



SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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RESOLUTION NO LAFC-2025-11

THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

APPROVING THE AMENDMENT TO THE SPHERE OF INFLUENCE FOR SACRAMENTO AREA SEWER DISTRICT (LAFC PROJECT NO. 2023-03)

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code §56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, §56425 et seq. provides that the local agency formation commission in each county 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 spheres of influence, as more fully specified in §56425 et seq.; and

WHEREAS, §56430 requires that local agency formation commissions conduct a municipal service review (MSR) prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence (SOI) in accordance with §56076 and §56425; and

WHEREAS, on May 25, 2021, LAFCo received an application from the landowners of parcels 225-0020-023, -022, -024, -034, -035, -030, -026, -027, -021, -016, -017, -010, -032, -033, and 225-0030-024, -048, -023, -045 (hereafter referred to as "the project site") asking for amendments to the respective spheres of influence for the City of Sacramento and the Sacramento Area Sewer District (SacSewer); and

WHEREAS, the affected territory consists of approximately 472.4-acres and is located in the area generally bounded by south of Interstate 5 along Bayou Way, east of Powerline Road, west of the City limits and the Westlake neighborhood, and north of Paso Verde K-8 School and the drainage canal; and

WHEREAS, the proposal was assigned LAFCo Project No. 2023-03 and is referred to as the "respective amendments to the Spheres of Influence for the City of Sacramento and Sacramento Area Sewer District;" and

WHEREAS, pursuant to §56430, in order to prepare and update the respective spheres of influence, the Commission conducted a targeted municipal service review for the City

of Sacramento and SacSewer and adopted a written statement of determinations in conjunction with this sphere of influence update on April 2, 2025; and

WHEREAS, on July 30, 2021, the City and LAFCo entered into a Memorandum of Understanding ("MOU") by which the two entities agreed to process a single Environmental Impact Report to evaluate the environmental consequences of the SOI Amendment, Reorganization, and related development entitlements; and

WHEREAS, the Executive Officer set a public hearing for April 2, 2025, for consideration of the environmental review and the sphere of influence update for the Sacramento Area Sewer District (SacSewer) and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, said Notice stated that the petition and environmental determination would be considered by this Commission at the hearing; and

WHEREAS, on April 2, 2025, the respective updates to the spheres of influence came on regularly for hearing before LAFCo, at the time and place specified in the Notice; and

WHEREAS, at said hearing, the Commission has, by means of Resolution No. LAFC 2025-09, certified that the Environmental Impact Report has been prepared in full compliance with the terms of the California Environmental Quality Act; and

WHEREAS, at said hearing, LAFCo reviewed and considered the sphere of influence, and the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code §56425 et seq.; LAFCo's Policies, Standards and Procedures related to spheres of influence, starting with Policy IV; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, public agencies have reviewed and no comment has been received upon the amendment to the sphere of influence; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendation, the environmental document and determinations and the service review; and

WHEREAS, the Commission voted to continue the project until May 7, 2025, with the direction to staff to allow for minor revisions to the CEQA Findings of Fact and Statement of Overriding Considerations document; and,

WHEREAS, the Executive Officer set another public hearing for May 7, 2025, for consideration of the petition and the environmental determination and caused Notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of that date; and

WHEREAS, said Notice stated that the petition and environmental determination would be considered by this Commission at the hearing; and

WHEREAS, on May 7, 2025, the respective updates to the spheres of influence came on regularly for hearing before LAFCo, at the time and place specified in the Notice; and

WHEREAS, at said hearing, the Commission has, by means of Resolution No. LAFC 2025-09, certified that the Environmental Impact Report has been prepared in full compliance with the terms of the California Environmental Quality Act; and

WHEREAS, at said hearing, LAFCo reviewed and considered the sphere of influence, and the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code §56425 et seq.; LAFCo's Policies, Standards and Procedures related to spheres of influence, starting with Policy IV; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, public agencies have reviewed and no comment has been received upon the amendment to the sphere of influence; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendation, the environmental document and determinations and the service review; and

WHEREAS, the Commission does hereby make the following determinations regarding the proposal pursuant to Government Code §56425(e):

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

The project site was historically used as hay fields, with intermittent rice fields from 1937 until at least 2020. The project site is not currently used for active, large scale agricultural production purposes and is not irrigated. The site has been used for intermittent agricultural activity, such as seasonal crops. The project site is not subject to a Williamson Act contract. Under the California Department of Conservation Farmland Mapping and Monitoring Program, the project site is primarily identified as Farmland of Local Importance. According to Government

Code Section 56064, prime agricultural land is defined as an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

The project site contains an approximate total of 385.3 acres of soil that qualifies for rating as Class II when irrigated in the Soil Conservation Service land use capability classification. Criteria (a) of the above definition of prime agricultural land applies to soils that qualify as Class I or Class II, regardless of whether the soil is non-irrigated or irrigated, if irrigation is feasible. Therefore, the project would result in a significant impact with regards to compliance with LAFCo's policies related to the conversion of agricultural land to urban uses.

To mitigate the impact, a portion of the project site is located within the Natomas Basin Habitat Conservation Plan (HCP) permit area boundaries. The proposed project is subject to applicable fees for the conversion of habitat to urban uses within the Natomas Basin HCP policy area. There is surplus acreage under the City's Natomas Basin HCP allocation may be available for use by the remainder of the project site acreage. Mitigation Measure 4.4-5(b) to address potential impacts to Swainson's hawk foraging habitat that occurs on-site and outside the Natomas Basin HCP permit area, states the proposed project is required to identify appropriate lands to be set aside in permanent conservation easement at a ratio of one acre of habitat located within the Natomas Basin HCP policy area converted to urban land uses to 0.5-acre of habitat preserved. The proposed project would involve the conversion of farmland to non-agricultural uses, through compliance with Natomas Basin HCP requirements, open space lands would be preserved elsewhere at a 0.5:1 ratio.

Additionally, another mitigation requires the preservation of off-site farmland at a ratio of one Farmland acre converted to urban land uses outside the Natomas Basin HCP policy area to 0.5-acre preserved, which, combined with the biological resources mitigation mentioned previously results in an overall preservation at a 1:1 ratio. While this mitigation measure would preserve an equivalent acreage of Farmland elsewhere, the proposed project would result in the conversion of agricultural land to urban uses and would not create new agricultural land; as such, the proposed project would lead to an overall loss of Farmland.

The existing City land uses located east, and northeast of the project site are generally developed with residential uses. The undeveloped areas surrounding the project site to the north, south and west have Sacramento County land use designation of agricultural or industrial uses.

The existing adjacent land uses include the following City land use designations:

- Neighborhood (N) which supports residential uses which complement neighborhood-serving commercial and public uses such as like corner markets, coffee shops, hair salons, shops, gyms, and fitness centers; office uses; assembly facilities; and compatible public and quasi-public uses.
- Open Space (OS) which is intended to improve open spaces for passive recreation, resource protection, and/or hazard avoidance. Allowable uses include natural underdeveloped parks; woodland preserves; habitat and wetlands; agriculture; floodplains; areas with permanent open space easements; buffers between urban areas; and compatible public and quasi-public uses.

The existing adjacent land uses include the following County land use designations:

- Cemetery, Public/Quasi-Public. The Public/Quasi-Public designation establishes areas for uses such as education, solid and liquid waste disposal, and cemeteries. This designation identifies public and quasi-public areas that are of significant size, under County jurisdiction, regional in scope, specified by State law, or have significant land use impacts. Some facilities (e.g. elementary schools and fire stations) are too small or numerous to show on the Land Use Diagram but may be identified on other diagrams in the Plan.
- Resource Conservation Area-Protected. The purpose of the Resource Conservation Area Protected combining designation is to identify areas with special resource management needs that are currently preserved or permanently protected under conservation easements or another form of protection. The designation illustrates certain natural resources as being important on the Land Use Diagram while recognizing the validity of the underlying land use designation. The Resource Conservation Area-Protected combining designation may be combined with Recreation,

Natural Preserve, Agricultural-Cropland, and General Agricultural (20 and 80 acres) designations.

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

As mentioned previously, the project area is outside the Sacramento County Urban Services Boundary (USB) and the Urban Policy Area (UPA). The USB and UPA are used to guide the extension of infrastructure and urban services to promote orderly growth and land preservation within the County. Therefore, this project area is not currently included in the City's service area or SacSewer's service area. If the SOI amendments were to be approved, then public services could be extended to serve any proposed development.

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

A Targeted Municipal Services Review (MSR) has been prepared to evaluate the SOI amendments for the City of Sacramento and SacSewer, in order to accommodate the proposed Airport South Industrial (ASI) project. The City provides municipal services that will meet the future service needs associated with development of the ASI project in the SOI expansion area. Where the City is not the lead provider of a service, such as SacSewer, other agencies/districts will provide services consistent with current practices within the City.

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 nearest social or economic community of interest to the project site is the City of Sacramento. Adding the project site to the City would not split any other community of interest. This site itself is of interest to both the City and the County to build up as industrial and commercial base to accommodate trucking needs generated by with the presence of Sacramento International Airport (SMF). The City is pursuing this site, and the proposed Airport South Industrial development project, to capture tax revenue associated with warehouse/shipping economic activity (caused by increased online shopping) as well as transient occupancy tax (TOT).

The proposed project site is not currently used for active agricultural purposes and parcels to the east and north of the project site are either currently developed or are under construction. Although the land west and south of the project site currently consist of agricultural land and an existing K-8 school, the parcels adjacent to the project site to the west are planned for future development as part of the Sacramento International Airport Master Plan.

The City and the surrounding unincorporated area provides numerous employment and housing opportunities with an estimated additional 700 acres of under-utilized vacant parcels in a five-mile radius from the project area.

5. *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and*

industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The proposed ASI SOIA area is not developed and is located in unincorporated Sacramento County, however it lies adjacent to a portion of the western edge of Sacramento's City limits. The area surrounding the proposed SOIA area consists of a combination of undeveloped/vacant land and developed land. To the east of the proposed expansion area, existing development consists of single-family residential neighborhoods that are part of a gated community in the City of Sacramento. To the north of the proposed SOI expansion area, across I-5, existing and planned development consists of non-residential, industrial/warehousing uses within the Metro Air Park. To the south and west of the proposed SOI expansion area, an existing K-8 school and land that is vacant with a portion of these areas are designated for permanent open space for natural resources. None of these surrounding areas meet the definition of a DUC.

NOW, THEREFORE BE IT HEREBY RESOLVED AND ORDERED by the Sacramento Local Agency Formation Commission does hereby find and resolve as follows:

1. Each of the foregoing recitals is true and correct.
2. The update to the Sacramento Area Sewer District sphere of influence to expand the current sphere is orderly, logical and justifiable.
3. The Executive Officer is directed to make the necessary filings to implement this resolution.
4. The sphere of influence for the Sacramento Area Sewer District is updated to add the project site as shown on the attached map, marked Exhibit A, attached hereto and incorporated herein by this reference.
5. The documents and materials which constitute the record of proceedings on which these findings are based are located at 1112 I Street, Suite 100, Sacramento, CA 95814.

BE IT FURTHER RESOLVED that Resolution No. **LAFC 2025-11** was adopted by the **SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**, on the 7th day of May 2025, by the following vote, to wit:

	Motion	2nd						
Phil Pluckebaum			Aye	☒	No	☐	Absent	☐
Chris Little			Aye	☒	No	☐	Absent	☐
Lindsey Carter			Aye	☒	No	☐	Absent	☐
Rich Desmond		☒	Aye	☒	No	☐	Absent	☐
Pat Hume	☒		Aye	☒	No	☐	Absent	☐
Charlea Moore			Aye	☒	No	☐	Absent	☐
Dr. Jayna Karpinski-Costa			Aye	☒	No	☐	Absent	☐

Commission Vote Tally Aye 7 No 0 Absent 0 Abstain 0
 Passed Yes ☒ No ☐

By: Chris Little
 Chris Little, Chair
 SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

ATTEST: Lorice Washington
 Lorice Washington, Commission Clerk
 SACRAMENTO LOCAL AGENCY FORMATION COMMISSION