

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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June 5, 2013

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer
Sacramento Local Agency Formation Commission

Contact: Don Lockhart, Assistant Executive Officer (916) 874-2937

RE: **FINAL CORDOVA RECREATION & PARK DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE (LAFC #03-12)**

RECOMMENDATION

The Final Municipal Service Review (MSR,) is the result of collaboration with Cordova Recreation and Park District Board, management and staff.

1. Staff recommends that your Commission determines that Cordova Recreation and Park District provides efficient and adequate services to its customers within its service territory. The Sphere of Influence should remain coterminous with District boundaries.

2. Municipal Service Review Determinations:

a. **Regarding growth in population expected for the District area:**

The Commission determines that the District is capable of continuing to provide recreational service in the future. Cordova Recreation and Park District effectively meets demand in its service area, but not on its revenues alone. It does so by collaborating with many public agencies, private entities and non-profit organizations throughout the community. These partnerships provide valuable resources and funds for events and programs that operate on a limited budget. They also increase access for Cordova's programs and services. Through these partnerships the District has combined common interests and developed capital projects and programs, which help to enhance the sense of community for neighborhoods in the District.

b. **Regarding present and planned capacity of public facilities, and adequacy of public services, including infrastructure needs or deficiencies:**

The Commission determines that the District currently provides adequate services and facilities in the District's service area. The growth and population projections show

that the District must continue infrastructure development to meet growth in demand. The District recognizes this imperative and has taken steps to remain abreast of growth, particularly by collaborative planning with the City of Rancho Cordova and the County of Sacramento. New and upgraded infrastructure will be financed using a variety of sources including Development Impact Fees, Quimby Act In-Lieu Fees, State, Federal and other grant funds, Property Tax Revenue, Landscaping & Lighting Assessment District funds, Mello-Roos Community Facilities District funds, debt issuance proceeds, partnerships with non-profits, and other agencies, donations, sponsorships and funds reserved for future capital projects.

c. Regarding financial ability of the District to provide services:

The Commission determines that the District faces significant constraints for current and future service levels, especially from Educational Revenue Augmentation Fund property tax shifts. The District faces financial constraints from state implemented property tax shifts, but has adapted by streamlining expenses. The District coordinates with the City of Rancho Cordova and the County of Sacramento to participate in several Public Facilities Financing Plan (PFFP) programs in which developers pay fees to mitigate the impact of development. The District's portion of the Development Impact Fee is used to fund park and landscape improvements in new developments. Some financing plans include open space acquisition. The respective agencies make periodic updates to the fee schedules based on various development costs.

d. Regarding status of and opportunities for, shared facilities:

The Commission determines that the District uses its best efforts to share resources among other agencies, and to streamline in-house costs; and that the District can continue to partner with local agencies to share the cost of new facilities, and ensure the preservation of viable park spaces.

e. Regarding accountability for community service needs, including governmental structure and operational efficiencies:

The Commission determines that the District is managed transparently and efficiently; and has shown a dedication to communicating with local residents. It conducts regular user surveys and frequently holds well-publicized public meetings to ensure that service offerings reflect local demand. Finally, seats on the Board of Directors are evenly distributed to represent all District communities.

f. Regarding other information as requested by the Commission:

The Commission determines that the District is operated efficiently and offers salaries comparable with similar sized agencies.

BACKGROUND

The Draft Cordova Recreation and Park District Municipal Service Review was presented in a Public Hearing, for the consideration of your Commission on December 5, 2012. Since that time it has been circulated for public review and comments, as well posted on the Commission website http://www.saclafco.org/Meetings/Agenda/SAC_LAFCO_DF_12052012 No agency or public comments have been received to date.

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act of 2000 requires that each Local Agency Formation Commission (LAFCo) prepare Municipal Service Reviews and update Spheres of Influence for all cities and special districts within its jurisdiction, as necessary.

A Sphere of Influence is defined by Government Code 56425 as:

A plan for the probable physical boundary and service area of a local agency or municipality.

A Municipal Service Review is defined by Government Code Section 56430 as:

A means of identifying and evaluating public services.

A Municipal Service Review may be conducted prior to, or in conjunction with, the update of a Sphere of Influence.

MUNICIPAL SERVICE REVIEW

Requirements

The Commission shall include a written statement of its determinations with respect to each of the following:

- (1) Growth and population projections for the affected area.
- (2) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
- (3) Financial ability of agencies to provide services.
- (4) Status of, and opportunities for, shared facilities.
- (5) Accountability for community service needs, including governmental structure and operational efficiencies.
- (6) Any other matter related to effective or efficient service delivery, as required by commission policy.

DISCUSSION

In an effort to respond to changing recreational demands, the District continuously reviews and assesses its parks and recreation facilities. This process includes solicitation of ideas and input of residents through workshops and community surveys, combined with best practices of comparable local park agencies and the National Recreation & Park Association standards. Cordova Recreation and Park District maintains an understanding of the community demands and is dedicated to aligning its recreation and parks system and services with customer demand.

The District also has adapted to changing financial conditions. Most of all, the District identifies shifts in property tax allocation as a major financial constraint. Since 1992, the District has had a portion of their property taxes shifted to the Educational Revenue Augmentation Fund (ERAF). With the current economic climate, the District has also noted decreases in assessed property values, infill development, and property transfers/sales. The District has been able to offset costs and identify alternative revenue sources through facility rentals, user fees, and collaborative efforts with other organizations, including public, private, and non-profit. Cost avoidance practices have resulted in substantial savings to taxpayers, including evaluation and implementation of streamlined operational systems and performance of some capital improvement projects on a forced account basis.

EXECUTIVE OFFICER COMMENTS

Cordova Recreation & Park District effectively meets constituent demand in its 65.5 square mile service area. The District delivers consistent service to both incorporated area of Rancho Cordova, and the unincorporated largely urbanized areas of the east county. Cordova Recreation and Park District provides efficient and adequate services to its customers within its service territory. The Sphere of Influence shall be coterminous with District boundaries.

Recommendation:

I recommend that your commission accept the attached Municipal Service Review, with the following determinations:

1. Regarding growth in population expected for the District area:

The Commission determines that the District is capable of continuing to provide recreational service in the future. Cordova Recreation and Park District effectively meets demand in its service area, but not on its revenues alone. It does so by collaborating with many public agencies, private entities and non-profit organizations throughout the community. These partnerships provide valuable resources and funds for events and programs that operate on a limited budget. They also increase access for Cordova's programs and services. Through these partnerships the District has combined common interests and developed capital projects and programs, which help to enhance the sense of community for neighborhoods in the District.

2. Regarding present and planned capacity of public facilities, and adequacy of public services, including infrastructure needs or deficiencies:

The Commission determines that the District currently provides adequate services and facilities in the District's service area. The growth and population projections show that the District must continue infrastructure development to meet growth in demand. The District recognizes this imperative and has taken steps to remain abreast of growth, particularly by collaborative planning with the City of Rancho Cordova and the County of Sacramento. New and upgraded infrastructure will be financed using a variety of sources including Development Impact Fees, Quimby Act In-Lieu Fees, State, Federal and other grant funds, Property Tax Revenue, Landscaping & Lighting Assessment District funds, Mello-Roos Community Facilities District funds, debt issuance proceeds, partnerships with non-profits, and other agencies, donations, sponsorships and funds reserved for future capital projects.

3. Regarding financial ability of the District to provide services:

The Commission determines that the District faces significant constraints for current and future service levels, especially from Educational Revenue Augmentation Fund property tax shifts. The District faces financial constraints from state implemented property tax shifts, but has adapted by streamlining expenses. The District coordinates with the City of Rancho Cordova and the County of Sacramento to participate in several Public Facilities Financing Plan (PFFP) programs in which developers pay fees to mitigate the impact of development. The District's portion of the Development Impact Fee is used to fund park and landscape improvements in new developments. Some financing plans include open space acquisition. The respective agencies make periodic updates to the fee schedules based on various development costs.

4. Regarding status of and opportunities for, shared facilities:

The Commission determines that the District uses its best efforts to share resources among other agencies, and to streamline in-house costs; and that the District can continue to partner with local agencies to share the cost of new facilities, and ensure the preservation of viable park spaces.

5. Regarding accountability for community service needs, including governmental structure and operational efficiencies:

The Commission determines that the District is managed transparently and efficiently; and has shown a dedication to communicating with local residents. It conducts regular user surveys and frequently holds well-publicized public meetings to ensure that service offerings reflect local demand. Finally, seats on the Board of Directors are evenly distributed to represent all District communities.

6. Regarding other information as requested by the Commission:

The Commission determines that the District is operated efficiently and offers salaries comparable with similar sized agencies.

Respectfully submitted,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage
Executive Officer

Attachment: Final Cordova R&P MSR