



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive report on San Joaquin Local Agency Formation Commission (LAFCO) Draft Policies and Procedures

MEETING DATE: August 21, 2007

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: Receive report on San Joaquin Local Agency Formation Commission (LAFCO) Draft Policies and Procedures.

BACKGROUND INFORMATION: LAFCO is governed by State regulations the most recent of which is contained within the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act). The Act requires LAFCO to adopt written policies and procedures and to act consistent with those policies and procedures. LAFCO has drafted such policies and procedures and held a workshop to receive comments. Comments were received from Cities, and other interested parties. A revised Draft dated August 17, 2007 was prepared which addresses some of the comments made (see attached).

A number of Lodi Staff's concerns were addressed by the revised Draft and are no longer a concern. Staff remains concerned about proposed policies regarding "Procedural Guidelines for Determining Sphere of Influence" page 2. Item 4 "Open Space and Rural Lands" seems to discourage the inclusion of open space and rural lands within a Sphere of Influence if such land is not planned for development. Some flexibility to this guideline may be considered if "the agency can demonstrate that a preservation plan can effectively preserve such lands within an agency's sphere". Staff is concerned with this language in that it could inhibit the City's option to include non-developable lands within our sphere to establish and maintain greenbelts or community separators. Under item 5 on page 3 community separators are encouraged so LAFCO does recognize the value of community separators.

The Draft Policies and Procedures does include the new concept of "Areas of Interest" (page 4) which would allow LAFCO to create some level of interest among a geographic area beyond a sphere with a particular city. This may be used to help create and maintain Greenbelts and Community Separators or some level of relationship between an area and a city. The problem with this "Area of Interest" is that little real control or influence is achieved. The Draft guidelines say another agency (i.e. the County) shall give "great weight" to the comments of the City for which this land is designated as an "Area of Interest". However, "great weight" is undefined and may not mean much.

LAFCO is holding a public hearing on the Draft Policies and Procedures on Friday, August 17, 2007. Staff will raise these questions regarding using a sphere of influence to develop and maintain greenbelts and Community Separators and what does an "Area of Interest" really mean.

Staff will report the results of LAFCO's hearing at the Shirtsleeve meeting.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: None at this time.

FUNDING AVAILABLE: N/A

Randy Hatch
Community Development Director

RH/kjc

Attachment: San Joaquin Local Agency Formation Commission – Policies & Procedures

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SAN JOAQUIN
LOCAL AGENCY FORMATION
COMMISSION

POLICIES
AND PROCEDURES

DRAFT

August 17, 2007

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D R A F T

August 17, 2007

SPHERES OF INFLUENCE

The San Joaquin Local Agency Formation Commission is required to adopt a sphere of influence for each local governmental agency within its jurisdiction. A sphere of influence is defined as a "plan for the probable physical boundaries and service area of a local agency as determined by the Commission" (Government Code Section 56076). A sphere is primarily a planning tool that provides guidance in reviewing individual proposals. Inclusion within an agency's sphere does not indicate that an affected area automatically will be annexed; an adopted sphere of influence is only one of several factors the Commission must consider in reviewing individual proposals (Government Code Section 56668).

The sphere of influence process is perhaps the most important planning function given to LAFCo by the State Legislature. San Joaquin LAFCo shall use Spheres of Influence to:

1. Promote orderly growth and urban development.
2. Promote cooperative planning efforts among cities, the county and special districts to address concerns regarding land use and development standards, premature conversion of agriculture and open space lands, efficient provision of services, and discouragement of urban sprawl.
3. Serve as a master plan for future local government reorganization by providing long range guidelines for efficient provision of public services.
4. Guide consideration of proposals and studies for changes of organization or reorganization.

While LAFCo encourages the participation and cooperation of the subject agencies, Sphere of Influence Plans are a LAFCo responsibility and the Commission is the sole authority as to the sufficiency of the documentation and the Plan's consistency with law and LAFCo policy.

In determining a sphere of influence, the Commission is required to consider and make written determinations with respect to the following factors (Government Code Section 56425):

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.

A. PROCEDURAL GUIDELINES FOR DETERMINING SPHERES OF INFLUENCE

1. Timeframe: Territory that is currently receiving services from a local agency, or territory that is projected to need a local agency's services within a 0-20 year timeframe may be considered for inclusion within an agency sphere. "Sphere horizons" or planning increments should depict the agency's logical boundary at a time period of between 5 and 10 years and at the end of the 20 year time period.
2. Consistency Required: Territory will not be considered for inclusion within a City's sphere of influence unless the area is included within the city's general plan land use element. The adopted sphere of influence shall also ~~reflect~~ consider City and County general plans, growth management policies, annexation policies, resource management policies, and any other policies related to ultimate boundary area of an affected agency unless those plan or policies conflict with the legislative intent of the Cortese-Knox-Hertzberg Act (Government Code Section 56000 et seq.).

Where inconsistencies between plans exist, LAFCo shall rely upon that plan which most closely follows the legislature's directive to discourage urban sprawl, ~~direct development away from prime agricultural land and open space lands,~~ and encourage the orderly formation and development of local governmental agencies based upon local conditions and circumstances.

3. General Plan Approach: LAFCo would ~~favor~~ prefer a sphere of influence proposal where the city has adopted general plan policies, implementing ordinances and programs that address: smart growth principles; infill and redevelopment strategies to minimize conversion of open space/agricultural land; mixed use and increased densities; community buffers; and habitat, agriculture and open space preservation strategies.
4. Open Space and Rural Lands: Territory not in need of urban services, including open space, agriculture, recreational, rural lands, or residential rural areas shall not be assigned to an agency's sphere of influence unless the area's exclusion would impede the planned, orderly and efficient development of the area. Open space and agriculturally

designated lands as designated by the applying agency may be considered for inclusion within a sphere if the agency can demonstrate that a preservation plan can effectively preserve such lands within the agency's sphere.

5. Community Separators: Sphere of influence boundaries shall, to the extent ~~possible~~feasible, maintain a separation between existing communities to protect open space and agricultural lands and the identity of an individual community.
6. Regional Housing Needs: The sphere of influence plans for cities should consider the agency's policies and approaches to meet its fair share of regional housing needs.
7. Districts and Cities: LAFCo shall encourage districts and cities to develop plans for the orderly detachment, merger/dissolution of a district when districts have significant territory within a proposed city's sphere of influence.
8. Types of Spheres:
 - a. A special district that provides services, which ultimately will be provided by another agency, will be assigned a **zero sphere**.
 - b. If additional information is necessary to determine a sphere boundary, but is currently unavailable, a **partial sphere** may be approved and a **special study area** may be designated.
 - c. A local agency may be allocated a **coterminous sphere** if there is no anticipated need for the agency's services outside its existing boundaries, or if there is insufficient information to support inclusion of areas outside the agency's boundaries in the sphere of influence.
9. Sphere Hierarchy: Where an area could be assigned to the sphere of influence of more than one agency providing needed service, the following hierarchy shall apply dependent upon ability to serve, *unless an agency or district has specialized capacity to provide such service*:
 - a. Inclusion within a municipality sphere of influence.
 - b. Inclusion within a multipurpose district sphere of influence.
 - c. Inclusion within a single-purpose district sphere of influence.

10. Areas of Interest: LAFCo may, at its discretion, designate a geographic area beyond the sphere of influence as an Area of Interest to any local agency.
 - a. Areas of Interest is a geographic area beyond the sphere of influence in which land use decisions or other governmental actions of one local agency (the "Acting Agency") impact directly or indirectly upon another local agency ("the Concerned Agency").
 - b. Within each Area of Interest there is to be no more than one city.
 - c. LAFCo will notify any Concerned Agency when LAFCo receives notice of a proposal of another agency in the Area of Concern/Interest and will give great weight to its comments.
 - d. LAFCo encourages agencies to provide advance notice to other agencies of any action or project being considered within the Area of Interest and commit to considering any comments made by the other agency.
11. Adoption and Revision: LAFCo will adopt a sphere of influence after a public hearing and pursuant to the procedures set forth in Section 56427 of the Cortese-Knox-Hertzberg Act. Sphere actions are subject to the provisions of the California Environmental Quality Act. A sphere of influence shall be updated every five years or more often if deemed necessary by the Commission. Whenever possible, city sphere updates shall be scheduled to coincide with City General Plan updates.

B. SPHERE OF INFLUENCE PLAN

The Sphere of Influence Plan for each governmental agency within San Joaquin LAFCo jurisdiction shall contain each of the following:

1. Present and planned land uses in the area including agricultural and open space lands.
 - a. A map defining the probable 20 year boundary of its service area and defining the agency's sphere horizons at the end of the 5-10 and 20-year time period coordinated with the Municipal Service Review.
 - b. Maps and explanatory text delineating the following:
 - (1.) Present land uses including improved and unimproved development, agricultural lands and open space areas.

- (2.) Propose future use of the area.
2. The present and probable need for public facilities and services (i.e., water sewer, drainage, police and fire) for the sphere including the need of all types of major facilities not just those provided by the agency.
3. The present capacity of public facilities and adequacy of public services that the agency provides or it's authorized to provide.
4. Identification of any social or economic communities of interest.
5. A phasing plan for annexation of territory in the sphere of influence that is time-coordinated (5-10 and 20 year time period) and consistent with the Municipal Service Review.
6. Existing and projected population at the various sphere horizons.

C. AMENDMENTS AND UPDATES OF SPHERES

1. Amendments and Updates Defined: Amendments generally involve discrete changes to a Sphere of Influence Map or Plan that are proposed by an agency or individual to accommodate a specific proposal. An amendment may or may not involve changes to the Municipal Service Review of the agency.

Updates generally involve a comprehensive review of the entire sphere of influence, including the map and Municipal Service Review.

2. Amendments Required: An amendment to the Sphere of Influence Plan will be required in the following circumstances:
 - a. When an agency seeks to add new territory or remove territory from its sphere.
 - b. When an agency seeks to move territory already within its sphere from one sphere horizon to another.
 - c. When a district seeks to provide a new or different function or class of service.
 - d. When an agency proposes a significant change in its plans for service which makes the current Municipal Service Review inaccurate.

- ~~3. General Requirements: LAFCo will generally treat an update or a proposed amendment to an agency's sphere of influence similarly to an application for approval of a sphere of influence.~~
43. Precedence of Amendments over Annexations: Sphere of influence amendments shall precede consideration of proposals for changes of organization or reorganization. Proposals may be considered at the same meeting.
54. Consistency Required: Amendment proposals must be consistent with an updated Municipal Service Review.
65. Demonstrated Need Required: An application for amendment to a sphere of influence must demonstrate a ~~projected~~ probable need or (in the case of reduction of the sphere) lack of need or capacity to provide service.
- ~~7. Open Space and Prime Agricultural Land: Amendment proposals involving sphere expansion to include open space or prime agricultural land will not be approved by LAFCo if there is sufficient alternative land available for annexation within the existing sphere of influence.~~
86. Sphere of Influence Amendment and Update Procedures: As required by Government Code Section 56425, each request for sphere amendment or update must be heard in a public hearing and is subject to the provisions of the California Environmental Quality Act.

D R A F T

August 17, 2007

SERVICE REVIEW POLICIES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to conduct service reviews prior to establishing or updating spheres of influence. A service review is a comprehensive review of services within a designated geographic area intended to obtain information about municipal or agency services. Its purpose is to evaluate the provision of services from a comprehensive perspective and recommend actions, when necessary, to promote the efficient provision of those services. The service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand the public service structure and evaluate options for the provision of efficient and effective public services. LAFCo must have a current Municipal Service Review (MSR) that demonstrates that the agency can provide adequate and efficient services to the areas included within the agency's sphere.

A. GENERAL STANDARDS

1. Guidelines: The Municipal Service Review Guidelines (August 2003) prepared by the State Office of Planning and Research shall be used as a ~~framework~~ background for preparing service reviews for a jurisdiction or agency.
2. Timeline: The service review must present information on future projections and plans tied to the 5-10, and 20-year sphere horizons of the Sphere of Influence Plan, so that service information can be clearly tied to the plan. In the case of cities, a shorter timeframe may be appropriate if the applicable General Plan has a shorter planning period remaining when the service review is prepared.
3. Adequate Services Required: The service review must demonstrate that adequate services ~~will~~ can be provided within the time that the inhabitants of the area will need them.
4. Completion Date: Initial Service Reviews should be completed by January 2008 and will be reviewed and updated as necessary but no later than every five years in conjunction with or prior to Spheres of Influence reviews and updates. Minor amendments to a Sphere of Influence, as determined by LAFCo, may not require a service review. Service reviews may need to be updated independent of a Sphere of Influence review, as determined by LAFCo, to facilitate review of a pending application or other LAFCo action.

5. Identification of Land Uses: The Service Review must identify existing land use and give a reasonable projection of land use, which would occur if services were provided consistent with the MSR.
6. Consistency Required: Service reviews must be internally consistent and consistent with any overlapping jurisdiction.
7. Existing Resources: Use of existing information resources, technical support from the county, cities and special districts when available and adequate shall be used to reduce processing costs and improve the timeliness of the reviews.
8. Affected Agencies: Service reviews will cover a range of services that a public agency provides or is authorized to provide (i.e. fire, water, sewer, police, and storm water). General government services such as social services and criminal justice need not be addressed. Agencies that are required to have SOIs and require service reviews include: cities (7), special independent districts (104), and dependent districts (45). Countywide districts (i.e., San Joaquin County Resource Conservation District, San Joaquin Mosquito and Vector Control) will not require preparation of service reviews.
9. Organization of Service Reviews: A service review may be conducted for sub-regional areas within the county or on a countywide basis, it may review a single agency or multiple agencies and it may review a single service or multiple services. LAFCo will determine how service reviews will be organized and conducted in San Joaquin County.
10. Information Sharing: LAFCo encourages collaboration, cooperation and information sharing among service providers and encourages public participation in the process.
11. City Services Plans: City Services Plans used in conjunction with a proposed change of organization shall be ~~consistent~~ in conformity with the MSR.
12. Cross-county MSRs: LAFCo will work together with other County LAFCo's to develop a schedule and plan for managing cross-county MSRs.

B. SPECIFIC MUNICIPAL SERVICE REVIEW REQUIREMENTS:

The focal point of the service review process lies with the preparation of written statements of determination regarding the agency's ability to provide services.

Determinations cannot merely cite some broad policy statement from the General Plan or recite a series of actions that might be undertaken. The determinations need to be declaratory statements that arrive at a conclusion based on all of the information and evidence presented to the Commission. The determinations need to bridge the gap between raw data and the final conclusion about the status or condition of the service that is under review. The Commission needs this information to determine the appropriateness of the sphere.

The Cortese-Knox-Hertzberg Act requires LAFCO to make written evaluations on nine categories. The following is a brief description of the determination and the standard for which the service will be reviewed:

Determination 1: Infrastructure needs or deficiencies

Refers to the status of existing and planned public facilities and its relationship to the quality and levels of service that are, can and need to be provided. Infrastructure needs and deficiencies can be evaluated in terms of supply, capacity, condition of facilities, and service quality with correlations to operational, capital improvement, and finance plans. Maps and explanatory text that clearly indicate the location of existing facilities and proposed facilities, including a plan for the timing and location of new or expanded facilities need to be included. The identification of the anticipated service level needs to be tailored to the 5-10, and 20-year sphere horizons.

Determination 2: Growth and Population projections for the affected area

The need for, and patterns of, service provision should be determined by existing and anticipated growth patterns and population projections. The municipal service review will evaluate whether projections for future growth and population patterns are integrated into an agency's planning function. This analysis will be used to determine whether the sphere boundaries reflect expected growth boundaries. Consideration should be given to the impact on growth/land use patterns for adjacent areas, on mutual or regional social and economic interests, on open space and agricultural land, and on the government structure of the county.

Determination 3: Financing constraints and opportunities

A community's public service needs should be viewed in light of the resources available to fund the services. The MSR will need to evaluate factors that affect the financing of necessary improvements and whether agencies are capitalizing on financing opportunities and collaborative strategies to deal with financial constraints.

Determination 4: Cost avoidance opportunities

LAFCO's role in encouraging efficiently provided public services depends, in part on helping local agencies, explore cost avoidance opportunities. Cost

avoidance opportunities include those that eliminate unnecessary costs derived from:

- ▶ Duplication of services and facilities;
- ▶ High administration to operational cost ratios;
- ▶ Reliance on outdated or deteriorating infrastructure and equipment underutilized equipment or buildings or facilities;
- ▶ Overlapping/inefficient service boundaries;
- ▶ Lack of economies of scale; and
- ▶ Increasing profitable outsourcing

Determination 5: Opportunities for rate restructuring

The MSR will review agency rates and charges for public services and examine opportunities for rate restructuring without adversely affecting service quality of service. Rates will be reviewed for rate setting methodologies and conditions that could impact future rates.

Determination 6: Opportunities for shared facilities

The service review should identify opportunities for jurisdictions to share facilities and resources creating a more efficient service delivery system. Sharing facilities and utilizing excess capacity in another agency's service system works to avoid service duplications, reduces costs, and minimizes unnecessary resource consumption. The service review will need to inventory facilities within the study area to determine if facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies. Options for planning for future shared facilities and services will also be considered.

Determination 7: Government structure options

The MSR will consider the advantages and disadvantages of various government structures that could provide public services. San Joaquin LAFCo encourages local agencies to use service reviews to determine whether initiation of proceedings for changes of organization and reorganization, including spheres of influence, would be in order and in the best interests of the agency and the community it serves. LAFCo will examine efficiencies that could be gained through: (1) functional reorganizations within existing agencies; (2) amending or updating spheres of influence; (3) annexations or detachments from cities or special districts; (4) formation of new special districts; (5) special district dissolutions; (6) merges or special districts with cities; (7) establishment of subsidiary districts; or (8) any additional reorganization options found in the LAFCo statute.

Determination 8: Evaluation of management efficiencies

Management efficiency refers to the quality of public services and the agency's ability to provide services. Efficiently managed entities consistently implement plans to improve service delivery, reduce waste, eliminate duplications of effort, contain costs, build and maintain adequate contingency reserves, and

encourage open dialogues with the public and other public and private agencies. The MSR will evaluate management efficiency by analyzing agency functions, operations, and practices as well as the agency's ability to meet current and future service demands.

Determination 9: Local accountability and governance

In making a determination of local accountability and governance, LAFCO will consider the degree to which the agency fosters local accountability. Local accountability and governance refers to public agency decision making and operational and management processes that: (1) include an accessible and accountable elected or appointed decision making body and agency staff; (2) encourage and value public participation; (3) disclose budgets, programs, and plans; (4) solicit public input when considering rate changes and work and infrastructure plans; and (5) evaluate outcomes of plans, programs and operations and disclose results to the public.

C. PUBLIC PARTICIPATION AND PUBLIC HEARINGS

LAFCo encourages the early involvement of agencies, the public, and other stakeholders in development of the service review report. A formal review period shall be provided and a meeting/workshop with the Commission shall be held to accept comments from the public and the Commissioners prior to finalizing the document. The final report shall be available to the public at least 21 days prior to final consideration by the Commission. This public review period may be in conjunction with the 21-day notice requirement for the public hearing. The service review shall be adopted by resolution at a noticed public hearing. If the municipal service review supports a particular action such as a sphere of influence update or amendment application, and the required processes have been complied with, the Commission can take action on the proposals the same hearing.

D. CEQA DETERMINATION

LAFCo will consider service reviews, as projects for CEQA purposes and will be processed consistent with the requirements of CEQA and LAFCo's CEQA procedures.

[Note: At the time of writing this policy, a bill (AB 1263) is pending in the State Legislature that could revise the Municipal Service Review Determinations. Should this legislation become law the above policies are intended to reflect any approved revisions.]

D R A F T

August 17, 2007

ANNEXATION POLICIES AND PROCEDURES (Including reorganizations)

GENERAL STANDARDS FOR ANNEXATION AND DETACHMENT

These standards govern LAFCo determinations regarding annexations and detachments to and from all agencies. The annexations or detachments must be consistent with the general policies set forth in these Policies and Procedures.

1. Consistency with Spheres and Municipal Service Reviews

The annexation or detachment must be consistent with the internal planning horizon of the sphere of influence. The land subject to annexation shall normally lie within the first planning increment (5-10 year) boundary. The annexation must also be consistent with ~~consider~~ the applicable Municipal Service Review. An annexation shall be approved only if the Municipal Services Review and the Sphere of Influence Plan demonstrates that adequate services ~~will~~ can be provided with the timeframe needed by the inhabitants of the annexed area. If detachment occurs, the sphere will be modified.

LAFCo generally will not allow spheres of influence to be amended concurrently with annexation proposals.

Proposed annexations of land that lie outside of the first planning horizon (5-10 year) are presumed to be inconsistent with the Sphere Plan. In such a case the agency must first request LAFCo to consider a sphere amendment pursuant to the above policies. If the amendment is approved, the agency may then proceed with the annexation proposal. A change of organization or reorganization will not be approved solely because an area falls within the SOI of any agency.

As an exception to the presumed inconsistency mentioned above, Master Plan and Specific Plan developments may span several planning horizons of the sphere of influence. Annexation of the entire project area may be desirable in order to comprehensively plan and finance infrastructure and provide for amenity-based improvements. In these cases, no amendment of the planning horizon is necessary provided project phasing is recognized in the Sphere of Influence Plan.

2. Plan for Services

Every proposal must include a Plan for Services that addresses the items identified in Section 56653 of the Government Code. The Plan for Services must be consistent with the Municipal Service Review of the Agency.

Proponents must clearly demonstrate that the city or special district is capable of meeting the need for services.

3. Contiguity

Territory proposed to be annexed to a city must be contiguous to the annexing city or district unless specifically allowed by statute. Territory is not contiguous if the only connection is a strip of land more than 300 feet long and less than 200 wide, that width to be exclusive of highways. The boundaries of a proposed annexation or reorganization must not create or result in areas that are difficult to serve.

4. Development Within Jurisdiction

Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction or within the sphere of influence shall ~~shall~~ should be encouraged before any proposal is approved which would allow for or lead to the development of existing open space lands for non-open space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency. (Section 56377)

5. Progressive Urban Pattern

Annexations to agencies providing urban services shall be progressive steps toward filling in the territory designated by the affected agency's adopted sphere of influence. Proposed growth shall be from inner toward outer areas.

6. Piecemeal Annexation Prohibited

LAFCo requires annexations and detachments to be consistent with the schedule for annexation that is contained in the agency's Sphere of Influence Plan. LAFCo will modify small piece-meal or irregular annexations, to include additional territory in order to promote orderly annexation and logical boundaries, while maintaining a viable proposal. In such cases, detailed development plans may not be required for those additional areas but compliance with CEQA is required.

7. Annexations to Eliminate Islands

Proposals to annex islands or to otherwise correct illogical distortion of boundaries will normally be approved unless they would violate another provision of these standards. In order to avoid the creation of an island or to encourage the elimination an existing island, detailed development plans may not be required for the remnant areas.

8. Annexations that Create Islands

An annexation will not be approved if it will result in the creation of an island of unincorporated territory of otherwise cause or further the distortion of existing boundaries. The Commission may nevertheless approve such an

annexation where it finds that the application of this policy would be detrimental to the orderly development of the community and that a reasonable effort has been made to include the island in the annexation but that inclusion is not feasible at this time.

9. Substantially Surrounded

For the purpose of applying the provisions of the Cortese-Knox-Hertzberg Act regarding island annexation without protest hearings (section 56375.5), the subject territory of an annexation proposal shall be deemed "substantially surrounded" if it is within the sphere of influence of the affected city and two-thirds (66-2/3%) of its boundary is surrounded by the affected city.

10. Definite and Certain Boundaries

All boundaries shall be definite and certain and conform to lines of assessment or ownership. The Commission's approval of boundary change proposals containing split parcels will typically be subject to a condition requiring the recordation of a parcel map, lot line adjustment or other instrument to avoid creating remnants of legal lots.

11. Service Requirements

An annexation shall not be approved merely to facilitate the delivery of one or a few services to the detriment of the delivery of a larger number of services or service more basic to public health and welfare.

12. Adverse Impact of Annexation on the Other Agencies

LAFCo will consider the any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts.

CITY ANNEXATIONS

1. Annexation of Streets

Annexations shall reflect the logical allocation of streets and rights of way as follows:

- Territory should be included within the annexation to assure that the city reasonably assumes the burden of providing adequate roads to the property to be annexed. LAFCo will require cities to annex streets where adjacent lands that are in the city will generate additional traffic or where the annexation will isolate sections of county road. Cities shall include all contiguous public roads that can be included without fragmenting governmental responsibility by alternating city and county road jurisdiction over short section of the same roadway

- When a street is a boundary line between two cities the centerline of the street may be used as the boundary or may follow a boundary reached by agreement of the affected cities.

2. Pre-zoning Required

The Cortese-Knox-Hertzberg Act requires the city to pre-zone territory to be annexed, and prohibits subsequent changes to the General Plan and /or pre-zoning designations for a period of two years after completion of the annexation, unless the city council makes a finding at a public hearing consistent with the provisions of Governments Code Section 56375(e). In instances where LAFCo amends a proposal to include additional territory, the Commission's approval of the annexation will be condition upon the pre-zoning the new territory.