<u>Agenda Item No 5</u>

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION 1112 I Street, Suite 100 Sacramento, California 95814 (916) 874-6458

June 7, 2006

RE:	<u>Amended Hearthstone II Reorganization</u> (18-05) [CEQA: Addendum to Negative Declaration]
TO: FROM:	Sacramento Local Agency Formation Commission Peter Brundage, Executive Officer
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CONTACT: Donald J. Lockhart AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

- 1. Consider the Addendum, together with the Mitigated Negative Declaration and Mitigation Monitoring Plan, previously ratified by the City of Elk Grove as the CEQA lead agency, as adequate and complete for the project cited above and direct the Executive Officer to file the Notice of Determination with the County Clerk.
- 2. Approve the <u>Amended Hearthstone II Reorganization Annexation to the</u> <u>Sacramento Regional County Sanitation District (SRCSD) and County</u> <u>Sanitation District No. 1 (CSD No.1).</u>
- 3. Authorize your Clerk to schedule the Conducting Authority proceedings for July 15, 2006 to make a finding regarding the value of written protests filed and not withdrawn, pursuant to Government Code Section 57000 et. seq., and if inadequate, to issue the Certificate of Completion.

FPPC DISCLOSURE

No Commissioner has received any contributions from any parties involved with this proposal.

Project Proponent/ Chief petitioner

Linda Heffelfinger (Linda.heffelfinger@rbhome.us) c/o RKB Communities (Hearthstone) L.P. by: RKB Communities, LLC 9848 Business Park Drive Sacramento, CA 95827 - (916) 313-3096

Project Description

The affected territory, approximately 62 acres, is located within the City of Elk Grove, south of Bond Road, east of Bradshaw Road, north of Elk Grove Boulevard, and west of Grant Line Road.

The Hearthstone II subdivision site is undeveloped and was approved for the development of 39 residential parcels, with a minimum lot size of one gross acre, by the City of Elk Grove. Six of the other seven parcels are currently developed with single family residences, with the remaining parcel vacant. The six developed parcels are currently served by on-site well and septic systems. The City of Elk Grove has provided written comment (attached) that the developed single-family parcels may continue to use their on-site wells, and septic systems. If they further subdivide, or experience septic system failure, they will be required to connect to the sanitary service.

Sanitary sewer service is required to meet the City of Elk Grove conditions of project approval for the proposed subdivision, Hearthstone II (previously called Di Benedetto Acres, EG File# 00-095.) The annexation of Hearthstone II to SRCSD and CSD No. 1 will satisfy the conditions of approval imposed during the entitlement and approval process by the City of Elk Grove. The reorganization proposal also includes seven "intervening" parcels, between the approved subdivision and Bradshaw Road. This territory is included to provide for a more logical and efficient service boundary. The Hearthstone II territory alone would constitute an "island." Island annexations are prohibited by your Commission's Local Standards, Policies and Procedures. Also, polices of SRCSD and CSD No.1 prohibit the extension of services to serve "island" development.

Hearthstone II (APNs: 127-120-020 & 021)	41.20 acres
Other: APNs: 127-0130-002, 003, 012, 013, 015, 023 & 025	20.44 acres
TOTAL	61.64+ acres

Sphere of Influence

The entire project is within the Sphere of Influence of both SRCSD and CSD-1.

Surrounding Land Uses and Zoning:

The site is located in the Elk Grove General Plan Triangle SPA, which provides for rural residential development.

Site:	AR-1
North:	AR-5
South:	AR-5
East:	AG-80
West:	AR-2

The Assessed Valuation of the Hearthstone II subdivision is \$214, 915. The Assessed Valuation of the balance of the affected territory is \$1,937,427. Total project Assessed Valuation is \$2,152,342.

City of Elk Grove General Plan

The project is consistent with the City of Elk Grove General Plan - Triangle Special Planning Area (SPA).

LAND USE POLICY AREA: ELK GROVE TRIANGLE LU-19

Land uses in the Elk Grove Triangle Policy Area shall consist primarily of residential uses on lots of 1 acre in size, with approximately 40 acres of commercial land uses intended to serve primarily local needs.

PF-13

Residential development on lots smaller than two (2) gross acres shall be required to connect to public sewer service. This policy shall not apply to lots smaller than 2 gross acres in the Rural Residential land use category which existed as legal lots as of the date of adoption of this General Plan; these lots shall not be required to connect to public sewer service as a condition of development.

LAFCo Policy, City General Plan, and Zoning Consistency:

The original proposal of annexing only the approved subdivision would have created a service "island." Your local Policies and Procedures, as well as the Policies of the SRCSD and CSD No.1 prohibit such service extensions. The applicant has worked diligently to amend the application to include the intervening landowners between the site, and Bradshaw Road, from which the service extension will be installed. The City of

Elk Grove has provided written comment (attached) that the developed single-family parcels may continue to use their on-site wells, and septic systems. If they further subdivide, or experience septic system failure, they will be required to connect to the sanitary service.

As amended, the proposed Hearthstone II Reorganization is consistent with Sacramento LAFCo Policies and Procedures, the City of Elk Grove General Plan, and the City Zoning Code. The provision of sanitary sewer service to serve existing and planned growth in the area is assumed in, and consistent with, the Elk Gove General Plan Triangle Special Planning Area, and Triangle Policy Area.

Conducting Authority Proceedings

The affected territory is deemed to be uninhabited, as there are fewer than 12 registered voters. However, notice has been provided to all affected landowners, who may protest the annexation. No protests have been received to date. Staff recommends that the Notice of Conducting Authority protest proceedings be prepared and distributed, and the Conducing Authority proceedings be set for July 15, 2006.

Environmental Considerations

The City of Elk Grove prepared and ratified a Mitigated Negative Declaration for the project. Sacramento LAFCo will act as the responsible agency consistent with CEQA Guidelines §15050 et. seq., regarding the environmental documentation for reviewing the Hearthstone II Reorganization - Annexation to the Sacramento Regional County Sanitation District (SRCSD) and County Sanitation District – No. 1 (CSD No.1). LAFCo has prepared an Addendum as the appropriate CEQA document due to its determination that revisions to the environmental document for the proposed project entails only a minor technical change. LAFCo will consider an addendum to a previously ratified Mitigated Negative Declaration, per CEQA Guidelines §15164

Affected Agencies:

Sacramento County Regional Sanitation District and County Sanitation District No. 1.

The affected agencies have provided the following comments regarding the ability to provide service to the affected territory

Service Territory

The lands proposed for annexation are within the Sphere of Influence of both agencies.

The Districts master plans have provisions for providing sanitary sewer service to these parcels.

Infrastructure/ Fees and Charges

Development within the affected territory will be subject to the standards, ordinances, and mitigation fees established by the Districts, reducing any potential impacts to existing ratepayers to less than significant.

Other Affected Agencies

The proposal was reviewed by the Elk Grove Community Services District, the Elk Grove School District, and the Sacramento County Public Works Agency. No objections were raised.

The City of Elk Grove is supportive of the proposed project, as it will insure the provision of sanitary sewer service to the recently approved Hearthstone II subdivision, which is currently designated by the City for residential development.

EXECUTIVE OFFICER COMMENTS:

The proposal is consistent with the City of Elk Grove General Plan, the Master Services Elements of the Sacramento Regional County Sanitation District (SRCSD) and County Sanitation District No. 1 (CSD No.1,) and your Commissions Local Policies, Standards, and Procedures. I respectfully recommend that your Commission:

- 1. Consider the Addendum, together with the Mitigated Negative Declaration and Mitigation Monitoring Plan, previously ratified by the City of Elk Grove as the CEQA lead agency, as adequate and complete for the project cited above and direct the Executive Officer to file the Notice of Determination with the County Clerk.
 - 2. Approve the <u>Amended Hearthstone II Reorganization Annexation to</u> <u>Sacramento Regional County Sanitation District and County Sanitation</u> <u>District – No. 1</u> (LAFC 18-05).

3. Authorize your Clerk to schedule the Conducting Authority proceeding for July 15, 2006 and to make a finding regarding the value of landowner written protests filed and not withdrawn, pursuant to Government Code Section 57000 et. seq. If protest is inadequate, authorize your Executive Officer to issue the Certificate of Completion.

Respectfully submitted,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage Executive Officer

DL:Maf

Attachments:

- A. Exhibit A CEQA Addendum to a Negative Declaration
- B. City of Elk Grove Sanitary Sewer Policy Letter

(Amended Hearthstone Reorg)