2.5 to 1 ratio between dry weather and peak wet weather flows is attributed to high inflow/infiltration in the western and northern basins due to aging infrastructure.

⁹ Average dry weather daily flows have been calculated at 80% of the affected territory’s potable water demands at buildout. Wet weather daily flows have been calculated by applying an infiltration factor of 1.25 to the dry weather estimate consistent with industry standards.

Post-Annexation With Buildout of the Affected Territory

Dry Weather Capacity	Dry Weather Demand	Available Dry Weather Capacity	Wet Weather Capacity	Wet Weather Demand	Available Wet Weather Capacity
2.5	1.7	0.8	5.0	4.1	0.9

Sewer amounts are in million gallons per day

Discharge

American Canyon pumps treated wastewater into adjacent earthen storage basins with a combined capacity of 6.0 million gallons to complete the chlorination and suspension process prior to discharge. American Canyon is authorized by the California State Water Resources Control Board to discharge finished tertiary wastewater into the Napa River through the North Slough between November 1st and April 30th. American Canyon discharges finished tertiary wastewater during the remainder of the year into adjacent wetlands owned by the City. This dry-season discharge effectively provides American Canyon with unlimited disposal capacity and is part of a long-term effort to restore the adjacent wetlands given their prior use as salt ponds.

With regard to other pertinent considerations, the Commission’s municipal service review on the southeast county region also noted ACFPD has developed sufficient capacities and controls in providing an adequate level of fire protection, rescue, and emergency medical within its jurisdictional boundary. This includes presently serving lands that are adjacent to the affected territory. No deficiencies were identified in the municipal service review with respect to ACFPD responding to calls within these surrounding lands. These factors support the recommendation to reorganize the proposal to include the concurrent annexation of the affected territory into ACFPD for purposes of accommodating the present and probable need for elevated fire-related services.

3) 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.

The proposal would recognize and strengthen existing economic and social ties between American Canyon and the affected territory. American Canyon established these ties in 1997 when the City included both properties comprising the affected territory into its original urban limit line (ULL). Significantly, the addition of these properties in the ULL marked a standing expectation the lands be eventually annexed and developed for urban-type uses by American Canyon. The Commission has also recognized and strengthened these ties in adding the properties to the sphere of influence as part of a recent comprehensive update. Annexation of the properties would strengthen these economic and social ties by directly supporting the planned development of the lands consistent with the American Canyon General Plan and ULL.

With respect to the two recommended modifications, concurrently annexing the affected territory into ACFPD would support existing social and economic ties. Specifically, the reorganization would recognize the governance relationship between American Canyon and ACFPD while helping to coordinate the provision of all necessary supporting public services to the affected territory as it intensifies in use. Concurrently detaching the affected territory from CSA No. 4 would recognize the discontinuity between the lands' present and probable uses and the role of the District in providing farmworker housing.

4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies set forth in G.C. Section 56377.

The Commission has previously determined American Canyon is the logical land use and service provider for the affected territory by previously adding the lands to the City's sphere of influence. Adding these properties to the sphere of influence marked an explicit Commission determination that the future annexation and urban development of the lands represent an orderly extension of American Canyon relative to local needs and subject to timing considerations.

Both properties comprising the affected territory qualify as open-space given the lands' designation under the County General Plan. Further, a small portion of the Eucalyptus Grove property qualifies as prime agricultural land under LAFCO law.¹⁰ This potential loss of prime agricultural land was previously contemplated by the Commission in adding the land to the sphere of influence and is deemed acceptable given local conditions and circumstances.

5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The affected territory does not qualify as agricultural land under LAFCO law pursuant to G.C. Section 56016.

6) 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.

Draft maps and geographic descriptions have been prepared by the applicant identifying the boundaries of the affected territory in accordance with the requirements of the State Board of Equalization. These documents provide sufficient certainty regarding the exact boundaries of the affected territory as

¹⁰ G.C. Section 56064 defines prime agricultural land to mean any area that has not been developed other than for an agricultural use and meets certain criteria. This includes land that qualifies, if irrigated, for a Class I or II rating by the United States Department of Agriculture. Staff has confirmed that approximately 1.8% of the Eucalyptus Grove property comprises Class II soil (Clear Lake Clay). (Class II soil underlies the American Canyon High School property but does not qualify as prime agricultural land given it has already been developed.)

proposed and are assessor parcel specific to include 058-030-056 and 059-040-077. Any modifications to the affected territory's physical boundaries made by the Commission will require revisions to the maps and geographic descriptions prior to recordation. Other recommended modifications that would require revisions to the map and geographic description include concurrently annexing the affected territory to ACFPD.¹¹

7) Consistency with the city or county general plans, specific plans, and adopted regional transportation plan.

The American Canyon General Plan assigns distinct quasi-urban designations for each property comprising the affected territory. These designations contrast with the County General Plan, which designates both properties as *Agriculture, Watershed, and Open Space* with the expectation the land be generally used for agriculture, processing of agricultural products, and single-family dwelling units on minimum lot sizes of 160 acres. The American Canyon General Plan designates the Eucalyptus Grove property as *Commercial Recreation* and contemplates a broad range of quasi-urban uses, including interpretive nature centers, educational conference facilities, recreation vehicle parks, overnight camping, day use and picnicking, and similar recreation and resource oriented facilities. Explicit development contemplated includes golf courses, hotels/motels, supporting facilities, and certain residential uses.¹² A master or specific plan would be required prior to development and would address densities. The American Canyon General Plan designates the American Canyon High School property as *Public* and contemplates a specific range of governmental uses, including schools, libraries, and public safety facilities. Significantly, the Commission considered the inconsistencies in land use designations between the American Canyon and County General Plans prior to adding the lands to the City's sphere of influence in deference to local conditions.

The Metropolitan Transportation Commission's regional transportation plan (RTP) was updated in April 2009 and outlines specific goals and objectives to direct public transportation infrastructure in the Bay Area through 2035. No specific projects are included in the RTP involving the affected territory. The RTP, however, does include the extension of Devlin Road from Fagan Creek to Green Island Road. This project lies within the vicinity of the Eucalyptus Grove property, and accordingly anticipates the intensification of land uses in the area.

8) The sphere of influence of any local agency applicable to the proposal.

Both properties comprising the affected territory are already within American Canyon's sphere of influence, which was comprehensively reviewed and updated in June 2010. The recommended modification to concurrently annex the affected territory to ACFPD is also consistent with the District's sphere of influence.

¹¹ The recommendation to concurrently detach the affected territory from CSA No. 4 would not require a separate map and geographic description given LAFCO does not file boundary changes involving the District with SBE.

¹² Refer to American Canyon Land Use Element Policies 1.21.1 through 1.21.3.

9) The comments of any affected local agency or other public agency.

On August 16, 2010, LAFCO staff electronically circulated copies of the application materials for review and comment to local governmental agencies.¹³ One written comment was received from County Environmental Management recommending approval of the proposal with no requested terms or conditions. No other written comments were received by the September 6, 2010 deadline.

10) 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.

Information collected and analyzed in the Commission’s recent municipal service review on the southeast county region indicates American Canyon has developed adequate financial resources and controls relative to its service commitments. Additional analysis provides reasonable assurances American Canyon can (a) continue to provide an appropriate level of services to the American Canyon High School property and (b) extend an appropriate level of new services to the Eucalyptus Grove property consistent with its current land use assignments.

American Canyon’s unreserved/undesignated balance in the General Fund at the beginning of the fiscal year totaled \$1.8 million and equals one-tenth of its adopted operating costs in 2010-2011.¹⁴ This amount has been significantly reduced over the last fiscal year by more than one-half due to operating shortfalls caused by declining property and sales tax revenues. American Canyon recently implemented a 36-month strategy to eliminate its structural imbalance within the General Fund and is highlighted by eliminating nine full-time positions and instituting 15 staff furlough days. A summary of American Canyon’s General Fund balance over the last five fiscal years follows.

American Canyon’s General Fund Balance

(Source: City of American Canyon)

Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	1.376	2.913	2.077	2.990	4.260
Unreserved/Designated	5.569	3.795	4.020	4.040	3.606
Unreserved/Undesignated	1.174	1.255	4.880	4.297	1.803
<i>Total</i>	<i>\$8.119</i>	<i>\$7.963</i>	<i>\$10.977</i>	<i>\$11.327</i>	<i>\$9.669</i>

*Dollars in Millions
 Amounts as of July 1st*

¹³ Staff originally circulated a notice of review pertaining to this proposal on March 25, 2010. This earlier notice of review contemplated the annexation of 500 total acres to American Canyon and included lands commonly referred to as the “Atkins,” “Headwaters,” “Panattoni,” “Clarke Ranch West,” and “American Canyon Middle School” properties. The original proposal was subsequently divided into three distinct proposals with the first (Atkins, Headwaters, and Panattoni) was presented to the Commission at its August 2, 2010 meeting. The third proposal (Clarke Ranch West and American Canyon Middle School) is expected to be presented to the Commission at its December 6, 2010 meeting.

¹⁴ American Canyon’s adopted general fund expenses in 2010-2011 total \$15.3 million.

With respect to overall operations, American Canyon maintains relatively strong liquidity and capital within all governmental accounts given the City's current assets total more than eight times its current liabilities and it has less than a tenth of debt relative to equity. These factors reflect prudent financial management and provide reasonable assurances American Canyon is capable of providing general operating services, such as law enforcement and public works, to the affected territory without adversely impacting current constituents. Additionally, non-general services, such as water and sewer, are self-funded through (a) connection fees and (b) usage charges. These revenue sources serve as American Canyon's buy-in charge for new customers to contribute their fair share for existing and future facilities necessary to receive water and sewer services as well as fund ongoing maintenance expenses.

11) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.

As noted on page six, American Canyon has previously established water service to both properties comprising the affected territory through outside user agreements. American Canyon's water supplies are drawn from two contracted sources: 1) State Water Project and 2) City of Vallejo. The Commission's recent municipal service review on the southeast county region reports American Canyon's current reliable annual water supply generated from these two sources totals 5,316 acre-feet under normal conditions. In comparison, current annual demands total 4,166 acre-feet, resulting in an available surplus of 1,150 acre-feet to accommodate new usage. American Canyon may purchase additional annual entitlements from Vallejo over the course of three designated planning periods: 2007-2011 (722 acre-feet); 2012-2016 (566 acre-feet); and 2017-2021 (566 acre-feet). These contractual arrangements provide American Canyon sufficient supplies to accommodate planned future demands on these water supplies associated with the proposal consistent with G.C. Section 65352.5.

12) 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 of Chapter 3 of Division 1 of Title 7.

The proposal will have an indirect positive impact on the County in meeting its future regional housing needs. This indirect impact is tied to a 2004 agreement in which American Canyon agreed to a modified urban limit line in exchange for the County supporting the annexation of the affected territory. The 2004 agreement also established a framework leading to separate agreements in 2008 and 2010 in which American Canyon assumes a substantial portion of the County's regional housing needs assignment over the next two planning periods. It is reasonable to assume the proposal will increase American Canyon's future regional housing

needs due to the job creation potential tied to the affected territory. The increase and the extent of the impact on American Canyon is not known at this time.¹⁵

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

The affected landowners have consented to the proposal. There are no registered voters within the affected territory.

14) Any information relating to existing land use designations.

The County designates the entire affected territory as *Agriculture, Watershed, and Open Space*. American Canyon designates the Eucalyptus Grove and American Canyon High School properties as *Commercial Recreation* and *Public*, respectively. The following table summarizes contemplated land uses and densities within these respective designations.

City of American Canyon		
	Eucalyptus Grove	American Canyon High School
Designation	.....Commercial Recreation	.....Public
General Uses	.....Recreation vehicle parks, interpretative nature centers and conference facilities, and similar uses.	.....Governmental administrative and related facilities, public utilities, schools, public parking, parks, landfills, and similar uses.
Lot Density	.....Minimum: TBD	.....Minimum: TBD
Building Density	.....Maximum Coverage: TBD	.....Maximum Coverage: TBD

County of Napa		
	Eucalyptus Grove	American Canyon High School
Designation	.....Agriculture, Watershed, and Open Space	..... Agriculture, Watershed, and Open Space
General Uses	Agriculture, processing of agricultural products, single-family dwellings	Agriculture, processing of agricultural products, single-family dwellings
Lot Density	.....Minimum: 160 acres	.....Minimum: 160 acres
Building Density	.....Maximum Coverage: One dwelling per parcel Non-Residential: N/A	.....Maximum Coverage: One dwelling per parcel Non-Residential: N/A

15) The extent to which the proposal will promote environmental justice.

There is no documentation or evidence suggesting the proposal would have a measurable effect with respect to promoting environmental justice.

¹⁵ American Canyon does not currently have a certified housing element for the 2008-2014 cycle. American Canyon reports it is working with Housing Community Development and anticipates receiving certification within the next several months.

Terms and Conditions

The Commission’s standard terms and conditions would apply to the proposal if approved. This includes requiring the applicant to prepare a final map and geographic description identifying the approved boundary changes consistent with the requirements of the State Board of Equalization. Other standard conditions include the applicant submitting a signed indemnification agreement and paying all outstanding fees tied to the proposal. A certificate of completion would not be recorded until all terms are satisfied.

Staff also believes it would be appropriate for the Commission to include a special approval condition to require American Canyon file a future proposal to annex the Eucalyptus Grove property back into CSA No. 4 *if* vineyard development of one or more acres occurs within the land at a future date (emphasis added). This special condition responds to allowable uses under the American Canyon General Plan and is appropriate given the Commission’s interest in helping to ensure all vineyard development pays an equitable share in supporting public farmworker housing services. This type of condition is authorized pursuant to G.C. Section 56885.5(a)(2).

Prezoning Assignment

G.C. Section 56375(3) requires cities prezone territory as a precondition to annexation. A description of American Canyon’s prezoning assignments for the two properties comprising the affected territory follows:

City of American Canyon		
	Eucalyptus Grove	American Canyon High School
Prezoning	.....Recreation	.....Public
Permitted Uses	.....Animal husbandry, crop production, passive recreation, horticulture, and detached single-family residence	.....Public and passive recreation facilities, community center, conference center, government facility, public information center
Lot Density	.....Minimum: TBD	.....Minimum: TBD

These prezoning assignments are consistent with the American Canyon General Plan’s designations for the affected territory as noted on the previous page. The prezoning assignments are intended to accommodate intensified commercial, recreational, and public institutional uses. Conditional uses associated with these prezoning assignments include passive recreational public parks, public or private recreational facilities, wineries, campgrounds, educational facilities, animal shelters, cemeteries, schools, and day care centers. American Canyon may not change the zoning for the affected territory in a manner that does not conform to the prezoning at the time of annexation for a period of two years unless the City Council makes special findings at a noticed public hearing.

Property Tax Agreement

Revenue and Taxation Code Section 99(b)(6) requires adoption of a property tax exchange agreement by affected local agencies before LAFCO can consider a change of organization. This statute applies regardless of private or public ownership. With respect to this proposal, American Canyon and the County have previously agreed by resolution to a property tax exchange agreement applicable to the affected territory. The agreement was codified in 2004 and specifies American Canyon and ACFPD shall receive 75% and 5% of the County's existing portion of property tax revenues, respectively.

Environmental Review

Discretionary actions by public agencies are subject to the California Environmental Quality Act (CEQA) any time an underlying activity will result in a direct or indirect physical change to the environment. A lead agency has the principal responsibility for carrying out or approving a project consistent with the provisions of CEQA. This includes determining whether the underlying activity qualifies as a project under CEQA. If the activity is determined to be a project, the lead agency must determine if an exemption applies or if additional environmental review is needed, such as preparing an initial study. A responsible agency is accountable for approving an associated aspect of the underlying activity and must rely on the lead agency's determination in making its own CEQA finding.

The proposal on file with the Commission is unique under CEQA given there are two distinct lead agencies: American Canyon and NVUSD. American Canyon is the lead agency for considering the environmental impacts tied to the annexation of the Eucalyptus Grove property given the underlying activity is to transfer land use and service control to the City. American Canyon previously contemplated the potential impacts tied to the proposed annexation and future development of the territory in preparing an initial study as part of rezoning the land as *Commercial Recreation* in September 2009. Based on the initial study, American Canyon adopted a mitigated negative declaration memorializing its findings the development contemplated by the rezoning will not result in significant environmental impacts with the incorporation of certain mitigations. Staff has reviewed the initial study and believes American Canyon has made an adequate determination relative to the purview of the Commission as a responsible agency. Copies of the initial study and adopted mitigated negative declaration were previously transmitted to Commissioners.

NVUSD is the lead agency for considering the environmental impacts tied to the annexation of the American Canyon High School property given it is a subset of the District's planned development and use of the site.¹⁶ NVUSD previously contemplated the potential impacts tied to the proposed annexation and development of the property into a 2,200 student high school as part of an environmental impact report (EIR). NVUSD certified the EIR in February 2008 with the incorporation of mitigation measures to help limit significant impacts along with a statement of overriding

¹⁶ NVUSD is immune from local zoning ordinances pursuant to G.C. Section 53094.

considerations to address certain significant and unavoidable effects, including changes in land use and aesthetics. Staff has reviewed the EIR and believes NVUSD has made an adequate determination relative to the purview of the Commission as a responsible agency. Copies of the EIR were previously transmitted to Commissioners.

Conducting Authority Proceedings

The affected territory qualifies as uninhabited and the affected landowners have consented to the proposal. No subject agency has requested a protest hearing. Conducting authority proceedings, accordingly, are waived under G.C. Section 56663.

D. Options for Commission Action

Staff has identified five broad options for Commission consideration with respect to the proposal. These options are summarized below.

- Option One:** Approve the proposal as submitted with standard conditions.
- Option Two:** Approve the proposal as modified to include concurrent (a) annexation to ACFPD and (b) detachment From CSA No. 4 with standard conditions.
- Option Three:** Approve the proposal as outlined under Option Two with a special condition requiring American Canyon to file a future proposal with the Commission to annex the Eucalyptus Grove property back into CSA No. 4 if vineyard development is permitted.
- Option Four:** Continue consideration of the item to a future meeting if more information is required.
- Option Five:** Disapprove the proposal. Disapproval would statutorily prohibit the initiation of a similar proposal for one year.

E. Recommendation

Staff recommends the Commission take actions consistent with Option Three outlined in the preceding section.

Respectfully submitted,

Keene Simonds
Executive Officer

Brendon Freeman
Analyst

Attachments:

- 1) Draft Resolution of Approval (Option Three)
- 2) Application Materials
- 3) American Canyon's Resolution Adopting a Mitigated Negative Declaration for Eucalyptus Grove Property
- 4) NVUSD's Resolution Adopting and Certifying an Environmental Impact Report Involving the American Canyon High School Property

Note: The environmental documents associated with attachments three and four were separately transmitted to Commissioners. Contact staff if additional copies are needed.

RESOLUTION NO. _____

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

**EUCALYPTUS GROVE AND AMERICAN CANYON HIGH SCHOOL
REORGANIZATION**

WHEREAS, the City of American Canyon, by resolution of application, has filed a proposal with the Executive Officer of the Local Agency Formation Commission of Napa County, hereinafter referred to as the "Commission," pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

WHEREAS, the proposal seeks annexation of two non-contiguous areas to the City of American Canyon, referred to as "Eucalyptus Grove" and "American Canyon High School;"

WHEREAS, the Executive Officer reviewed the proposal and prepared a report with recommendations;

WHEREAS, the proposal and the Executive Officer's report have been presented to the Commission in the manner provided by law;

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on the proposal;

WHEREAS, the Commission considered all the factors required by law under Government Code Section 56668; and

WHEREAS, the Commission, in accordance with California Environmental Quality Act (CEQA), has considered the adopted determinations of the lead agencies, City of American Canyon and Napa Valley Unified School District, concerning the potential environmental impacts associated with the proposal.

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

1. The Commission, as responsible agency, certifies it has reviewed and considered the environmental determinations prepared by the lead agencies concerning potential impacts associated with the proposal in accordance with CEQA. The City of American Canyon serves as lead agency for considering the impacts tied to the annexation of the Eucalyptus Grove property and has adopted a mitigated negative declaration on October 20, 2009 as part of the rezoning of the affected land as *Recreation*. The adopted mitigated negative declaration is codified in Resolution No. 2009-116 and confirms no significant affects will occur relating to the annexation and planned development of the affected land with the incorporation of certain mitigation measures. Napa Valley Unified School District serves as lead agency for considering the impacts tied to the annexation of the American Canyon High School property and has adopted a final environmental impact report on

February 28, 2008. The adopted final environmental impact report is codified in Resolution No. GSM-49.42-05 and includes incorporating mitigation measures to help limit significant impacts along with a statement of overriding considerations to address certain significant and unavoidable effects. The Commission hereby makes and incorporates by reference the environmental determinations of the City of American Canyon and Napa Valley Unified School District as set forth in the referenced resolutions, including approval to incorporate associated mitigation measures for the subject properties. The Commission's findings are based on its independent judgment and analysis. The records upon which these findings are made are located at the Commission office at 1700 Second Street, Suite 268, Napa, California.

2. The proposal is APPROVED with the following modifications:
 - a) The Eucalyptus Grove (058-030-056) and American Canyon High School (059-040-077) properties are concurrently annexed to the American Canyon Fire Protection District.
 - b) The Eucalyptus Grove (058-030-056) and American Canyon High School (059-040-077) properties are concurrently detached from County Service Area No. 4.

3. The proposal is assigned the following distinctive short-term designation:

**EUCALYPTUS GROVE AND AMERICAN CANYON HIGH SCHOOL
REORGANIZATION**

4. The affected territory is shown in the draft maps and geographic descriptions provided in Exhibits "A" and "B," respectively.
5. The affected territory is uninhabited as defined in Government Code Section 56046.
6. The City of American Canyon utilizes the regular assessment roll of the County of Napa.
7. Upon effective date of the proposal, the affected territory will be subject to all previously authorized charges, fees, assessments, and taxes that were lawfully enacted by the City of American Canyon. The affected territory will also be subject to all of the rates, rules, regulations, and ordinances of the City.
8. The Commission authorizes conducting authority proceedings to be waived in accordance with Government Code Section 56663(c).
9. Recordation is contingent upon receipt by the Executive Officer of the following:
 - (a) A final map and geographic description of the affected territory determined by the County Surveyor to conform to the requirements of the State Board of Equalization.
 - (b) Payment of any outstanding fees owed to the Commission and/or other agencies involved in the processing of this proposal.

- (c) An indemnification agreement signed by the City of American Canyon in a form provided by the Commission Counsel.
10. Approval is conditioned on the City of American Canyon filing a future proposal with the Commission to annex the Eucalyptus Grove property back into County Service Area No. 4 if vineyard development one acre or more in size is permitted and occurs within the affected land.
11. The effective date shall be the date of recordation of the Certificate of Completion.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on October 4, 2010, by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSTAIN: Commissioners _____

ABSENT: Commissioners _____

ATTEST: Keene Simonds
Executive Officer

Recorded by: _____
Kathy Mabry
Commission Secretary

FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.

LEGEND:

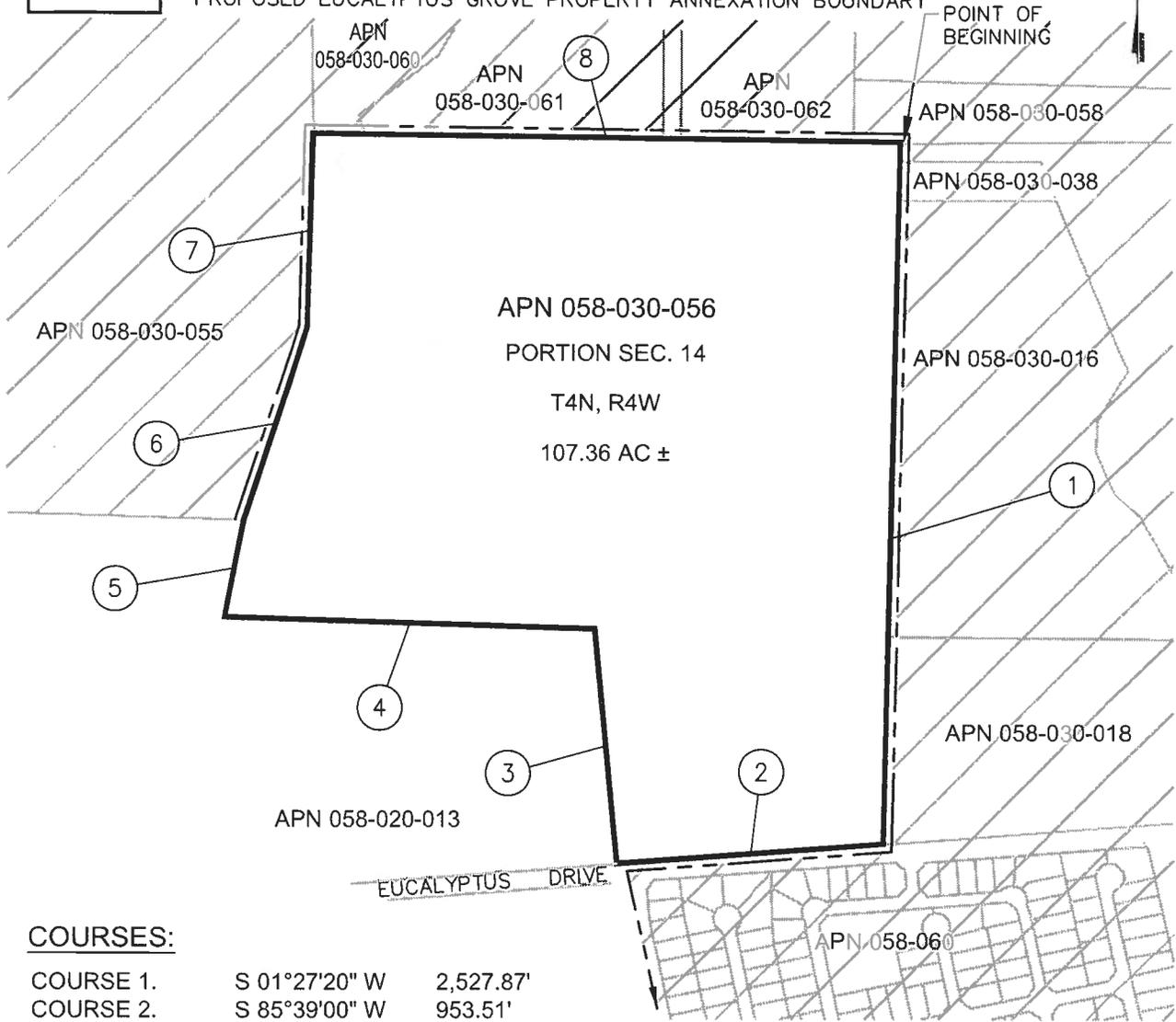


EXISTING CITY OF AMERICAN CANYON AND AMERICAN CANYON FIRE PROTECTION DISTRICT BOUNDARY



PROPOSED EUCALYPTUS GROVE PROPERTY ANNEXATION BOUNDARY

DRAFT



COURSES:

COURSE 1.	S 01°27'20" W	2,527.87'
COURSE 2.	S 85°39'00" W	953.51'
COURSE 3.	N 05°19'00" W	844.27'
COURSE 4.	N 88°15'00" W	1,329.59'
COURSE 5.	N 10°57'20" E	357.25'
COURSE 6.	N 17°54'40" E	728.11'
COURSE 7.	N 01°32'20" E	700.00'
COURSE 8.	S 89°19'01" E	2,111.71'

107.36 ACRES ±

GRAPHIC SCALE:



DATE	9/27/10
SCALE	1" = 6,000'
DRAWN BY	E.A.
CHECKED BY	J.I.

**EUCALYPTUS GROVE PROPERTY
ANNEXATION TO THE CITY OF AMERICAN CANYON
AND AMERICAN CANYON FIRE PROTECTION DISTRICT
BEING A PORTION OF SEC. 14, T4N, R4W, M.D.B.&M.
NAPA COUNTY**

JOB NO.	091-0015.01
SHEET	1
	OF 1

EXHIBIT 'A'
EUCALYPTUS GROVE PROPERTY
ANNEXATION TO THE CITY OF AMERICAN CANYON
GEOGRAPHIC DESCRIPTION

All that certain real property situated in a portion of Section 14, Township 4 North, Range 4 West, Mount Diablo Base and Meridian, in the County of Napa, State of California described as follows:

Beginning at a point being on the existing City of American Canyon and American Canyon Fire Protection District boundary, also said point being the northeastern corner of the land described in Document No. 2009R0006789 recorded March 23, 2009, of Official Records of Napa County;

Thence, (1) South 01°27'20" West 2,527.87 feet along said existing district boundary;

Thence, (2) South 85°39'00" West 953.51 feet;

Thence, leaving said existing district boundary, (3) North 05°19'00" West 844.27 feet along west line of said land;

Thence, (4) North 88°15'00" West 1,329.59 feet to a point being the westerly corner of said land;

Thence, (5) North 10°57'20" East 357.25 feet;

Thence, (6) North 17°54'40" East 728.11 feet;

Thence, (7) North 01°32'20" East 700.00 feet to the northwestern corner of said land;

Thence, (8) South 89°19'01" East 2,111.71 feet along the north line of said land to the **Point of Beginning**.

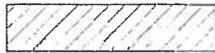
Containing 107.36 acres of land more or less.

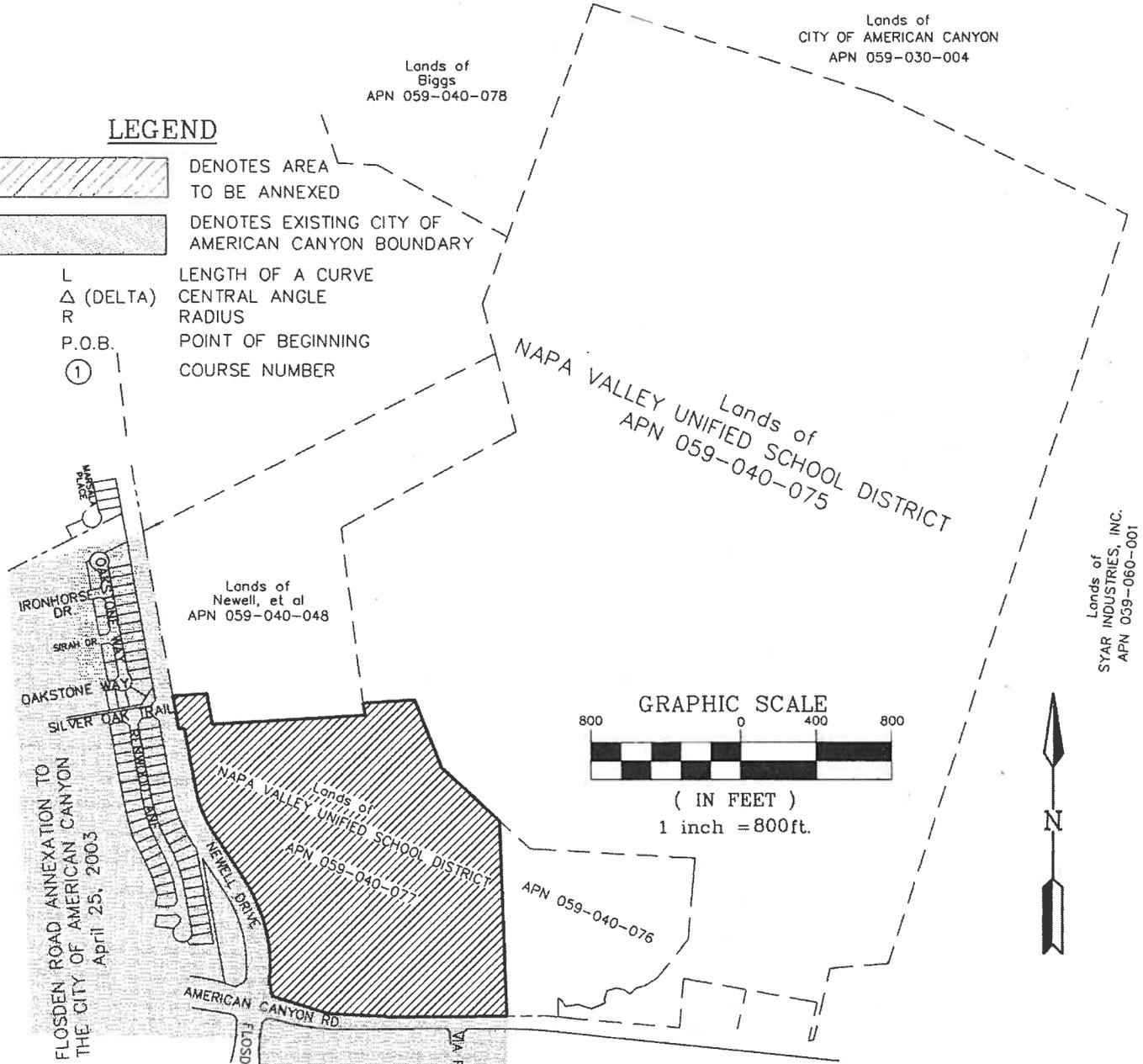
For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

DISCLAIMER:

For assessment purposes: this description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for sale of the land described.

LEGEND

-  DENOTES AREA TO BE ANNEXED
-  DENOTES EXISTING CITY OF AMERICAN CANYON BOUNDARY
- L LENGTH OF A CURVE
- Δ (DELTA) CENTRAL ANGLE
- R RADIUS
- P.O.B. POINT OF BEGINNING
- ① COURSE NUMBER



FLOSDEN ROAD ANNEXATION TO THE CITY OF AMERICAN CANYON April 25, 2003

AMERICAN CANYON RD./FLOSDEN RD. ANNEXATION TO CITY OF AMERICAN CANYON May 4, 1998

APPLICANT
 City of American
 4381 Broadway, Ste # 201
 American Canyon, CA 94503
 TEL #: (707) 643-4336
 Attn: Mr. Brent Cooper

September 28, 2010

PREPARED BY:

CHAUDHARY & ASSOCIATES, INC.
 ENGINEERS SURVEYORS INSPECTORS
 851 NAPA VALLEY CORPORATE WAY, SUITE G
 NAPA, CALIFORNIA 94558
 Tel: (707) 255-2729 FAX: (707) 255-5021 WWW.CHAUDHARY.COM

Plat to Accompany Geographic Description
 BEING A PORTION OF SECTION 30, T4N, RANGE 3
EXHIBIT "B"
 Eucalyptus Grove & American Canyon High School
 Annexation to the City of American Canyon

EXHIBIT "B"
Eucalyptus Grove & American Canyon High School
Annexation to the City of American Canyon

Geographic Description

All that certain property situate in a portion of Section 30, Township 4 North, Range 3 West, County of Napa, State of California, described as follows:

Beginning at point on the East side of "Flosden Road Reorganization/Annexation to the City of American Canyon", recorded _____, 2003 in Document No. _____ filed in the Office of Napa county Recorder;
thence leaving the said Flosden Road Reorganization/Annexation; (1) N 86° 27' 39" E, 179.8 feet;
thence (2) S 09° 59' 51" E, 166.1 feet;
thence (3) N 86° 27' 39" E, 814.5 feet;
thence (4) S 09° 56' 14" E, 65.4 feet;
thence (5) N 86° 27' 39" E, 277.2 feet;
thence (6) S 21° 28' 07" E, 392.6 feet;
thence (7) S 46° 59' 55" E, 415.1 feet;
thence (8) S 01° 56' 58" E, 1,029.8 feet;
thence (9) S 01° 59' 08" E, 11.6 feet; to a point on the North side of "American Canyon Road/Flosden Road Annexation to City of American Canyon Recorded _____, 1998 in Document No. _____, filed in the Office of Napa County Recorder;
thence (10) S 89° 38' 46" W, 640.0 feet, along said American Canyon Road/Flosden Road Annexation;
thence (11) N 01° 29' 13" E, 5.2 feet;
thence (12) N 87° 28' 53" W, 309.67 feet;
thence (13) N 73° 07' 20" W, 295.5 feet; to a point on the East side of the above said Flosden Road Reorganization/Annexation;
thence (14) along a tangent curve to the right, concave to the northeast, with a radius of 30.0 feet, central angle of 68° 11' 11" and an arc length of 35.7 feet;
thence (15) N 04° 56' 09" W, 44.3 feet;
thence (16) S 85° 03' 51" W, 7.4 feet;
thence (17) along a nontangent curve to the left, concave to the west, having a radial bearing N 82° 56' 46" W, with a radius of 832.0 feet; a central angle of 40° 15' 14" and an arc length of 584.5 feet;
thence (18) N 33° 11' 14" W, 302.0 feet;
thence (19) along a tangent curve to the right, concave to the northeast, with a radius of 626.0 feet, a central angle of 23° 12' 32" an arc length of 253.6 feet
thence (20) N 09° 58' 43" W, 323.3 feet;
thence (21) S 86° 27' 39" W, 30.2 feet;
thence (22) N 09° 59' 51" W, 181.1 feet; to the **POINT OF BEGINNING** and containing 49.8 acres, more or less.

For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

**CITY COUNCIL
RESOLUTION 2010-**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AUTHORIZING A SEPARATE ANNEXATION APPLICATION TO THE NAPA COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO) FOR THE EUCALYPTUS GROVE AND AMERICAN CANYON HIGH SCHOOL SITE FROM THE ANNEXATION APPLICATION FOR CLARKE RANCH WEST AND AMERICAN CANYON MIDDLE SCHOOL SITE

WHEREAS, In July 2008, the City of American Canyon and Napa County entered into an agreement whereby the City of American Canyon agreed to streamline its water service regulations in return for the County's agreement to amend the City's Rural-Urban Limit Line and support City annexation of the Panattoni, Headwaters, and Atkins properties; and

WHEREAS, In accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the City must approve zoning regulations for the property before the property is annexed into the City; and

WHEREAS, the Clarke Ranch West, Eucalyptus Grove, and American Canyon High School and Middle School sites were rezoned; and

WHEREAS, this Resolution supersedes City Council Resolution 2009-142 that authorized a combined annexation application for Clarke Ranch West, Eucalyptus Grove, and American Canyon High School and Middle School sites; and

WHEREAS, on September 21, 2010 a duly-noticed public meeting was held by the City of American Canyon City Council at which time all those in attendance were given the opportunity to speak on the proposal; and

WHEREAS, the City Council considered all of the written and oral testimony presented at the public hearing in making its decision.

NOW, THEREFORE, the City Council does hereby RESOLVE AS FOLLOWS:

SECTION 1. ANNEXATION APPLICATION

That staff is authorized to submit an application for the Eucalyptus Grove and American Canyon High School site separately from the Clarke Ranch West and Middle School sites.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of American Canyon on September 21, 2010, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Staff has confirmed this draft resolution has been adopted as submitted by the American Canyon City Council at its 9/21/10 meeting. A certified copy was not available at the time of the agenda mailout.

Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

Rebekah Barr, CMC, City Clerk

William D. Ross, City Attorney

RESOLUTION 2009-142

AUTHORIZING AN APPLICATION TO THE NAPA COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO) TO ANNEX THE CLARKE RANCH WEST, EUCALYPTUS GROVE, AND AMERICAN CANYON HIGH SCHOOL AND MIDDLE SCHOOL SITES

WHEREAS, in July 2008, the City of American Canyon and Napa County entered into an agreement whereby the City of American Canyon agreed to streamline its water service regulations in return for the County's agreement to amend the City's Rural-Urban Limit Line and support City annexation of the Panattoni, Headwaters, and Atkins properties; and

WHEREAS, in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the City must approve zoning regulations for the property before the property is annexed into the City; and

WHEREAS, the Clarke Ranch West, Eucalyptus Grove, and American Canyon High School and Middle School sites were rezoned; and

WHEREAS, on December 15, 2009 a duly-noticed public meeting was held by the City of American Canyon City Council at which time all those in attendance were given the opportunity to speak on the proposal; and

WHEREAS, the City Council considered all of the written and oral testimony presented at the public meeting in making its decision.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of American Canyon authorizes staff to submit an application to the Clarke Ranch West, Eucalyptus Grove, and American Canyon High School and Middle School sites.

PASSED, APPROVED and ADOPTED at a regular meeting of the City Council of the City of American Canyon on the 15th day of December, 2009, by the following vote:

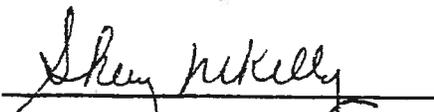
AYES: Councilmembers Bennett, Coffey, West, Vice Mayor Callison and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None



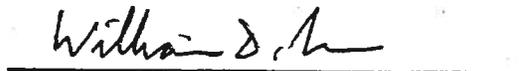
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:



Sherry M. Kelly, Interim City Clerk



William D. Ross, City Attorney

ANNEXATION

**JUSTIFICATION OF PROPOSAL
FOR REVIEW BY THE
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**
1700 Second St., Suite 268 Napa, California 94559-2409
Telephone (707) 259-8645

APPLICANT(S): City of American Canyon and American Canyon Fire District

NAME OF PROPOSAL: American Canyon High School and Middle School Annexation to the City of American Canyon Fire Protection District and the City of American Canyon

PRINCIPAL JURISDICTION INVOLVED:

City of American Canyon and the American Canyon Fire Protection District
Affected County(ies) County of Napa: x Other: None

TYPE: (Check the method by which this application was initiated)

- Resolution of application
 Petition of landowners
 Petition of registered voters

STATUTORY PROVISIONS UNDER WHICH THIS MATTER IS PROPOSED:

The Cortese/Knox Local Government Reorganization Act of 1985
Commencing with California Government Code Section 56000

In accordance with applicable provisions of the California Government Code, the Commission must review specific factors in its consideration of this proposal. In order to facilitate the Commission's review, it will be necessary to respond to the following questions listed in this justification of proposal.

PROJECT DESCRIPTION: (include the total underlying project):

Construction of the new American Canyon High School by the Napa Valley USD.

GENERAL INFORMATION:

1. Population in the subject area: 0 (in parcels to be annexed)
2. Anticipated future population in the subject area: 0
3. Population density (i.e., per square miles, per acre): 0
4. Number of registered voters: 0
5. Number of dwelling units: 0
6. Proximity to other populated areas or communities:
Immediately adjacent to existing residential portions of American Canyon.
7. Is there a good likelihood of a significant increase in population in the subject area within the next 10 years: Yes No

8. Is there a good likelihood of a significant increase in population of adjacent areas within the next 10 years:
 a. In unincorporated areas: Yes___ No x
 b. In incorporated areas: Yes___ No x
9. Present Assessor's tax rate code(s) in the subject area: Tax Exempt Property
10. Present tax rate in the subject area: None: Tax Exempt Property
11. Change in tax rate as a result of this proposal: None: Tax Exempt Property
12. Total assessed valuation of subject territory:
 Land n/a Imp. n/a
13. Assessor's Parcel information:
 059-040-057* 49.49 ac
 *APN may be redesignated as a result of lot line adjustments.
14. Total number of Assessor's Parcels: 2
15. Total land area: 67.02 acres Total street Area: NA

SERVICES:

1. Indicate essential urban services provided to subject area:

<u>Service</u>	<u>Agency Providing Services:</u>	
	<u>Now</u>	<u>After Annexation</u>
<u>Water</u>	<u>City of American Canyon</u>	<u>Same</u>
<u>Sewage Disposal</u>	<u>City of American Canyon</u>	<u>Same</u>
<u>Fire</u>	<u>Calfire</u>	<u>AmCanyon Fire Protection District</u>
<u>Sheriff/Police</u>	<u>County Sheriff</u>	<u>Same</u>

2. Estimate probable future needs for new or increased governmental services or controls in the area: The High School will require water, sewer, fire and police services, as more fully described in the adopted EIR for the Project.
3. Describe the effects that this proposal will have on the cost and adequacy of governmental services in the subject area and adjacent areas, if any: The Project will have an unquantified effect on the cost of governmental services. The adequacy of such services was affirmed in the EIR.
4. Describe the effects that fees received by affected local agencies may have in enabling such agencies to extend their service(s) to other areas: Such effects are currently unquantified.
5. Estimate the effect of the proposed action and of alternative actions on the following:
- a. Mutual social and economic interests:
The City of American Canyon has grown to a size that needs its own High School today and will need a new Middle School in the foreseeable future. The High School site is within the Sphere of Influence for both the City and the Fire Protection District. The Middle School is outside the City's Sphere of Influence, but within the Sphere of Influence for the Fire District.
- b. The Local governmental structure in the County: None.

BOUNDARIES:

1. Does this proposal split lines of assessment: Yes___ No x
2. Is the subject territory a portion of an existing island of unincorporated territory? Yes___ No x
3. Do the boundaries of the subject territory create an island of unincorporated territory? Yes___ No x
4. Describe any natural or man-made features which act as a boundary:
Newell Road and American Canyon Road create boundaries on the west and south respectively. Pre existing property and fence lines create a boundary on the north. The eastern boundary will be defined by a Biological Preserve, being created as part of this Project.

GENERAL AND SPECIFIC PLANS:

1. General Plan designation of the affected city: Public
2. Does the proposal conform to the City's Plan: Yes x No
3. General Plan designation of the County:
Agricultural Watershed and Open Space (AWOS)
4. Does the proposal conform to the County's Plan: Yes X No See EIR
5. Is the subject territory within a sphere of influence established by LAFCO for the affected local agency: Yes X No X (If no, attach justification).
6. Existing land use: Educational Facility under construction
7. Proposed land use: Educational Facility
8. Existing zoning: Public
9. Proposed zoning: Public
10. Has the area been rezoned: Yes x No
11. Is a development project currently under consideration or has such been approved. Yes x No ___ If yes, indicate type of development, agency, project title and file number and attach copies of applications, approved permits and environmental documents.
"American Canyon High School" DSA File No 01-109131, in accordance with EIR certified by NVUSD in March 2008. All EIR Documents, including Notice of Determination, are available at NVUSD Office of School Planning and Construction, 2425 Jefferson St., Napa CA 94558.

SITE:

1. Is the site classed as prime agricultural soils: Yes___ No x
2. Will the project decrease the amount of land available for agriculture or Open Space? Yes___ No x If yes, explain:
The site is currently being used to construct a High School.
3. Will the project effect any agricultural preserves either directly or indirectly: Yes No x If yes, explain: _____
4. Will the project require the extension or expansion of public utilities including fire, sewer, or water: Yes x No _ If yes, explain: The application includes annexing the American Canyon Fire District into the school site. The City of American Canyon would provide sewer and water service to the High School. The EIR concluded that the project would not cause a significant impact to the Fire District or to demand for sewer treatment. Water service has been accommodated by securing water from the City of Vallejo until a new water storage tank is constructed to serve the school.

5. Will the project require public services from any agency or district which is currently operating at or near capacity, including sanitation, police, schools, fire, or water: Yes ___ No x If yes, indicate which agency and justify:
The City's Urban Water Master Plan and 10-year CIP includes this property. Temporary water service has been accommodated by securing water from the City of Vallejo until a new water storage tank is constructed to serve the school. No other public services serving the site are at or near capacity.
6. Describe topography and soils: The site slopes gently down from the north east to the American Canyon Creek corridor at the south end of the subject property. The soils are expansive and have historically supported light grazing.
7. Describe drainage basins, rivers, flood control channels:
The southern edge of the property is bounded by American Canyon Creek and its intermittent tributary drainage channels.
8. Describe vegetation and wildlife:
The majority of the property is grazing grassland, with riparian vegetation along American Canyon Creek. The upper tributaries have been identified as habitat for the American Red-Legged Frog. The EIR discusses existing vegetation and wildlife in greater detail, including mitigation required as part of this Project.
9. Describe air, water and noise quality:
As more fully discussed in the adopted EIR, the Project will have
a) an overall beneficial effect on air quality, in that it reduces the number of daily car and bus trips to the City of Napa.
b) no net effect on water quality or runoff quantity, due to the design of the storm water management plan, and
c) a limited effect on noise quality, including intermittent factors such as events at the stadium, as mitigated by EIR requirements.
10. Indicate known archaeological or historical site:
As identified in the "Cultural Resources" study, and in the EIR, there is a Native American *in situ* mortar shaped into a rock outcropping in American Canyon Creek near the eastern edge of the property. This rock mortar is outside the area of improvements, and will be unaffected and protected through both construction and future school use.
11. Describe major access routes serving the area:
Newell Road and American Canyon Road are the principal routes serving the High School.
12. Could the project serve to encourage development of presently undeveloped areas, or increase intensity of development of already developed areas:
Yes ___ No x If yes, discuss:
The EIR concludes that the Project is not growth inducing. An Urban Limit line adopted by the City of American Canyon and Napa County limit urban growth boundaries.

LIST OF ALL STATE AND LOCAL AGENCIES WHICH HAVE PERMIT APPROVAL OVER THE TOTAL PROJECT

<u>AGENCY</u>	<u>TYPE OF PERMIT</u>
1. Division of the State Architect	On Site Construction
2. City of American Canyon	Encroachment & Utility Permits
	Off-Site Construction
3. US Army Corp/USFWS	Streambed Alterations
4. Cal. Fish & Game	Biological Permitting
5. CRWQB	Stormwater Management & Discharge
6. Cal Dept of Education	Site Approval
7. DTSC	NOA Abatement
8. AmCyn Fire District	Access and Fire Flow
9. County of Napa	Food Service and Pool.
10. BAAQMD	Air Quality

BONDED INDEBTEDNESS AND TAXING ZONES

1. Does the annexing agency have any outstanding bonded indebtedness?
(Please list) No.

2. Will the annexed territory be liable for its share of existing bonded indebtedness?
N/A
(If yes, please indicate manner in which the bond(s) will be retired.)

3. Will the annexed territory be included within any particular Division or Zone of the annexing agency? No.

NAMES AND ADDRESSES OF THE OFFICERS OR PERSONS (NOT TO EXCEED THREE) WHO ARE TO BE FURNISHED WITH COPIES OF THE EXECUTIVE OFFICER'S REPORT AND WHO ARE TO BE GIVEN MAILED NOTICE OF HEARING. (PLEASE PRINT OR TYPE)

<u>NAME</u>	<u>ADDRESS</u>
Mr. Don Evans, NVUSD Napa Valley USD	2425 Jefferson St. Napa CA 94558
City Manager Richard Ramirez City of American Canyon	4381 Broadway, Suite 201 American Canyon CA 94503
Chief Glen Weeks American Canyon Fire Protection District	911 Donaldson Way E. American Canyon, CA 94503

NAME, ADDRESS AND TELEPHONE NUMBER OF CONTACT PERSON(S)

<u>Applicant/Agent</u>	<u>Address</u>	<u>Telephone No.</u>
1. Don Evans, NVUSD	Above	707.253.6281
2. Brent Cooper, Comm. Dev. Director	Above	707.647.4335
3. Glen Weeks, Fire Chief	Above	707.551.0651

NAMES AND ADDRESSES OF ALL LANDOWNERS WITHIN THE SUBJECT TERRITORY AS SHOWN ON THE MOST RECENT COUNTY ASSESSMENT ROLLS. (PLEASE PRINT OR TYPE)

Napa Valley Unified School District
2425 Jefferson Street
Napa, CA 94558

2/11/18 _____
(Date) Signature of Applicant
or Authorized Agent

(Date) Signature of Applicant
or Authorized Agent

Filed in the office of the Napa
Local Agency Formation Commission

Check# _____
Amount\$ _____ Received by _____
Date _____

(For Office Use Only)

JustPro.Anx.doc
Revised 6/01

1" = 80'

1.	119.351	24.	N40°01'32"E	44.33	70.	N05°04'25"W	551.18	82.	N13°59'W	68.21
2.	226.54	25.	N45°50'00"W	35.16	71.	S05°00'00"W	244.82	83.	N08°21'2"E	25.39
3.	51.28	26.	R=1025'	155.27	72.	S17°26'33"W	211.54	84.	N19°41'W	101.77
4.	51.28	27.	R=1025'	155.27	73.	S17°26'33"W	211.54	85.	N26°08'E	101.77
5.	51.28	28.	N00°51'43"E	64.45	74.	S17°26'33"W	211.54	86.	N26°08'E	101.77
6.	148.53	29.	R=10'	107.29	75.	S17°26'33"W	211.54	87.	N26°08'E	101.77
7.	148.53	30.	R=10'	107.29	76.	S17°26'33"W	211.54	88.	N26°08'E	101.77
8.	148.53	31.	S21°59'46"W	44.025	77.	S17°26'33"W	211.54	89.	N26°08'E	101.77
9.	148.53	32.	S21°59'46"W	44.025	78.	S17°26'33"W	211.54	90.	N26°08'E	101.77
10.	148.53	33.	N00°51'43"E	64.45	79.	S17°26'33"W	211.54	91.	N26°08'E	101.77
11.	148.53	34.	N00°51'43"E	64.45	80.	S17°26'33"W	211.54	92.	N26°08'E	101.77
12.	148.53	35.	S00°00'00"W	110.28	81.	S17°26'33"W	211.54	93.	N26°08'E	101.77
13.	148.53	36.	S00°00'00"W	110.28	82.	S17°26'33"W	211.54	94.	N26°08'E	101.77
14.	148.53	37.	N00°00'00"W	110.28	83.	S17°26'33"W	211.54	95.	N26°08'E	101.77
15.	148.53	38.	N00°00'00"W	110.28	84.	S17°26'33"W	211.54	96.	N26°08'E	101.77
16.	148.53	39.	N00°00'00"W	110.28	85.	S17°26'33"W	211.54	97.	N26°08'E	101.77
17.	148.53	40.	N00°00'00"W	110.28	86.	S17°26'33"W	211.54	98.	N26°08'E	101.77
18.	148.53	41.	N00°00'00"W	110.28	87.	S17°26'33"W	211.54	99.	N26°08'E	101.77
19.	148.53	42.	N00°00'00"W	110.28	88.	S17°26'33"W	211.54	100.	N26°08'E	101.77
20.	148.53	43.	N00°00'00"W	110.28	89.	S17°26'33"W	211.54	101.	N26°08'E	101.77
21.	148.53	44.	N00°00'00"W	110.28	90.	S17°26'33"W	211.54	102.	N26°08'E	101.77
22.	148.53	45.	N00°00'00"W	110.28	91.	S17°26'33"W	211.54	103.	N26°08'E	101.77
23.	148.53	46.	N00°00'00"W	110.28	92.	S17°26'33"W	211.54	104.	N26°08'E	101.77

1.	101.77	81.	N07°41'30"E	68.21
2.	101.77	82.	S04°48'48"W	25.39
3.	101.77	83.	S04°48'48"W	25.39
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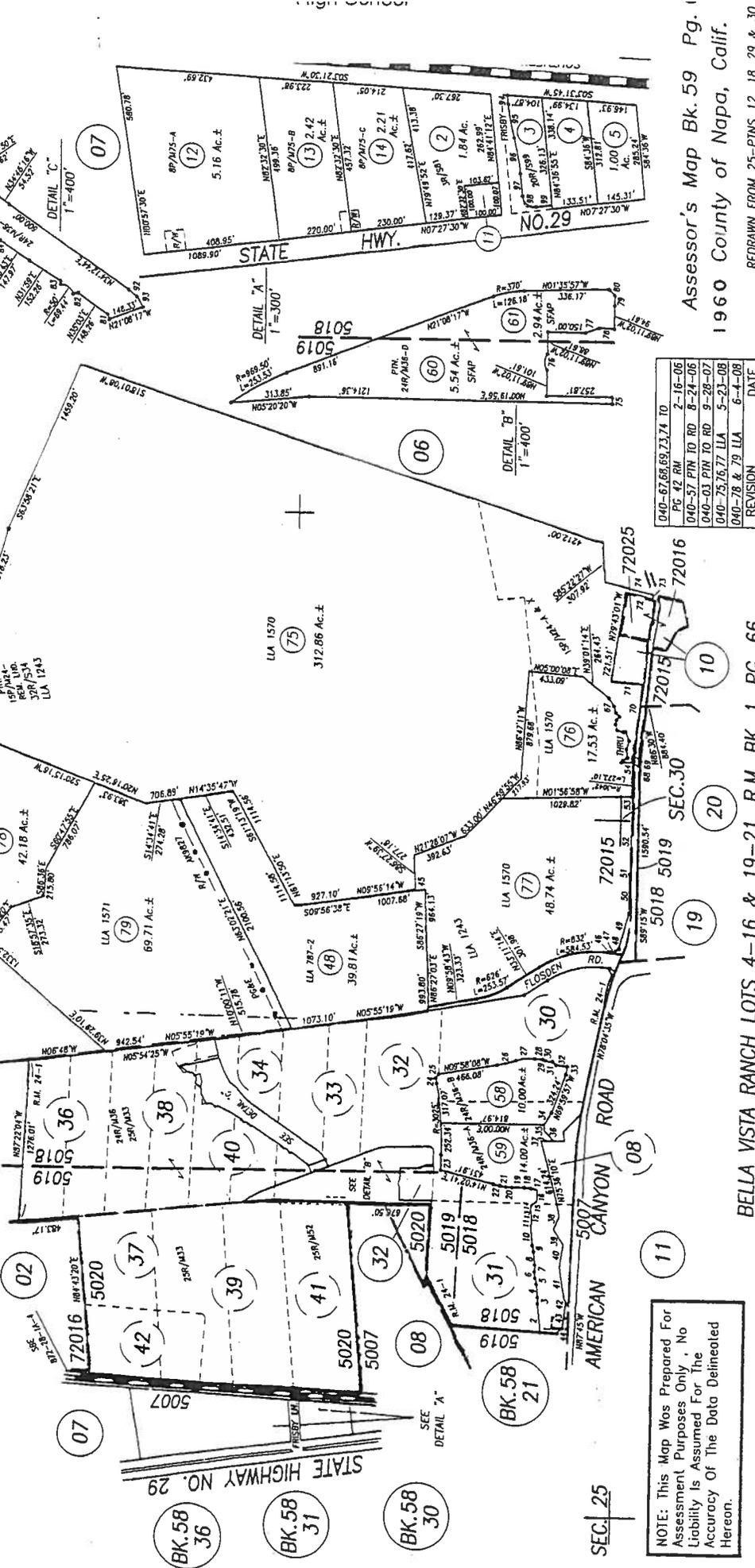
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040-67,65,69,73,74 TO	DATE
PG 42 RM	2-16-06
040-57 PIN TO RD	8-24-06
040-03 PIN TO RD	9-28-07
040-75,76,77 IIA	5-23-08
040-78 & 79 IIA	6-4-08
REVISION	

NOTE: This Map Was Prepared For Assessment Purposes Only. No Liability Is Assumed For The Accuracy Of The Data Delineated Hereon.

Assessor's Map Bk. 59 Pg. 1
1960 County of Napa, Calif.
REDRAWN FROM 25-PINS 12, 18, 29 & 30

BELLA VISTA RANCH LOTS 4-16 & 19-21, R.M. BK. 1, PG. 66

ANNEXATION

**JUSTIFICATION OF PROPOSAL
FOR REVIEW BY THE
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**
1700 Second St., Suite 268 Napa, California 94559-2409
Telephone (707) 259-8645

APPLICANT(S): City of American Canyon, American Canyon Fire District

NAME OF PROPOSAL: Eucalyptus Grove Annexation to American Canyon Fire Protection District and the City of American Canyon

PRINCIPAL JURISDICTION INVOLVED:

City of American Canyon and the American Canyon Fire Protection District
Affected County(ies) County of Napa: x Other: None

TYPE: (Check the method by which this application was initiated)

- Resolution of application
 Petition of landowners
 Petition of registered voters

STATUTORY PROVISIONS UNDER WHICH THIS MATTER IS PROPOSED:

The Cortese/Knox Local Government Reorganization Act of 1985
Commencing with California Government Code Section 56000

In accordance with applicable provisions of the California Government Code, the Commission must review specific factors in its consideration of this proposal. In order to facilitate the Commission's review, it will be necessary to respond to the following questions listed in this justification of proposal.

PROJECT DESCRIPTION: (include the total underlying project):
The use of the site is for commercial recreation and agriculture.

GENERAL INFORMATION:

1. Population in the subject area: 0 (in parcels to be annexed)
2. Anticipated future population in the subject area: 3
3. Population density (i.e., per square miles, per acre): 0
4. Number of registered voters: 0
5. Number of dwelling units: 0
6. Proximity to other populated areas or communities:
Immediately adjacent to existing residential portions of American Canyon.
7. Is there a good likelihood of a significant increase in population in the subject area within the next 10 years: Yes No
8. Is there a good likelihood of a significant increase in population of adjacent areas within the next 10 years:
 - a. In unincorporated areas: Yes No

- b. In incorporated areas: Yes_ No x
9. Present Assessor's tax rate code(s) in the subject area: 072-015
10. Present tax rate in the subject area: Eucalyptus Grove: 1.0986
11. Change in tax rate as a result of this proposal: None
12. Total assessed valuation of subject territory (Eucalyptus Grove):
Land \$141,358 Imp. \$31,164
13. Assessor's Parcel information:
058-030-056 106.57 ac
14. Total number of Assessor's Parcels: 1
15. Total land area: 106.57 acres Total street Area: NA

SERVICES:

1. Indicate essential urban services provided to subject area:

<u>Service</u>	<u>Agency Providing Services:</u>	
	<u>Now</u>	<u>After Annexation</u>
<u>Water</u>	<u>City of American Canyon</u>	<u>Same</u>
<u>Sewage Disposal</u>	<u>City of American Canyon</u>	<u>Same</u>
<u>Fire</u>	<u>Cal Fire</u>	<u>AmCanyon Fire Protection District</u>
<u>Sheriff/Police</u>	<u>City of American Canyon</u>	<u>Same</u>

2. Estimate probable future needs for new or increased governmental services or controls in the area: No change from current status for the Eucalyptus Grove.
3. Describe the effects that this proposal will have on the cost and adequacy of governmental services in the subject area and adjacent areas, if any: The proposal will have no significant impact on the cost and adequacy of governmental services. The adequacy of such services was affirmed in a Mitigated Negative Declaration.
4. Describe the effects that fees received by affected local agencies may have in enabling such agencies to extend their service(s) to other areas: Such effects are currently unquantified.
5. Estimate the effect of the proposed action and of alternative actions on the following:
- a. Mutual social and economic interests:
The Eucalyptus Grove property is surrounded by the City of American Canyon on three sides. The City owns an easement through the property that may serve as an emergency detour in the event of a traffic accident on Highway 29.
- b. The Local governmental structure in the County: None.

BOUNDARIES:

1. Does this proposal split lines of assessment: Yes___ No x
2. Is the subject territory a portion of an existing island of unincorporated territory? Yes X No
3. Do the boundaries of the subject territory create an island of unincorporated territory? Yes___ No x
4. Describe any natural or man-made features which act as a boundary:
The surrounding properties include the Napa River wetlands and the City's waste treatment facility to the west, the Green Island Industrial park to the north, the base of Oat Hill to the east, and the single family detached residential neighborhood of Waterton Homes and Napa River wetlands to the south.

GENERAL AND SPECIFIC PLANS:

1. General Plan designation of the affected city: Commercial Recreation
2. Does the proposal conform to the City's Plan: Yes x No
3. General Plan designation of the County: Agricultural Watershed and Open Space (AWOS)
4. Does the proposal conform to the County's Plan: Yes x No
5. Is the subject territory within a sphere of influence established by LAFCO for the affected local agency: Yes x No___ (If no, attach justification).
6. Existing land use: Vacant/Recreation
7. Proposed land use: Recreation
8. Existing zoning: Recreation
9. Proposed zoning: Recreation
10. Has the area been rezoned: Yes x No
11. Is a development project currently under consideration or has such been approved. Yes ___ No X If yes, indicate type of development, agency, project title and file number and attach copies of applications, approved permits and environmental documents.

SITE:

1. Is the site classed as prime agricultural soils: Yes___ No x
2. Will the project decrease the amount of land available for agriculture or Open Space? Yes___ No X If yes, explain:
The Eucalyptus Grove property has been designated and used for Commercial Recreation for many years.
3. Will the project effect any agricultural preserves either directly of indirectly: Yes No x If yes, explain:_____
4. Will the project require the extension or expansion of public utilities including fire, sewer, or water: Yes x No ___ If yes, explain: The application includes annexing the American Canyon Fire District into the site. The site is presently served by the American Canyon Water and Sewer District.
5. Will the project require public services from any agency or district which is currently operating at or near capacity, including sanitation, police, schools, fire, or water: Yes___ No x If yes, indicate which agency and justify:

The City's Urban Water Master Plan and 10-year CIP includes this property. No other public services serving the site are at or near capacity.

6. Describe topography and soils: The site slopes gently down from the north east toward the Napa River.
 7. Describe drainage basins, rivers, flood control channels: The southern edge of the property is bounded by American Canyon Creek and its intermittent tributary drainage channels.
 8. Describe vegetation and wildlife: The majority of the property is covered by eucalyptus trees and non native grassland.
 9. Describe air, water and noise quality: As commercial recreation and agriculture, the property is not anticipated to significantly impact air, water and noise quality.
 10. Indicate known archaeological or historical site: As identified in the "Cultural Resources" study, and in the EIR, there is a Native American *in situ* mortar shaped into a rock outcropping in American Canyon Creek near the eastern edge of the property. This rock mortar is outside the area of improvements, and will be unaffected and protected through both construction and future school use.
 11. Describe major access routes serving the area: Eucalyptus Drive and Wetlands Edge are the principal routes serving the property.
12. Could the project serve to encourage development of presently undeveloped areas, or increase intensity of development of already developed areas:
Yes ___ No x If yes, discuss:
The Negative Declaration concludes that the Project is not growth inducing.

LIST OF ALL STATE AND LOCAL AGENCIES WHICH HAVE PERMIT APPROVAL OVER THE TOTAL PROJECT

<u>AGENCY</u>	<u>TYPE OF PERMIT</u>
1. City of American Canyon	On Site Construction
2. City of American Canyon	Encroachment & Utility Permits Off-Site Construction
3. US Army Corp/USFWS	Streambed Alterations
4. Cal. Fish & Game	Biological Permitting
5. CRWQB	Stormwater Management & Discharge
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7. AmCyn Fire District	Access and Fire Flow
8. BAAQMD	Air Quality

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- 2. Will the annexed territory be liable for its share of existing bonded indebtedness?
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(If yes, please indicate manner in which the bond(s) will be retired.)
- 3. Will the annexed territory be included within any particular Division or Zone of the annexing agency? No.

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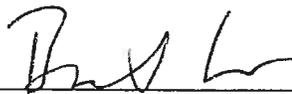
<u>NAME</u>	<u>ADDRESS</u>
Richard Ramirez City of American Canyon	4381 Broadway, Suite 201 American Canyon, CA 94503
Chief Glen Weeks American Canyon Fire Protection District	911 Donaldson Way E, American Canyon, CA 94503

NAME, ADDRESS AND TELEPHONE NUMBER OF CONTACT PERSON(S)

<u>Applicant/Agent</u>	<u>Address</u>	<u>Telephone No.</u>
1. Brent Cooper, Comm. Dev. Director	Above	707.647.4335
2. Glen Weeks, Fire Chief	Above	707.551.0651

NAMES AND ADDRESSES OF ALL LANDOWNERS WITHIN THE SUBJECT TERRITORY AS SHOWN ON THE MOST RECENT COUNTY ASSESSMENT ROLLS. (PLEASE PRINT OR TYPE)

NORD JIM TR ETAL
COUCH ROBERT L JR FBO
Napa, CA 94558

_____ (Date) _____ 
Signature of Applicant
or Authorized Agent

_____ (Date) _____ 
Signature of Applicant
or Authorized Agent

**Filed in the office of the Napa
Local Agency Formation Commission**

Check#
Amount\$
Date

Received by

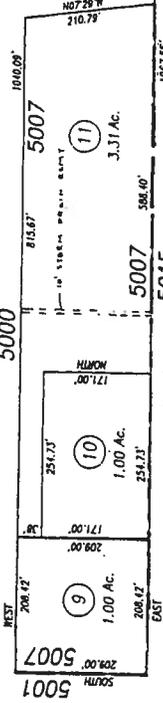
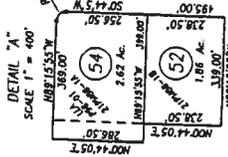
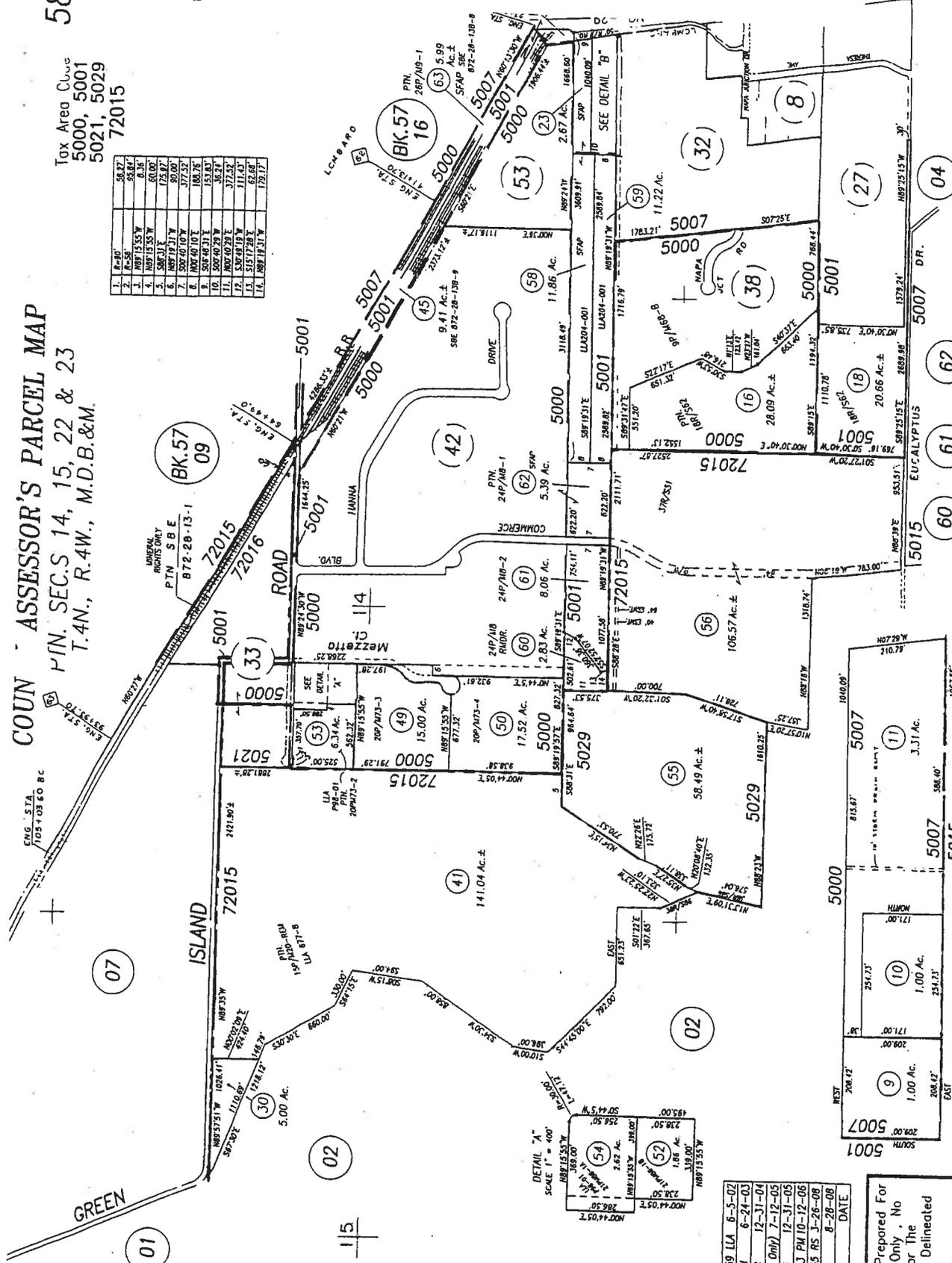
(For Office Use Only)

COUNTY ASSESSOR'S PARCEL MAP

Tax Area Code
5000, 5001
5021, 5029
72015

58-

1.	P-10	56.27
2.	P-58	58.84
3.	H871535 W	6.16
4.	H871535 W	60.00
5.	H871535 W	175.87
6.	H871535 W	50.00
7.	H871535 W	50.00
8.	H871535 W	18.72
9.	H871535 W	36.74
10.	H871535 W	37.23
11.	H871535 W	111.03
12.	H871535 W	62.68
13.	H871535 W	178.17
14.	H871535 W	178.17



REVISION	DATE
0.30-57 58 & 59 LLA 6-3-02	
0.30-60,61,62 PM 6-24-03	
0.30-42 TRA CHG 12-31-04	
0.30-55 RS (Ref Only) 7-12-05	
0.30-55 TRA CHG 12-31-05	
0.30-42 TO PG 33 PM 10-12-06	
PTN 0.30-41 & 55 RS 3-26-08	
0.30-63 PM 8-28-08	

NOTE: This Map Was Prepared For Assessment Purposes Only. No Liability is Assumed For The Accuracy Of The Data Delineated Hereon.

58-03

REDRAWN FROM OLD 25-43 & PTN 04 & 10

RESOLUTION 2009-116

APPROVING A MITIGATED NEGATIVE DECLARATION FOR A GENERAL PLAN AMENDMENT TO DESIGNATE CLARKE RANCH WEST AS OPEN SPACE AND FOR A ZONE CHANGE TO PREZONE CLARKE RANCH WEST AS OPEN SPACE, PREZONE THE EUCALYPTUS GROVE AS RECREATION, AND ESTABLISH DEVELOPMENT STANDARDS FOR THE OPEN SPACE AND RECREATION ZONING DISTRICTS

WHEREAS, in July 2008, the City of American Canyon and Napa County entered into an agreement whereby the City of American Canyon agreed to streamline its water service regulations in return for the County's agreement to amend the City's Rural-Urban Limit Line and include Clarke Ranch West within the City's Urban Limit Line; and

WHEREAS, the City's Urban Limit Line was amended to include Clarke Ranch West; and

WHEREAS, in accordance with State planning law, each jurisdiction must establish a land use designation for all land within its planning boundaries; and

WHEREAS, the city City's Urban Limit Line agreement with Napa County designates Clarke Ranch West as Open Space; and

WHEREAS, in accordance with State regulations that oversee annexation procedures, (the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), the City must approve zoning regulations for the property before it is annexed into the City ; and

WHEREAS, pursuant to the California Environmental Quality Act, Section 15150, a Mitigated Negative Declaration has been prepared for the project. The public review period was from September 16, 2009 through October 5, 2009; and

WHEREAS, a duly-noticed public hearing was held by the City of American Canyon City Council on October 20, 2009, at which time all those in attendance were given the opportunity to speak on the proposal; and

WHEREAS, the City Council considered all of the written and oral testimony presented at the public hearing in making its decision.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of American Canyon hereby finds as follows:

1. An Initial Study was prepared for the project and proper notice was provided in accordance with CEQA and local guidelines.

An Initial Study/ Negative Declaration was prepared and circulated with a 20-day review period, and proper notice was provided.

2. Based upon the Initial Study, there is no substantial evidence that supports a fair argument that the project, as conditioned, would have a significant effect on the environment.

There is no substantial evidence that the project, as conditioned, would have a significant effect on the environment.

3. The project does not have the potential to have a significant adverse impact on wildlife resources as defined in the State Fish and Game Code, either individually or cumulatively as a result of mitigation measures that are agreed to.

The Clarke Ranch West and Eucalyptus Grove sites are not identified as locations of special status species or riparian communities. Therefore, the agreement will not result in impacts to wildlife or sensitive habitats.

4. The project is not located on a site listed on any Hazardous Waste Site List compiled by the State pursuant to Section 65962.5 of the California Government Code.

The project consists of rezoning Clarke Ranch West and Eucalyptus Grove sites to open space and recreation. These uses do not typically involve significant amounts of routine transport, use or disposal of hazardous materials. The Clarke Ranch West and Eucalyptus Grove sites are not included in a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

5. The City Council has reviewed the Initial Study and considered public comments before making a decision on the project.

The City Council has reviewed the document and has considered all public comments prior to making an independent decision on the draft Mitigated Negative Declaration.

6. The record of proceedings of the decision on the project is available for public review at the City of American Canyon Community Development Department, 4381 Broadway, Suite 201, American Canyon, CA.

The administrative record is available for public review at the above address.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council of the City of American Canyon does hereby accept the Initial Study and Mitigated Negative Declaration as complete and adequate; and

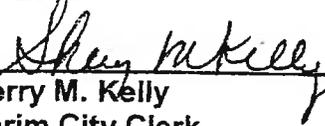
BE IT FURTHER RESOLVED, that the City Council of the City of American Canyon does hereby adopt and approve the Initial Study and Mitigated Negative Declaration.

PASSED, APPROVED and ADOPTED at a regular meeting of the City Council of the City of American Canyon on the 20th day of October 2009, by the following vote:

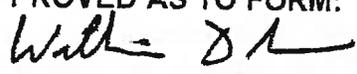
AYES: Councilmembers Bennett, Coffey, West, Vice Mayor Callison and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None



Leon Garcia, Mayor

ATTEST:


Sherry M. Kelly
Interim City Clerk

APPROVED AS TO FORM:


William D. Ross
City Attorney

RESOLUTION NO. GSM-49.42-05

**RESOLUTION OF THE GOVERNING BOARD OF THE NAPA VALLEY
UNIFIED SCHOOL DISTRICT
CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR
THE AMERICAN CANYON HIGH SCHOOL AND MIDDLE SCHOOL
AND CITY OF AMERICAN CANYON HIGH PRESSURE WATER
STORAGE TANK PROJECT,
ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT,
STATEMENT OF OVERRIDING CONSIDERATIONS, AND
MITIGATION MONITORING AND REPORTING PROGRAM**

WHEREAS, the Napa Valley Unified School District (the "District") proposes to develop a portion of an approximately 379.87-acre site located at the northeast intersection of American Canyon Road and Newell Drive in the City of American Canyon, County of Napa ("Property"); and

WHEREAS, the District proposes to construct a new high school and middle school and associated facilities on approximately 67.02 acres pg the Property, comprised of two parcels located on Newell Drive at the northwest corner of the Property. The high school will serve approximately 2,200 students in grades 9 through 12 on the larger 49.49-acre western parcel and the future middle school is projected to serve approximately 530 students in grades 6 through 8 on the remaining 17.53-acre eastern parcel; and

WHEREAS, in addition to construction of the high school and middle school, the District will take appropriate measures for the creation of seasonal wetlands and waters of the U.S. and the dedication of a preserve to protect biological resources along with hydrologic improvements to American Canyon Creek on approximately 310.70 acres of the Property (collectively, the "Preserve"); and

WHEREAS, the City of American Canyon ("City") is proposing to construct a 20-million gallon high pressure water storage tank on approximately 2.15 acres of the Property. The District's high school and middle school, the Preserve and the water storage tank will be referred to herein collectively as the "Project;" and

WHEREAS, the District is the lead agency for the Project, and has caused to be prepared the Draft Environmental Impact Report ("Draft EIR," SCH No. 22007092014) for the Project, including a Notice of Preparation, which was available for review from September 9, 2007 to October 31, 2007; and

WHEREAS, the Draft EIR for the Project was prepared pursuant to and in accordance with the California Environmental Quality Act (Public Resources Code, § 21000 *et seq.*, "CEQA") and the Guidelines for Implementation of the California Environmental Quality Act (Title 14, Cal. Code of Regs., § 15000 *et seq.*, the CEQA "Guidelines"); and

WHEREAS, pursuant to California Public Resources Code Section 21082.1, the Governing Board of the District ("Board") has independently reviewed and analyzed the

information contained in the Draft EIR which contains the Technical Appendices and the Final Environmental Impact Report which includes the Staff Initiated Text Changes, Comments, Responses to Comments, and Mitigation Monitoring/Reporting Program ("MMRP"), ("Final EIR." SCH No. 22007092014), and the conclusions of the Final EIR reflect the independent judgment of the Board; and

WHEREAS, the District posted a Notice of Availability of the Draft EIR at the Project site, at the Napa City/County Library and City of American Canyon County Library, at the School District Office at 2425 Jefferson Street, Napa, CA 94558, and at the office of the Napa County Recorder-County Clerk; and

WHEREAS, the District caused the Notice of Availability to be published in the Napa Valley Register on December 20, 2007 and December 27, 2007; and

WHEREAS, the District caused the Notice of Availability to be mailed to the owners and occupants of contiguous property and to any other persons who filed a request for notice; and

WHEREAS, three (4) written comments on the Draft EIR were received from the public and reviewing public agencies before and during the 45-day public review period from December 13, 2007, through January 28, 2008; and

WHEREAS, Public Resources Code Section 21092.5(a) requires that the District provide a written response to any public agency that commented on the Draft EIR, and the Responses to Comments are included in the Final EIR; and

WHEREAS, the District responded to all comments through a Response to Comments document, and said document was made available in a manner prescribed by CEQA and the CEQA Guidelines; and

WHEREAS, all actions required to be taken by applicable law related to the preparation, circulation, and review of the Draft and Final EIR have been taken, and

WHEREAS, the CEQA Findings of Fact included as Exhibit "A," attached hereto and incorporated herein, identify the following impacts: the Project will not result in any significant impacts for the topical areas of Hydrology and Water Quality, Public Services and Utilities and Air Quality, therefore no mitigation is required for these areas; significant impacts will be reduced to a less than significant level with incorporation of mitigation measures for some of the effects in Biological Resources and Cultural Resources, and the mitigation measures for these areas are set forth in Exhibit "B"; and some significant impacts will be unavoidable for the topical areas of Land Use and Planning, Visual Resources, Noise and Traffic and Circulation, and a Statement of Overriding Considerations is included in Exhibit "A"; and

WHEREAS, the Board has reviewed and considered the Final EIR and MMRP with respect to the Project, including all comments and responses thereto.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Napa Valley Unified School District at the meeting held on February 21, 2008, the following:

SECTION 1:

That the above recitals are true and correct.

SECTION 2

The Draft and Final Environmental Impact Report for the Project is an adequate and complete document completed in accordance with CEQA and the CEQA Guidelines.

SECTION 3

The Governing Board hereby certifies that all public comments received and responses thereto have been considered by the Board, which comments and responses are included in the Final EIR; that the District is the lead agency for the Project, that the Board, as the governing board of the lead agency, has reviewed and considered the Final EIR and the information contained therein prior to deciding whether to approve the proposed Project, including all comments received thereon and responses thereto; and the Board finds that the Final EIR reflects the independent judgment and analysis of the Board of Education.

SECTION 4:

The Governing Board hereby makes and adopts the CEQA Findings of Fact and mitigation measures set forth in Exhibit "A."

SECTION 5:

The Project will have significant, unavoidable impacts in the areas of Land Use and Planning, Visual Resources, Noise, and Traffic and Circulation, as described in detail in the Final EIR and Findings of Fact. As a result, the Board must make a statement of overriding considerations pursuant to State CEQA Guidelines Sections 15043 and 15093. This statement allows a lead agency to cite a Project's general economic, legal, social, technological or other benefits as a justification for choosing to allow the occurrence of specified significant environmental effects that have not been avoided. The Board hereby makes and adopts the Statement of Overriding Considerations as set forth in Exhibit "A."

SECTION 6:

A mitigation monitoring and reporting program has been prepared to meet the requirements of Public Resources Code Section 21081.6. This program is designed to ensure compliance with project changes and mitigation measures imposed to avoid or substantially lessen the significant effects identified in the Final EIR. The Board of Education hereby makes and adopts the MMRP, as set forth in the mitigation monitoring and reporting program, as set forth in Exhibit "B."

SECTION 7:

The Board finds that the Project alternatives identified in the Draft EIR would not achieve the primary objectives of the Project. Accordingly, and for reasons set forth herein, in the Final EIR

and the Findings of Fact in Exhibit "A," the Board of Education hereby rejects such alternatives and finds that the Project is the only alternative that meets the project objectives.

SECTION 8:

These actions having been taken and findings having been made, the Governing Board of the Napa Valley Unified School District hereby approves, certifies, and adopts the Final EIR for the Project.

SECTION 9:

The Final Environmental Impact Report, is on file and available at the administrative office of the Napa Valley Unified School District, 2425 Jefferson Street, Napa, California 94558

SECTION 10:

The Board hereby authorizes the President of the Board to execute this resolution and a Notice of Determination, and the Secretary to attest and certify to the passage and adoption thereof and those officers and the District's Superintendent and the Superintendent's designees to execute all documents and perform all actions necessary to carry out the intent of this resolution.

SECTION 11:

The Board directs District staff to file with the Napa County Recorder-County Clerk a Notice of Determination pursuant to CEQA Guidelines, Section 15094.

APPROVED, PASSED AND ADOPTED by the Governing Board of the Napa Valley Unified School District on this 21st day of February, 2008, by the following vote:

AYES:

6

NOES:

ABSTENTIONS:

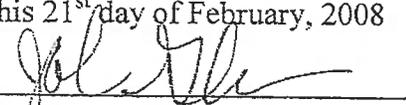
ABSENT:

1



President of the Governing Board of
Napa Valley Unified School District

Attested to this 21st day of February, 2008



Secretary of the Governing Board of
Napa Valley Unified School District



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>

October 4, 2010
Agenda Item No. 8a (Discussion)

September 28, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: Concurrent Municipal Service Review and Sphere of Influence Update on County Service Area No. 4

The Commission will receive a draft report from staff representing the agency's scheduled municipal service review and sphere of influence update for County Service Area No. 4. The draft report is being presented to the Commission for discussion in anticipation of future action.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update each local agency's sphere of influence every five years as needed. Spheres are planning tools used by LAFCOs to demark the territory representing the affected agency's appropriate future service area and jurisdictional boundary within a specified time period. All jurisdictional changes and outside service extensions must be consistent with the affected agencies' spheres with limited exceptions. Sphere determinations may also lead LAFCOs to take other actions under their authority, such as initiating the formation or dissolution of a special district. LAFCOs must inform their sphere determinations by preparing municipal service reviews to consider the level, range, and need for governmental services within their county jurisdiction. LAFCOs must complete the municipal service review process prior to making related sphere determinations.

A. Discussion

In accordance with LAFCO of Napa County's ("Commission") adopted study schedule, staff has prepared a draft report representing the agency's scheduled municipal service review and sphere of influence update on County Service Area (CSA) No. 4. The draft report marks the Commission's first evaluation of CSA No. 4 since the District was formed in 2002. The draft report is organized into two principal sections. The first section is an executive summary that includes determinations making statements with respect to each factor required for consideration as part of the municipal service review and sphere update processes. The second section provides a comprehensive review of CSA No. 4 in terms of its formation and development, relevant growth trends, organizational structure, municipal service provision, and financial standing. Standard service indicators are incorporated into the review when appropriate.

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice-Chair
County of Napa Supervisor, 4th District

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

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

B. Summary

CSA No. 4 is a dependent special district formed in 2002 and authorized to provide a specific range of municipal services relating to the provision of public farmworker housing in Napa County. The attached draft report concludes CSA No. 4 has established sufficient administrative and financial capacities to provide an appropriate level of public farmworker housing based on current and projected demands as well as local conditions. The sufficiency of these capacities is attributed to the effective management of CSA No. 4 by the County of Napa's Community Intergovernmental Affairs Division. The sufficiency of these capacities is also prefaced on CSA No. 4's present and relatively limited role as a governmental sponsor of a special assessment on vineyards with proceeds supporting farmworker housing services provided by the Napa County Housing Authority. Other services for which CSA No. 4 was formed to provide, such as acquiring, building, and leasing farmworker housing facilities, have not been undertaken by the agency. Furthermore, to help sustain current and future public farmworker housing, the draft report recommends CSA No. 4 work with stakeholders in generating support to increase the special assessment through new legislation. In particular, increasing the special assessment would lessen the increasing dependency on rent to support public farmworker housing while helping to remain competitive with private housing alternatives, which often are subject to overcrowded and unsafe conditions.

Based on the information collected and analyzed in the municipal service review, the draft report recommends updating CSA No. 4's sphere with no changes.

C. Commission Review

Staff will provide a brief verbal summary of the draft report and highlight key policy and service related issues at the October 4, 2010 meeting. Commissioners are encouraged to provide feedback to staff on the scope and contents of the draft report. This may include requesting additional analysis. Staff respectfully requests the Commission also allow for public comments on the draft report given a public review period was initiated on September 27, 2010 and extends through October 25, 2010. Unless otherwise directed, staff anticipates presenting a final report, with or without revisions, to the Commission for consideration at its next regularly scheduled meeting.

Attachments:

- 1) Draft Report

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

COUNTY SERVICE AREA NO. 4: MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

**Draft Report
October 2010**

Prepared by:

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

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.

Juliana Inman, Chair, City Member
Bill Dodd, Vice-Chair, County Member
Lewis Chilton, Commissioner, City Member
Brian J. Kelly, Commissioner, Public Member
Brad Wagenknecht, Commissioner, County Member
Joan Bennett, 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) are political subdivisions of the State of California and are responsible for administering a section of Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”). LAFCOs are located in all 58 counties and are delegated regulatory responsibilities to coordinate the logical formation and development of local governmental agencies and services. Specific regulatory duties include approving or disapproving proposals involving the establishment, expansion, and reorganization of cities and special districts. LAFCOs inform their regulatory duties through a series of planning activities, namely preparing municipal service reviews and sphere of influence updates. Underlying LAFCOs regulatory and planning responsibilities is fulfilling specific objectives outlined by the California Legislature under Government Code (G.C.) Section 56301, which states:

“Among the purposes of the commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.”

LAFCOs are generally governed by a five-member commission comprising two county supervisors, two city councilmembers, and one representative of the general public.¹ Members must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCOs have sole authority in administering its legislative responsibilities and its decisions are not subject to an outside appeal process.

B. Planning Responsibilities

A central planning responsibility for LAFCO is the determination of a sphere of influence (“sphere”) for each city and special district under its jurisdiction.² 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.³ LAFCO must review and update each local agency’s sphere every five years as necessary.

“Sphere” means a plan for the probable physical boundary and service area of a local agency, as determined by LAFCO.

There are several important and distinct policy considerations underlying sphere determinations. For example, inclusion within a multiple-purpose agency’s sphere, such as a city or community services district, generally indicates an expectation by LAFCO the territory should be developed for urban uses. Alternatively, inclusion of territory within a limited-purpose agency’s sphere, such as a hospital or mosquito abatement district, may be

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

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

³ A prominent exception involves land owned and used by cities for municipal purposes that are non-contiguous to their incorporated boundary (G.C. Section 56742).

intended to support both urban and non-urban uses. It is also important to note inclusion within a sphere does not provide any guarantees the territory will be annexed. Jurisdictional changes must be considered on their own merits with particular attention focused on assessing whether the timing of the proposed action is appropriate.

Sphere determinations are guided by preparing written statements addressing four specific planning factors that range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to focus LAFCO in addressing the core principles underlying the sensible development of each local agency consistent with the anticipated needs of the affected community. Sphere determinations may also lead LAFCO to take other actions under its authority. This may include initiating the formation, consolidation, or dissolution of local agencies. Further, an increasingly important role involving sphere determinations relates to their use by regional councils of governments as planning areas in allocating housing need assignments for counties and cities, which must be addressed by the agencies in their housing elements.

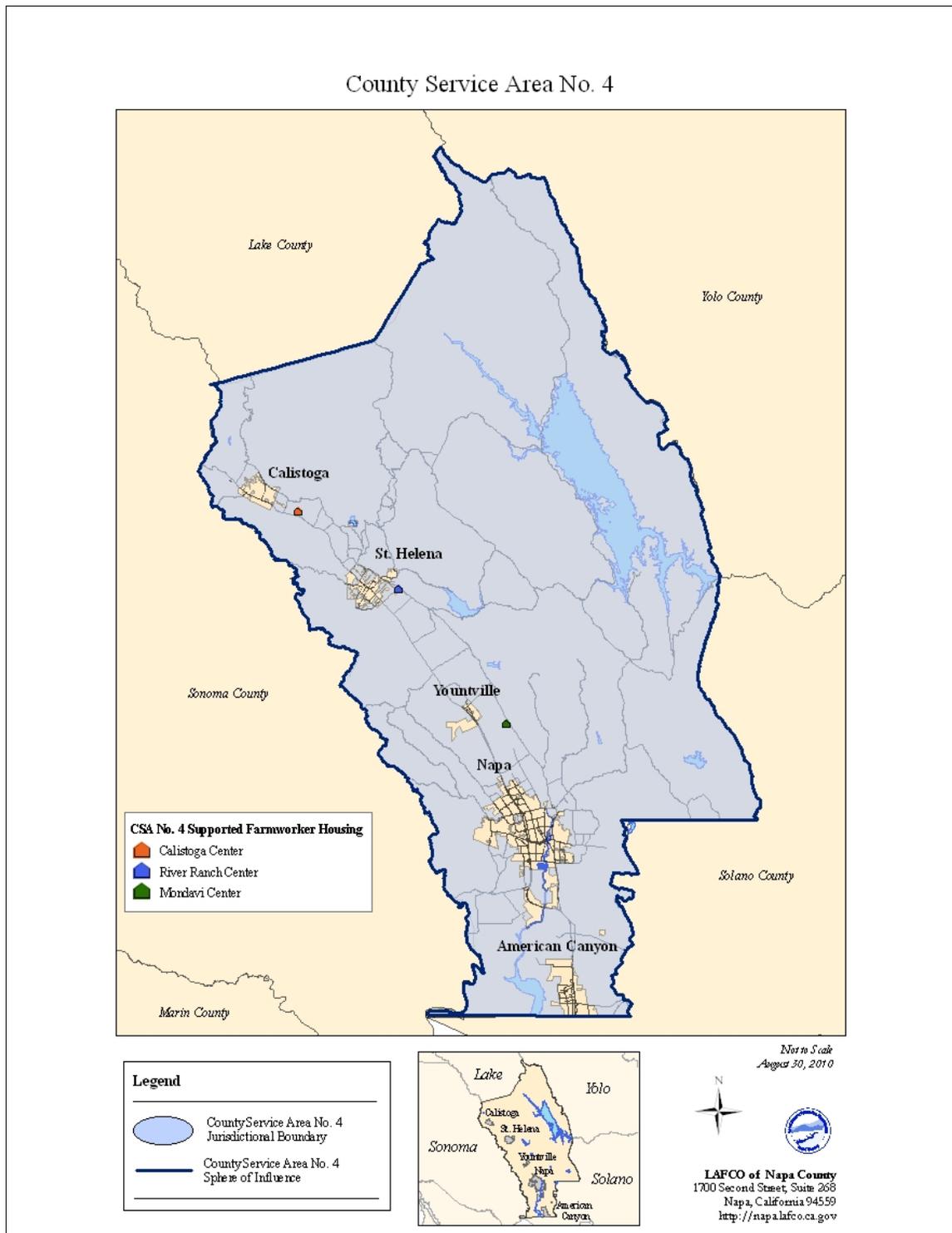
A municipal service review is a comprehensive evaluation of the availability and adequacy of one or more services within a defined area or of the range and level of services provided by one or more agencies.

As referenced, LAFCOs inform their sphere determinations by preparing municipal service reviews to evaluate the level and range of governmental services provided in the region. Municipal service reviews vary in scope and can focus on a particular agency, service, or geographic area as deemed appropriate. Municipal service reviews culminate with LAFCO making determinations on a number of governance-related factors. This includes addressing infrastructure needs or deficiencies, growth and population projections, and financial standing. LAFCOs may also consider other factors if required by local policy. LAFCOs must complete the municipal service review process prior to making related sphere determinations.

C. County Service Area No. 4

This report represents LAFCO of Napa County’s (“Commission”) scheduled municipal service review and sphere update of County Service Area (CSA) No. 4. The report marks the first municipal service review and sphere update prepared on CSA No. 4 since the District was formed in 2002.⁴ The report has been prepared in a manner consistent with the Commission’s *Policy on Municipal Service Reviews* and is organized into two key sections. The first section is an executive summary that includes determinations addressing the factors required for both the municipal service review and sphere update mandates. The second section provides a comprehensive review of CSA No. 4 in terms of its formation and development, relevant growth trends, organizational structure, municipal service provision, and financial standing. Standard service indicators are incorporated into the review when appropriate to help contextualize and evaluate service levels.

⁴ With respect to addressing G.C. Section 56430(a), the geographic area of the municipal service review is defined to include all lands within Napa County.



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II. EXECUTIVE SUMMARY

A. Municipal Service Review

The municipal service review indicates CSA No. 4 has established sufficient administrative and financial capacities to provide an appropriate level of public farmworker housing services within its jurisdictional boundary based on current and projected demands as well as local conditions. The sufficiency of these capacities is prefaced on CSA No. 4's present and relatively limited role as a governmental sponsor of a special assessment on vineyards with proceeds supporting farmworker housing services provided by the Napa County Housing Authority. Other services for which CSA No. 4 was formed to provide, such as acquiring, building, and leasing farmworker housing facilities, have not been undertaken by the agency. The municipal service review concludes, among other things, CSA No. 4 should work with stakeholders in generating support to increase the special assessment through new legislation to help sustain current and future public farmworker housing. In particular, increasing the special assessment would lessen the increasing dependency on rent to support public farmworker housing while helping to remain competitive with private housing alternatives, which often are subject to overcrowded and unsafe conditions.

The following statements address the factors prescribed for consideration as part of the municipal service review process under G.C. Section 56430. These statements are based on information collected and analyzed in the agency review provided on pages 13 to 23.

1. With respect to growth and population projections for the affected area, the Commission determines:

- a) Vineyard growth serves as a key service indicator for CSA No. 4 in addressing current and future demands as it relates to its statutory-defined duties and powers. Overall vineyard growth has risen by nearly one-fifth within CSA No. 4 from 37,072 to 43,031 planted acres since formation, representing an annual increase of 2.2%.
- b) Notwithstanding an overall increase, the rate of new vineyard growth in CSA No. 4 has begun to measurably decelerate by averaging less than 0.7% annually since 2006. This trend appears directly tied to the downturn in the national economy and suggests near-term vineyard growth will remain relatively constant to current levels.
- c) CSA No. 4's resident population generally parallels growth projections for the unincorporated area of Napa County and has slightly increased since the District's formation from an estimated 28,071 to 28,653. This increase in resident population measures 0.3% annually and is seven times less than the overall annual growth rate for vineyards.
- d) It is reasonable to assume the low rate of recent population growth in CSA No. 4 will remain comparatively consistent over the next 10 years rising to 29,600 by 2020. This assumption is predicated on residential gains in the Berryessa Estates and Berryessa Highlands communities continuing to slightly outpace losses primarily tied to the annexation of inhabited lands to the Cities of American Canyon and Napa.

2. With respect to present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies, the Commission determines:

- a) The three public farmworker housing centers receiving funding from CSA No. 4 are collectively capable of accommodating up to 180 daily occupants. This capacity exceeds the current peak-day average demand of 161 for public farmworker housing and is adequate to meet projected demands within the timeframe of this review.
- b) The annual demand for public farmworker housing services as measured by daily occupancies has declined by 4.0% over the last three years from 39,416 to 37,857. It is reasonable to assume this decline will continue in the near-term before stabilizing and is largely attributed to the recent increase to the daily room rate; an increase that widens the existing cost-difference relative to private housing options available to migrant farmworkers by an estimated two-fifths.
- c) It is reasonable to assume demand within the three farmworker housing centers receiving funding from CSA No. 4 is principally tied to the current daily room charge; raising the rate will decrease demand while lowering the rate will increase demand.

3. With respect to the financial ability of agency to provide services, the Commission determines:

- a) CSA No. 4 has developed effective administrative controls to help ensure the District remains solvent as measured by its liquidity and capital. Markedly, CSA No. 4 has no long-term liabilities and sufficient cash reserves to cover approximately one-fifth of its adopted budget expenditures.
- b) Revenues from CSA No. 4's special assessment generates funding sufficient to cover nearly one-half of the current annual operating costs supporting public farmworker housing services for which the agency was formed. This dynamic necessitates the farmworker housing centers operate as quasi-enterprise operation given their need to collect an adequate amount of rent during the fiscal year.
- c) Reliance on rent to substantially support public farmworker housing services within CSA No. 4 highlights a key challenge underlying the role of the District given the need to remain competitive with private housing options.
- d) As a measuring point, to fully fund current public farmworker housing service costs, CSA No. 4's special assessment would need to be increased from \$10.00 to \$22.41.
- e) It would be appropriate for CSA No. 4 to engage stakeholders to seek support in increasing the special assessment through new legislation to provide a more reliable and sufficient revenue source to sustain public farmworker housing services.
- f) The practice of the Board of Supervisors to operate CSA No. 4 as an administrative unit of the County of Napa underlies the District's lack of capital assets in land, buildings, and equipment.

4. With respect to the status and opportunities for shared facilities, the Commission determines:

- a) CSA No. 4 represents a creative cross-sectoral partnership between public and private stakeholders to pool resources for purposes of coordinating and providing public farmworker housing services in Napa County. Importantly, this partnership has been effective in developing cost-efficiencies through pursuing shared priorities and objectives in making available safe and clean housing alternatives for migrant workers necessary to support the local economy.

5. With respect to accountability for community service needs, including governmental structure operational efficiencies, the Commission determines:

- a) CSA No. 4's organizational structure as a dependent special district governed by the County of Napa Board of Supervisors is appropriate given the District's present function to sponsor a special assessment for purposes of funding farmworker housing services, which primarily support the unincorporated area.
- b) The County of Napa's Community Intergovernmental Affairs Division effectively administers CSA No. 4 at minimal costs to the District. The savings attributed to the low administrative overhead, which currently account for less than 4.0% of total expenses, economizes funding resources supporting the actual delivery of farmworker housing services.
- c) CSA No. 4 is accountable to landowners within the District's jurisdictional boundary owning one acre or more of planted vineyards. These constituents directly influence service levels consistent with their needs by choosing whether to approve extensions on CSA No. 4's special assessment.
- d) CSA No. 4 is also accountable to citizens utilizing the farmworker housing services funded by the District. These constituents indirectly influence service levels consistent with their needs by choosing whether to patronize the facilities.
- e) Opportunities exist for CSA No. 4 to establish more direct methods of communication with its farmworker constituents to help ensure services funded by the District adequately reflect current and future needs in a timely manner.

6. With respect to the relationship with regional growth goals and policies, the Commission determines:

- a) CSA No. 4 serves a unique and pertinent role in supporting the agricultural land use policies that are pervasive throughout Napa County by contributing to the delivery of safe and clean public farmworker housing services.

B. Sphere of Influence Update

No changes to CSA No. 4's sphere appear warranted. This affirmation confirms the current sphere designation demarks CSA No. 4's appropriate service boundary consistent with its available and planned capacities. This determination is supported by the following statements addressing the factors prescribed for consideration as part of the sphere update process under G.C. Section 56425.

1. Present and planned land uses in the area, including agriculture and open-space.

The present and planned land uses within CSA No. 4's sphere are outlined in the general plans prepared and adopted by the five overlapping land use authorities: County of Napa and the Cities of Calistoga, Napa, St. Helena, and Yountville. The exercise of CSA No. 4's service powers relating to the provision of public farmworker housing supports the predominant policy orientations of these five land use authorities with regard to protecting and promoting agriculture as the community's principal commerce.

2. Present and probable need for public facilities and services in the area.

CSA No. 4's provision of public farmworker housing services within the sphere is an integral component in supporting the local economy.

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

The Commission has confirmed through the municipal service review process CSA No. 4 has adequate controls and capacities to provide an appropriate level of public farmworker housing services in the sphere based on local needs and conditions.

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

As previously declared by the Legislature, the growing of wine grapes represents the principal agricultural crop in Napa County. It is vital to public interest for a governmental agency to own and maintain farmworker housing to assure the availability of safe and clean housing to support Napa County's principal crop.

III. AGENCY REVIEW

A. County Service Area No. 4

1.0 Overview

CSA No. 4 is a dependent special district formed in 2002 and authorized to provide a specific range of municipal services relating to the provision of public farmworker housing in Napa County. These authorized municipal services involve (a) acquiring, (b) building, (c) leasing, and (d) operating public farmworker housing. CSA No. 4 presently helps fund the operation of three farmworker housing centers with a combined capacity of 180 beds through a voter-approved special assessment on vineyards that are one acre or more in size. Funding is channeled through the Napa County Housing Authority (NCHA), which subcontracts the day-to-day operations of the three farmworker centers with the California Human Development Corporation (CHDC). CSA No. 4's current adopted operating budget is \$451,469 with an undesignated fund balance of \$86,711 as of June 30, 2010.

2.0 Formation and Development

2.1 Preexisting Service Conditions

CSA No. 4's formation was prompted in the late 1990s through the collaborative efforts of public and private stakeholders to improve and coordinate housing for migrant farmworkers supporting local winegrower operations in Napa County. At the time, organized farmworker housing services in Napa County were limited to four centers operated by the Napa Valley Housing Authority (NHVA), a joint-powers existing between the County and the Cities of American Canyon, Calistoga, St. Helena, and Yountville. The four preexisting farmworker housing centers, referred to as "Calistoga," "Mondavi," "Beringer," and "Silverado," operated seasonally around planting (March through June) and harvesting (September through October) with a combined capacity of 177 beds. Markedly, a steady rise in new winery development and increasing community pressure to adequately accommodate present and future field labor led County officials to establish an oversight committee comprising local stakeholders to pool resources for purposes of improving farmworker housing services. The stakeholders ultimately agreed special legislation was needed to empower the County to assume a more direct role in generating revenues to adequately provide farmworker housing services – specifically the ability to establish a special assessment on vineyards.

2.2 Special Legislation

In 2001, on behalf of the County, Assemblymember Patricia Wiggins sponsored special legislation to amend the principal act governing CSAs to define the maintenance and operation of farmworker housing as an extended service in Napa County. The special legislation was drafted in coordination with the County Counsel's Office, Napa Valley Vintners Association, and the Napa County Farm Bureau. It included a provision authorizing the Board of Supervisors to levy an annual assessment of no more than \$10 on each acre of planted vineyard land to fund the extended services. The special legislation was codified as part of Assembly Bill (AB) 1550 and signed by Governor Gray Davis and became effective on January 1, 2002.

2.3 Formation Proceedings

AB 1550’s enactment directly preceded approval by the Commission of the County’s proposal to form CSA No. 4 in March 2002. CSA No. 4’s boundary was established to include all unincorporated lands as well as certain incorporated lands planted with vineyards lying within Calistoga, Napa, St. Helena, and Yountville. The Commission also tied approval to require passage of a special assessment no later than June 2003; failure to complete this condition would trigger the Commission to consider initiating dissolution proceedings. CSA No. 4 satisfied this condition in May 2002 by establishing an annual special assessment over a five year period on each acre of planted vineyard within its boundary with 80% of the affected landowners responding affirmatively.⁵

2.4 Development

CSA No. 4’s formation coincided with the County voluntarily agreeing to transmit nearly all revenues generated from the special assessment to NVHA to support their existing and current farmworker housing operations.⁶ In June 2003, NVHA completed construction on a new 60-bed farmworker housing center known as “River Ranch” located directly southeast of St. Helena on land donated by the Joseph Phelps Winery. State grants and private donations covered the approximate \$3.6 million construction cost while CSA No. 4 voluntarily assumed responsibility for contributing to River Ranch’s annual operational costs.⁷ In August 2006, NVHA completed comprehensive renovations of the 60-bed Calistoga and 60-bed Mondavi farmworker housing centers at a combined cost of \$4.3 million. Construction costs were entirely covered by private donations and grant awards with operating funding voluntarily provided by CSA No. 4.

Summary Timeline

2001	.....farmworker housing established as an extended CSA service in Napa County by AB 1550
2002	.....formation of CSA No. 4
2002	.....landowners approve CSA No. 4 assessment
2002	.....CSA No. 4 establishes funding relationship with NVHA to support farmworker housing
2003	...construction completed on the River Ranch center with operational funding provided by CSA No. 4
2006	.....renovations completed on the Mondavi and Calistoga centers with operational funding provided by CSA No. 4
2007	.....NVHA dissolved; NCHA reinstated to assume funding partnership with CSA No. 4
2007	.....landowners renew CSA No. 4 assessment

In June 2007, the County assumed direct control of farmworker housing services previously provided by NVHA after the joint-powers dissolved following a critical grand jury report on the agency’s administrative management. The County memorialized its control of farmworker housing services by activating NCHA, which assumed ownership of three of the five preexisting housing centers, Calistoga, Mondavi, and River Ranch. (The remaining two housing centers, Silverado and Beringer, reverted to private use.) NCHA also established its own contract with CHDC to continue to administer the day-to-day operations of the farmworker centers and established an 11-member appointed housing commission to advise the Board – among other things – on CSA No. 4 special assessment allocations. These actions also coincided with landowners approving a five-year extension on the special assessment through 2012.

⁵ The initial annual assessment approved by affected landowner was \$7.76 for each acre of planted vineyard with a maximum cap of \$10.

⁶ The agreement is not binding; there was/is no requirement for the County to fund NVHA or NCHA.

⁷ The development and operation of River Ranch was facilitated by an earlier ballot measure allowing unincorporated land designated for agricultural and open-space use to be divided and dedicated for farmworker housing use.

3.0 Adopted Commission Boundaries

3.1 Jurisdictional Boundary

CSA No. 4’s jurisdictional boundary is approximately 488,100 acres in size and includes all unincorporated land within Napa County. It also includes approximately 2,120 acres of incorporated lands lying within the Cities of Calistoga, Napa, St. Helena, and Yountville.

Jurisdictional Boundary Totals

(Source: LAFCO/County GIS)

Unincorporated Acres	Incorporated Acres	Total Acres
485,980	2,120	488,100
99%	1%	100%

The Commission has approved and recorded 22 jurisdictional changes involving CSA No. 4. All jurisdictional changes have involved detachments affecting 603 total acres and engendered in conjunction annexations to either the Cities of American Canyon or Napa. A list of all detachments involving CSA No. 4 is provided below.

Recorded Jurisdictional Changes

(Source: LAFCO)

Proposal Name	Action	Acres	Completion Date
Pueblo Place (Napa)	Detachment	0.3	August 19, 2002
Soscol Ave/Silverado Trail No. 3 (Napa)	Detachment	3.2	November 4, 2002
Big Ranch Road/Griffen Lane (Napa)	Detachment	5.7	October 4, 2002
Saratoga Avenue/Terrace Drive (Napa)	Detachment	6.7	April 1, 2003
American Canyon/Flosden (American Canyon)	Detachment	4.8	April 25, 2003
McKenzie Drive/Silverado Trail (Napa)	Detachment	8.6	April 10, 2003
Imola Avenue/Shurtleff Avenue No. 2 (Napa)	Detachment	2.7	April 29, 2003
Hillside Avenue/Stonecrest Drive (Napa)	Detachment	0.6	March 22, 2004
Green Island Road No. 2 (American Canyon)	Detachment	7.5	July 6, 2004
Wyatt Avenue/Shurtleff Avenue (Napa)	Detachment	13.0	August 19, 2004
Wilkins Avenue/Shetler Drive (Napa)	Detachment	0.8	September 29, 2004
Sewer Treatment Plant (American Canyon)	Detachment	58.5	March 3, 2005
Green Island Road No. 3 (American Canyon)	Detachment	358.1	April 6, 2005
Wine Country Avenue (Napa)	Detachment	4.8	July 14, 2005
West F Street (Napa)	Detachment	8.8	November 1, 2005
Juanita Street (Napa)	Detachment	2.9	March 1, 2006
El Centro Avenue No. 8 (Napa)	Detachment	4.5	June 12, 2007
Laurel Avenue (Napa)	Detachment	26.3	June 25, 2007
El Centro Avenue No. 9 (Napa)	Detachment	0.8	October 29, 2007
Big Ranch Road No. 1 (Napa)	Detachment	21.5	July 21, 2009
Silverado Trail (Napa)	Detachment	29.9	July 21, 2009
Trancas Crossing Park (Napa)	Detachment	33.3	June 4, 2010

* Until January 1, 2009, State law required land be automatically detached from a CSA upon its annexation to a city unless waived by LAFCO based on specific findings. This automatic detachment provision was deleted as part of a comprehensive rewrite of CSA law completed in 2008. The legislative intent in deleting the provision is to broaden LAFCO’s discretion in determining whether it believes land should be detached from a CSA upon annexation to a city based on local conditions.

** None of the lands detached from CSA No. 4 were part of the District’s special assessment.

3.2 Sphere of Influence

CSA No. 4’s sphere was established by the Commission in 2002 at the time of formation to include all of Napa County. The sphere totals 506,500 acres in size and is 96.3% coterminous with the jurisdictional boundary. The difference between the sphere and jurisdictional boundary confirms there are 18,400 incorporated acres eligible for annexation.

Sphere of Influence Totals

(Source: LAFCO/County GIS)

Jurisdictional Acres	Non Jurisdictional Acres	Total Acres
485,980	18,400	506,500
96%	3%	100%

4.0 Population and Growth

4.1 Population Trends

CSA No. 4’s current resident population is estimated at 28,653 based on demographic information published by the California Department of Finance and adjusted to exclude inhabitants of the five cities in Napa County.⁸ The resident population overall has risen slightly by 582 since formation, equaling a 0.26% annual increase. The following table summarizes past and current resident population projections in CSA No. 4.

Past and Present Population Projections

(Source: Department of Finance and LAFCO)

Category	2002	2004	2006	2008	2010	Change
Population	28,071	28,023	28,067	28,732	28,653	2.1%

It is reasonable to assume the rate of the recent rise in resident population within CSA No. 4 will remain relatively consistent over the next 10 years. This assumption is predicated on residential gains in Berryessa Estates and Berryessa Highlands continuing to slightly outpace residential losses primarily tied to the annexation of inhabited lands to the Cities of American Canyon and Napa. The assumption, which may become significantly low if the proposed development of Angwin and Napa Pipe are approved, is also consistent with recent demographic estimates prepared by the Association of Bay Area Governments (ABAG) projecting an unincorporated population will increase by 0.27% annually through 2020. The following table summarizes ABAG’s projections for the unincorporated area.

Future Resident Population Projections

(Source: Association of Bay Area Governments and LAFCO)

Category	2010	20120	2014	2016	2018	2020	Change
Population	28,800	28,960	29,121	29,283	29,446	29,600	2.7%

⁸ For purposes of this review and update, it is reasonable to assume the 2,120 acres of incorporated lands lying within Calistoga, Napa, St. Helena and Yountville that are in CSA No. 4 have minimal residents associated with the properties.

4.2 Growth Trends Relating to Vineyards

Vineyard growth serves as the key service indicator for CSA No. 4 as it relates to current and future demands given its statutory-defined responsibilities and powers. Data cataloged by the County of Napa Agricultural Commissioner’s Office illustrates there has been close to a one-fifth increase in planted vineyards within CSA No. 4 since 2002.⁹ Notably, the most recent report issued by the Agricultural Commissioner identifies 8.5% of Napa County comprises vineyards compared to 7.3% at the time CSA No. 4 was formed, which translates into an additional 5,800 acres. The intensity of vineyard uses as measured by the ton-to-acre totals has remained relatively constant during this period. The rate of new vineyard growth, though, has measurably decelerated beginning in 2006 as reflected in the following table.

Past and Present Vineyard Growth

(Source: County of Napa Agricultural Commissioner’s Office)

Category	2002	2003	2004	2005	2006	2007	2008	2009
Acres	37,072	39,106	40,439	41,910	42,338	42,338	42,870	43,031
% Change	-----	5.4	3.4	3.6	1.0	0.0	1.3	0.4
Tons	130,098	128,813	119,874	181,025	152,776	145,111	115,864	142,976
Tons/Acre	3.5	3.3	3.0	4.3	3.6	3.4	2.7	3.3

5.0 Organizational Structure

5.1 Governance

CSA No. 4 is organized under the “County Service Area Law” (California Government Code Sections 25210 to 25217.4). This legislation was established in 1953 with the specific intent to empower counties with alternative organizations and methods to directly finance and provide needed public services to residents and landowners in unincorporated areas. CSAs are generally provided broad municipal powers and can provide nearly all governmental services, such as water and sewer, with the key exception of exercising land use control.¹⁰ However, as mentioned, CSA No. 4 was formed pursuant to a special amendment enacted in 2002 for the sole purpose of (a) acquiring, (b) constructing, (c) leasing, or (d) operating farmworker housing. CSA No. 4 is not eligible to activate any other service power unless authorized by future legislation and approved by the Commission.

CSA No. 4 operates as an extended unit of County government. The Board of Supervisors conducts business for CSA No. 4 as needed during regular meetings, which are scheduled every Tuesday at the County Administration Building. A review of recent agendas indicates the Board of Supervisor’s involvement in CSA No. 4 have been limited to annually setting the special assessment on planted vineyards and adopting an operating budget. Further, in addition to the direct governance provided by the Board of Supervisors, CSA No. 4 is subject to the oversight of an 11-member appointed housing commission of the NCHA. The housing commission is scheduled to meet monthly and its responsibilities include making recommendations on allocating CSA No. 4’s annual special assessment proceeds and

⁹ This statement assumes all new vineyard development in Napa County has occurred within the unincorporated area or within the portions of Calistoga, Napa, St. Helena, and Yountville that lie within CSA No. 4.

¹⁰ The State Controller’s Office reports there are currently 883 CSAs in California.

preparing an audit on the farmworker housing centers every two years. Appointments are made by the Board of Supervisors and must comprise the following representation:

- Member of the Napa County Farm Bureau (1)
- Member of the Napa Valley Grapegrowers (1)
- Member of the Napa Valley Vintners Association (1)
- Member selected by the City Selection Committee (1)
- Member of the general public representing farmworker interests (1)
- Member of the general public familiar with the winery industry finances (1)
- Farmworker tenant (2)¹¹
- Farmworker (1)
- Farm labor contractor (1)
- Member of the general public (1)

* Appointees must be subject to the CSA No. 4 special assessment with limited exceptions

5.2 Administration

CSA No. 4's administration is the principal responsibility of the County's Community and Intergovernmental Affairs (CIA) Division of the County Executive Office. CIA provides both direct and indirect administrative services in support of CSA No. 4, which are billed at an hourly rate. Direct services include contracting with an outside consultant to prepare an annual engineers report in conjunction with setting and approving the District's special assessment. Indirect services include managing NCHA's contract with CHDC to administer day-to-day operations at the farmworker housing centers. Indirect services also include preparing annual audits to identify the need for any changes as it relates to the operations within each farmworker housing enter. Additionally, legal and accounting services for CSA No. 4 are provided by County's Counsel and Auditor Offices, respectively.

6.0 Municipal Services

CSA No. 4's municipal services are statutorily defined to acquire, construct, lease, and operate public farmworker housing in Napa County. CSA No. 4 is currently organized to focus only on providing funding in support of NCHA's activities as relates to operating three farmworker housing centers: Calistoga; Mondavi; and River Ranch. Accordingly, for the purposes of this review, it is appropriate to assess the (a) availability, (b) demand, and (c) adequacy tied to NCHA's farmworker housing services given its use of CSA No. 4 special assessment funds; funds currently covering close to one-half of the combined operating costs of the three farmworker housing centers.

¹¹ One farmworker tenant must be over the age of 62 if NCHA has such a tenant.

6.1 Availability

The Calistoga, Mondavi, and River Ranch farmworker housing centers each have 60 beds in double-occupancy dormitory style rooms, resulting in a combined daily tenant capacity of 180. All three facilities are located north of the City of Napa on the Napa Valley floor and are uniformly managed by CHDC with staggered operating dates to ensure at least one center is available throughout the year. Only workers who provide documentation confirming they are employed as farmworkers are eligible to stay in the centers. The actual location and operating dates for the three facilities follows.

- **Calistoga Farmworker Housing Center**

This facility includes 60 beds and operates generally between the months of December and October. In 2009-2010, the center was open for a total of 309 days. The center was built in 1991 and comprehensively remodeled in 2006. It is located approximately 1.5 miles south of the City of Calistoga along State Highway 29 south of its intersection with Dunaweal Lane.



- **Mondavi Farmworker Housing Center**

This facility includes 60 beds and operates generally between the months of February and October. In 2009-2010, the center was open for a total of 260 days. The center was built in 1993 and comprehensively remodeled in 2006. It is located approximately 4.9 miles northeast of the City of Napa along the Silverado Trail north of its intersection with Oak Knoll Avenue.



- **River Ranch Farmworker Housing Center**

This facility includes 60 beds and operates generally between the months of February and December. In 2009-2010, the center was open for a total of 330 days. The center was completed in 2003 and is located approximately 0.8 miles southeast of the City of St. Helena along the Silverado Trail north of its intersection with Zinfandel Lane.



NCHA collaborates with CHDC in determining a daily room charge, which was increased from \$11.50 to \$12.00 beginning in 2008-2009. The room charge is collected on a daily basis, eliminating the need for security deposits. The room charge includes providing tenants three meals and access to the center's shared bathrooms, coin-operated laundry machines, and lounge facilities. A key consideration in setting the room charge is to remain competitive with the private housing options – albeit often subject to crowded and substandard conditions – available to farmworkers that range from sharing apartment rentals

to staying with family, friends, or other acquaintances. With this in mind, NCHA contracted with the California Institute for Rural Studies to prepare a study to assess farmworker housing trends in Napa County. The study was completed in February 2007 and concluded unaccompanied migrant workers pay a monthly average of \$250 for private sector housing accommodations. This average amount equates to \$8.34 a day over a 30-day period, which is two-fifths less than the cost to stay at a farmworker housing center. The cost difference, however, is relatively comparable *if* food expenses are accounted (emphasis added). Consequently, it is reasonable to assume availability within the three farmworker housing centers is tied more so than any other factor to the current daily room charge; raising the rate will increase availability while lowering the rate will decrease availability.

6.2 Demand

NCHA has tracked occupancy statistics within each of the three farmworker housing centers since assuming ownership from NVHA beginning in 2007-2008. The combined average occupancy rate for all three housing centers is currently 70%. There has been an overall 4.0% decrease in demand within the three farmworker housing centers over the last three years as the total day-occupants have decreased from 39,416 to 37,857. A key factor in this decrease appears to be attributed with the rise in the daily room rate enacted in 2008-2009.

Individual demand for farmworker housing is highest at River Ranch by averaging 15,213 in annual day-occupants over the last three years. This amount outpaces Calistoga and Mondavi’s average annual day-occupants by one-tenth and one-third respectively, and is presumably tied to River Ranch’s central accessibility to both Napa and Chiles Valleys. Mondavi’s average annual day-occupants over the last three years is by far the lowest at 10,225 and likely the result of its close proximity to other housing options available in the City of Napa. Summaries of past and current occupancy trends within each farmworker housing center follows.

Annual Demands for Public Farmworker Housing

(Source: NCHA/CHDC)

	Calistoga	Mondavi	River Ranch	Total
2007-2008				
Available Accommodations/ Days Open	18,600 310	16,500 275	18,180 303	53,280 888
Actual Day-Occupants	14,126	9,757	15,533	39,416
Occupancy Rate	76%	67%	85%	74%
2008-2009				
Available Accommodations/ Days Open	18,960 316	15,600 260	19,800 330	54,360 906
Actual Day-Occupants	13,047	10,272	15,669	38,988
Occupancy Rate	69%	66%	79%	72%
2009-2010				
Available Accommodations/ Days Open	18,540 309	15,600 260	19,800 330	53,940 899
Actual Day-Occupants	12,776	10,645	14,436	37,857
Occupancy Rate	69%	68%	73%	70%

Monthly demands change seasonally and are typically highest during early spring and late summer months due to traditional planting and harvesting activities. The month of May serves as the peak-demand period given the daily occupancy amount averages 161 over the last three years. Comparatively, the month of December serves as the low-demand period based on an average daily occupancy amount of 40 during the past three years.

Monthly Demand for Public Farmworker Housing

(Source: NCHA/CHDC)

Month	Average Daily Demand	Month	Average Daily Demand
January	51	July	136
February	67	August	130
March	91	September	149
April	123	October	117
May	161	November	49
June	156	December	40

* Reflects the average monthly occupancy amounts since 2006-2008

The relatively limited record of occupancy statistics in the three farmworker housing centers makes projecting future demands increasingly speculative. Nonetheless, for purposes of this review, it is reasonable to assume demands for public farmworker housing services will continue to decrease at a 1.3% annual rate over the next few years before stabilizing. This assumption is predicated on the earlier statement that the current decline in occupancy is principally attributed to the recent increase to the daily room rate; an increase that widens the existing cost-difference to two-fifths compared to private housing accommodations. Assuming all other factors remain constant, such as the demand for labor, the projected trend will change if either there is an (a) increase in private housing cost and or (b) decrease in the farmworker housing center’s daily room rate. The following table incorporates these assumptions in projecting overall future demands in the three farmworker housing centers.

Projected Future Annual Demands for Public Farmworker Housing

(Source: LAFCO)

Fiscal Year	2010-11	2011-12	2012-13	2013-14	2014-15
Actual Day-Occupants	37,365	36,879	36,400	35,927	35,460
Occupancy Rate	69%	68%	67%	66%	65%

* Assumes a flat annual decrease of 1.3% and operating hours remain constant

6.3 Adequacy

Available capacity appears to be the key factor in considering the adequacy of farmworker housing services provided by CSA No. 4 through NCHA. As outlined in the preceding section, there is sufficient capacity to accommodate an additional 30% overall increase in day-occupants within the three farmworker housing centers. The available capacity is adequate to meet projected demands in the timeframe of this review.

7.0 Financial

7.1 Assets, Liabilities, and Equity

CSA No. 4’s financial statements are prepared by the County and included in its annual report issued at the conclusion of each fiscal year. The most recent issued report was prepared for the 2008-2009 fiscal year and includes audited financial statements identifying CSA No. 4’s total assets, liabilities, and equity as of June 30, 2009. These audited financial statements provide quantitative measurements in assessing CSA No. 4’s short and long term fiscal standing and are summarized below.

Assets

CSA No. 4’s assets at the end of the fiscal year totaled \$0.159 million. All assets were classified as current with the expectation they could be liquidated into currency within one year with over four-fifths directly tied to cash and investments with the remaining amount associated with outstanding special assessment receipts. The total amount in 2008-2009 represents the highest asset mark since formation.

Category	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Current Assets	0.009	0.009	0.148	0.070	0.159
Non-Current Assets	0.0	0.0	0.0	0.0	0.0
Total Assets	\$0.009	\$0.009	\$0.148	\$0.070	\$0.159

Amounts in millions

Liabilities

CSA No. 4 finished the fiscal year with no liabilities. There have been no outstanding liabilities, current or non-current, at the end of the last five audited fiscal years.

Category	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Current Liabilities	0.00	0.00	0.00	0.00	0.00
Non-Current Liabilities	0.00	0.00	0.00	0.00	0.00
Total Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Amounts in millions

Equity/Fund Balance

CSA No. 4’s equity at the end of the fiscal year totaled \$0.159 million. This amount represents the difference between CSA No. 4’s total assets and total liabilities and entirely unrestricted and available for any purposes. The amount is divided between designated and undesignated with the former representing 55% of the reported total.

Category	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Restricted	0.000	0.000	0.000	0.000	0.000
Unrestricted/Designated	0.000	0.000	0.087	0.070	0.070
Unrestricted/Undesignated	0.009	0.009	0.061	0.000	0.089
Total Equity	\$0.009	\$0.009	\$0.148	\$0.070	\$0.159

Amounts in millions

CSA No. 4’s financial statements for 2008-2009 reflect the District experienced a positive change in its fiscal standing as its overall equity, or fund balance, increased by 127% from \$.070 to \$0.159 million. This increase was attributed to CSA No. 4’s funding pathology in which the District’s annual contribution to NCHA for operating the three farmworker housing centers is based on the amount needed to bridge the difference between costs and other collected revenues, most notably rent. In 2008-2009, the difference between CSA No. 4’s special assessment total (\$0.440 million) and the amount it transferred to NCHA (\$0.349 million) resulted in a surplus of \$0.088 million.

2008-2009 Financial Statements

Assets	\$0.159 million
Liabilities	\$0.0 million
Equity	\$0.159 million

Calculations performed assessing CSA No. 4’s liquidity, capital, and solvency based on the 2008-2009 audited statements indicate the District is in strong financial health given its current obligations. Liquidity remains high as CSA No. 4 finished the fiscal year with no liabilities along with 155 days cash sufficient to cover expenses. This latter figure indicates CSA No. 4 could provide funding to NCHA sufficient to cover five months of its current contribution total without collecting an additional special assessment. Capital and solvency also remain high given CSA No. 4 finished with no debt and its bottom-line was positive by close to one-fifth.¹²

7.2 Revenue and Expense Trends

A review of CSA No. 4’s actual revenues and expenses as detailed in its adopted budgets identifies the District has generally maintained positive cash flow over the last five completed fiscal years. As expected, revenues have remained relatively stagnant and increased less than a half a percentage point per year, which is consistent with new vineyard growth within CSA No. 4. Expenses have been dynamic due to changing funding needs for the three farmworker housing centers and declined on annual average by two-thirds of a percentage point.

Fiscal Year	Actual Revenues	Actual Expenses	Difference
2005-2006	436,702	436,472	230
2006-2007	417,723	278,939	138,784
2007-2008	441,373	518,952	(77,579)
2008-2009	443,110	354,557	88,553
2009-2010	448,339	421,777	26,562
Change (%)	2.7	(3.3)	---

7.3 Current Budget

CSA No. 4’s annual adopted operating budget for the 2010-2011 fiscal year totals \$0.451 million. This amount represents total approved expenses or appropriations for the fiscal year and reflects an approximate 1.7% decrease from the prior year adopted budget amount. Over 97% of all expenses are associated with transferring funds to NCHA in support of farmworker housing services. All remaining expenses are tied to administrative overhead. All adopted revenues are drawn from CSA No. 4’s special assessment and are budgeted to total \$0.442 million in 2010-2011, resulting in a slight operating deficit of 2.0%. The budgeted deficit will necessitate CSA No. 4 draw down its current unrestricted/undesignated fund balance from \$0.086 to \$0.078 million.

2010-2011 Adopted Budget

Total Expenses:	\$0.451 million
Total Revenues:	\$0.442 million
Difference:	(\$0.008 million)

¹² CSA No. 4’s total margin equaled 19.9% based on dividing revenue less expenses (\$354,557) by revenues (\$443,110).

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IV. ENVIRONMENTAL REVIEW

A. Municipal Service Review

The municipal service review on CSA No. 4 is a project under the California Environmental Quality Act (CEQA) given it may reasonably result in a future indirect physical change to the environment. The municipal service review is categorically exempt from further environmental review under Code of Regulations Section 15306. This exemption applies to basic data collection, research, and resource evaluation activities, which do not result in any serious or major disturbance to any environmental resource. This exemption applies to the municipal service review on CSA No. 4 given it is strictly for information gathering purposes that may lead to an action which LAFCO has not approved, adopted, or funded.

B. Sphere of Influence Update

The sphere update on CSA No. 4 is a project under CEQA given it may reasonably result in a future indirect physical change to the environment. The sphere update is exempt from further environmental review under Code of Regulations Section 15061. This exemption is referred to as the “general rule” and applies to projects in which it can be seen with certainty there is no possibility the action may have a significant effect on the environment. This exemption applies to the sphere update on CSA No. 4 given it can be seen with certainty the confirmation of the existing sphere will not result in any physical changes to the environment.

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IV. SOURCES

Agency Contacts

- Larry Florin, Community Intergovernmental Affairs, County of Napa
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**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY*****Policy on Municipal Service Reviews***

Adopted: November 3, 2008

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Commission to prepare municipal service reviews in conjunction with its mandate to review and update each local agency's sphere of influence every five years as necessary. The legislative intent of the municipal service review process is to inform the Commission with regard to the availability, capacity, and efficiency of governmental services provided within its jurisdiction prior to making sphere of influence determinations. Municipal service reviews must designate the geographic area in which the governmental service or services are under evaluation. Municipal service reviews must also include determinations addressing the governance factors prescribed under Government Code Section 56430 and any other matters relating to service provision as required by Commission policy.

II. Purpose

The purpose of these policies is to guide the Commission in conducting municipal service reviews. This includes establishing consistency with respect to the Commission's approach in the (a) scheduling, (b) preparation, and (c) adoption of municipal service reviews.

III. Objective

The objective of the Commission in conducting municipal service reviews is to proactively and comprehensively evaluate the level, range, and structure of governmental services necessary to support orderly growth and development in Napa County. Underlying this objective is to develop and expand the Commission's knowledge and understanding of the current and planned provision of local governmental services in relationship to the present and future needs of the community. The Commission will use the municipal service reviews not only to inform subsequent sphere of influence determinations but also to identify opportunities for greater coordination and cooperation between providers as well as possible government structure changes.

IV. Municipal Service Review Policies**A. Scheduling**

Beginning in 2008, and every five years thereafter, the Commission will hold a public hearing to adopt a study schedule calendaring municipal service reviews over the next five year period. Public hearing notices will be circulated 21 days in advance to all local agencies as well as posted on the Commission website. The Commission will generally schedule municipal service reviews in conjunction with sphere of influence updates. The Commission, however, may schedule municipal service reviews independent of sphere of influence updates. The Commission may also amend the study schedule to add, modify, or eliminate calendared municipal service reviews to address changes in circumstances, priorities, and available resources.

In adopting a study schedule, the Commission will calendar three types of municipal service reviews. These three types of municipal service reviews are 1) service-specific, 2) region-specific, and 3) agency-specific and are summarized below.

- A service-specific municipal service review will examine particular governmental services across multiple local agencies on a countywide basis.
- A region-specific municipal service review will examine the range of governmental services provided by local agencies within a particular area.
- An agency-specific municipal service review will examine the breadth of governmental services provided by a particular local agency.

B. Preparation

The Commission will encourage input among affected local agencies in designing the municipal service reviews to enhance the value of the process among stakeholders and capture unique local conditions and circumstances effecting service provision. This includes identifying appropriate performance measures as well as regional growth and service issues transcending political boundaries. The Commission will also seek input from the affected local agencies in determining final geographic area boundaries for the municipal service reviews. Factors the Commission may consider in determining final geographic area boundaries include, but are not limited to, spheres of influence, jurisdictional boundaries, urban growth boundaries, general plan designations, and topography.

The Commission will prepare the municipal service reviews but may contract with outside consultants to assist staff as needed. Data collection is an integral component of the municipal service review process and requires cooperation from local agencies. The Commission will strive to reduce the demands on local agencies in the data collection process by using existing information resources when available and adequate. All service related information compiled by local agencies will be independently reviewed and verified by the Commission.

Each municipal service review will generally be prepared in three distinct phases. The first phase will involve the preparation of an administrative report and will include a basic outline of service information collected and analyzed by staff. The administrative report will be made available to each affected local agency for their review and comment to identify any technical corrections. The second phase will involve the preparation of a draft report that will be presented to the Commission for discussion at a public meeting. The draft report will incorporate any technical corrections identified during the administrative review and include determinations. The draft report will be made available to the public for review and comment for a period of no less than 21 days. The third phase will involve the preparation of a final report and will address any new information or comments generated during the public review period and will be presented to the Commission as part of a public hearing.

As noted, each municipal service review will include one or more determinations addressing each of the following governance factors required under Government Code Section 56430 and by Commission policy:

1. Growth and population projections for the affected area. (§56340(a)(1)).
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies. (§56340(a)(2))
3. Financial ability of agencies to provide services. (§56340(a)(3))
4. The status of, and opportunities for, shared facilities. (§56340(a)(4))
5. Accountability for community service needs, including governmental structure and operational efficiencies. (§56340(a)(5))
6. Relationship with regional growth goals and policies. (Commission)

C. Adoption

The Commission will complete each scheduled municipal service review by formally receiving a final report and adopting a resolution codifying its determinations as part of public hearing.

California Government Code Section 56430

(a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the 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:

- (1) Infrastructure needs or deficiencies.
- (2) Growth and population projections for the affected area.
- (3) Financing constraints and opportunities.
- (4) Cost avoidance opportunities.
- (5) Opportunities for rate restructuring.
- (6) Opportunities for shared facilities.
- (7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.
- (8) Evaluation of management efficiencies.
- (9) Local accountability and governance.

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

(c) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

(d) Not later than July 1, 2001, the Office of Planning and Research, in consultation with commissions, the California Association of Local Agency Formation Commissions, and other local governments, shall prepare guidelines for the service reviews to be conducted by commissions pursuant to this section.

California Government Code Section 56425

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

(b) Prior to a city submitting an application to the commission to update its sphere of influence, representatives from the city and representatives from the county shall meet to discuss the proposed new boundaries of the sphere and explore methods to 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. If an agreement is reached between the city and county, the city shall forward the agreement in writing to the commission, along with the application to update the sphere of influence. The commission shall consider and adopt a sphere of influence for the city consistent with the policies adopted by the commission pursuant to this section, and the commission shall give great weight to the agreement to the extent that it is consistent with commission policies in its final determination of the city sphere.

(c) If the commission's final determination is consistent with the agreement reached between the city and county pursuant to subdivision (b), 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.

(d) If no agreement is reached pursuant to subdivision (b), 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.

(e) In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following:

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

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

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

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

(f) Upon determination of a sphere of influence, the commission shall adopt that sphere.

(g) On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.

(h) The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for those recommendations. Those recommendations shall be made available, upon request, to other agencies or to the public. The commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

(i) When adopting, amending, or updating a sphere of influence for a special district, the commission shall do all of the following:

(1) Require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

(2) Establish the nature, location, and extent of any functions or classes of services provided by existing districts.

An Abridged Chronological History of Farmworker Housing in Napa County

1940s to 1960s Napa County agriculture made up mostly of diverse family farms who sell their grapes to mostly to five major Napa Co. wineries. Most Hispanic Farmworkers have arrived in Napa County from Michoacán, Mexico through the Federal Government's Braseró Program. Most growers, including wineries, have numerous permanent/temporary labor camps. Many workers also live in towns, particularly in Calistoga and Yountville.

1968 Napa County Agricultural Preserve approved by County Supervisors, creating forty acre minimum parcels with side effect of reducing legitimate migrant housing possibilities in agricultural areas.

1970s California's "Wine Revolution" begins with new wineries and large increase of vineyard plantings and labor needs.

1980s Napa Co. has 29 camps providing for less than 400 workers. "Viticultural Revolution" begins with closer spacing and more canopy management, resulting in more labor needed for a longer period of time. By end of 1980s there are 32,000 vineyard acres.

1987 Napa Valley Housing Authority is created by Joint Powers Agreement between County of Napa and all Napa Co. cities, to provide low-income housing. Made up of one representative from each city and two County Supervisors.

1990s By end of 1990s estimated Farmworker beds dropped to 250 while vineyard acreage increases to over 40,000.

1991 Father Brenkle opens "porch camp" at St Helena Catholic Church. Sleep up to 40 who are not necessarily Farmworkers.

1992 Farmworker Committee, a group of concerned citizens, is established and over time becomes represented in NVHA, CHDC, FWOC and NVV. Tent City created at Carmelite Monastery, houses up to 40 people and lasts one year.

1993 Heublein Corp sells Calistoga Camp (40 beds) to NVHA for \$1.00. Robert Mondavi Winery leases their Camp (26 beds) to NVHA for \$1.00.

1996 Growers, including Vintners, raise \$45,000 for farm worker housing with voluntary \$1.00/ton assessment.

1998 NVV, NCFB and NVG raise \$49,000 for camps. Publicity for Farmworker housing advocacy increases.

1999 NVV through the Wine Auction donates \$85,000 for camps. Growers and Vintners donate an additional \$135,000 through contributions and assessments.

2000s Vineyard Acreage up to nearly 45,000. Hours of labor required per vineyard acre continues to increase. Continued proliferation of wineries.

2000 NVV donates \$150,000 for camps. Farm Worker Oversight Committee (FWOC) formed to solve problems of funding and management of Centers.

2001 NVV donates \$296,000 for camps. AB 1550 passes allowing vineyard owners to assess themselves for Farmworker housing. CSA#4 passes by 71%, allows for assessment of up to \$10.00/vineyard acre, first time in US history. Twelve yurts purchased and set up at harvest for two years. Joseph Phelps donates 8 acres for River Ranch Center.

2002 Measure L passes, allows up to five new camps in Ag Preserve at 60 beds each. River Ranch begins construction with state, Napa County and NVV funds.

2003 River Ranch completed. FWOC forms Farmworker Vision Committee to improve Calistoga and Mondavi Centers. State's Joe Serna Jr. Farmworker Housing Program announces Notice of Fund Availability exclusively for migrant Farmworker housing.

2004 Farmworker Vision Committee makes remodeling recommendations to FWOC which are accepted with little discussion. Joe Serna grants for Calistoga and Mondavi Centers written by NVHA based on marginal cost estimations. Napa only county to apply for and receive Joe Serna money.

2005 Calistoga Center begins reconstruction project with construction budget of \$1,317,000.

2006 Mondavi Camp begins reconstruction project with construction budget of \$1,020,118.

2007 Cost overruns at Calistoga are an additional \$1,524,000 and Mondavi is \$742,264. Peter Drier, Executive Director of both NVHA and Napa City Housing Authority resigns. Current debt of combined reconstruction projects around \$1.2 + million. Waiting on new grant request from state of nearly \$700,000 and \$205,000 from NVV grant. County to most likely pick up any remaining deficit.

Next week Supervisors to write new ordinance to take over the Centers without NVHA; CSA#4 Committee and FWOC to disband and new, "hybrid" Farm Worker Housing Commission being created.

CSA#4 renewal election this June through mid July. 66.6% of Napa Co. vineyard owners who respond by amount of owned acreage must approve for passage. If approved will last another 5 years, If defeated will likely close from one to all three Centers after this year. State could possibly foreclose on Calistoga and Mondavi.

Acronym definitions:

CHDC California Human Development Corp., private company which runs all three centers.

CSA#4 County Service Area, the assessment district.

NCFB Napa County Farm Bureau, stake holder

NVG Napa Valley Grapegrowers, stake holder

NVHA Napa Valley Housing Authority, low income housing agents for County and Cities except City of Napa

NVV Napa Valley Vintners, stake holder

Pete Richmond



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October 4, 2010
Agenda Item No. 8b (Discussion)

September 28, 2010

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer
Brendon Freeman, Analyst

SUBJECT: Concurrent Municipal Service Review and Sphere of Influence Establishment for Napa County Regional Park and Open Space District
The Commission will receive a draft report from staff representing the agency's scheduled municipal service review and sphere of influence establishment for the Napa County Regional Park and Open Space District. The draft report is being presented to the Commission for discussion in anticipation of future action.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to review and update each local agency's sphere of influence every five years as needed. Spheres are planning tools used by LAFCOs to demark the territory representing the affected agency's appropriate future service area and jurisdictional boundary within a specified time period. All jurisdictional changes and outside service extensions must be consistent with the affected agencies' spheres with limited exceptions. Sphere determinations may also lead LAFCOs to take other actions under their authority. LAFCOs must inform their sphere determinations by preparing municipal service reviews to consider the level, range, and need for governmental services within their county jurisdiction.

A. Discussion

In accordance with LAFCO of Napa County's ("Commission") adopted study schedule, staff has prepared a draft report representing the agency's scheduled municipal service review and sphere of influence establishment for the Napa County Regional Park and Open Space District (NCRPOSD). The draft report represents the Commission's first evaluation of NCRPOSD; the District was formed in 2006 through special legislation which included an exemption from Commission review and approval. The draft report is organized into two principal sections. The first section is an executive summary that includes determinations making statements with respect to each factor required for consideration as part of the municipal service review and sphere establishment processes. The second section provides a comprehensive review of NCRPOSD in terms of its formation and development, relevant growth trends, organizational structure, municipal service provision, and financial standing.

Juliana Inman, Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Vice-Chair
County of Napa Supervisor, 4th District

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

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

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

B. Summary

NCRPOSD is an independent special district formed in 2006 and authorized to provide a broad range of municipal services relating to public park and open space services in Napa County. The attached draft report concludes NCRPOSD has generally established adequate administrative, service, and financial capacities to provide an appropriate level of public park and open space services within Napa County. These capacities appear relatively sufficient to continue providing effective services in the near term based on local needs and conditions. The draft report notes the adequacy of these capacities is predicated on NCRPOSD's ability to maintain its current funding relationship with the County, which currently covers all District operating costs. NCRPOSD's capacity to meet its increasing service commitments is also significantly dependent on maintaining and expanding volunteer resources.

Based on the information analyzed in the municipal service review, the draft report recommends establishing NCRPOSD's sphere to be coterminous with its jurisdictional boundary and include all incorporated and unincorporated lands in Napa County.

C. Commission Review

Staff will provide a brief verbal summary of the draft report and highlight key policy and service related issues at the October 4, 2010 meeting. Commissioners are encouraged to provide feedback to staff on the scope and contents of the draft report. This may include requesting additional analysis. Staff respectfully requests the Commission also allow for public comments on the draft report given a public review period was initiated on September 27, 2010 and extends through October 25, 2010. Unless otherwise directed, staff anticipates presenting a final report, with or without revisions, to the Commission for consideration at its next regularly scheduled meeting.

Attachments:

- 1) Draft Report

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

**NAPA COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT:
MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE ESTABLISHMENT**

**Draft Report
October 2010**

Prepared by:

LAFCO of Napa County
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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.

Juliana Inman, Chair, City Member
Bill Dodd, Vice Chair, County Member
Lewis Chilton, Commissioner, City Member
Brian J. Kelly, Commissioner, Public Member
Brad Wagenknecht, Commissioner, County Member
Joan Bennett, 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) are political subdivisions of the State of California and are responsible for administering a section of Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”). LAFCOs are located in all 58 counties and are delegated regulatory responsibilities to coordinate the logical formation and development of local governmental agencies and services. Specific regulatory duties include approving or disapproving proposals involving the establishment, expansion, and reorganization of cities and special districts. LAFCOs inform their regulatory duties through a series of planning activities, namely preparing municipal service reviews and sphere of influence updates. Underlying LAFCOs regulatory and planning responsibilities is fulfilling specific objectives outlined by the California Legislature under Government Code (G.C.) Section 56301, which states:

“Among the purposes of the commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.”

LAFCOs are generally governed by a five-member commission comprising two county supervisors, two city councilmembers, and one representative of the general public.¹ Members must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCOs have sole authority in administering its legislative responsibilities and its decisions are not subject to an outside appeal process.

B. Planning Responsibilities

A central planning responsibility for LAFCO is the determination of a sphere of influence (“sphere”) for each city and special district under its jurisdiction.² 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.³ LAFCO must review and update each local agency’s sphere every five years as necessary.

“Sphere” means a plan for the probable physical boundary and service area of a local agency, as determined by LAFCO.

There are several important and distinct policy considerations underlying sphere determinations. For example, inclusion within a multiple-purpose agency’s sphere, such as a city or community services district, generally indicates an expectation by LAFCO the territory should be developed for urban uses. Alternatively, inclusion of territory within a limited-purpose agency’s sphere, such as a hospital or mosquito abatement district, may be

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

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

³ A prominent exception involves land owned and used by cities for municipal purposes that are non-contiguous to their incorporated boundary (G.C. Section 56742).

intended to support both urban and non-urban uses. It is also important to note inclusion within a sphere does not provide any guarantees the territory will be annexed. Jurisdictional changes must be considered on their own merits with particular attention focused on assessing whether the timing of the proposed action is appropriate.

Sphere determinations are guided by preparing written statements addressing four specific planning factors that range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to focus LAFCO in addressing the core principles underlying the sensible development of each local agency consistent with the anticipated needs of the affected community. Sphere determinations may also lead LAFCO to take other actions under its authority. This may include initiating the formation, consolidation, or dissolution of local agencies. Further, an increasingly important role involving sphere determinations relates to their use by regional councils of governments as planning areas in allocating housing need assignments for counties and cities, which must be addressed by the agencies in their housing elements.

As referenced, LAFCOs inform their sphere determinations by preparing municipal service reviews to evaluate the level and range of governmental services provided in the region. Municipal service reviews vary in scope and can focus on a particular agency, service, or geographic area as deemed appropriate. Municipal service reviews culminate with LAFCO making determinations on a number of governance-related factors. This includes addressing infrastructure needs or deficiencies, growth and population projections, and financial standing. LAFCOs may also consider other factors if required by local policy. LAFCOs must complete the municipal service review process prior to making related sphere determinations.

A municipal service review is a comprehensive evaluation of the availability and adequacy of one or more services within a defined area or of the range and level of services provided by one or more agencies.

D. Napa County Regional Park and Open Space District

This report represents LAFCO of Napa County’s (“Commission”) scheduled municipal service review and sphere establishment of the Napa County Regional Park and Open Space District (NCRPOSD). The report represents the first comprehensive study on NCRPOSD given the District was formed through special legislation in 2006. The report has been prepared in a manner consistent with the Commission’s *Policy on Municipal Service Reviews* and is organized into two principal sections. The first section is an executive summary that includes determinations addressing the factors required for both the municipal service review and sphere establishment mandates. The second section provides a comprehensive review of NCRPOSD in terms of its formation and development, population and growth, organizational structure, municipal service provision, financial standing, and regional comparisons. Standard service indicators are incorporated into the review to help contextualize and evaluate service levels.

Figure One

Napa County Regional Park and Open Space District



Legend

-  Napa County Regional Park and Open Space District Jurisdictional Boundary
-  Napa County Regional Park and Open Space District Proposed Sphere of Influence



Not to Scale
August 16, 2010
Prepared by BE



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II. EXECUTIVE SUMMARY

A. Municipal Service Review

The municipal service review indicates NCRPOSD has generally established adequate administrative, service, and financial capacities to provide an appropriate level of public park and open space services within Napa County. These capacities appear relatively sufficient to continue providing effective services in the near term based on local needs and conditions. Importantly, the adequacy of these capacities is predicated on NCRPOSD's ability to maintain its current funding relationship with the County, which currently covers all District operating costs. NCRPOSD's capacity to meet its increasing service commitments is also significantly dependent on maintaining and expanding volunteer resources.

The following statements address the factors prescribed for consideration as part of the municipal service review process under G.C. Section 56430. These statements are based on information collected and analyzed in the agency review provided on pages 13 to 23.

1. With respect to growth and population projections for the affected area, the Commission determines:

- a) NCRPOSD's estimated resident population parallels projections for Napa County and has modestly increased on average by 0.8% annually since formation rising from an estimated 133,448 to 138,917.
- b) It is reasonable to assume the current rate of resident population growth in Napa County will decline by one-third over the next five years. This assumption is consistent with recent demographic estimates prepared by the Association of Bay Area Governments, which projects Napa County's population will increase by 0.5% annually resulting in a population of 142,425 by 2015.
- c) Public park and open space growth serves as a key service indicator for NCRPOSD as it relates to addressing current and future demands given its statutorily-defined duties and powers. All five cities in Napa County own and operate public parks and open space ranging from intensive to passive uses. Importantly, it is assumed NCRPOSD and the cities have a shared customer base with regards to providing public park and open space services.
- d) Local public park and open space growth by the five cities of Napa County has been relatively minimal as total acreage has increased from 922.8 to 945.8, representing a 2.5% change over the last five years. This minimal growth is attributed to the recent downturn in the national economy and entirely limited to projects undertaken within the City of American Canyon.
- e) NCRPOSD has made a measureable contribution in increasing public park and open space growth in Napa County since its formation. In all, NCRPOSD has added over 300 acres of public park and open space lands highlighted by the opening of the Oat Hill Mine Trail, establishing the Berryessa Vista Wilderness Park, and assuming management responsibilities for the Napa River Ecological Reserve. This amount exceeds the combined park and open space growth of the five cities by 13 to 1.

2. With respect to present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies, the Commission determines:

- a) NCRPOSD's current public facilities are limited to two distinct properties totaling close to 900 acres in size and under development as Berryessa Wilderness Park and Moore Creek Park. NCRPOSD is also under contract with other governmental agencies to manage Oat Hill Mine Trail and Napa River Ecological Reserve.
- b) The ability of NCRPOSD to adequately operate and maintain current and planned public facilities and services is largely dependent on volunteer resources given its present and planned organizational capacity.
- c) In addition to maintaining an adequate volunteer base, NCRPOSD's ability to expand park and open space services is dependent on external revenue streams, namely grants, donations, and annual contributions from the County of Napa.
- d) NCRPOSD should establish regular visitor counts. These counts will establish baseline information with regard to the present demand for services while informing NCRPOSD in allocating current and future resources consistent with the preferences of constituents.

3. With respect to the financial ability of agency to provide services, the Commission determines:

- a) The current ability of NCRPOSD to maintain present and future operating services is entirely dependent on discretionary funds provided by the County of Napa. This discretionary funding appears increasingly vulnerable given the current structural imbalance within the County's General Fund through 2015.
- b) NCRPOSD's current financial structure is unique for a special district given it relies on various forms of outside contributions to support capital and operational expenses rather than collecting taxes, assessments, or user fees.
- c) NCRPOSD has successfully increased its unrestricted/undesignated fund balance over each fiscal year since formation with the balance currently totaling \$88,773. This amount provides NCRPOSD sufficient liquidity to cover over four months of operating expenses and demonstrates prudent financial management.
- d) Management for NCRPOSD has proven adept at obtaining grant funding through various statewide and local programs to finance several land acquisitions and trail improvements totaling over \$4.7 million. The ability to draw on outside funding helps economize NCRPOSD's resources in providing cost effective public park and open space services.
- e) The absence of long-term debt coupled with positive operating margins advantageously positions NCRPOSD to potentially raise new capital through bonded debt at favorable interest rates.

4. With respect to the status and opportunities for shared facilities, the Commission determines:

- a) NCRPOSD's services are largely oriented towards addressing recreational and open space policies codified in the County General Plan. This orientation creates a prescriptive working relationship in which NCRPOSD works closely with the County in identifying and implementing projects of shared interest and benefit.

5. With respect to accountability for community service needs, including governmental structure operational efficiencies, the Commission determines:

- a) NCRPOSD is governed by a responsive and dedicated board and staff. These characteristics enhance accountability and cultivate positive working relationships with members of the public and other local agencies.
- b) NCRPOSD's current organizational capacity is largely supported by volunteers and highlights a premium on the District providing tangible services to meet the preferences and demands of its constituents.
- c) NCRPOSD's organizational structure as an independent special district is appropriate given the District's legislative authority to provide public park and open space services for the benefit of all citizens in Napa County. This structure, nonetheless, is distinct from NCRPOSD's funding and policy orientations, which are largely deferential to the County of Napa.
- d) A review of reorganization options does not appear warranted at this time. NCRPOSD has made significant contributions and investments in elevating public park and open space services in a limited period of time.
- e) Future municipal service reviews should consider NCRPOSD's ability to establish more reliable and independent sources of operating revenues as a key preset to evaluating reorganization options.

6. With respect to the relationship with regional growth goals and policies, the Commission determines:

- a) NCRPOSD serves an integral role in developing and implementing recreational and open space policies codified in the County of Napa General Plan.

B. Sphere of Influence Establishment

It is necessary to establish a sphere for NCRPOSD to demark the District's appropriate service boundary consistent with its available and planned capacities. Based on the information collected and analyzed in the municipal service review, staff believes designating the sphere to include all incorporated and unincorporated lands within Napa County is appropriate. This designation would parallel NCRPOSD's jurisdictional boundary and reflect a policy determination by the Commission the District can adequately provide the public park and open space services for which it was formed throughout the county. This determination is supported by the following statements.

1. Present and planned land uses in the area, including agricultural and open-space lands.

The present and planned land uses within the proposed sphere are outlined in the general plans prepared by the six overlapping land use authorities. The exercise of NCRPOSD's public park and open space services support – directly and indirectly – agricultural and open space policies pervasive within these general plans.

2. Present and probable need for public facilities and services in the area.

Voters recently affirmed their support and need for public park and open space services within the proposed sphere in approving the formation of NCRPOSD in November 2006. The present and probable need for these types of services is also codified as part of several policy goals and objectives in the County General Plan.

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

The Commission has confirmed through the municipal service review process NCRPOSD has established adequate and effective public park and open space services within the proposed sphere.

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

The proposed sphere reflects social ties existing between NCRPOSD and its jurisdictional boundary which were memorialized by voters in November 2006.

III. AGENCY REVIEW

A. Napa County Regional Park and Open Space District

1.0 Overview

NCRPOSD was formed in 2006 and provides a range of municipal services relating to the operation of public parks and open space in Napa County. NCRPOSD is an independent special district governed by five elected members from the general public. Staffing services are provided by contract through the County of Napa and presently budgeted to fund the equivalent of 2.5 full-time employees. Private contractors are also regularly retained as needed to provide specialized services. NCRPOSD includes all unincorporated and incorporated lands in Napa County and has an estimated resident service population of 138,917. The current operating budget is \$255,300 with an unreserved/undesignated fund balance of \$88,773 as of June 30, 2010.

2.0 Formation and Development

2.1 Formation

NCRPOSD's formation was engendered in the early 1990s when local stakeholders began discussing options to establish elevated public park and open space services in the unincorporated area. Markedly, at the time, Napa County was one of only a handful of counties in California without a county parks department or a countywide special district dedicated to providing public park and open space services. Stakeholder discussions ultimately led the County to seek special legislation to expedite the formation of a parks and open space district in Napa County to include, among other things, an exemption from receiving written approval from LAFCO.⁴ This special legislation was sponsored by Senator Mike Thompson and codified as part of Senate Bill (SB) 1306, which was signed by Governor Pete Wilson and became effective on September 30, 1991.

Despite SB 1306's enactment, the formation of a parks and open space district in Napa County did not immediately follow. An initial formation attempt was presented to voters in November 1992 and accompanied by a second measure aimed at increasing the local sales tax rate to provide funding for the proposed parks and open space district. Successful passage of the two measures was dependent on each action being separately approved. Accordingly, while formation proceedings were approved, the parks and open space district was not formed given nearly two-thirds of voters rejected the proposed sales tax increase.

Interest in establishing elevated public park and open space services in Napa County persisted throughout the 1990s and ultimately led to a second ballot attempt in November 2000. This second attempt, though, differed from the previous effort by proposing an increase to the transient occupancy tax rate to fund certain activities under the supervision of a to-be-created parks department within the County. The measure was also rejected by close to three-fifths of voters.

⁴ Similar exemptions from LAFCO proceedings involving parks and open space district formations had been approved by the Legislature for Marin, Sacramento, San Diego, and Sonoma Counties.

By the mid 2000s, interest in establishing elevated public park and open space services were once again renewed in anticipation of the County preparing an update to its General Plan. The Board of Supervisors responded to the renewed interest by establishing a 16-member advisory committee tasked with studying various options to deliver public park and open space services in the unincorporated area. This included developing a strategy to allocate the County’s proportional share of proceeds associated with Propositions 12 and 40.⁵

In October 2005, the advisory committee completed its review and issued a report to the Board of Supervisors. The report concluded the County lacked the organizational capacity to effectively implement and manage parks and open space projects, and therefore recommended the formation of an independent district. Notably, in support of its recommendation, the advisory committee outlined four specific advantages to forming an independent parks and open space district: (a) maintaining a sustained focus; (b) establishing continuity between various projects; (c) partnering with other stakeholders; and (d) avoiding public concerns relating to eminent domain.⁶ The advisory committee also outlined a strategy to focus initial activities on improving the stewardship of existing publicly-owned open space resources in Napa County. Specific activities identified included providing maps, developing signage, and assuming trail management with initial funding provided by the County. Significantly, the advisory committee envisioned the County supporting the parks and open space district for the first two years while assisting in the development of independent revenue sources. The Board of Supervisors ultimately approved the advisory committee’s recommendation with voters approving formation proceedings by close to a three-fifths amount along with electing five board members in November 2006.

2.2 Development

NCRPOSD’s development was initiated shortly after formation by entering into a staff support agreement with the County. Staff shortly thereafter prepared a master plan to guide NCRPOSD activities through 2013. The master plan incorporates several projects recommended by the advisory committee and is primarily focused on implementing key recreational and open space policies in the County General Plan. All projects identified in the master plan are predicated on achieving four interrelated goals: (a) provide opportunities for outdoor recreation through developing a system of parks, trails, water resource activities, open space, and related facilities; (b) preserve, restore, and protect open space lands, natural resources, and special habitat areas; (c) provide historical and environmental educational programming opportunities; and (d) provide for agency management and interagency partnerships.

Timeline of Events

1992	...special legislation enacted to expedite parks and open space district formation in Napa County
1992	.....initial measure to form parks and open space district with sales tax increase rejected by voters
2000	.....measure to increase hotel tax to fund a County parks department rejected by voters
2003	.....advisory committee formed by the County to study parks and open space options
2006	..... voters approve measure forming NCRPOSD
2008	.....NCRPOSD adopts master plan

⁵ Proposition 12 (2000) and Proposition 40 (2002) allocated \$1.364 billion and \$1.186 billion, respectively, for additions and improvements to the California State Park system and are proportionally allocated to counties based on population. NCRPOSD received \$0.225 million from Proposition 12 and \$0.885 million from Proposition 40.

⁶ State statute specifically prohibits parks and open space districts from exercising eminent domain powers.

Key projects undertaken by NCRPOSD to date include entering into agreements with the County and the Department of Fish and Game (DFG) to assume management responsibilities for the Oat Hill Mine Trail north of the City of Calistoga and the Napa River Ecological Reserve east of the Town of Yountville. Additionally, NCRPOSD recently purchased through grant awards approximately 900 acres of unincorporated land for purposes of developing two passive recreational parks. The first park, Berryessa Vista Wilderness, is located near Lake Berryessa and is open to the public, though access is currently limited to watercraft pending future improvements. The second park, Moore Creek, is located near Lake Hennessey and expected to be open to the public by 2015.

3.0 Adopted Boundaries

NCRPOSD’s jurisdictional boundary was established by ballot and is 791.4 square miles or 506,517 acres in size. It includes all unincorporated and incorporated lands within Napa County. There are a total of 49,804 assessor parcels within NCRPOSD with a combined assessed value of \$27.8 billion. A review of the database maintained by the County Assessor’s Office indicates only 40% of the jurisdictional boundary is developed as measured by assigned situs addresses. The establishment of a sphere is to be determined as part of this scheduled review and is evaluated in detail on page **** of this report.

Category	Jurisdictional Boundary	Sphere of Influence
Total Acres	506,517	TBD
Total Assessor Parcels	49,804	TBD

4.0 Population and Growth

4.1 Population Trends

NCRPOSD’s current resident population is estimated at 138,917 based on demographic information published by the California Department of Finance for Napa County. The resident population overall has risen by 4.1% over the last five years corresponding with NCRPOSD’s formation. This equals an annual increase of 0.8% and comparatively ranks sixth in terms of percentage change among all nine Bay Area counties during the period. Nearly nine-tenths of all resident population growth during the last five years occurred within the cities of American Canyon and Napa.⁷ The following table summarizes past and current resident population projections.

Past and Current Resident Population Projections

(California Department of Finance and LAFCO)

Category	2006	2007	2008	2009	2010	Annual Change
Population	133,448	134,726	136,276	137,723	138,917	0.8%

⁷ Between 2006 and 2010, American Canyon and Napa’s resident population increased from 14,879 to 16,836 and 76,094 to 78,791, respectively, representing 85.1% of the total population rise in Napa County.

It is reasonable to assume resident population trends in Napa County will decline by one-third over the next five years. This assumption is consistent with recent demographic estimates prepared by the Association of Bay Area Governments, which projects Napa County's population will increase by 0.5% annually through 2015 as summarized below.

Future Resident Population Projections

(Association of Bay Area Governments and LAFCO)

Category	2011	2012	2013	2014	2015	Annual Change
Population	139,612	140,310	141,011	141,716	142,425	0.5%

4.2 Growth Trends Relating to Public Parks and Open Space

Public park and open space growth serves as a key service indicator for NCRPOSD as it relates to addressing current and future demands given its statutory-defined duties and powers. All five cities in Napa County own and operate public parks ranging from intensive (i.e. playfields) to passive (i.e. walking trails) uses. Importantly, as part of this review, it is assumed NCRPOSD and the cities have a shared customer base with regards to providing public park and open space services.

With the preceding comments in mind, local public park and open space growth by the cities has been relatively minimal as total acreage has increased from 922.8 to 945.8, representing a 2.5% change over the last five years. This minimal growth is attributed to the recent downturn in the national economy and limited to projects undertaken within the City of American Canyon. Comparatively, despite the downturn, NCRPOSD has added a total of 306.9 acres of public parks and open space lands during this period highlighted by the opening of the Oat Hill Mine Trail, establishing the Berryessa Vista Wilderness Park, and assuming management responsibilities for the Napa River Ecological Reserve.⁸ The following table summarizes public park and open space growth over the last five years.

Local Public Parks and Open Space Acreage in Napa County

(Source: LAFCO)

City	2006 Acreage	Acreage Per 1,000 Residents	2010 Acreage	Acreage Per 1,000 Residents
American Canyon	55.1	3.7	78.1	4.6
Calistoga	15.7	3.0	15.7	2.9
Napa	800.0	10.5	800.0	10.1
St. Helena	36.0	6.1	36.0	6.0
Yountville	16.0	4.9	16.0	4.9
Special District				
NCRPOSD	0.0	0.0	306.9	2.2

⁸ NCRPOSD has recently assumed the County's joint-management agreement with DFG to assist in restoration work and operate the existing public trails and related accommodations in the project site.

5.0 Organizational Structure

5.1 Governance

NCRPOSD is organized under the Public Resources Code §5500 to 5595 and is known as the Regional Park, Park and Open Space, and Open Space District Law. This legislation was originally established in 1933 with the intent of providing local communities organizational alternatives in preserving, improving, and protecting park, wildlife, open space, and beach lands. Special districts under this legislation generally have broad authority to construct, improve, operate, and maintain a system of public parks, playgrounds, golf courses, beaches, trails, and natural areas. There are approximately 108 of these types of special districts operating in California.

NCRPOSD's governing body is comprised of an independently elected five-member board of directors ("Board") representing the five supervisorial wards. Board terms are four years with all five current members having been originally elected at the time of formation. The Board is responsible for annually electing a President and Vice-President for purposes of serving as the presiding officers.⁹ Elections are based on a registered-voter system. NCRPOSD is statutorily empowered to obtain grants, accept gifts, and collect fees for services provided. NCRPOSD is also authorized to raise revenues through property assessments and taxes subject to voter approval.

NCRPOSD meetings are generally conducted on the second Monday of each month. Meetings are held at the Napa County Board of Supervisors Chambers. A review of agency records for the 2009-2010 fiscal year identifies NCRPOSD held 11 meetings.

5.2 Administration

NCRPOSD contracts with the County for staff support services. This includes appointing a County employee to serve as an at-will general manager for purposes of administering daily activities. The general manager's principal tasks include identifying park, recreation, and open space conversion opportunities, developing project proposals, obtaining necessary funding for permits, and forming partnerships with other public agencies, non-profit organizations, and community groups. NCRPOSD's contract with the County also provides additional support relating to accounting, legal, and various other administrative tasks. In all, the contracted staff support services provided by the County are currently equivalent to approximately 2.5 full-time employees. NCRPOSD also uses private contractors to deliver specialized project-specific services as needed.

6.0 Municipal Services

NCRPOSD provides a range of municipal services involving the operation and resource-management of public parks and open space in Napa County. These services are divided for purposes of this review into two broad and interrelated categories: (a) public recreation facility development and (b) public resource preservation and restoration. A narrative evaluation of these categories in terms of current and pending services follows.

⁹ NCRPOSD's Bylaws were adopted in 2007 and amended in 2008. The Bylaws state the President shall act as presiding officer of the Board and in that capacity shall preserve order and decorum, decide questions of order subject to being overruled by a four-fifths vote and perform such other duties as are required by these Bylaws or by vote of the Board.

6.1 Public Recreation Facility Development

Current Services

NCRPOSD's current services as it relates to public recreation facility development presently involve three distinct activities comprising a trail, open space preserve, and wilderness park. A summary of these three service activities follows.

- **Oat Hill Mine Trail** is located immediately north of the City of Calistoga and is 8.3 miles in length totaling 9.9 acres. This trail was first developed as a dirt road in the 1890s and overlays the southeast portion of Robert Louis Stevenson State Park. The County maintains an easement underlying the trail, which was originally constructed as part of a mercury mining operation before being abandoned in the 1960s. In April 2007, NCRPOSD entered into an agreement with the County to improve and operate the trail for public use, including providing signage installation, erosion control, and vegetation management.¹⁰ The trail was open for public use in May 2008 and is actively maintained by volunteers. NCRPOSD estimates the trail generates 5,000 visitors annually, although no formal count has been undertaken.
- **Napa River Ecological Reserve** is approximately 73.0 acres in size and located east of the Town of Yountville. The reserve overlays lands owned by DFG and is a protected watershed of the Napa River. NCRPOSD entered into an agreement with DFG in December 2008 to maintain the public portion of the reserve. No formal counts exist with regards to identifying usage.
- **Berryessa Vista Wilderness Park** is an approximate 224.0 acre open space area on the southwest side of Lake Berryessa on land NCRPOSD recently purchased from the Napa County Land Trust in February 2008. Public access is currently limited to watercraft with plans to eventually establish land access via the Lake Berryessa Trail, which is contemplated in the Bureau of Land Management's (BLM) redevelopment plans for the area. The estimated cost to develop the park and make related improvements is \$50,000. Grants will be pursued to cover construction costs while volunteers will be utilized for operations.

Pending Services

NCRPOSD is in the process of developing nine additional public recreation facilities comprising six trails and three parks. A summary of these pending services follows.

- **Berryessa Peak Trail** is intended to be approximately 7.0 miles in length along the eastern boundary of Napa County near Lake Berryessa on DFG and BLM lands. NCRPOSD recently obtained a no-cost easement from a neighboring landowner to secure access to the lands from Berryessa-Knoxville Road and is currently negotiating with DFG and BLM to secure no-cost easements for the remaining portion of the trail. Volunteers will be utilized to construct the trail with construction anticipated to begin in late 2010.

¹⁰ The trail is secured through a non-exclusive easement maintained by the County.

- **Lake Hennessey Trail** is approximately 2.7 miles in length located on the north side of Lake Hennessey and is owned and managed by the City of Napa. NCRPOSD is negotiating with Napa to construct and operate an approximate 5.0 mile extension to loop around Lake Hennessey along with staging and picnic areas. Negotiations are on hold pending NCRPOSD completing an environmental review on the extension. The estimated cost to develop the extension and make related improvements is \$60,000. Grants will be pursued to cover construction costs while volunteers will be utilized for operations.
- **Milliken Ridge Trail** is intended to be approximately 10.0 miles in total length along the Milliken Creek watershed on lands owned by the City of Napa. NCRPOSD is currently negotiating with Napa to secure an easement for purposes of developing the trail along with establishing staging and picnic areas. Negotiations are currently on hold pending the completion of the Lake Hennessey Trail extension. The estimated cost to develop the trail and make related improvements is \$1.6 million. Grants will be pursued to cover construction costs while volunteers will be utilized for operations.
- The first phase of **Napa River and Bay Trail** is intended to be approximately 5.6 miles in length between Eucalyptus Drive and Green Island Road along the northwestern perimeter of the City of American Canyon and looping around the former American Canyon landfill site. Nearly half of the first phase is complete and open to the public. (This initial portion of the phase is managed by American Canyon.) NCRPOSD has recently secured an easement from DFG and a use permit from the County for the remaining portion of the second phase with construction anticipated beginning in 2011 with funding provided by a \$1.0 million State grant award.¹¹
- **Rector Ridge/Stags Leap Trail** is intended to be approximately 6.0 miles in total length along the Rector Creek watershed on lands owned by the State Department of Veterans Affairs (DVA). NCRPOSD is currently negotiating with DVA to secure an easement agreement for purposes of developing the trail along with establishing staging areas. There is no current timetable for beginning construction due to ongoing negotiations. The estimated cost to develop the trail and make related improvements is \$1.1 million. Grants will be pursued to cover construction costs while volunteers will be utilized for operations.
- **Vine Trail** is intended to be approximately 44.0 miles in total length generally along State Highway 29 between the Vallejo Ferry Terminal and the City of Calistoga. NCRPOSD has recently entered into an agreement with the non-profit Vine Train Coalition to partner in planning, funding, and operating the project. The estimated cost to develop the trail and make related improvements ranges from \$34.0 to \$49.0 million. Grants and private donations will be pursued to cover construction and operational costs.

¹¹ The remaining two phases of the Napa River and Bay Trail will extend further north connecting Green Island Road to Napa Pipe. There is no current timetable for these two phases.

- **Berryessa Estates Park** is intended to be approximately 480.0 acres in size located adjacent to the unincorporated Berryessa Estates community on land owned by BLM. NCRPOSD has recently applied to BLM for a no-fee transfer of the land given its surplus designation by the federal government. The estimated cost to develop the park and make related improvements is \$50,000. Grants will be pursued to cover construction costs while volunteers will be utilized for operations.
- **Camp Berryessa Park** is intended to be approximately 30.0 acres in size located along a former Boy Scout recreational site on the northwest side of Lake Berryessa north of Putah Creek on Bureau of Reclamation (BOR) land. NCRPOSD has recently prepared an agreement for review by BOR to construct and operate a public park focusing on camping-related accommodations. An accompanying environmental document is currently under preparation. The estimated cost to develop the park and make related improvements is \$1.7 million. Grants will be pursued to cover construction costs while volunteer camp hosts will be utilized for on-site monitoring and camp fees will pay for additional operations.
- **Moore Creek Park** is intended to be approximately 680.0 acres in size north of Chiles and Pope Valleys on land NCRPOSD purchased in December 2008. NCRPOSD is currently preparing a use permit application for public recreational use and camping facilities on the land. The estimated cost to develop the park and make related improvements is approximately \$500,000. Grants have been awarded to cover construction costs while volunteers, including resident volunteer caretakers, will be utilized for the majority of operations.

6.2 Public Resource Preservation and Restoration

Current Services

NCRPOSD currently provides public preservation and restoration related services to two project sites. A summary of these current services follows.

- As mentioned in the preceding section, **Napa River Ecological Reserve** is an approximate 73.0 acre area located northeast of the Town of Yountville along the Napa River on land owned by DFG. NCRPOSD has recently assumed the County's joint-management agreement with DFG to assist in restoration work and operate the existing public trails and related accommodations in the project site. Planned improvements include enhancing the trail and improving connectivity within the project site by constructing a bridge over the Napa River. The estimated cost to construct planned improvements is approximately \$13,000. NCRPOSD has recently obtained a \$100,000 grant to fund the first two years of this project. Volunteers will be utilized for operations.

- **Linda Falls** is an approximate 40.0 acre undeveloped area located along Conn Creek in Angwin. The area is anchored by a 30 foot waterfall and on land owned by the Napa County Land Trust. NCRPOSD has recently obtained a no-cost conservation easement in April 2008 from the Land Trust for purposes of providing elevated habitat protection. It is assumed this arrangement will evolve to allow NCRPOSD to eventually establish a public trail. The estimated cost to monitor and provide habitat protection is minimal.

Pending Services

NCRPOSD is in the planning process of establishing public resource preservation and restoration service at two additional project sites. A summary of these pending services follows.

- **South Napa Wetlands** is an approximate 600 acre area located south of the City of Napa at the terminus of Jefferson Street on land owned by the Napa County Flood Control and Water Conservation District (“Flood”). NCRPOSD is currently in discussions with Flood to purchase the site at no cost for purposes of providing habitat management and environmental education opportunities for local students. Annual costs for the project are not known at this time.
- **Vallejo Lakes** is an approximate 1,500 acre area located east of the City of Napa beyond Skyline Park on land owned by the City of Vallejo, approximately 135 acres of which are within Napa County. NCRPOSD has recently initiated discussions to purchase the project site given Vallejo has designated the land as surplus. Acquisition of the project site would protect against private development as well as potentially serve as a trail extension involving Skyline Park. The estimated cost of the property is not known.

7.0 Financial

7.1 Assets, Liabilities, and Equity

NCRPOSD contracts with a private consulting firm to prepare an annual report following the end of each fiscal year summarizing the agency’s overall financial standing. The most recent report was prepared for the 2008-2009 fiscal year and includes audited financial statements identifying NCRPOSD’s assets, liabilities, and equity as of June 30, 2009. These audited financial statements provide quantitative measurements in assessing NCRPOSD’s short and long-term fiscal health and are summarized below.

Assets

NCRPOSD’s assets at the end of the fiscal year totaled \$3.05 million. Assets classified as current, with the expectation they could be liquidated into currency within a year, represented 3.7% of the total amount with the entire amount tied to cash investments with the County Treasurer.¹² Assets classified as non-current represented the remaining amount and are predominately associated with recent land acquisitions.

¹² Current assets totaled \$0.113 million and includes only cash investments.

Category	2006-2007	2007-2008	2008-2009
Current Assets	18,204	107,743	112,950
Non-Current Assets	0	125,414	2,933,295
Total	\$18,204	\$233,157	\$3,046,245

Liabilities

NCRPOSD’s liabilities at the end of the fiscal year totaled \$0.03 million. Current liabilities representing obligations owed within a year accounted for the entire total amount and tied to accounts payable.

Category	2006-2007	2007-2008	2008-2009
Current Liabilities	0	45,847	32,880
Non-Current Liabilities	0	0	0
Total	\$0	\$45,847	\$32,880

Equity/Fund Balance

NCRPOSD’s equity at the end of the fiscal year totaled \$3.013 million. This amount represents the difference between NCRPOSD’s total assets and total liabilities and is entirely unreserved and available for any use. The amount is divided between designated and undesignated with the latter representing 97% of the total and tied to capital assets.

Category	2006-2007	2007-2008	2008-2009
Reserved	0	0	0
Unreserved/Designated	0	125,414	2,933,295
Unreserved/Undesignated	18,204	61,896	80,070
Total Equity	\$18,204	\$187,310	\$3,013,365

NCRPOSD’s financial statements for 2008-2009 reflect the District experienced a positive change in its fiscal standing as its overall equity, or fund balance, increased by sixteen-fold from \$0.187 to \$3.013 million. This increase is directly attributed to the purchase through separate grant awards of 673 acres of land with a building as part of its planned Moore Creek Park project. This purchase follows the prior year acquisition of 224 acres of land as part of the planned Berryessa Vista Park project and collectively underlies the significant increase in NCRPOSD’s assets over the past two fiscal years.

2008-2009 Financial Statements

Assets	\$3.046 million
Liabilities	\$0.033 million
Equity	\$3.013 million

Calculations performed assessing NCRPOSD’s liquidity, capital, and solvency indicate the District is in strong financial health. Liquidity remained high as NCRPOSD finished the fiscal year with current assets more than three times greater than its current liabilities along with 107 days cash sufficient to cover operating expenses.¹³ NCRPOSD’s capital also remained entirely intact given it finished with no long-term debt while maintaining a positive operating margin.¹⁴

¹³ NCRPOSD’s current ratio was 3.4:1.

¹⁴ NCRPOSD’s operating margin was 2.7%.

7.2 Revenue and Expense Trends

A review of NCRPOSD’s audited and pre-audited financial statements identifies the District has maintained positive cash flow since formation as actual revenues have exceeded actual expenses by nearly five to one. Underlying the positive cash flow is increases to NCRPOSD’s grant funding and donations. The following table summarizes total actual revenues and expenses between 2006-2007 and 2009-2010.

Fiscal Year	Actual Revenues	Actual Expenses	Difference
2006-2007	170,591	152,387	18,204
2007-2008	384,485	215,871	168,614
2008-2009	3,213,089	38,802	2,825,087
2009-2010	517,211	508,510	8,701
<i>Total</i>	<i>\$4,285,376</i>	<i>\$915,570</i>	<i>---</i>
<i>Change (%)</i>	<i>203.2%</i>	<i>233.7%</i>	<i>---</i>

7.3 Current Budget

NCRPOSD’s adopted budget for the 2010-2011 fiscal year totals \$1.765 million. This amount represents NCRPOSD’s total approved expenses or appropriations for the fiscal year within its seven established governmental fund units and have matching revenue

2010-2011 Adopted Budget	
Total Expenses:	\$1.765 million
Total Revenues:	\$1.765 million
Difference:	\$0.000 million

amounts. NCRPOSD’s General Fund unit supports day-to-day activities and is budgeted at \$255,300 with over four-fifths of appropriations dedicated to contracted staff costs. All General Fund expenses are covered through a matching grant award from the County. The remaining six governmental fund units pertain to specific projects ranging from Moore Creek to Napa River Ecological Reserve with matching revenue to expense amounts.

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IV. ENVIRONMENTAL REVIEW

A. Municipal Service Review

The municipal service review on NCRPOSD is a project under the California Environmental Quality Act (CEQA) given it may reasonably result in a future indirect physical change to the environment. The municipal service review is categorically exempt from further environmental review under Code of Regulations Section 15306. This exemption applies to basic data collection, research, and resource evaluation activities, which do not result in any serious or major disturbance to any environmental resource. This exemption applies to the municipal service review on NCRPOSD given it is strictly for information gathering purposes that may lead to an action which LAFCO has not approved, adopted, or funded.

B. Sphere of Influence Establishment

The sphere establishment on NCRPOSD is a project under CEQA given it may reasonably result in a future indirect physical change to the environment. The sphere establishment is exempt from further environmental review under Code of Regulations Section 15061. This exemption is referred to as the “general rule” and applies to projects in which it can be seen with certainty there is no possibility the action may have a significant effect on the environment. This exemption applies to the sphere establishment on NCRPOSD given it can be seen with certainty the establishment of a sphere will not result in any physical changes to the environment.

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V. SOURCES

Agency Contacts

- John Woodbury, NCRPOSD Manager

Documents

- NCRPOSD Master Plan 2008-2013, January 2009
- Association of Bay Area Governments, “Projections and Priorities,” 2009
- Napa County Support Services Agreement No. 6781 with NCRPOSD
- NCRPOSD “Audit Report for the Year Ended June 30, 2007,” (Gallina LLP)
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- NCRPOSD “Audit Report for the Year Ended June 30, 2009,” (Gallina LLP)
- NCRPOSD, “Budget for Fiscal Year 2006-2007”
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- NCRPOSD, “Budget for Fiscal Year 2008-2009”
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- NCRPOSD, “Budget for Fiscal Year 2010-2011”
- NCRPOSD, “Year One Report,” January 28, 2008
- NCRPOSD, “Year Two Report,” January 12, 2009

Websites

- Napa County Regional Park and Open Space District, <http://www.napaoutdoors.org/>
- Association of Bay Area Governments, <http://www.abag.org/>
- California State Controller’s Office, <http://sco.ca.gov/>
- California Department of Finance, <http://www.dof.ca.gov/>

LIST OF PROJECTS UNDER NCRPOSD'S WORK PLAN

Goal A: Provide opportunities for outdoor recreation through the development of a system of parks, trails, water resources, open space, and related facilities

- A.1 Oat Hill Mine Trail Improvements
- A.2 Milliken Creek Trails and Picnic Area Development
- A.3 Camp Berryessa Redevelopment
- A.4 Rector Ridge/Stags Leap Ridge Trail Development
- A.5 Napa River and Bay Trail Phase I Development
- A.6 Napa River and Bay Trail Phase II Development
- A.7 Lake Hennessey North Shore Trail Development
- A.8 Napa River Ecological Reserve Public Access Improvements
- A.9 Newell Open Space Preserve Improvements
- A.10 Lake Berryessa Trail Development Phase I
- A.11 Berryessa Peak and Blue Ridge Public Access Development
- A.12 Berryessa Vista Wilderness Park Development
- A.13 Pope and Putah Creeks Trail Development
- A.14 Skyline Park Improvements Phase II
- A.15 Camp Berryessa to Knoxville Recreation Area Trail Development
- A.16 Napa Crest Trail Development
- A.17 Napa River Access Development
- A.18 San Francisco Bay Trail Completion in Napa County
- A.19 Bay Area Ridge Trail Completion in Napa County
- A.20 Backcountry Camping Facilities in the Palisades Area
- A.21 River to Ridge Trail Encroachment Problem Resolution
- A.22 Moore Creek Trails, Picnic Area, and Camping Facilities Development
- A.23 Napa River Water Trail Development
- A.24 Napa Valley Greenway/Vine Trail Development
- A.25 Henry Road/Milliken Peak Area Trail Development
- A.26 Countywide Trail Network Development

Goal B: Preserve, restore, and protect open space lands, natural resources, and habitat areas

- B.1 Napa River Ecological Reserve Restoration
- B.2 Lake Berryessa Estates Open Space Preservation
- B.3 Berryessa Vista Acquisition
- B.4 Vallejo Lakes Area Acquisition
- B.5 South Napa Wetlands Habitat Acquisition
- B.6 Linda Falls Conservation Easement
- B.7 Palisades Cooperative Management Plan Development

- B.8 Skyline Park Protection and Master Plan Development
- B.9 Moore Creek Watershed Projection
- B.10 Other High Priority Habitats Preservation

Goal C: Provide for recreational, cultural, environmental, and working landscapes education

- C.1 Camp Berryessa Outdoor Education Program Development
- C.2 Napa River Ecological Reserve Environmental Education Program Development
- C.3 Napa River to Ridge Trail Interpretive Path Development
- C.4 Rector Ridge Trail Interpretive Path Development
- C.5 Napa River and Bay Trail Interpretive Path Development
- C.6 South Napa Wetlands Habitat Interpretive Facilities and Programming Development
- C.7 Huichica Creek Wetlands Interpretive Path Development
- C.8 Oat Hill Mine Trail Interpretive Path Development
- C.9 Cedar Roughs Interpretive Materials Development

Goal D: Provides for District management and partnerships

- D.1 Develop District Budget Options for Alternative Levels of Service
- D.2 Develop Public Information Programs
- D.3 Consider Establishing a Non-Profit Foundation
- D.4 Consider Forming District Advisory Committee
- D.5 Establish Partnerships with Public Art, Historical, and Cultural Interpretation Organizations
- D.6 Develop Volunteer Participation
- D.7 Prepare and Adopt District Purchasing and Contracting Policies and Procedures
- D.8 Prepare and Adopt District Policies and Ordinances for Public Use of Facilities
- D.9 Adopt Policies and Develop Partnerships, Sponsorships, and Donation Programs for Use and Promotion of District Facilities
- D.10 Consider Developing District Deputized Ranger Capacity
- D.11 Prepare and Adopt Green Standards for Building and Operations
- D.12 Develop and Implement Cooperative Strategies for Habitat Restoration
- D.13 Update Countywide Inventory of Protected Open Space Lands
- D.14 Update District Master Plan
- D.15 Establish Partnerships with Land Conservation and Public Recreational Organizations and Agencies
- D.16 Prepare and Adopt Habitat Stewardship Guidelines

California Government Code Section 56430

(a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the 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:

- (1) Infrastructure needs or deficiencies.
- (2) Growth and population projections for the affected area.
- (3) Financing constraints and opportunities.
- (4) Cost avoidance opportunities.
- (5) Opportunities for rate restructuring.
- (6) Opportunities for shared facilities.
- (7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.
- (8) Evaluation of management efficiencies.
- (9) Local accountability and governance.

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

(c) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

(d) Not later than July 1, 2001, the Office of Planning and Research, in consultation with commissions, the California Association of Local Agency Formation Commissions, and other local governments, shall prepare guidelines for the service reviews to be conducted by commissions pursuant to this section.

California Government Code Section 56425

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

(b) Prior to a city submitting an application to the commission to update its sphere of influence, representatives from the city and representatives from the county shall meet to discuss the proposed new boundaries of the sphere and explore methods to 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. If an agreement is reached between the city and county, the city shall forward the agreement in writing to the commission, along with the application to update the sphere of influence. The commission shall consider and adopt a sphere of influence for the city consistent with the policies adopted by the commission pursuant to this section, and the commission shall give great weight to the agreement to the extent that it is consistent with commission policies in its final determination of the city sphere.

(c) If the commission's final determination is consistent with the agreement reached between the city and county pursuant to subdivision (b), 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.

(d) If no agreement is reached pursuant to subdivision (b), 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.

(e) In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following:

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

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

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

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

(f) Upon determination of a sphere of influence, the commission shall adopt that sphere.

(g) On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.

(h) The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for those recommendations. Those recommendations shall be made available, upon request, to other agencies or to the public. The commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

(i) When adopting, amending, or updating a sphere of influence for a special district, the commission shall do all of the following:

(1) Require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

(2) Establish the nature, location, and extent of any functions or classes of services provided by existing districts.



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
Policy on Municipal Service Reviews

Adopted: November 3, 2008

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Commission to prepare municipal service reviews in conjunction with its mandate to review and update each local agency's sphere of influence every five years as necessary. The legislative intent of the municipal service review process is to inform the Commission with regard to the availability, capacity, and efficiency of governmental services provided within its jurisdiction prior to making sphere of influence determinations. Municipal service reviews must designate the geographic area in which the governmental service or services are under evaluation. Municipal service reviews must also include determinations addressing the governance factors prescribed under Government Code Section 56430 and any other matters relating to service provision as required by Commission policy.

II. Purpose

The purpose of these policies is to guide the Commission in conducting municipal service reviews. This includes establishing consistency with respect to the Commission's approach in the (a) scheduling, (b) preparation, and (c) adoption of municipal service reviews.

III. Objective

The objective of the Commission in conducting municipal service reviews is to proactively and comprehensively evaluate the level, range, and structure of governmental services necessary to support orderly growth and development in Napa County. Underlying this objective is to develop and expand the Commission's knowledge and understanding of the current and planned provision of local governmental services in relationship to the present and future needs of the community. The Commission will use the municipal service reviews not only to inform subsequent sphere of influence determinations but also to identify opportunities for greater coordination and cooperation between providers as well as possible government structure changes.

IV. Municipal Service Review Policies

A. Scheduling

Beginning in 2008, and every five years thereafter, the Commission will hold a public hearing to adopt a study schedule calendaring municipal service reviews over the next five year period. Public hearing notices will be circulated 21 days in advance to all local agencies as well as posted on the Commission website. The Commission will generally schedule municipal service reviews in conjunction with sphere of influence updates. The Commission, however, may schedule municipal service reviews independent of sphere of influence updates. The Commission may also amend the study schedule to add, modify, or eliminate calendared municipal service reviews to address changes in circumstances, priorities, and available resources.

In adopting a study schedule, the Commission will calendar three types of municipal service reviews. These three types of municipal service reviews are 1) service-specific, 2) region-specific, and 3) agency-specific and are summarized below.

- A service-specific municipal service review will examine particular governmental services across multiple local agencies on a countywide basis.
- A region-specific municipal service review will examine the range of governmental services provided by local agencies within a particular area.
- An agency-specific municipal service review will examine the breadth of governmental services provided by a particular local agency.

B. Preparation

The Commission will encourage input among affected local agencies in designing the municipal service reviews to enhance the value of the process among stakeholders and capture unique local conditions and circumstances effecting service provision. This includes identifying appropriate performance measures as well as regional growth and service issues transcending political boundaries. The Commission will also seek input from the affected local agencies in determining final geographic area boundaries for the municipal service reviews. Factors the Commission may consider in determining final geographic area boundaries include, but are not limited to, spheres of influence, jurisdictional boundaries, urban growth boundaries, general plan designations, and topography.

The Commission will prepare the municipal service reviews but may contract with outside consultants to assist staff as needed. Data collection is an integral component of the municipal service review process and requires cooperation from local agencies. The Commission will strive to reduce the demands on local agencies in the data collection process by using existing information resources when available and adequate. All service related information compiled by local agencies will be independently reviewed and verified by the Commission.

Each municipal service review will generally be prepared in three distinct phases. The first phase will involve the preparation of an administrative report and will include a basic outline of service information collected and analyzed by staff. The administrative report will be made available to each affected local agency for their review and comment to identify any technical corrections. The second phase will involve the preparation of a draft report that will be presented to the Commission for discussion at a public meeting. The draft report will incorporate any technical corrections identified during the administrative review and include determinations. The draft report will be made available to the public for review and comment for a period of no less than 21 days. The third phase will involve the preparation of a final report and will address any new information or comments generated during the public review period and will be presented to the Commission as part of a public hearing.

As noted, each municipal service review will include one or more determinations addressing each of the following governance factors required under Government Code Section 56430 and by Commission policy:

1. Growth and population projections for the affected area. (§56340(a)(1)).
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies. (§56340(a)(2))
3. Financial ability of agencies to provide services. (§56340(a)(3))
4. The status of, and opportunities for, shared facilities. (§56340(a)(4))
5. Accountability for community service needs, including governmental structure and operational efficiencies. (§56340(a)(5))
6. Relationship with regional growth goals and policies. (Commission)

C. Adoption

The Commission will complete each scheduled municipal service review by formally receiving a final report and adopting a resolution codifying its determinations as part of public hearing.