

**EL DORADO LAFCO**  
**LOCAL AGENCY FORMATION COMMISSION**

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**CONDUCTING AUTHORITY PROCEEDINGS**  
**AGENDA**

**July 11, 2005- 5:30 P.M.**

El Dorado County Board of Supervisors Chambers, 330 Fair Lane, Placerville, California

Time limits are three minutes for speakers

Speakers are allowed to speak once on any agenda item

**1. RECONSIDERATION OF RESOLUTION L-05-09; LAFCO PROJECT NO. 03-10**

Commission will consider any duly filed Requests for Reconsideration filed under LAFCO Policy 3.7 & Govt. Code 56895.

**2. CONDUCTING AUTHORITY PROCEEDINGS; LAFCO PROJECT NO. 03-10**

**3. ADJOURNMENT**

Respectfully submitted,  
June 20, 2005



Roseanne Chamberlain  
Executive Officer

All persons are invited to testify and submit written comments to the Commission. If you challenge a LAFCO action in court you may be limited to issues raised at the public hearing or submitted as written comments prior to the close of the public hearing. All written materials received by staff 24 hours before the hearing will be distributed to the Commission. If you wish to submit written material at the hearing, please supply 15 copies.

NOTE: State law requires that a participant in a LAFCO proceeding who has a financial interest in the decision and who has made a campaign contribution of more than \$250 to any Commissioner in the past year must disclose the contribution. If you are affected, please notify commission staff before the hearing.

**AGENDA ITEM NO.1**  
**RECONSIDERATION OF RESOLUTION**  
**L-05-09**  
**LAFCO PROJECT NO. 03-10**

**NO MATERIALS FOR THIS ITEM WERE  
RECEIVED BY THE PACKET DEADLINE.**

**HANDOUTS:**

**AGENDA ITEM NO. 1**  
**RECONSIDERATION OF RESOLUTION**  
**L-05-09**  
**LAFCO PROJECT NO. 03-10**

## Memorandum

TO: El Dorado LAFCO  
FR: Nat Taylor, El Dorado Hills Incorporation Project Manager  
RE: Request for Reconsideration from Theodore S. Goodwin, Esq., on behalf of the Lakehills Equestrian Group.\

Date: July 11, 2005

Attached is a copy of the letter filed with El Dorado LAFCO on Thursday, July 7, 2005 by Attorney Theodore S. Goodwin on behalf of the Lakehills Equestrian Group. The letter is a formal Request for Reconsideration with respect to the Commission's decision to include this area within the proposed City boundary. Staff has reviewed the points raised in the letter and submits the following analysis and recommendation.

### Commission Alternatives.

1. Deny the Request for Reconsideration tonight.
2. Grant Reconsideration set a new hearing date (Monday, July 18, 2005) for further consideration by the Commission.

### RECOMMENDED ACTION:

Staff recommends that the request for reconsideration be denied on the following grounds.

1. The request fails to raise any new information that would justify reconsideration pursuant to LAFCO policy and Cortese-Knox-Hertzberg.

LAFCO Policy 3.7.4 requires requests for reconsideration to "...state what *new or different facts that could not have been presented previously* are claimed to warrant the reconsideration (§56895(a))." (emphasis added)

The information presented in the letter from Mr. Goodwin presents no new facts or circumstances or arguments that weren't already discussed and considered by LAFCO in its consideration of the issue of whether to include or exclude this area from within the proposed City boundary. The rural character of the area was fully described and disclosed; members of LAFCO took a site visit to personally inspect the area; testimony was presented to LAFCO by numerous residents of the area. A member of LAFCO met individually with representatives of Lakehills Equestrian Group between the hearing on May 27 and the hearing on June 1 and had further discussions with an attorney [Robert Laurie] who had been consulted by the client group to potentially represent them. Following the extensive amount of time that had been focused on this particular aspect of the proposed City boundary, and the information gathered, LAFCO adopted a specific determination with respect to this area, reflecting the extent to which it had heard the arguments, for and against inclusion, by Mr. Goodwin's clients and their opponents. The specific determination reads:

***Lakehills – Equestrian Village.***

*Salmon Falls Road is a logical boundary for the City in the Lakehills -Equestrian Village area. It is in the best interests of the citizens of the affected area, and it is consistent with LAFCO policies, to include the Lakehills -Equestrian Village area within City. The reasons for inclusion are:*

- a) To avoid the loss of services to those properties currently within the EDHCSD.*
- b) To ensure a logical and definite City boundary.*

**2. The legal issues related to exclusion of the Lakehills Equestrian Village area were considered by the Commission at the June 1<sup>st</sup> hearing.**

Mr. Goodwin states on p. 1 of his letter that the request for reconsideration should be granted because "...a new legal issue was raised before the LAFCO Commission for the first time at its meeting on June 1, 2005." This is not only factually incorrect, it is irrelevant to the question of whether "...new or different facts that could not have been presented previously..." have come to light. The issues addressed in Mr. Goodwin's letter were thoroughly discussed and deliberated by the Commission at its June 1 hearing.

Mr. Goodwin goes on to assert that the decision by the Commission, which came after consultation with LAFCO legal counsel in executive session, constituted "...a new and unjustified decision in violation of LAFCO policy." LAFCO made findings in support of its decision (see above). In reaching its decision on this boundary matter, LAFCO did nothing wrong or in violation of its own policies.

**3. The Lakehills Equestrian Group had adequate opportunity to consult with legal counsel.**

Mr. Dennis and other members of the Lakehills Equestrian Group have been involved with the boundary discussions since mid-April, including the hearings on April 18, May 27 and June 1. During this time, the Group was given an opportunity to consult w/ legal counsel throughout the proceedings, and in fact were extended an opportunity to meet with Commissioner Long, a retired real estate attorney, to consider their arguments. Commissioner Long also took the time to confer with a private counsel, Robert Laurie, whom the Lakehills Equestrian Group had met with to discuss this case. They apparently elected to not retain Mr. Laurie, as he was not present at the hearing on June 1.

**4. The Commission considered the Lakehills Equestrian Group in a manner consistent with other boundary requests.**

Mr. Goodwin implies that LAFCO treated the Lakehills Equestrian Group different from other boundary requests. The fact is that other areas that the Commission decided to exclude from the City boundary, such as Marble Valley and Marble Mountain, are different because they are not included within the El Dorado Hills CSD. The Commission recognized that excluding these other areas from the City would not trigger the same loss of services that would result from exclusion of the Lakehills Equestrian Estates area.

5. The adopted boundary includes other rural areas similar to the Lakehills Equestrian Village.

Mr. Goodwin states that the reason the LEG people want to be excluded from the city is to preserve and protect the large-lot rural character of their area. Members of LAFCO and others have told the LEG people repeatedly that becoming part of the city would not change their zoning, general plan status, or – importantly – the 3-acre minimum lot standards embodied in their CC&Rs. Rural subdivisions – like Green Springs Ranch – are appropriate within the City and the character and nature of the current land use pattern is not threatened or in jeopardy by inclusion.

6. There are no compelling policy reasons for excluding the Lakehills Equestrian Estates area from the City.

The reasons given by the affected property owners for wanting to be excluded primarily relate to their concern that incorporation would inevitably lead to a change in the zoning in their area to permit higher density development. This concern seems unwarranted in light on the 3-acre minimum lot size restriction in their CC&Rs that would not be affected by incorporation. Indeed, under LAFCO's actions, the new City would be obligated to enforce that very CC&R provision.

7. There are strong policy reasons for including the Lakehills Equestrian Village area within the City Boundary.

These include the establishment of logical service boundaries along Salmon Falls Road, continuation of the EDHCSD services by the new City within the Lakehills Equestrian Village area. Further, Lakehills Drive will become a city-maintained road, under either alternative and if the Lakehills Equestrian Village were to be excluded, then the City would be supporting the maintenance of this road even though all properties on the easterly side would not be in the City.

Conclusion:

For the above reasons, staff is recommending that the Request for Reconsideration be denied.

However, should the Commissions feel that further consideration of this issue is appropriate, a subsequent hearing could be calendared for next Monday. Staff would then prepare appropriate documentation to support whatever determination of this boundary matter the Commission makes. This additional documentation would likely include preparation of a CEQA Addendum pursuant to CEQA Guideline §15164 on the basis that this boundary modification does not constitute a substantial change in the Project or the CEQA findings already adopted.



LAW OFFICE OF  
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\*Certificate in Toxic and Hazardous  
Waste Management (UCLA)  
\*Also Admitted in Washington State

July 7, 2005

Roseanne Chamberlain  
Executive Officer  
Commissioners of the  
El Dorado County LAFCO  
550 Main Street, Suite E  
Placerville, CA 95667

Re: Request for Reconsideration of Resolution L-05-09;  
LAFCO Project No.03-10

Dear Ms. Chamberlain and Honorable Commissioners:

A. REQUEST FOR RECONSIDERATION

The Lakehills Equestrian Group parcel owners request a hearing by the El Dorado Hills LAFCO to reconsider its decision denying the Lakehills Equestrian Group's request to be excluded from the proposed El Dorado Hills city boundaries. This request is made pursuant to LAFCO Policy 3.7 and Government Code section 56895. This office represents 15 of the property owners who own 18 of the 26 parcels.<sup>1</sup>

This request is based upon the ground that a new legal issue was raised before the LAFCO Commission for the first time at its meeting on June 1, 2005. The commission voted to deny the Lakehills Equestrian parcel owners' request to be excluded, based upon the ground that a different property owner who opposed exclusion threatened to file a lawsuit claiming an alleged CEQA defect if the request for exclusion was granted.

Previously, individual LAFCO commissioners had represented to the Lakehills Equestrian Group property owners that they would vote to exclude the Lakehills Equestrian area if the majority of the property owners desired to be excluded. However this position was suddenly changed on June 1, 2005, after the Commission conducted

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<sup>1</sup>Mr. and Mrs. Jay Dennis, Mr. and Mrs. Gary Applegarth, Mr. and Mrs. Richard Moorehouse, Mr. and Mrs. Andrew Dunnigan, Mr. and Mrs. Mike Aldrich, Mr. and Mrs. Robert Price, Mr. and Mrs. Joseph Hoffman, Mrs. Norma Hampton, Mr. and Mrs. Kenneth Christensen, Mr. and Mrs. James Green, Mr. and Mrs. Gary Fletcher, Mr. and Mrs. Gregory Pang, Mr. Robert Riegler, Mr. and Mrs. Clarence Rich, Mr. and Mrs. Tracy Sunday (One of the 15 owners owns 4 separate parcels of property)



Roseanne Chamberlain  
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a closed session and reported its decision described above. This constituted a new and unjustified decision in violation of LAFCO policy. The Lakehills Equestrian Group did not have an opportunity to consult with legal counsel on this issue at that hearing on June 1, 2005.

These petitioners are entitled to a full hearing on reconsideration pursuant to LAFCO Policy 3.7.6(a),(b) and ©. These petitioners request that LAFCO grant them a full hearing on reconsideration and grant their request to be excluded from the proposed boundaries of the city of El Dorado Hills. This letter addresses the legal issues raised for the first time on June 1, 2005.

**B. LAFCO'S REJECTION OF LAKEHILLS EQUESTRIAN GROUP'S REQUEST TO BE EXCLUDED FROM THE PROPOSED CITY**

On June 1, 2005, the LAFCO Commission orally voted to reject the request by the Lakehills Equestrian Group to be excluded from the boundaries of the proposed city of El Dorado Hills. This boundary decision was formally adopted in Resolution L-05-09 on June 8, 2005. This decision was made based upon the fear that the El Dorado Hills LAFCO would be subjected to a threatened lawsuit because of its failure to address the potential environmental impacts from excluding 26 parcels from the proposed city.

One of the commissioners stated:

"If we exclude the people, who are the majority [of the Lakehills property owners], we jeopardize the whole cityhood proposal and we can get tied up in a lawsuit real quick and we won't make the November 8 vote on the issue"

This same commissioner explained:

"We don't have any language [addressing this issue]. This little area is within the El Dorado Hills service district. We don't have any language to deal with the parcels eliminated from the El Dorado Hills service district. We set ourselves up for a big fall."

A different commissioner stated that this would not necessarily provoke a lawsuit and that the issue should be sent back to legal counsel for drafting of language that would protect LAFCO while excluding the Lakehills Equestrian parcels from the proposed boundaries.

Rusty Dupray stated that the Commission should not include areas where the property owners do not want to be included. He noted that the Commission had excluded three other areas the prior week, because the majority of the property owners did not want to be included within the city.

C. THERE IS NOT A CEQA PROBLEM IN EXCLUDING LAKE HILLS EQUESTRIAN PARCELS FROM THE CITY OF EL DORADO HILLS

1. A change in community services is not a CEQA issue or impact.

The Lakehills Equestrian Group property owners contend that the act of excluding their land from the city's proposed boundaries would not constitute either 1) a "project" under the California Environmental Quality Act (CEQA), or 2) a violation of CEQA. First of all, by excluding the Lakehills Equestrian parcels, which are owned by 26 owners, LAFCO would only be excluding 175 acres out of a total of 20,023. This constitutes a mere eight tenths of one percent of the entire city's area. Furthermore, it would only affect 26 property owners, compared to the 28,329 residents within the entire proposed city. LAFCO estimates that the total El Dorado Hills city population will reach 53,456 residents. (EIR, p.1-18)

The project anticipates a total buildout of 18,307 dwelling units with an estimated 53,410 residents. (DEIR pp.1-16 to 1-18). As of December, 2003, the population was 28,329. The total area within the proposed City of El Dorado Hills boundary would be 20,023 acres. (EIR, pp.1-16,1-18) Thus, the 175 acres within Lakehills Equestrian Estates comprises eight tenths of one percent of the proposed city, less than 1 percent of the total area. Exclusion of this tiny area would have no significant impacts on the city.

The El Dorado Hills Community Service District provides very limited services which cause no substantial environmental impact and which would be provided by the new city. (Recreation services, parks, cable TV, and refuse collection. Enforcement of CC&R's may or may not be provided by the city. However, that is not a CEQA environmental impact, either.)

2. No additional CEQA review is necessary.

No Subsequent or Supplemental EIR is required under CEQA unless the changes to the project would result in new significant environmental impacts. Major changes to the project do not require additional EIR review if they do not result in new significant impacts or a substantial increase in the severity of previously identified impacts. Public Resources Code 21166(a), 14 California Code of Regulations, Section 1516(a)(1). Minor changes that cause no significant environmental impact do not require a subsequent or supplemental EIR. Public Resources Code 21166(a).

An "impact" or "effect" must be caused by the project. (14 CCR 15358(a))

The impact or effect "must be related to a physical change." (14 CCR 15358(b))

"Significant effect on the environment means' means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by

the project including air, water, land, minerals, flora, fauna, ambient noise, and objects of historical or aesthetic significance. An economic or social change related to a physical change may be considered in determining whether the physical change is significant..." (14 CCR 15382)

Excluding the Lakehills Equestrian parcels will not cause any physical change in those parcels of land. It is only a political change in the creation of the city boundary. The incorporation would not change the physical characteristics of the land. It will not cause a physical change to the land which causes an economic change "related to a physical change."

3. A change in the provision of governmental services is exempt from CEQA.
  - a. Minor Alternations in Land Use Limitations

As a matter of law, the California Code of Regulations, at 14 CCR 15305, excludes from CEQA "Minor Alterations in Land Use Limitations." Section 15305 provides in relevant part as follows:

"Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density, including but not limited to:

- (a) Minor lot line adjustments, side yard, and set back variances not resulting in the creation of any new parcel;
- (b) Issuance of minor encroachment permits;
- © Reversion to acreage in accordance with the Subdivision Map Act."

This exemption section applies to the Lakehills Equestrian lots, because the inclusion of the property within the proposed city limits would constitute a "minor alteration in land use limitations." By subjecting the Lakehills property to regulation by the city, there would be an increase in the land use limitations by its inclusion under eventual zoning by the city.

- b. Changes in Organization of Local Agencies

Section 15320 regarding "Changes in Organization of Local Agencies" also provides an exemption which applies:

"Class 20 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. Examples include but are not limited to:

- (a) Establishment of a subsidiary district;
- (b) Consolidation of two or more districts having identical powers;

© Merger with a city or district lying entirely within the boundaries of the city."

This exemption applies because it substitutes the proposed City of El Dorado Hills for the EDHCS D. In principle, both would provide the same services. However, the new city would be a "change in the organization or reorganization of local governmental agencies." This change in organization of local agencies is exempt from CEQA.

#### D. REASONS TO EXCLUDE THE LAKEHILLS EQUESTRIAN AREA FROM THE PROPOSED CITY

The clear majority of the Lakehills Equestrian parcel owners object to inclusion of their properties within the proposed city boundaries. They desire to retain the rural, wooded, secluded nature of their community. It is inconsistent with the urban and suburban development anticipated with incorporation.

Specifically, the Lakehills Equestrian property owners offer the following comments to explain why they are so strongly opposed to inclusion, and why their inclusion within the proposed city would violate the clearly defined and adopted El Dorado Hills LAFCO Policy and California law:

##### 1. Description of The Contested Area for Exclusion

The Lakehills Equestrian area is a beautiful, unique, natural environment which is very rural. Many of the parcels have hundreds of native oak trees which form forests covering large parcels. Others have open fields and pastures. Several homeowners raise horses, cattle, chicken and other livestock.<sup>2</sup> There are many rolling hills which reach heights of 50 to 100 feet. Many of the lots are 5 or 10 acres each, with the smallest size being 3 acres as mandated by the Lakehills Equestrian CC&R's. This area is not at all amenable to subdivision development and urbanization.

##### 2. Dissimilarity of Neighboring Suburban Parcels Within the Proposed City Boundary.

By contrast, the area immediately to the west of Lakehills Drive is clearly suburban in development style, with a relatively high density of several homes per acre. There is no open space or large undeveloped natural areas. The Lakehills Equestrian property owners share nothing in common with the adjacent suburbs. This is why they should remain outside of the proposed city.

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<sup>2</sup> Attached are photographs which depict the rural, equestrian setting.

E. LAFCO POLICIES SUPPORT EXCLUSION OF THE LAKEHILLS EQUESTRIAN AREA.

1. LAFCO policy promotes preservation and protection of the natural environment:

"Within the scope of LAFCO's specific mission and purposes, and as stated in §21 001 of the Government Code, LAFCO shall be guided by state policy when considering projects. Those State policies that will be furthered are:

- (a) Develop and maintain a high-quality environment now and in the future, and take all actions necessary to protect, rehabilitate, and enhance the environmental quality of the state (§21001(a));
- (b) Take all actions necessary to provide the people of California with clean air and water, enjoyment of aesthetic, natural, scenic, and historic environmental qualities...
- © ...preserve for future generations representations of all plant and wildlife communities and examples of major periods of California history;
- (d) Ensure that the long term protection of the environment, consistent with the provision of a decent home and suitable living environment, shall be the guiding criterion when making decisions whether to approve or disapprove a proposed project (§21001(d));
- (e) Create and maintain conditions under which man and nature can exist in productive harmony to fulfill the social and economic requirements of existing and future generations;
- (f) Develop standards and procedures necessary to protect environmental quality; and
- (g) Consider...less damaging alternatives to proposed actions affecting the environment." (El Dorado County LAFCO Policies, Guidelines and Procedures, section 3.2.1)

"LAFCO shall implement CEQA in an effective and efficient manner while maximizing opportunities for public participation and disclosures (§21 003) by:

- (a) Meeting with applicants early in the process to facilitate processing and encourage modifications to the proposed project, before it is submitted, that may eliminate or avoid potential environmental impacts." (El Dorado County LAFCO Policies, Guidelines and Procedures, section 3.2.2 (a))

"LAFCO shall not act upon any change of organization or reorganization until

environmental documentation has been approved which adequately addresses all potential areas of environmental concern." (El Dorado County LAFCO Policies, Guidelines and Procedures, section 3.2.7)

"For city proposals, no subsequent change may be made to the applicable General Plan or zoning for the annexed territory that is not in conformance to the pre-zoning designations for a period of two years after the completion of the annexation, unless the legislative body of the city makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitates a departure from the pre-zoning (§5637 5(e))" (El Dorado County LAFCO Policies, Guidelines and Procedures, section 3.4.4)

2. The subject area forms a geographic peninsula. This peninsula is rural/agricultural use with minimum 3 acre parcels not to reach smaller, subdivision-size residential parcels. This is inconsistent with "the formation of orderly and logical boundaries" and it is not evident that such would be in the interest of the total organization of government services (LAFCO Policy 3.9.4).

3. The proposed inclusion would violate the state's policy of maximizing the retention of prime agricultural land. (LAFCO Policy 3.10.1)

4. The incorporation with the proposed inclusion would encourage growth in this community in a manner which is inconsistent with well-planned, well-ordered and efficient development policies in violation of LAFCO Policy 6.1.4.

5. Pursuant to the provisions of Policy 6.1.10, LAFCO may not approve proposals involving agencies that have a Sphere of Influence more than five years old until a service review has been conducted. This policy would apply to both the El Dorado Hills County Water District as well as the CSD.

6. All of the properties within Equestrian Estates are rural/agricultural in nature and constitute open space. Therefore, they should be excluded from the incorporation boundaries pursuant to LAFCO Policy 6.7.8.2.

7. A city may provide extended services outside its boundaries if it requests and receives written approval from LAFCO. (Policy 6.8.1 and Government Code 56133) The city may provide particular services to excluded parcels if requested by the parcel owners. This would ensure the continuity of services.

8. However, the LAFCO Staff Report dated June 8, 2005, expressly states that the proposed city may not enforce the Lakehills Equestrian neighborhood CC&R 's, one of the more critical services now provided by the CSD.

The report states: "The decision on whether or not to accept the responsibility of

Roseanne Chamberlain  
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enforcing existing CC&R's should rest with the new City, and if the new City determines not to enforce the existing CC&R's, that responsibility would rest with the property owners themselves." (Page A-4)

In fact, the EIR dated February, 2005, argues that, "It would be unusual for the new City of El Dorado Hills to continue to provide these services [enforcement of CC&R's]" because they address "personal preference and lifestyle" issues that are not typically enforced by a municipality, and the city may have conflicts of interests in administering CC&R's which conflict with municipal policies. The EIR states that the city may or may not enforce existing CC&R's, and it would not be legally required to do so. The property owners would be up to their own remedies to enforce the CC&R's.(EIR, pp. 19,20). The city accepts this assessment. The Lakehills Equestrian property owners should therefore be excluded from the city so that they can enforce their CC&R's independently.

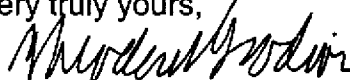
9. The Staff Report dated May 25, 2005, *falsely* states that the majority of property owners in the Lakehills Equestrian neighborhood prefer to be *included* within the incorporated area. (p.16) This interpretation is made based upon signatures filed with LAFCO which include a significant number of properties from outside of the Lakehills Equestrian neighborhood. To the contrary, as indicated by petitions filed with LAFCO on June 1, 2005, the clear majority of property owners, 18 of 26 parcel owners, within Lakehills Equestrian Estates object to inclusion.

### CONCLUSION

The Lakehills Equestrian Group owners urge the LAFCO Commission to grant a hearing on reconsideration of their request to be excluded from the proposed city boundaries. If the Lakehills Equestrian parcels are not excluded from the proposed city's boundaries, then the owners will be forced to evaluate their next legal options. However, at this stage the Lakehills Equestrian Group owners clearly desire to work with the LAFCO Commission to reach a mutually acceptable resolution of this problem.

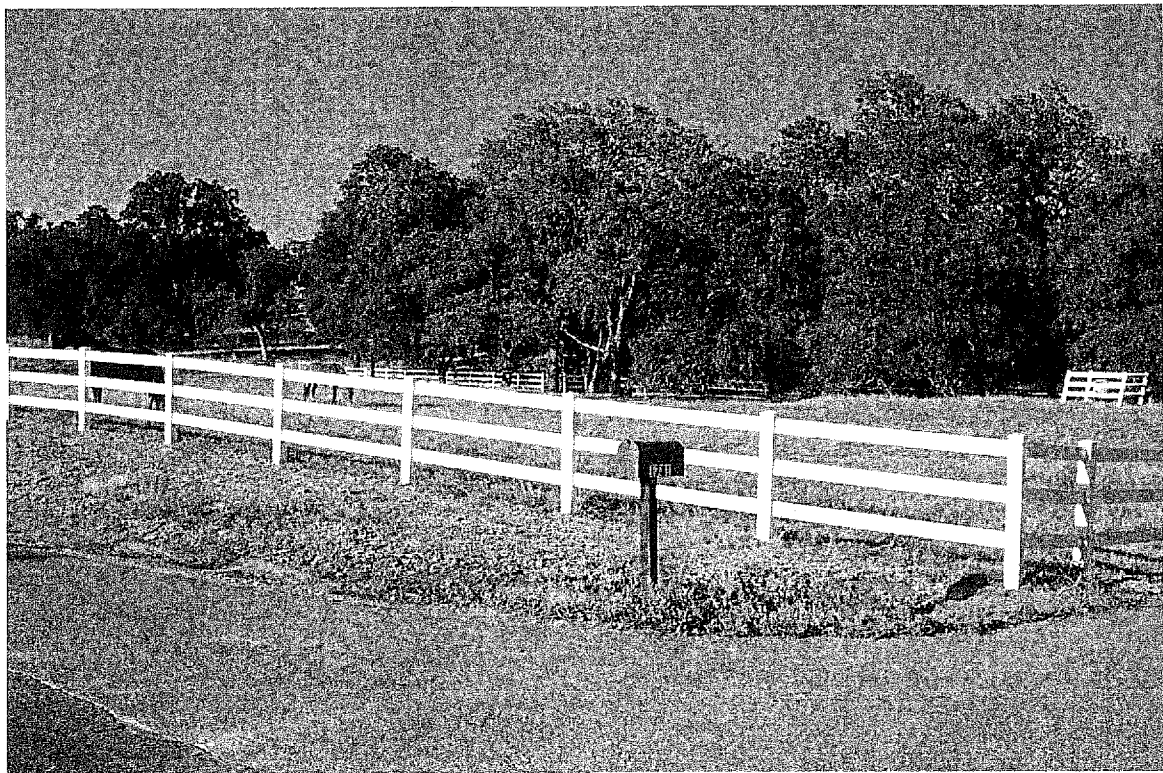
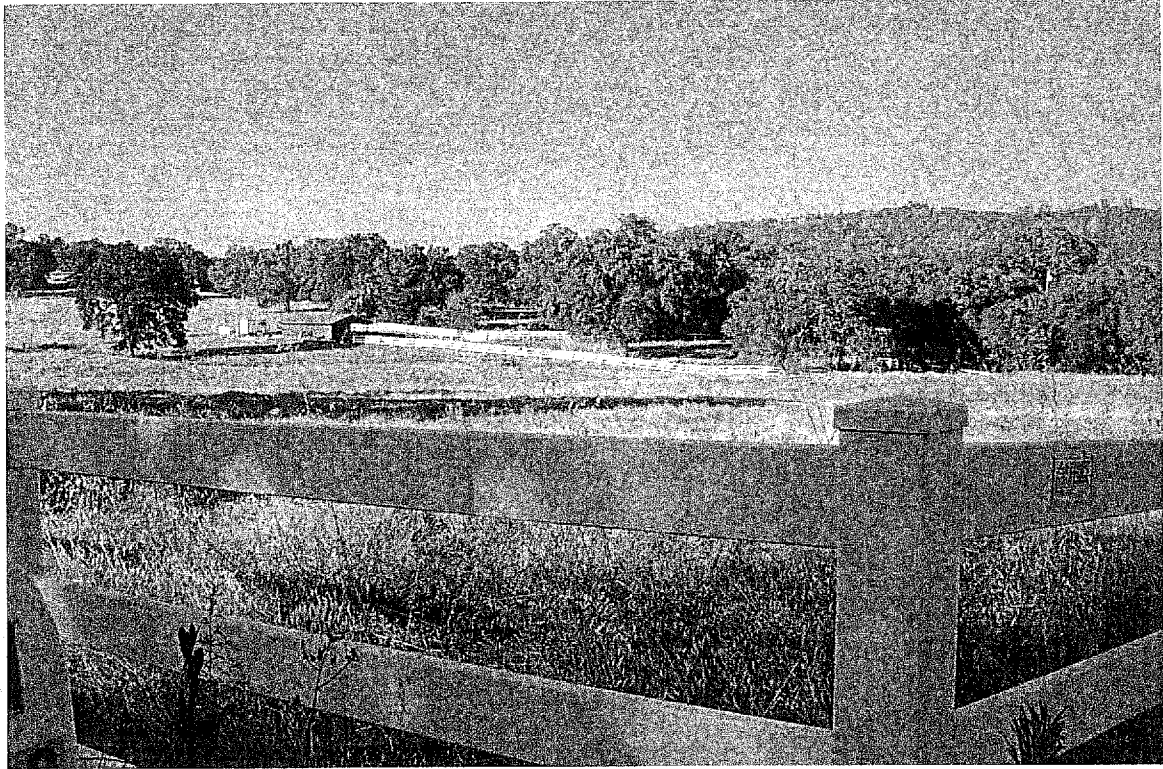
Thank you for your consideration.

Very truly yours,

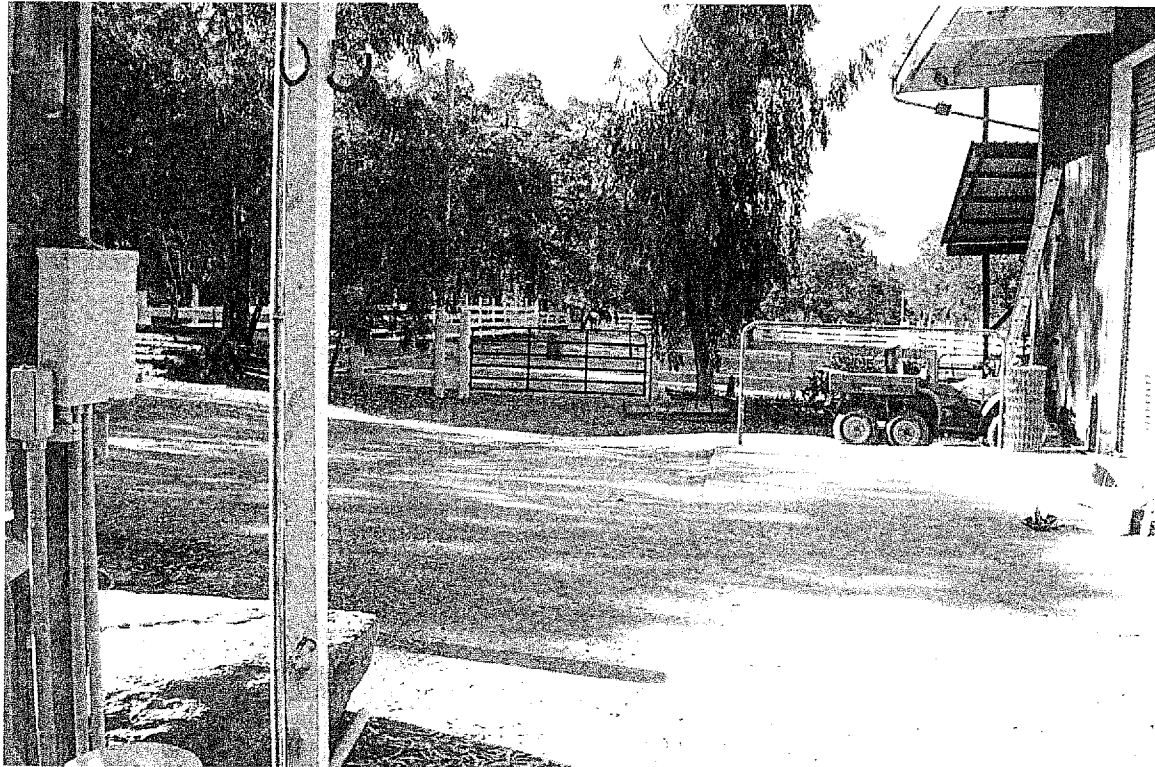


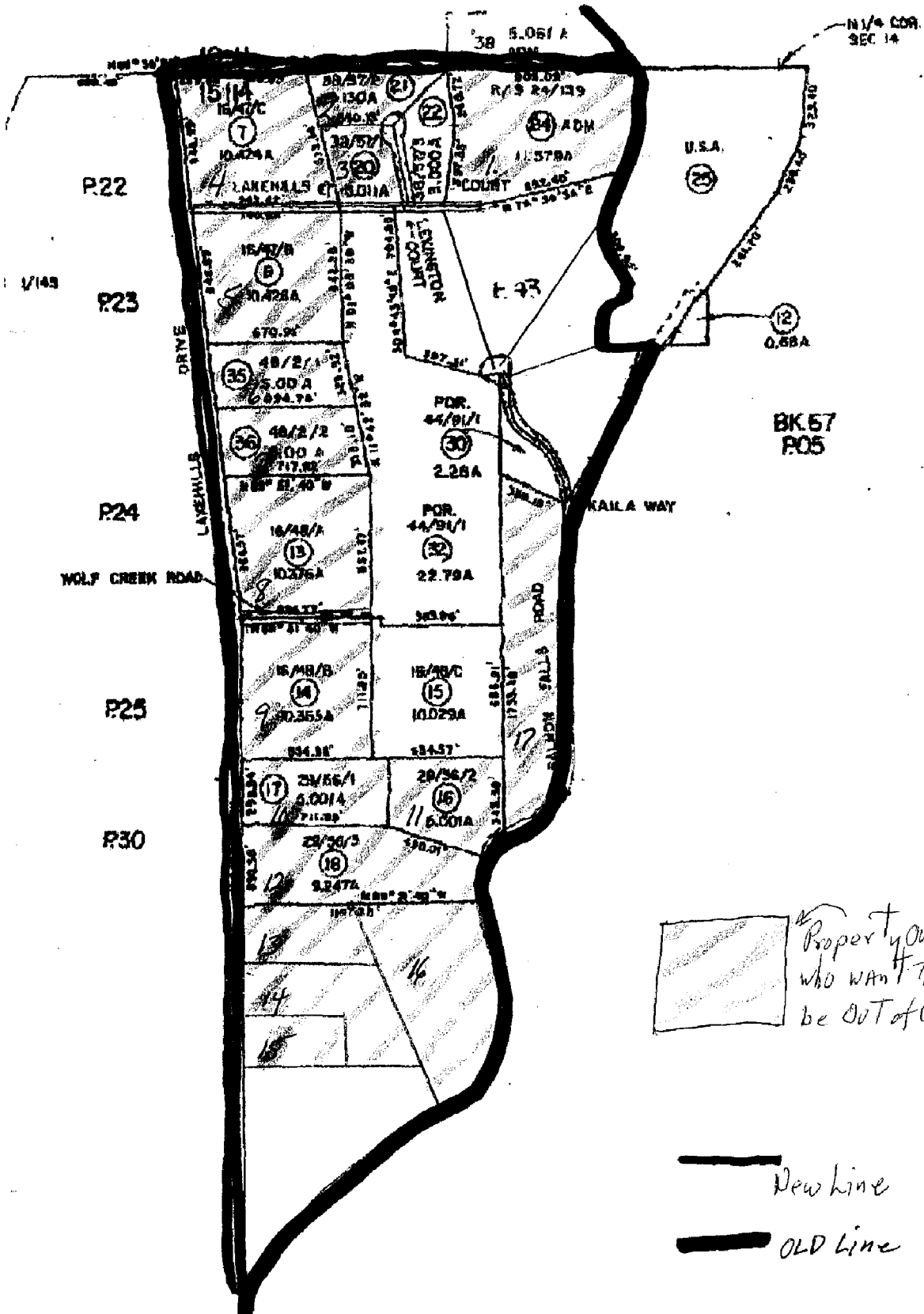
THEODORE S. GOODWIN  
Attorney for Lakehills Equestrian Group

Att: 4 photographs  
TSG:csc









LOCAL AGENCY FORMATION COMMISSION  
POLICIES, GUIDELINES AND PROCEDURES

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**3.7 RECONSIDERATION PROCESS**

- 3.7.1 LAFCO provides for reconsideration of Commission decisions in a manner that is consistent with state law and that does not unduly delay the processing of applications for changes of organization or reorganization.
- 3.7.1 Requests for reconsideration of a Commission resolution are to be submitted in writing and accompanied by the reconsideration request fee (§56383(a)(4)).
- 3.7.3 Reconsideration requests shall be filed within 30 days of a resolution making determinations or prior to the adoption of a resolution by the conducting authority (§57075 et seq.), whichever is earlier (§56895(b)).
- 3.7.4 Reconsideration requests shall specifically describe the basis for the request. The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration (§56895(a)).
- 3.7.5 The reconsideration request shall be heard at the next regularly scheduled LAFCO meeting for which notice can be given, at which time the Commission shall consider the request and receive oral and written testimony. The Commission shall act upon the item no later than 35 days after the first noticed public hearing (§56895 (e)(f)).
- 3.7.6 Reconsideration is a two-step process. The Commission will first consider the request and may vote to reconsider the matter if any of the following findings can be made based on substantial evidence in the record.
- (a) Compelling new evidence exists or new or different facts, including significant and previously unavailable evidence or facts that might alter the LAFCO's decision; or
  - (b) Circumstances related to the project have substantially changed, such as the repeal of an applicable law that might alter LAFCO's decision; or
  - (c) LAFCO's procedures were not substantially followed in the previous hearing(s).
- 3.7.7 If the Commission approves, the request, the Commission shall adopt a resolution making determinations that shall supersede the resolution previously issued (§56895-(g)).
- 3.7.8 Any Commissioner or alternate seated at a given meeting can vote on reconsideration of an action taken at a prior meeting regardless of their vote or lack of vote at a prior meeting as long as they review meeting reports, tapes and minutes prior to the meeting at which they vote.

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POLICIES, GUIDELINES AND PROCEDURES

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- 3.7.9 The Commission's determination is final. No person shall make any further request for the same change or substantially similar change as determined by the Commission (§56895(h)).
- 3.7.10 Clerical errors or mistakes in any action or resolution adopted pursuant to a reconsideration action may be corrected pursuant to §56883 (§56895 (l)).

## Memorandum

TO: El Dorado LAFCO  
FR: Nat Taylor, El Dorado Hills Incorporation Project Manager  
RE: Request for Reconsideration from Theodore S. Goodwin, Esq., on behalf of the  
Lakehills Equestrian Group.\

Date: July 11, 2005

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### Commission Alternatives.

1. Deny the Request for Reconsideration tonight.
2. Grant Reconsideration set a new hearing date (Monday, July 18, 2005) for further consideration by the Commission.

### RECOMMENDED ACTION:

Staff recommends that the request for reconsideration be denied on the following grounds.

1. The request fails to raise any new information that would justify reconsideration pursuant to LAFCO policy and Cortese-Knox-Hertzberg.

LAFCO Policy 3.7.4 requires requests for reconsideration to "...state what *new or different facts that could not have been presented previously* are claimed to warrant the reconsideration (§56895(a))." (emphasis added)

The information presented in the letter from Mr. Goodwin presents no new facts or circumstances or arguments that weren't already discussed and considered by LAFCO in its consideration of the issue of whether to include or exclude this area from within the proposed City boundary. The rural character of the area was fully described and disclosed; members of LAFCO took a site visit to personally inspect the area; testimony was presented to LAFCO by numerous residents of the area. A member of LAFCO met individually with representatives of Lakehills Equestrian Group between the hearing on May 27 and the hearing on June 1 and had further discussions with an attorney [Robert Laurie] who had been consulted by the client group to potentially represent them. Following the extensive amount of time that had been focused on this particular aspect of the proposed City boundary, and the information gathered, LAFCO adopted a specific determination with respect to this area, reflecting the extent to which it had heard the arguments, for and against inclusion, by Mr. Goodwin's clients and their opponents. The specific determination reads:

***Lakehills – Equestrian Village.***

*Salmon Falls Road is a logical boundary for the City in the Lakehills -Equestrian Village area. It is in the best interests of the citizens of the affected area, and it is consistent with LAFCO policies, to include the Lakehills -Equestrian Village area within City. The reasons for inclusion are:*

- a) To avoid the loss of services to those properties currently within the EDHCSD.*
- b) To ensure a logical and definite City boundary.*

**2. The legal issues related to exclusion of the Lakehills Equestrian Village area were considered by the Commission at the June 1<sup>st</sup> hearing.**

Mr. Goodwin states on p. 1 of his letter that the request for reconsideration should be granted because "...a new legal issue was raised before the LAFCO Commission for the first time at its meeting on June 1, 2005." This is not only factually incorrect, it is irrelevant to the question of whether "...new or different facts that could not have been presented previously..." have come to light. The issues addressed in Mr. Goodwin's letter were thoroughly discussed and deliberated by the Commission at its June 1 hearing.

Mr. Goodwin goes on to assert that the decision by the Commission, which came after consultation with LAFCO legal counsel in executive session, constituted "...a new and unjustified decision in violation of LAFCO policy." LAFCO made findings in support of its decision (see above). In reaching its decision on this boundary matter, LAFCO did nothing wrong or in violation of its own policies.

**3. The Lakehills Equestrian Group had adequate opportunity to consult with legal counsel.**

Mr. Dennis and other members of the Lakehills Equestrian Group have been involved with the boundary discussions since mid-April, including the hearings on April 18, May 27 and June 1. During this time, the Group was given an opportunity to consult w/ legal counsel throughout the proceedings, and in fact were extended an opportunity to meet with Commissioner Long, a retired real estate attorney, to consider their arguments. Commissioner Long also took the time to confer with a private counsel, Robert Laurie, whom the Lakehills Equestrian Group had met with to discuss this case. They apparently elected to not retain Mr. Laurie, as he was not present at the hearing on June 1.

**4. The Commission considered the Lakehills Equestrian Group in a manner consistent with other boundary requests.**

Mr. Goodwin implies that LAFCO treated the Lakehills Equestrian Group different from other boundary requests. The fact is that other areas that the Commission decided to exclude from the City boundary, such as Marble Valley and Marble Mountain, are different because they are not included within the El Dorado Hills CSD. The Commission recognized that excluding these other areas from the City would not trigger the same loss of services that would result from exclusion of the Lakehills Equestrian Estates area.

5. The adopted boundary includes other rural areas similar to the Lakehills Equestrian Village.

Mr. Goodwin states that the reason the LEG people want to be excluded from the city is to preserve and protect the large-lot rural character of their area. Members of LAFCO and others have told the LEG people repeatedly that becoming part of the city would not change their zoning, general plan status, or – importantly – the 3-acre minimum lot standards embodied in their CC&Rs. Rural subdivisions – like Green Springs Ranch – are appropriate within the City and the character and nature of the current land use pattern is not threatened or in jeopardy by inclusion.

6. There are no compelling policy reasons for excluding the Lakehills Equestrian Estates area from the City.

The reasons given by the affected property owners for wanting to be excluded primarily relate to their concern that incorporation would inevitably lead to a change in the zoning in their area to permit higher density development. This concern seems unwarranted in light on the 3-acre minimum lot size restriction in their CC&Rs that would not be affected by incorporation. Indeed, under LAFCO's actions, the new City would be obligated to enforce that very CC&R provision.

7. There are strong policy reasons for including the Lakehills Equestrian Village area within the City Boundary.

These include the establishment of logical service boundaries along Salmon Falls Road, continuation of the EDHCSD services by the new City within the Lakehills Equestrian Village area. Further, Lakehills Drive will become a city-maintained road, under either alternative and if the Lakehills Equestrian Village were to be excluded, then the City would be supporting the maintenance of this road even though all properties on the easterly side would not be in the City.

Conclusion:

For the above reasons, staff is recommending that the Request for Reconsideration be denied.

However, should the Commissions feel that further consideration of this issue is appropriate, a subsequent hearing could be calendared for next Monday. Staff would then prepare appropriate documentation to support whatever determination of this boundary matter the Commission makes. This additional documentation would likely include preparation of a CEQA Addendum pursuant to CEQA Guideline §15164 on the basis that this boundary modification does not constitute a substantial change in the Project or the CEQA findings already adopted.

**LOCAL AGENCY FORMATION COMMISSION**  
**JULY 11, 2005**



Post-It™ brand fax transmittal memo 7671 # of pages ▶	
To <i>JAY</i>	From <i>JAY</i>
Co.	Co.
Dept.	Phone #
Fax #	Fax #

FIRST AMERICAN TITLE COMPANY OF TAMPA  
 ESCROW #A2946-JP  
 RECORDING REQUESTED BY, AND WHEN  
 RECORDED SEND TO:  
 Mr. & Mrs. Edward Chenoweth  
 1740 Salmon Falls Road  
 Folsom, California  
 MAIL TAX STATEMENTS TO:

same as above

FIRST AMERICAN TITLE CO.  
 JAN 13 3 14 PM 1977  
 JAMES H. HENNEY  
 COUNTY RECORDER

DOCUMENTARY TRANSFER TAX \$ 183.20  
 COMPUTED ON THE VALUE OF PROPERTY ACQUIRED  
 BY CONVEYANCE OR THE VALUE OF THE INTEREST AND  
 ENCUMBRANCE ACQUIRED BY THE GRANTEE  
*First American Title*  
 Signature of Deponent or Agent Submitting for Tax Herein

THIS SPACE FOR RECORDERS USE

GRANT DEED SUBJECT TO RESTRICTIONS

FOR VALUABLE CONSIDERATION, receipt of which is hereby  
 acknowledged, JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY, a  
 corporation, ("Grantor"), hereby GRANTS to Edward D. Chenoweth  
 and Betty M. Chenoweth, Husband and Wife, as community  
 property (all are hereafter "Grantees") the following  
 described real property in the County of El Dorado, State of  
 California:

PARCEL 1:

All that portion of Section 14, Township 10 North,  
 Range 8 East, M.D.B.&M., described as follows:

BEGINNING at the Northwest corner of said Section 14  
 as shown on the Record of Survey entitled "Portion  
 of Section 14, Township 10 North, Range 8 East,  
 M.D.B.&M.", recorded in the office of said Recorder  
 in Book 1 of Surveys, Map No. 158; thence along  
 the boundary of said Record of Survey the following  
 ten (10) courses and distances: (1) Along the  
 North line of said Section 14, North 89° 57' 35"  
 East 1969.72 feet to the Northeast corner of said  
 Record of Survey, (2) South 02° 12' 00" East 4.12  
 feet to a U.S.B.R. Monument, (3) South 02° 12' 00"  
 East 231.00 feet to U.S.B.R. Monument, (4) South  
 18° 26' 00" West 562.09 feet to a U.S.B.R. Monument,  
 (5) South 27° 52' 00" East 309.32 feet to a 1-1/4  
 inch iron pipe monument tagged "L.S. 2651", (6)  
 South 47° 06' 00" West 147.30 feet to a similar  
 iron pipe monument, (7) South 04° 45' 00" West  
 201.15 feet to a similar iron pipe monument, (8)  
 South 89° 59' 00" West 493.18 feet to a 1-1/2  
 inch iron pipe monument, (9) South 00° 41' 16"  
 East 2645.51 feet to a 1 inch iron pipe monument

1593

MAIL TAX STATEMENTS AS INDICATED ABOVE

Handed out (1 copy)  
by T. Goodwin

07/11-05

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## EL DORADO COUNTY

tagged "L.S. 2323" marking the Southeast corner of said Record of Survey, and (10) North 89° 51' 40" West 1320.55 feet to a similar iron pipe monument marking the Southwest corner of said Record of Survey, said point also being described as the Northeast corner of the parcel of land entitled "Gladys Jackson, 40.644 acres" as shown on said Record of Survey entitled "Portion of Section 10, 14, 15 and 16, Township 10 North, Range 8 East, M.D.B.&M."; thence along the West boundary of said Section 14, North to the point of beginning.

## EXCEPTING THEREFROM:

All that portion of the herein described property conveyed to El Dorado County by a Deed recorded October 29, 1975, in Book 1356 of Official Records, at page 808.

## PARCEL 2:

All that portion of the Northeast quarter of Section 15, Township 10 North, Range 08 East, M.D.B.&M., lying Easterly of the Easterly boundary of the County Road known as Lake Hills Drive.

EXCEPTING AND RESERVING, however, from said Parcel 1 and said Parcel 2, to the Grantor, its successors and assigns, all the oil, gas and other minerals in, under, and upon the property, and also the right and privilege of removing the same by any subterranean process, and of making and driving tunnels, passages and ways under the said surface for the purpose of removing any oil, gas or other minerals now or hereafter owned or held by the Grantor, its successors or assigns, on the property or any adjoining property.

## SUBJECT ALSO TO THE FOLLOWING RESTRICTIONS:

The property conveyed by this grant deed, as described above (herein the "Property"), is subject to the following covenants, restrictions, limitations, reservations and easements (herein "Covenants"). It is agreed between the Grantor and the Grantees that these Covenants are for the mutual benefit of all property owned of record by Hancock, as of record date of this deed, in El Dorado Hills, El Dorado Hills being more particularly described in Attachment I, attached hereto and incorporated by reference (herein "El Dorado Hills"), and are part of a general plan to insure a pleasant residential environment and to preserve property values. It is understood by Grantor and Grantees

that Grantor will acquire additional property within El Dorado Hills after recordation of this deed. Grantor and Grantees agree that this additional property may be annexed to the land benefited by the Covenants herein by the execution and recordation of a declaration, referring to this deed, and identifying the property to be annexed. After said recordation, such additional property will have all the same benefits as the property originally named herein.

All of the following Covenants shall run with the land and are hereby expressly made binding upon all persons or entities now having, and any successive owner of, any right, title or interest in the land, or any part thereof, conveyed by this deed and said Covenants are for the benefit of every person or entity now having or hereafter acquiring any right, title or interest, in any real property located in El Dorado Hills, as defined above.

1. Land Use and Building Type

No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two and one-half stories in height and shall have a private garage or carport for at least 2 cars, and other usual and appropriate outbuildings, including non-commercial barns and stables, incidental and appropriate to a private estate and in architectural harmony with the estate.

2. Architectural Control of Improvements

No building, fence, wall or other structure, shall be erected or placed, or altered in external design or color, on any lot until construction plans and specifications showing the exterior color scheme, and a plan showing

3.

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## EL DORADO COUNTY

the location of the structure on the lot have been approved by the El Dorado Hills Architectural Control Committee as to conformity and harmony of external design and appearance with surrounding development, and as to location of the building and finished grounds elevation. Approval shall be as provided in Section 18.

3. Lot Size

No dwelling shall be placed or erected on any lot which has an area of less than three acres. Nor shall any lot be less than 300 feet in width, except where the presence of a public road requires a narrower lot and such lot has been approved by the appropriate governmental authorities.

4. Dwellings

No dwelling or other improvement shall be constructed or permitted to remain which does not meet the following criteria, except where the El Dorado Hills Architectural Control Committee specifically approves, in writing, a variance therefrom.

a. Size

All dwellings must have a total floor area of not less than 1,600 square feet exclusive of open porches, garages and other outbuildings.

b. No Temporary or Mobile Homes

All dwellings must be constructed on site, permanently affixed to the land and have, in the estimation of the El Dorado Hills Architectural Control Committee, a useful life of at least thirty (30) years.

c. Driveways

All dwellings must have an all-weather driveway or private road, suitably graded, drained, and surfaced. Surfacing material other than gravel, asphalt, macadam or concrete must be approved by the El Dorado Hills Architectural Control Committee.

## EL DORADO COUNTY

d. Service and Storage Areas

Storage and Service Areas shall be so located or enclosed that they are not visible from any street, road or drive which provides access to any other dwelling or place. No clothing or household fabrics shall be hung out on any lots unless the same are enclosed by a fence or other enclosure at least six (6) inches higher than such hanging articles, but in no case shall exceed six (6) feet in height. No machinery or appliances of any type, nor any inoperable motor vehicles of any type shall be stored on any lot or parcel. Any offending machinery, appliance or motor vehicle may be removed at owner's expense.

e. Reflective Finishes Prohibited

No reflective finishes shall be used on exterior surfaces with the exception of hardware items.

f. Fences

All fences, screens, and similar exterior structures shall be constructed solely of wood or stone, except for other materials approved by the Architectural Control Committee for that particular use. No fence shall exceed 5 feet in height. Retaining walls, animal enclosures, and tennis court fencing may be of other approved materials.

g. Roof Material and Color

All roofs shall be subject to Architectural Control Committee approval.

h. Siding Material and Color

There shall be no prescribed siding material except that no vertical side of any structure shall have a finished surface of imitation wooden shingles, composition board or other siding which is unsuitable or inferior in the opinion of the Committee.

## EL DORADO COUNTY

1. Maintenance

The land and all improvements shall be maintained by the owner in good condition and repair.

3. Trees

No trees over 8" in diameter shall be removed without written consent of the Architectural Control Committee.

5. Completion of Dwelling

When the erection of any dwelling is once commenced, the work thereon must be prosecuted diligently and must be completed within a reasonable time. The exterior finish, including finished painting, shall be in any event completed within twelve months after the commencement of construction. No dwelling shall be occupied prior to its completion and permanent affixation to the land, except as incidental to and during the period of construction of a dwelling on any lot. No dwelling shall be inhabited or used for any residential purposes during such period of construction.

6. Set-Back Lines

No portion of any structure shall be nearer than 60 feet from the front lot line, 30 feet from a side lot line or 60 feet from the rear lot line.

7. Cross Visibility of Vehicular Traffic

No trees or shrubbery shall be planted on any lot within 25 feet of any public road unless the foliage line is maintained to prevent obstruction of safe cross visibility of vehicular traffic approaching and/or using said street. The Architectural Control Committee may order the removal of trees or shrubbery further than 25 feet from any road if they determine such trees or shrubbery constitute a visual hazard.

8. Signs

No sign of any kind shall be displayed to the

## EL DORADO COUNTY

public view on any lot upon which a dwelling has been constructed and inhabited as a residence except the following:

a. One identification sign, non-animated and non-flashing and not exceeding 72 squares inches in area on the face thereof, containing only the name(s) of the occupant(s) and/or the address of the property.

b. On any lot and/or structure for sale or for rent, one non-flashing and non-animated sign not to exceed 144 square inches, advertising the sale or rental of said property, and said sign shall only be placed in front, set back at least 20 feet from any lot line.

9. Nuisances

No noxious or offensive activity shall be carried on upon any lot; nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

10. Antennas

No television or other transmitting or receiving antennas shall be erected or maintained within or upon any lot except those devices which may be erected, maintained and used entirely within the enclosed portion of the dwelling thereon.

11. Parked Vehicles, etc.

No boats, boat trailer, house trailer, recreation vehicles, or other vehicles shall be regularly parked on any street, upon any driveway, or upon any lot unless they are to the rear of the front set-back lines behind a suitable fence, or in an enclosed garage or carport, or so as to be not visible from any street, road or drive which provides access to any other dwelling or place. Offending vehicles may be towed away at owner's expense.

12. Livestock, Poultry and Pets

Poultry, rabbits or other grain-fed rodents may be

## EL DORADO COUNTY

raised, but must be primarily for home consumption. Livestock may be kept on any lot one acre or larger, but no more than one head of livestock per acre shall be permitted. All animal areas shall be kept in a neat, clean condition and no offensive sounds or odors shall be permitted to emanate therefrom. No structure for the sole habitation of animals shall be located or kept within 50 feet of any dwelling units erected on adjacent lots.

13. Garbage and Refuse Disposal

Rubbish, garbage, trash and all other refuse shall be stored in sanitary containers, maintained in a clean condition. Such containers and refuse shall be concealed so as not to be visible from the street, but shall be so situated as to be readily accessible to the service agency responsible for disposal of the same. No materials or waste shall be so stored in such manner that they may be transferred off the property by natural causes (wind, rain, etc.). No garbage, refuse or soil materials shall be placed on any vacant lots or land within El Dorado Hills.

14. Slope Control

The existing slope or conformation of any lot shall not be altered. Nor shall any structure, retaining wall, planting or other activity be taken which retards, changes or otherwise interferes with the natural flow of surface or drainage waters to the actual or threatened injury of any other lot, or which creates erosion or sliding problems.

15. Utility Easements

Such permanent easements under, over, upon and across strips of land as may be necessary for construction, use, maintenance, operation and repair of poles, wires, pipes, conduits, tanks and appurtenant facilities for utility



## EL DORADO COUNTY

service, television cables or drainage, are hereby reserved unto the Grantor together with the right and power to grant, convey and dedicate all portions thereof from time to time to any public body or private company for installation of underground lines. Within the boundaries of said easement strips, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow or drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except those improvements for which a public authority or utility company is responsible for maintenance.

16. Road Easements

Such permanent easements under, over, upon and across strips of land, not to exceed 25 feet in width, as may be necessary for roads to provide access to other parcels of El Dorado Hills to public streets and highways are hereby reserved unto Grantor, together with the right and power to grant convey and dedicate all portions thereon from time to time to any federal, state or local governmental entity for the purpose of making a public road. Such road easements shall be situated so as to cause the least interference reasonably possible with the beneficial use of the owner of the granted lands herein. This Section 16 shall be of no further force or effect after the filing and approval by all appropriate governmental authorities of a final subdivision map for the Property and approval of such map in writing by Grantor.

## EL DORADO COUNTY

17. No Business Use

No type of commercial or business activity of any type, including but not limited to yard sales, garage sales, swap meets, antique or curio sales shall be carried on upon any lot. No goods or wares, whether new or used may be displayed for sale on any lot where they are visible from any street, road or drive which provides access to any other dwelling or place.

18. El Dorado Hills Architectural Control Committeea. Memberships

The Architectural Control Committee shall be composed of:

William Fisher  
J. H. Bertolucci  
Robert Atchison  
Thomas Dole

A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining member or members shall have full authority to designate a successor or successors. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant hereto. In the event of the failure of the remaining member or members of the Committee to appoint a successor or successors within ninety (90) days after the death or resignation of a member or members, then the then record owners of a majority of the acreage benefitted by these Covenants shall have the power, through a duly recorded written instrument, to appoint such successor or successors.

**AGENDA ITEM NO.2**  
**CONDUCTING AUTHORITY PROCEEDINGS**  
**LAFCO PROJECT NO. 03-10**

# ***Local Agency Formation Commission***

## ***STAFF REPORT***

### ***Agenda of July 11, 2005***

**AGENDA ITEM 2:**

**CONDUCTING AUTHORITY PROCEEDINGS,  
LAFCO PROJECT NO. 03-10**

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#### **BACKGROUND**

Government Code §57000, et seq. specifies proceedings to allow registered voters and landowners to object to a change of organization after it has been approved by LAFCO. State law and local policy allow the Executive Officer to serve as the hearing officer for these "protest proceedings" to minimize the need for additional hearings before the full Commission.

In the case of the El Dorado Hills incorporation, however, a meeting was scheduled to review possible reconsideration requests, so the conducting authority proceedings were set before the Commission at the same time. Notice for this hearing has been posted and published in local newspapers as required by law. The notice and forms for protest have been posted on the LAFCO website. The time for filing protests is set by law between the date of notice (June 20, 2005) and the close of the public hearing on July 11, 2005.

#### **HEARING PROCEDURE**

Staff will provide a general summary the project and Resolution L-05-09. Project documents will be available for public review, including the map and terms and conditions of approval. The Commission will hear and receive any oral or written protests. Protest forms will be available to sign and will be provided for anyone wishing to protest. During these proceedings, no changes may be made to the previously approved project. The hearing is then closed; no further signatures can be accepted.

Staff will request a short recess, if needed, to tally the number of signatures submitted. It is unlikely that sufficient protests will be submitted to terminate the incorporation. A total of 50% of the landowners owning 50% of the assessed value of land within the incorporation area is needed. The current (2003-2004) assessed value of the incorporation area is \$3,922,050,549, as determined by the Final CFA. Alternatively, more than 50% of the registered voters in the incorporation area must protest in order to block the election. There are 18,044 registered voters in the incorporation area.

Following the recess, the Commission will reconvene and take the following recommended action.

#### **RECOMMENDED ACTION**

The Commission's action is to (1) determine whether the protest received exceeds 50% of the landowners or registered voters and, if not, to (2) adopt Resolution L-05-12 calling for the Board of Supervisors to set the matter for election in November 2005.

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*Online Viewing*

Hard copy of any attachments available upon request

**EL DORADO LAFCO**  
**LOCAL AGENCY FORMATION COMMISSION**

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**RESOLUTION NUMBER L-05-12**

**Making Determinations and Ordering the Incorporation of the  
City of El Dorado Hills Subject to Confirmation of the Voters;  
LAFCO Project No. 03-10**

*WHEREAS*, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 of Title 5 of the California Government Code, the El Dorado Local Agency Formation Commission ("LAFCO") approved the incorporation of the community of El Dorado Hills on June 8, 2005 by Resolution L-05-09 and directed staff to proceed with conducting authority proceedings pursuant to that Act; and,

*WHEREAS*, on June 20, 2005, the Executive Officer of LAFCO published and posted notice of the protest hearing with regard to the incorporation pursuant to Government Code Section 57000, et seq.; and,

*WHEREAS*, at the hearing on July 11, 2005, written protests filed and not withdrawn were found to represent owners of land owning less than 50% of the total assessed value of land within the affected territory (such assessed value being \$3,922,050,549 during the 2003-2004 fiscal year) and also representing less than 50% of the 18,044 registered voters residing within the affected territory; and,

*WHEREAS*, Government Code Section 57077 requires that if protests of a proposed incorporation represent less than 50% of the registered voters residing in the affected territory, or represent less than 50% of the owners of land owning less than 50% of the assessed value of land within the affected territory, then LAFCO must request and the Board of Supervisors must order that the proposed incorporation be submitted to the voters of the affected territory at the next general election which in this case will be November 8, 2005.

***NOW THEREFORE, BE IT DETERMINED AND ORDERED AS FOLLOWS:***

1. The incorporation of the proposed City of El Dorado Hills is hereby ordered, subject to confirmation of the voters and subject to terms and conditions specified in LAFCO Resolution L-05-09 attached hereto as Exhibit 1.
2. The affected territory described in Resolution L-05-09, attached as **Exhibit 1**, and as shown on the boundary map attached as **Exhibit 2**, shall be incorporated and named "The City of El Dorado Hills." That territory is generally described as follows:

All territory within the exterior perimeter boundary of the El Dorado Hills Community Services District as of June 8, 2005 and the following additions (all references to APNs are as of June 8, 2005):

The Green Springs Ranch subdivision; parcels west of Salmon Falls Road and south of Folsom Lake (APN 110-430-04, 110-020-30, 067-051-05, 067-310-05, 08, 09, 25, 26); the Sierra Pacific parcels (APN 108-050-05, 108-050-06, 108-050-07, 108-050-08, 108-050-14, 108-050-17); the El Dorado Union High School District parcel (APN 108-050-42); the Carson Creek Specific Plan area and the El Dorado Hills Business Park.

3. The incorporation is approved along with the following additional changes of organization within the area to be incorporated:
  - a. The area to be incorporated shall be detached from County Service Area 9.
  - b. The El Dorado Hills and Springfield Meadows Community Services Districts shall be dissolved and their functions reorganized into the city.
  - c. Such other changes of organization as specified in LAFCO Resolution L-05-09, attached as **Exhibit 1**.
4. The regular county assessment roll will be utilized and the affected territory will continue to be taxed for existing bonded indebtedness and other taxes and parcel charges of any agency to be reorganized hereunder or whose boundaries are changed.
5. The reasons for the proposal, as stated in the resolution of application, are as follows:
  - (A) To enhance the physical character, community identity, and quality of life in El Dorado Hills by establishing local control of public services, land use planning, and public and private investment in the community;
  - (B) To establish a locally elected City Council in El Dorado Hills to provide community leadership and increase local control over, and accountability for, governmental decisions affecting El Dorado Hills, including comprehensive planning and zoning and other land use decisions affecting El Dorado Hills,
    - (1) Increase accessibility of citizens to local government officials and staff members,
    - (2) Provide a local forum for discussion and resolution of issues important to the community through active community participation programs and opportunities for involvement in civic affairs,
    - (3) Increase local responsibility for determining public service levels and providing capital improvements,
    - (4) Ensure the best allocation of state and federal revenues, to the maximum extent possible, to support needed services within the City of El Dorado Hills;
  - (C) To consolidate responsibility for municipal services in El Dorado Hills under a single local entity, the City of El Dorado Hills, which can, through improved efficiency and access to substantial state and federal revenues not presently available to the community, increase public service levels;

- (D) To allow for improved public services in El Dorado Hills, including:
- (1) Improved levels of police protection,
  - (2) Continued improvements to the level of fire protection and emergency medical services (EMS),
  - (3) Improved health, safety, and welfare through implementation and enforcement of local laws and ordinances,
  - (4) Increase capacity of existing roads to improve traffic flow,
  - (5) Improved maintenance of existing roads that have been allowed to deteriorate,
  - (6) Improved parks and recreation facilities and programs,
  - (7) Assurance of adequate public services and facilities needed to meet the demands of all residents;
- (E) To enhance physical development in El Dorado Hills, which promotes and preserves a vital blend of residential, agricultural, commercial, industrial, and open space land uses; and,
- (F) To promote economic prosperity and fiscal independence through the identification and implementation of common economic goals.
6. The Board of Supervisors is requested to direct the elections official to conduct the necessary election for the proposal and for the election of officers and fix the date of election as November 8, 2005, consistent with Government Code §57000.
  7. The election shall be held within the territory of the city ordered to be incorporated, as described in LAFCO Resolution L-05-09, attached as **Exhibit 1**, and as shown on the boundary map attached as **Exhibit 2**.
  8. The vote required to approve the incorporation shall be a majority vote of the registered voters within the affected territory who vote in the election.
  9. The question to be placed on the ballot shall be as follows:  
  
*“Shall the Resolution adopted on July 11, 2005, by the El Dorado Local Agency Formation Commission ordering the incorporation of the City of El Dorado Hills and further ordering the dissolution and reorganization of the El Dorado Hills Community Services District, the dissolution and reorganization of the Springfield Meadows Community Services District, and detachment of the territory to be incorporated from County Service Area 9, be confirmed, subject to the terms and conditions specified in the order?”*

10. As required by Government Code §57116(b), the ballot shall include an additional question as to whether members of the City Council in future elections are to be elected by district or at large. The question to be placed on the ballot shall be as follows:

*“Shall the city council members for El Dorado Hills be elected in future elections by district or at large?”*

*Select one of the methods below.*

*Council members shall be elected in the future by district. (Oval)*

*Council members shall be elected in the future “at large.” (Oval)*

11. The full text of the ballot measure shall read as set forth in **Exhibit 3**, attached hereto and made a part of this order. The Commission directs that the full text of the ballot measure be printed in the ballot pamphlet.
12. Pursuant to Government Code §57377, of the five elected members of the City Council, the three receiving the lowest number of votes shall hold office until the first succeeding general municipal election held in the city and until their successors are elected and qualified, and the two receiving the highest number of votes shall hold office until the second succeeding general municipal election held in the city and until their successors are elected and qualified. If two or more members of the City Council are elected by the same number of votes, the terms of each shall be determined by lot. The members of the City Council elected to succeed the members elected at the incorporation election shall hold office for four years from the Tuesday succeeding their election, and until their successors are elected and qualified.
13. The mayor of the new city shall be a council member selected by the City Council in the manner provided in Section 36801 of the Government Code.
14. The appropriations limit shall be determined pursuant to Government Code §56812 and shall be \$19,500,000.
15. The Executive Officer or her designees are hereby directed to transmit certified copies of this resolution and any necessary documents to the El Dorado County Board of Supervisors and the El Dorado County Registrar of Voters and to perform all acts necessary to comply with the requirements of law, including revisions, corrections, or alteration of the language of the ballot measure.
16. Should LAFCO receive a request for reconsideration of its decision and determine to modify that decision subsequent to the adoption of this resolution, this resolution and the Board of Supervisors resolution implementing this resolution shall be automatically modified or vacated in accordance with the subsequent action of LAFCO on reconsideration.



**PASSED AND ADOPTED** by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held July 11, 2005 by the following vote of said Commission.

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

**ATTEST:**

\_\_\_\_\_  
**Clerk to the Commission**

\_\_\_\_\_  
**Chairperson**

**EXHIBIT NO. 1 TO  
LAFCO RESOLUTION  
L-05-12**

**EL DORADO LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

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**RESOLUTION NUMBER L-05-09**

Proposed Incorporation of the City of El Dorado Hills  
LAFCO PROJECT NO.03-10

***Final Hearing Version***

**WHEREAS**, a resolution for the proposed incorporation of certain territory in the County of El Dorado was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act, commencing with Section 56000, et seq. of the Government Code; and

**WHEREAS**, the Executive Officer has examined the resolution and supporting materials and has accepted the proposal for filing on May 27, 2005; and

**WHEREAS**, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report including her recommendations, and has furnished a copy of this report to each person entitled to a copy; and

**WHEREAS**, at the times and in the form and manner required by law, the Executive Officer has given notice of the hearings by this Commission upon the proposal; and

**WHEREAS**, upon the date, time and place specified in said notice of hearing and in any order or orders continuing such hearing, the Commission has received, heard, discussed and considered all oral and written testimony related to the proposal, including but not limited to protests and objections, the Executive Officer's report and recommendation, the environmental documents and determinations, plans for providing service, spheres of influence and applicable General and Specific Plans and the Comprehensive Fiscal Analysis; and

**WHEREAS**, the Commission as lead agency has certified a Final Environmental Impact Report (SCH # 2004082113) and has adopted findings of fact and overriding considerations and has adopted a Mitigation Monitoring Program, all in compliance with the California Environmental Quality Act; and

**WHEREAS**, the Commission believes that the right to self-government is a fundamental value upon which our nation was built and having discharged its duty to determine that the new city will be fiscally viable and that the adverse impacts on other agencies and the environment are mitigated to the extent feasible, the Commission has determined that it must allow the citizens of El Dorado Hills to exercise this fundamental right to determine for themselves whether they wish to form their own local government.

**APPROVED**

**WHEREAS**, In approving this proposal the Commission has considered the policies set forth in Government Code Section 56377. The incorporation of the City of El Dorado Hills does promote the planned, orderly, efficient development of the Incorporation Area. Pursuant to Section 56720 of the Act, and based upon the entire record, the Commission finds that:

- a. Incorporation of the City of El Dorado Hills is consistent with the intent of the Cortese-Knox Local Government Reorganization Act; the policies of former Sections 56001, 56300, 56301, and 56377 of the Government Code; and the policies of this Commission.
- b. The spheres of influence of the local agencies affected by the Proposal have been reviewed by this Commission. This incorporation is consistent with those spheres of influence.
- c. The Commission has reviewed the Comprehensive Fiscal Analysis and all supplements prepared pursuant to Section 56800 of the Government Code.
- d. The Commission has reviewed the Executive Officer's Report provided by the Executive Officer, and Recommendations prepared pursuant to Section 56665 of the Government Code, and the testimony presented at its public hearings.
- e. The proposed City is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation.

**NOW, THEREFORE BE IT DETERMINED AND ORDERED** as follows:

- Section 1. Said incorporation is approved, subject to the conditions set forth in herein as follows:
- a) The Incorporation Area is incorporated into a new general law city.
  - b) The name of the proposed new city shall be "The City of El Dorado Hills."
  - c) The new City will have a City Manager form of government;

APPROVED

- d. The governing body of the new City shall be a five-person City Council, elected at-large from throughout the area to be incorporated.
- e) Future City Council members shall be elected at large or as determined by the City Council, consistent with state law.
- e. The City Council will appoint a City Manager, City Clerk, City Treasurer and City Attorney who shall serve at the pleasure of the City Council.

Section 2. The Commission does hereby make determinations regarding the proposal as shown in **Attachment A**, attached hereto and made a part hereof by this reference.

Section 3. The boundary of the City of El Dorado Hills is generally described as including all territory within the exterior perimeter boundary of the El Dorado Hills Community Services District and the following additions:

- a) The Green Springs Ranch subdivision;
- b) Parcels west of Salmon Falls Road and south of Folsom Lake (APN 110-430-04, 110-020-30, 067-051-05, 067-310-05,08,09,25,26)
- c) The Sierra Pacific parcels (A.P.N. 108-050-05, 108-050-06, 108-050-07, 108-050-08, 108-050-14, and 108-050-17)
- d) The El Dorado Union High School District parcel (A.P.N. (108-050-42)
- e) The Carson Creek Specific Plan area
- f) The El Dorado Hills Business Park.

Section 4. Said territory includes approximately 17,839 acres and is found to be inhabited, as defined in Government Code Section 56046.

Section 5. The boundary of said incorporation is approved as modified by the Commission and is shown on the attached map, marked **Attachment C**, and described in the attached legal description, marked **Attachment D** and by this reference incorporated herein. If there is any discrepancy between the boundary shown in **Attachment C** and described in **Attachment D**, the legal description shall control.

APPROVED

- Section 6. The incorporation shall be subject to the terms and conditions specified in **Attachment B**, attached hereto and by this reference incorporated herein.
- Section 7. The incorporation is assigned the following short form designation: Incorporation of the Proposed City of El Dorado Hills; LAFCO Project No. 03-10.
- Section 8. All subsequent proceedings in connection with this proposal shall be conducted only in compliance with the approved boundary and conditions set forth in the attachments and any terms and conditions specified in this resolution.
- Section 9. The Executive Officer is hereby directed to file a Notice of Determination in compliance with the California Environmental Quality Act.
- Section 10. Subject to the limitations of Government Code Section 57202, the Effective Date of incorporation is to be July 1, 2006.
- Section 11. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Government Code Section 56882.
- Section 12: The Executive Officer is hereby directed to initiate Conducting Authority Proceedings as soon as feasible in compliance with this resolution and Government Code Section §57000 et. seq.

**PASSED AND ADOPTED** by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held June 8, 2005 by the following vote of said Commission.

AYES:	7
NOES:	0
ABSTENTIONS:	0
ABSENT:	0

ATTEST:

/Susan Stahmann/  
Clerk to the Commission

/Al Manard/  
Chairperson

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COMMISSIONERS: GARY COSTAMAGNA, TED LONG, ROBERTA COLVIN, RUSTY OUPRAY, ALDON MANARO, CHARLIE PAINE, NANCY ALLEN  
ALTERNATES: CARL HABEN, GEORGE WHEELDON, FRANCESCA LOFTIS, JAMES R. SWEENEY  
STAFF: ROSEANNE CHAMBERLAIN-EXECUTIVE OFFICER, CORINNE FRATINI-POLICY ANALYST,  
SUSAN STAHMANN-CLERK TO THE COMMISSION, TOM GIBSON-LAFCO COUNSEL

APPROVED

Attachment A to  
Resolution L- 05-09

DETERMINATIONS

*Final Hearing Version*

**Boundary Related and General.**

The boundary is definite and certain. The boundary is consistent with state law and local policies and will not produce areas that are difficult to serve and does not create islands or irregular boundaries and conforms to lines of assessment and ownership.

The boundary as modified by LAFCO has eliminated islands and has created a logical service area for the new city. The boundary further eliminates areas that would be difficult for the County to continue to serve.

The boundary as modified by LAFCO includes a single contiguous area and is definite and certain and conforms to existing lines of assessment and ownership

The boundaries of existing agencies are more logical and appropriate for the boundary of the City than natural or topographic boundaries in this area.

The boundary as modified by LAFCO is consistent with the spheres of influence of affected and adjacent local agencies.

The boundary as modified by LAFCO is consistent with these agricultural policies in that lands that are designated for continued agricultural use and subject to Williamson Act policies have been excluded from the City while lands that may presently be in agricultural use but which are designated for urban development have been included where appropriate for logical boundaries.

The incorporation will not adversely affect adjacent areas, mutual social and economic interests, or the local governmental structure of the county.

Local Agency Formation Commission finds the proposed incorporation to be in the best interests of the affected area and the total organization of local government agencies within El Dorado County.

**Agriculture.**

The incorporation will not have an adverse effect on the physical and economic integrity of agricultural lands.

The proposed incorporation and its anticipated effects are consistent with adopted Commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

### **Marble Valley.**

Marble Valley is currently unimproved and there are no inhabitants or need for public services at this time. Comments of the property owner support removal of the property from the incorporation boundary.

### **Marble Mountain Homeowners CSD.**

Comments from the property owners support the removal of the Marble Mountain Homeowners CSD and services to be provided by the new City are not needed in this area.

### **Hickok Road and Arroyo Vista CSD Areas.**

Inclusion of lands contained in the Hickok Road area will divide a community. Lands in the Arroyo Vista area have low population density and do not need organized community services, currently or in the probably future, such as those services planned to be provided by the City.

### **Agricultural Parcels.**

The agriculturally designated parcels south of the El Dorado Hills (108-050-01 and 108-050-15) are not appropriate to include within the incorporation area. This determination is based on the following reasons:

- a) These parcels are in current agricultural land use.
- b) One parcel is under an active Williamson Act contract.
- c) There are no indications of need for urban services to these parcels.

### **Industrially Zoned Parcels.**

The industrial zoned parcels south of the El Dorado Hills Business Park are appropriate to include within the incorporation area. This determination is based on the following reasons:

- a) The parcels that are industrially zoned indicate an anticipation of future development and need for urban services.
- b) The parcels that are within the EID and currently receive municipal water service from EID for existing industrial operations and uses demonstrate a need for urban services.
- c) Parcels that are owned by one owner should not be divided by the city boundary.
- d) The "flag" situation that would result from excluding the High School parcel from the city boundary would create an undesirable boundary configuration.

### **Bass Lake Area.**

Boundaries for the City of El Dorado Hills in the Bass Lake and Green Valley Road areas which follow the boundary and sphere of influence lines of the El Dorado Hills CSD are



more logical and best reflect the community of El Dorado Hills in this area. Lands in the sphere of influence of Cameron Park CSD are not logically included in City boundaries. Road parcels along the perimeter boundaries of the City shall be entirely included within the City boundaries.

**EDH Business Park.**

It is in the best interests of the citizens of the proposed city and the County as a whole to include the EDH Business Park in the proposed city boundary. The reasons for inclusion are:

- a) To exclude the Business Park would not promote logical and functional boundaries.
- b) Exclusion of the Business Park would complicate service delivery in the area; inclusion would promote efficiency of service delivery.
- c) Inclusion of the Business Park would promote a more balanced city with a better jobs-to-housing balance.
- d) The Business Park is developed at a level that demands urban level of services more appropriately provided by a city.
- e) Future development of vacant land within the Business Park will have impacts on the city that can best be coordinated and mitigated by the inclusion of the Business Park in the city boundary.

**Green Springs Ranch.**

The boundary for the City of El Dorado Hills in the Green Springs Ranch area which follows the boundary and sphere of influence lines of the El Dorado Hills CSD is logical and best reflects the community of El Dorado Hills in this area. Inclusion in the city will not necessarily result in any change in the character of the area and as city voters, the residents of Green Springs Ranch shall have a strong voice in any planning for the area.

**Lakehills - Equestrian Village.**

Salmon Falls Road is a logical boundary for the City in the Lakehills -Equestrian Village area. It is in the best interests of the citizens of the affected area, and it is consistent with LAFCO policies, to include the Lakehills -Equestrian Village area within City. The reasons for inclusion are:

- a) To avoid the loss of services to those properties currently within the EDHCSD.
- b) To ensure a logical and definite City boundary.

**Determinations Regarding Services and Governmental Reorganizations**

The application for incorporation demonstrates the need for the incorporation of a new city for the purpose of providing governmental services to the community of El Dorado Hills, and the formation of a new multi-service city government is the best alternative to provide services.

The new city will be capable of providing adequate services which are the subject of the proposed incorporation.

Water supply, and anticipated water supplies, in the El Dorado Hills area are adequate for current and projected needs and uses in the new city.

The proposed incorporation and its plan of service provides the best alternative for the provision of public services and for meeting community needs as stated in the goals and purposes of the incorporation contained in the application documents.

Environmental mitigations, boundary modifications to the Proposal, and terms and conditions of approval will prevent significant negative impacts on the cost and adequacy of services currently provided by existing governmental agencies.

No additional services or changes of organization are needed in the incorporation area and in adjacent properties. The boundary, as modified by LAFCO, includes those areas appropriate for inclusion in the City.

#### **Wild Land Fire Protection Service.**

Continuation of wild land fire protection services at pre-incorporation levels is best accomplished through agreements between the new City and the affected local fire protection agencies to assure the reimbursement by the City of all net new costs resulting from the reclassification of portions of the new City from State Responsibility Area to Local Responsibility Area.

#### **Enforcement of CC&Rs:**

The decision on whether or not to accept the responsibility of enforcing existing CC&Rs should rest with the new City, and if the new City determines not to enforce the existing CC&Rs, that responsibility would rest with the property owners themselves.

#### **Local Park Development Standards.**

The local park development and maintenance standards of the EDH CSD are the most appropriate in terms of meeting the needs and service requirements of the citizens of El Dorado Hills.

#### **Determination Regarding Transit Services**

LAFCO finds that a failure of the new City to join the EDCTA or to disallow transit services to be provided through the EDCTA would create a significant and adverse service impact on transit services in the County. While the service area of Transit may be reduced under such a scenario, the services provided by the EDCTA could still suffer a significant adverse impact as a result of creating a smaller, less efficient agency that will likely lose certain economies of scale. Failure to provide services through the EDCTA could result in a need to provide overlapping services in order to continue the same level of service within the remaining EDCTA service area. Service to commuters and regular countywide service

routes could be adversely affected. The reduction in funding under such a scenario would likely be greater than the corresponding reduction of overhead costs to EDCTA. LAFCO further finds that failure to provide transit services to the new City through the EDCTA may result in illogical and duplicative transit services being provided in the County.

#### **Fiscal Determinations.**

Revenues currently received by the County for services that, but for the operation of Section 56815 of the Government Code, would accrue to the proposed city are not substantially equal to the direct and indirect expenditures currently made by the County for those services that will be assumed by the proposed city.

The negative fiscal effect has been adequately mitigated by a series of annual lump-sum payments over a fixed period of time pursuant to Section 56815(c)(2).

In order to offset the effects of inflation and changes in the cost of service over time, the lump-sum payment should adjust annually.

The Consumer Price Index (CPI) is the best means for ensuring that the General Fund and Road Fund fiscal mitigation payments will maintain the revenue neutrality desired by the Commission.

Based on the findings of the CFA, the Commission finds that the City will be financially feasible and will be able to maintain pre-incorporation service levels.

Constraints related to topography, road access, capacity of Highway U.S. 50 and system-wide limits on water resources and wastewater treatment services, federal and state government ownership of large stretches of land in the unincorporated areas of the County, and the vested status of proposed development in El Dorado Hills, present significant impediments to the County's ability to implement General Plan amendments or to take other measures that could potentially adjust or compensate for the loss of revenues over an extended period of time due to the incorporation of El Dorado Hills, and a mitigation period of longer than ten (10) years is necessary.

A Comprehensive Fiscal Analysis (CFA), required pursuant to Government Code 56800, has been prepared, circulated for public review, presented at public hearings, and is adequate and complete.

The City of El Dorado Hills will receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation and the City is found to be fiscally viable, pursuant to Government Code Section 56720.

Subject to the Terms and Conditions adopted by the Commission, the incorporation will result in a similar exchange of both revenue and responsibility for service delivery. The incorporation is not occurring primarily for financial reasons.

APPROVED

The negative fiscal effects of incorporation have been adequately mitigated by terms and conditions approved by LAFCO pursuant to Government Code Section 56886.

The Commission finds and determines that the proposed incorporation is consistent with the legislative direction set forth in Government Code Section 56301 and will discourage urban sprawl, preserve open space and prime agricultural lands, efficiently provide government services, and encourage the orderly formation and development of local agencies based upon local conditions and circumstances.

**Regional Housing.**

The process for negotiation and reallocation of the Regional Housing Needs Plan as specified in statute will assist the City and the County in achieving their respective fair shares of the regional housing needs as determined by SACOG.

**Revenue Neutrality Negotiation Period**

While LAFCO policy 6.7.20 allows a period of up to 90-days for Revenue Neutrality negotiations, all parties to the negotiations agreed on May 18, 2005 to conclude such negotiations at 5:00 p.m. on May 27, 2005, with or without agreement, and prior to the end of that 90-day period. The Commission finds that the revenue neutrality negotiations, which began on March 14 and ended on May 27, provided a sufficient time period for this purpose.

**Attachment B to  
Resolution L- 05-09**

**TERMS AND CONDITIONS OF INCORPORATION**

*Final Hearing Version*

1. Services to be Provided. The City is authorized to provide and shall provide the following public services:
  - a) General Government, including City Manager, City Attorney, City Clerk
  - b) Law Enforcement (including traffic control and accident investigation currently supplied by the California Highway Patrol);
  - c) Planning and Land Use Regulation;
  - d) Building Permits and Inspection;
  - e) Maintenance, Monitoring, Engineering and Construction of streets and highways currently maintained by the County of El Dorado and Springfield Meadows CSD, including associated drainage and other appurtenant facilities.
  - f) Animal Care and Regulation;
  - g) Park and Recreation;
  - h) Flood Control;
  - i) Solid Waste;
  - j) Landscape Maintenance;
  - k) Street lighting.
  - l) Refuse Collection, through franchise agreements with private waste collection providers;
  - m) Cable Television, through franchise agreements with Comcast and/or other private CATV service providers; and,
  - n) Administration of architectural review and enforcement of Covenants, Conditions and Restrictions (CC&Rs) to the same extent as previously provided by the El Dorado Hills CSD; see Section 15 (f), below;
  - o) Code Enforcement; and,
  - p) Public Works not otherwise specified.
  
2. Services Not Provided. The City is not authorized to provide the following services and these services shall not be provided by the City. These services shall continue after incorporation and shall be exclusively provided by the agency or agencies identified below, consistent with spheres of influence as determined by LAFCO until and unless service responsibilities are modified by LAFCO pursuant to Government Code §56425, et. seq., and

any taxes, assessments, charges and fees currently levied within the incorporation area for these services shall continue in effect:

- a) Domestic Water Supply and Irrigation: El Dorado Irrigation District;
- b) Wastewater Collection, Treatment, and Disposal: El Dorado Irrigation District;
- c) Fire Protection and Emergency Services: El Dorado Hills County Water District and Rescue Fire Protection District (hereinafter, the "Fire Agencies");
- d) Resource Conservation: El Dorado County Resource Conservation District;
- e) Schools: Buckeye Union School District, Rescue Union School District, Latrobe Union School District, and El Dorado Union High School District;
- f) Library: El Dorado County Library (County Service Area 10);
- g) Transit: El Dorado County Transit Authority, subject to the provisions of Condition 8, below;
- h) Cemetery: El Dorado County for Mormon Island Cemetery and other cemeteries within the City, if any, as required by law. Private cemeteries shall continue to be serviced by private providers.
- i) Air Pollution Control: El Dorado Air Quality Management District; the governing body of the Air Quality Management District will be reconfigured as required by law as a result of the incorporation.
- j) Provision of Advanced Life Support Services (ambulance) and associated dispatch functions: El Dorado County (County Service Area 7)

3. Park Development Standards. The new City shall continue in effect the park development standards and related development impact fees for park and recreation services of the El Dorado Hills CSD in effect as of the Effective Date.

4. Wild Land Fire Protection. The new City shall provide funding to insure that wild land fire protection services are provided within the area of the City for the portions of the new City that, by state law, are reclassified from State Responsibility Area to Local Responsibility Area, as a result of incorporation. This obligation shall be satisfied by the new City as follows:

- a) Pursuant to its authority under Government Code Section 56815 and in accordance with Revenue and Taxation Code Section 99 et seq., LAFCO shall require the City to enter into a tax sharing agreement with the affected Fire Districts providing for the transfer of property tax sufficient to cover the costs to be incurred by the respective districts in providing wild land fire protection. Said tax sharing agreement shall provide for an initial transfer of property tax sufficient to fund each District's projected annual cost of providing such protection as detailed in the Comprehensive Fiscal Analysis. The Tax Sharing Agreement shall further provide that every three years thereafter, the County Auditor, in consultation with the City and the Fire Districts, shall adjust the tax sharing arrangement to

an amount sufficient to cover the then projected annual cost of providing such protection, taking into account increases or decreases in the total acreage subject to such wildland fire protection due to annexation, detachment or reclassification and the Districts' projected costs.

The Fire Districts shall perform a wild land reclassification assessment every three years, prior to the start of the subsequent three year "agreement period." This reclassification shall result in a direct adjustment (upwards or downwards) to the wild land coverage cost to be borne by the City. The Tax Sharing Agreement shall further provide that the annual amount of property taxes transferred pursuant to this Tax Sharing Agreement shall not exceed the projected cost of providing such service through a Cooperative Contract with the California Department of Forestry, so long as such Cooperative Contracts are an option available to the Districts.

b) In all cases, the level of wild land fire protection services shall be not less than the same level as provided by the CDF prior to incorporation.

c) Nothing herein is intended as a grant of authority to the City to provide fire and emergency services. The City's sole authority is to fund the continuation of such service by the fire agencies or CDF.

d) Should the City or an Affected Fire Agency fail to perform any of its obligations as set forth herein, any citizen may obtain a court order to compel the City or Fire Agency to perform their obligations hereunder, or to enforce the terms of any agreement between the City and the Fire Agencies then or most recently in effect.

5. Adoption of County Ordinances. Pursuant to Government Code Section 57376, the new City shall, immediately following its organization and prior to performing any other official act, adopt an ordinance providing that all county ordinances previously applicable shall remain in full force and effect as city ordinances for a period of 120 days after incorporation or until the city council has enacted ordinances superseding the county ordinances, whichever occurs first.

Specifically included among the County ordinances to be adopted by the new City, and not by way of limitation, are the following:

a) The Fire District Improvement Fee, as set forth in Chapter 13.20 of the County Ordinance Code. In accordance with the provisions of Chapter 13.20, the new City shall transfer to any affected Fire Agency an amount equal to the present Fire District Improvement Fee in effect as of the Effective Date on new development projects to which it applies.

b) The El Dorado Hills - Salmon Falls Roadway Improvement Fee (RIF), The El Dorado County Transportation Impact Mitigation (TIIM) Fee, and all other impact fee programs currently levied by the County;

c) County Buildings and Construction Code (Chapter 15)

d) County Subdivision Ordinance (Chapter 16)

- e) County Grading, Erosion and Sediment Control Ordinance
- f) County Zoning Ordinance (Chapter 17), including specifically, and not by way of limitation,
  - i) The County's Right-to-Farm ordinance (Chapter 17.13)
  - ii) The Ecological Preserve and Fee In-Lieu of Mitigation (Chapter 17.71)

6. County General Plan. The City shall adopt the El Dorado County General Plan as the interim City General Plan for the incorporated area. The El Dorado County General Plan shall remain in effect for 30 months or until the new City has adopted a new City General Plan pursuant to Government Code Section 65360.

7. Erosion Control and Grading Plan Review. To continue the present level of service related to the review of grading plans, and to assure that grading activities proposed for sites within the incorporation area conform with the requirements of the County's Grading and Erosion Control Ordinances, the City shall enter into an agreement with the El Dorado County Resource Conservation District (RCD) for such services. The agreement shall provide for planning and technical assistance to the City and to property owners within the incorporation area in return for the payment of fees for such services which shall be at the same level as fees charged for comparable services within the City of Placerville.

8. Transit Services. The City shall maintain at least the same level of transit service provided by the El Dorado County Transit Authority in the incorporation area and the incorporation shall not cause a reduction in service within the existing service area of the El Dorado County Transit Authority. Transit services in the new City shall be provided by the EDCTA for a minimum of ten (10) fiscal years, after which time the new City may elect to withdraw from the JPA upon providing a notice of intent to withdraw as provided below.

The new City shall either (a) join the El Dorado County Transit Authority as a new member and in that capacity, transfer to the Authority all funding to which the City may be eligible to receive under applicable federal and state transit funding sources so as to provide transit services within City boundaries at a level at least equal to services provided prior to incorporation and to prevent a reduction of service within the EDCTA service area; or (b) in the event the new City fails to join the EDCTA, or withdraws from the JPA prior to the ten (10) year obligation, the new City shall annually provide to EDCTA funds or revenue equal to the loss in revenue by the EDCTA as a result of either the new City failing to join the EDCTA or withdrawing from the EDCTA for a period of twelve (12) years and the EDCTA shall continue to serve the area within the new City for such twelve (12) year period. The funds or revenue shall be provided either through development fees, sales tax revenues, Transportation Development Act funds, property taxes, or other revenue sources or funds, to insure no loss of funding to the EDCTA. If at any time after the expiration of the ten (10) year obligation or of the twelve (12) year obligation transit services within the new City are not provided by the EDCTA, the EDCTA shall retain the right (but not the



obligation) to use the commuter bus stops in the new City and to provide commuter bus service within the City boundaries at no cost to City.

This transit services condition may be modified upon mutual agreement of the EDCTA and the new City.

In joining the EDCTA as specified in (a) above, the new City shall agree to the provisions set forth in the Joint Exercise of Powers Agreement, including the amendment dated May 22, 2001. The EDCTA shall be designated as the transit operator for El Dorado Hills and shall be authorized to file the claim for apportionment under Public Utilities Code Section 99260 on behalf of the new City as provided in Section 15 of the JPA Agreement.

The new City may provide a notice of its intent to withdraw as a member to the EDCTA, provided it has maintained EDCTA services for eight (8) full fiscal years after establishment of the City. The written notice of intent to withdraw from the Joint Powers Authority shall be provided, if at all, during the month of May and shall be provided at least two (2) years prior to the effective date of the withdrawal, thus providing for minimum of ten (10) years of service by the EDCTA to the new City. The notice shall specify the effective date of the withdrawal, which shall be at least two years from the date of the notice. In addition, the City shall also provide the EDCTA with a ninety-day final notice of intent of withdrawal from EDCTA.

9. Roadway as Boundary. The boundary of the City shall include the full width of all roadway parcels that lie along the perimeter of the City with the exception of two segments of Green Valley Road which will remain outside the City boundary where the County shall continue road maintenance responsibility along Green Valley Road in those road segments described as follows: (1) Green Valley Road contiguous and running along APN 115 051 07 and (2) contiguous to parcels numbered 115 051 11 and 115 051 12. In addition, the City will be responsible for three roadway segments adjacent to the City boundary but in the incorporated area as follows: Green Valley Rd across APN 067 030 06 and across the adjacent federally owned parcel (No APN); Bass Lake Rd. along APNs 115 030 02 & 03; Malcolm Dixon Rd. across APNs 067 310 11 & 12. The City shall be responsible for roadway maintenance on the full width of roads that lie along its exterior boundary.

10. Road Maintenance Responsibility. Responsibility for all roads, as well as associated drainage and other appurtenant facilities, excluding private roads, within the jurisdiction of all districts that are being dissolved in connection with this incorporation, shall transfer to the new City upon the Effective Date.

11. Transfer of County Roads. All roads included within the El Dorado County Road System as of the Effective Date and all offers of dedication shall transfer to the City upon the Effective Date in accordance with Government Code Section 58385.

12. Sphere of Influence. The City shall initiate sphere of influence proceedings in a timely manner with LAFCO so as to allow LAFCO to adopt a sphere of influence for the new City no later than one (1) year following the Effective Date. If the City determines that

it needs more time to develop a long-term sphere plan, in conjunction with the development of its general plan, the City may satisfy this requirement by proposing an initial Sphere of Influence that is co-terminus with the City boundary.

13. Detachment from CSA 9. The territory included within the new city boundary shall detach from County Service Area 9 (CSA 9). The City shall continue to provide the same level of services previously provided by CSA 9 through continuation of the service zones within the City. All funds held by the County for the service zones being detached shall be transferred to the new City. The parcel charges currently in effect in the affected service zones shall continue in effect within the City. The City shall utilize the funds transferred from the County and those generated in the service zones to continue the services within the zones. Upon the effective date of incorporation, flood control facilities, including, but not limited to, drainage channels and appurtenant facilities within the incorporated territory that were maintained by the County prior to incorporation, whether through CSA 9 or otherwise, shall become the property of the City and the City shall be authorized and obligated to, and shall assume responsibility for the post-transfer maintenance, monitoring, engineering and construction of such facilities within the City.

14. Dissolutions and Reorganizations, General. With respect to all agency dissolutions and governmental reorganizations ordered in connection with this incorporation, no agency being dissolved shall take any actions described in Government Code Section 56885.5 except in compliance with the requirements thereof.

15. Dissolution and Reorganization of CSDs. The dissolution and reorganization of the El Dorado Hills Community Services District and the Springfield Meadows CSD is conditioned pursuant to the following provisions:

a) All real and personal property, including land, vehicles and structures, interests in property, rights of use, contracts, all monies, including cash on hand and moneys due, but uncollected, of any dissolving district shall transfer to the City as successor agency to the dissolving districts, in accordance with Government Code §§57452 and 57457.

b) All transfers of real property and property interests shall be transferred to the City subject to any and all liens or other financial obligations and encumbrances lawfully entered into by the dissolving District prior to the Effective Date.

c) Property held in trust by any dissolving district shall be conveyed to the new City and shall be used for the purposes for which it was collected, in accordance with Government Code Sections 57382 and 57462.

d) The services provided by the dissolving districts shall continue at a level not less than that provided by the districts prior to the Effective Date of dissolution.

e) The City shall continue the parks and recreation services, landscaping and lighting maintenance, solid waste collection and disposal, and Cable TV services at a level not less than that provided by the El Dorado Hills CSD prior to the Effective Date. Any contracts to provide these services shall continue in effect and transfer to the successor agency.

f) With respect to architectural review and enforcement of Conditions, Covenants and Restrictions (CC&Rs) for subdivisions within the EDHCSD, the City shall continue to provide such services at a level not less than that provided by the EDHCSD for not less than one (1) year following the Effective Date.

g) Pursuant to Government Code §56886(t), any authorized charges, fees, assessments or taxes being collected by the dissolving districts shall to be transferred to the City of El Dorado Hills as the successor agency, including the EDHCSD development impact fee and charges for administration and enforcement of CC&Rs.

i) Any employee of a dissolving district as of the date of dissolution and reorganization shall continue as an employee of the City of El Dorado Hills on an interim basis. If the City determines to continue any such employee as a permanent city employee, the City shall continue all employment rights, seniority, retirement, accrued leave and related benefits of such employee to the maximum extent feasible consistent with the City's employment rules.

j) The Effective Date of Dissolution and Reorganization of all dissolving districts shall be the Effective Date.

k) Each dissolving district shall transfer all records, archives and related materials to the City of El Dorado Hills, to be retained by the city for a minimum of five years following the Effective Date of Dissolution and Reorganization.

16. Payment of Costs. Any and all costs incurred by or on behalf of the El Dorado Local Agency Formation Commission in connection with LAFCO Project 03-10, Proposed Incorporation of El Dorado Hills, that remain unpaid and outstanding as of August 12, 2005 shall be paid by the Incorporation Committee no later than November 1, 2005. Recordation by the Executive Officer of the Certificate of Completion is subject to the full satisfaction of this requirement.

17. Election Materials. The Terms and Conditions as approved by the Commission shall be provided as part of the election materials. The question of incorporation, including all Terms and Conditions shall be one question on the ballot.

#### **Fiscal and Revenue Neutrality Terms and Conditions.**

The City shall be required to make annual fiscal mitigation payments to the County pursuant to California Government Code Section 56815(c)(2) as set forth in these Fiscal and Revenue Neutrality Terms and Conditions.

18. Base Year General Fund Amount. The Base Year amount of the fiscal mitigation payments made as unrestricted payments to the County's General Fund is \$309,000.00. The Base Year calculation represents the fiscal mitigation payment calculated as of fiscal year 2003-2004.

19. Base Year Road Fund Amount. The Base Year amount of the fiscal mitigation payments made to the County Road Fund as a result of loss of Road District Tax Revenues is \$751,300.

20. Commencement and Term of Payments Fiscal mitigation payments to both the County's General Fund and Road Fund shall commence in the first fiscal year in which the City receives its property tax allocation (projected as the 2006-2007 FY) and shall continue annually thereafter for a period of 25 years.

21. Collection of Payments.

a. In each fiscal year during the term of fiscal mitigation payments, the County shall be and is authorized and entitled to withhold the payment due to County that year from the secured and unsecured property tax revenues collected by the County on behalf of the City. The County Auditor shall be authorized to withhold said payments due from the tax revenues collected and to transfer the amounts due to the County's General Fund and Road Fund respectively at the same time that the balance of the City's tax revenue is transferred to the City. One-half of the annual amount due for each fund, respectively, shall be withheld from each of the two installments of property taxes collected within the City during the fiscal year.

b. The annual fiscal mitigation payments shall be an obligation of the City with the amount coming due thirty (30) days after the delinquency date of each semi-annual installment of property taxes; provided, however, that the City shall not be responsible for any delays in payment arising out of delays in collection and accounting by the County.

c. Nothing in this term and condition shall be deemed to prevent the County from exercising any legal remedy available for collection of such debt from the City if, for any reason, the County is unable to withhold the payments from the tax revenues collected.

d. The County will assume the responsibility for the administration and accounting of withholdings from the City's share of property taxes and road district taxes resulting from these Terms and Conditions at its own expense.

22. Adjustment to Mitigation Payment Amount. Beginning in fiscal year 2004 -2005, and each year thereafter during the term, the Base Year General Fund Amount and the Base Year Road Fund Amount shall each be adjusted by the annual increase in the published annual Consumer Price Index - All Urban Consumers, California.

23. Provision of Service in First Year. Pursuant to Government Code Section 57384, the County shall continue to furnish to the area incorporated all services furnished to the area prior to the incorporation, at the same level and in accordance with the budget for the County adopted prior to the effective date of incorporation, for the remainder of the fiscal year during which the incorporation becomes effective, or for a shorter period if the City of El Dorado Hills, acting through its City Council, requests discontinuation of a service or services.

24. Reimbursement for Initial Year Service. The City shall reimburse the County for the net cost of services provided pursuant to paragraph 23, above, as defined in California

Government Code Section 57384(b). Reimbursement shall be made in full not later than the end of the fifth fiscal year following the fiscal year in which the incorporation becomes effective. The County shall be and is authorized and entitled to withhold the amounts due from secured and unsecured property tax revenues collected on behalf of the City in the same manner as set forth in paragraph 21, above, with respect to fiscal mitigation payments. County shall be entitled to one fifth of the total payment due in each of the five (5) fiscal years following the fiscal year in which the incorporation becomes effective.

25. Contracting with the County. The City is encouraged to contract with the County for continuation of services after the first year of incorporation upon terms mutually agreeable to the City and County.

26. Property Tax Transfer.

a) The base property tax (FY 2003-04) transferred to the new City pursuant to Government Code Section 56810 and 56812 shall be \$2,122,822. This amount shall be adjusted in accordance with Government Code Section 56810 and any other applicable statutes referenced therein.

b) County Road property tax within the boundaries of the City shall transfer to the City Road property tax.

c) Property tax which accrues to the El Dorado Hills CSD and the Springfield Meadows CSD shall transfer to the City.

27. Gann Limit. In accordance with Section 7902.7 of the California Constitution, the OPR Incorporation Guidelines and the technical documentation provided in the CFA, and as calculated pursuant to Government Code Section 56812, the provisional appropriations limit is \$19.5 million. The permanent appropriations limit of the City shall be set at the first municipal election, which will be held following the first full fiscal year of operation of the new City, in accordance with Government Code Section 56812(c).

28. Transfers of Development Impact Mitigation Fees. Not later than sixty (60) days following the end of the fiscal year in which the incorporation becomes effective, the County shall account for and transfer to the City all development impact or mitigation fees collected on any development project within the incorporated territory of the City (except traffic mitigation fees collected pursuant to the County's RIF, TIM, Variable Highway 50 TIM, or State TIM programs which are dealt with separately in these conditions, and except for any mitigation fees collected specifically to fund mitigation programs that will continue to be administered by the County following incorporation (e.g. the Rare Plant Impact Mitigation In Lieu Fee).

29. Accounting for Revenues Received During First Year. Within sixty (60) days after the end of the fiscal year in which the incorporation becomes effective, County shall account for all monies paid to the County during that year by permit applicants or other members of the public as processing fees or otherwise, paid to reimburse the County for services within the incorporation area. The accounting shall indicate that amounts paid, the purpose of payment, the amounts applied to services actually rendered prior to the end of the year and

any unexpended amounts remaining. After reimbursing itself for all services rendered prior to the end of the year, the County shall transfer any remaining balances to the City.

30. Community Facilities Districts. As soon as is feasible after the Effective Date of the incorporation, the city council and the Board of Supervisors shall enter into an agreement pursuant to California Government Code Section 53368.1 for the transfer of the authority for the governance of all active Community Facilities Districts located within the incorporated territory of the City from the jurisdiction of the County to the jurisdiction of the City. The City shall also satisfy all other conditions to the transfer of such authority pursuant to California Government Code Section 53368.2, or as may otherwise provided by law. City and County shall cooperate to take any other actions required for the transfer of responsibility for the administration of the Community Facilities Districts as may be required or reasonable. Provided however, that the City and County may determine not to transfer certain districts where the remaining obligations are fixed and limited to collection of existing assessments.

31. Land Use Entitlements. In accordance with California Government Code Section 65865.3, any and all development agreements entered into between El Dorado County and any development project applicant, owner or sponsor, and any conditions of approval imposed by the Board of Supervisors, the County Planning Commission, the County Zoning Administrator, or any other authorized representative of the County, on any and all discretionary projects adopted and approved prior to the effective date of the incorporation shall remain valid and enforceable between the applicant or property owner and the City. Development agreements shall remain in effect for the term set forth in Section 65865.3. Upon the effective date of the incorporation, the City shall administer such development agreements, including any and all conditions of approval (including mitigation measures adopted pursuant to the California Environmental Quality Act) as the same were imposed by the Board of Supervisors at the time of project approval. After the effective date of the incorporation, such development agreements and project approvals and conditions of approval shall be interpreted to refer to the City of El Dorado Hills, its departments and agencies where reference is made to the County, its agencies and departments, except that where any such development agreement, condition of approval or other agreement refers to the provision of some benefit, property, money or other matter to support any service that will remain the responsibility of the County after the effective date of incorporation, the County shall be entitled to receive such benefit, property, money or other matter as a beneficiary of the agreement. After the Effective Date of the incorporation, City shall assume all obligations under said development agreements.

32. Transfer of Funds Held in Trust. Not later than sixty (60) days after the end of the first fiscal year of operation of the City (transition year) and pursuant to Government Code §56886(t), the County shall transfer to the City of El Dorado Hills as the successor agency all authorized charges, fees, assessments or taxes that have been collected by the County or by CSA 9, in accordance with Government Code Sections 57382 and 57462, including all development impact fees not included elsewhere in these Terms and Conditions and all

funds collected for the administration of CSA 9 for drainage services within the incorporation area.

33. RIF and TIM Transfer Arrangements. Upon the effective date of the incorporation, City shall continue to impose fees for the RIF, TIM, H50 Variable TIM, and State TIM from development projects within the City's incorporated boundaries at the current levels adopted by the County, and shall carry out all other obligations as set forth in the "Transfer Arrangements Regarding the County Traffic Impact Fee Programs (RIF, TIM et. al.), and Agreement Regarding the Means of Completion of all County Projects Associated with the Traffic Impact Fee Programs" which is attached hereto as **Attachment E** and incorporated herein by this reference.

34. Collection of Habitat Mitigation Fee. The City shall collect the Habitat Conservation Mitigation Fee and shall transfer to the County an amount equal to the proceeds thereof consistent with Chapter 17.71 of the County Ordinance Code or its successor.

#### **Miscellaneous Terms and Conditions.**

35. City to Join SACOG. The City of El Dorado Hills shall petition the Sacramento Area Council of Governments ("SACOG") for inclusion in its Joint Powers Agreement as a member city and shall participate in SACOG's regional planning activities as a nonmember prior to membership.

36. NPDES. The City of El Dorado Hills shall become a co-permittee of the County under the terms of the existing Countywide National Pollution Discharge Elimination System Permit as soon as practicable after incorporation.

37. Incorporation Election. The election on the incorporation of the City of El Dorado Hills shall be held on the regular election date of November 8, 2005.

38. Records. It shall be an on-going obligation of the County and CSA 9 to make available to the City, on a timely basis, all records and documentation related to any or all of the following:

- a) Records, correspondence, application materials, studies and other information reasonably related to approved or pending specific plans, development agreements, subdivision plans, tentative and final subdivision maps, building permits, building, housing or other code enforcement actions located within the proposed City boundary;
- b) File materials, studies, reports, correspondence and other documentation related to all matters listed in (a) involving environmental review under CEQA;
- c) Files and records related to highway and street improvements not otherwise included within these Terms and Conditions;

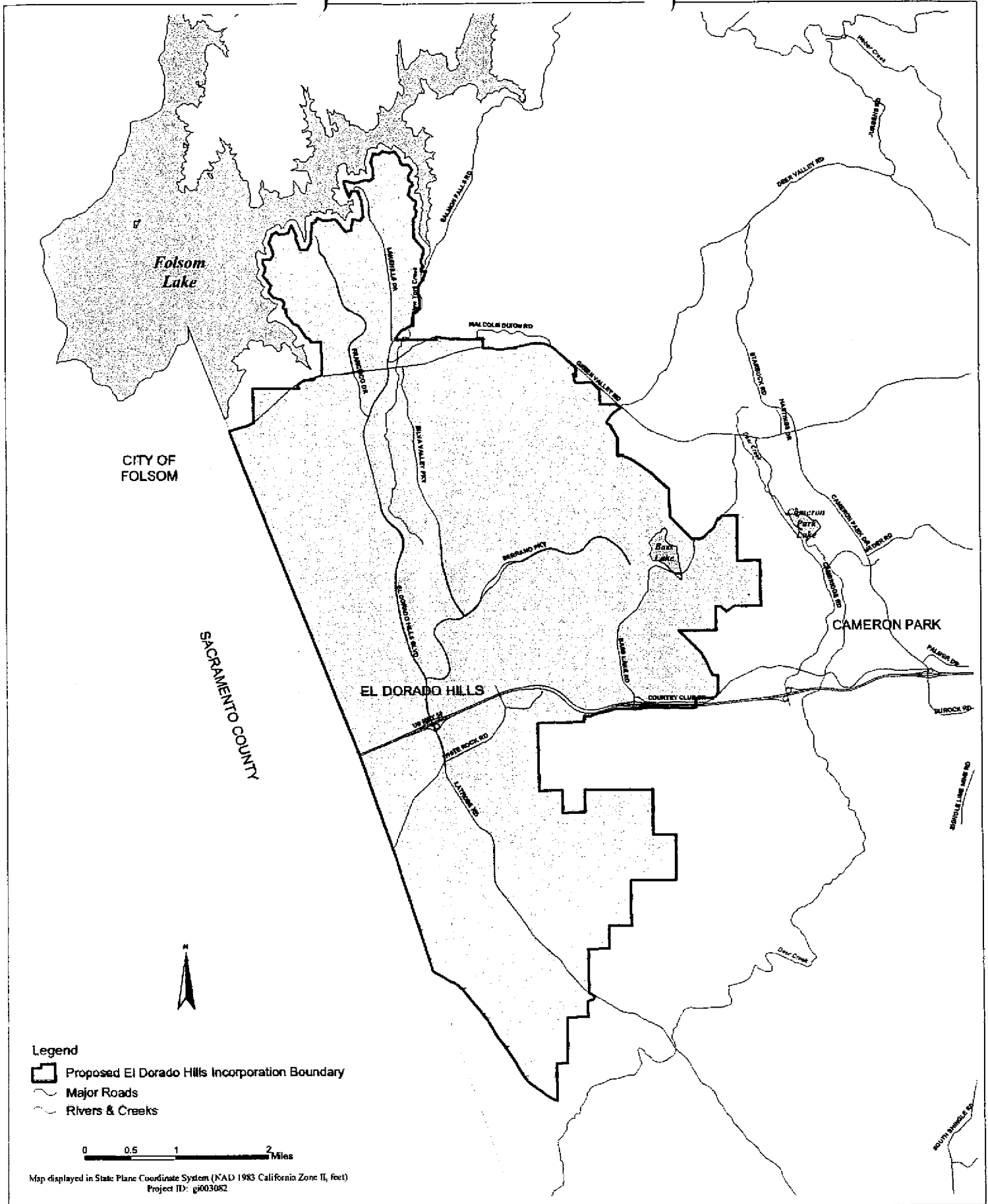
APPROVED

d) All "as built" drawings and records related to any component of water, wastewater, drainage or other infrastructure or facility located within the proposed City boundary and for which the City of El Dorado Hills would become responsible following incorporation.

39. Allocation of Liability for Facilities. Nothing herein is intended to alter the allocation of tort or similar liability for facilities transferred from the County to the City that would otherwise occur under the law in connection with such transfers in an incorporation.

End.





Source: El Dorado County

**APPROVED**

**Attachment C  
Resolution L-05-09  
Map of Incorporation Area**

**Attachment D**  
**Resolution L- 05-09**  
**Legal Description of Incorporation Area Boundary**

Attachment E to  
Resolution L- 05-09

**TRANSFER ARRANGEMENTS REGARDING THE COUNTY TRAFFIC IMPACT FEE PROGRAMS (RIF, TIM ET. AL), AND AGREEMENT REGARDING THE MEANS OF COMPLETION OF ALL COUNTY PROJECTS ASSOCIATED WITH THE TRAFFIC IMPACT FEE PROGRAMS ("RIF AND TIM TRANSFER ARRANGEMENTS")**

A. Background.

The County has adopted the following traffic impact fee programs: The El Dorado Hills/Salmon Falls Road Impact Fee Program (hereinafter the "RIF"), the West Slope Traffic Impact Mitigation Fee Program (hereinafter the "TIM"), the Interim Highway 50 Corridor Traffic Impact Fee Program (hereinafter the "H50 Variable TIM"), and the State Traffic Impact Mitigation Fee Program (hereinafter the "State TIM"). Fees for these programs are collected at the time of building permit issuance except for permits in the Tahoe Basin. Properties in the west slope of the County are subject to either the RIF or TIM fee, and both the H50 Variable TIM and the State TIM fees.

The boundary established for the RIF lies primarily within the boundaries of the proposed incorporated City ("City"). The boundary of the City also includes a small portion of the TIM area.

The RIF program funds projects located primarily within the RIF boundary. The TIM fees fund projects primarily located outside the incorporation boundary. The H50 Variable TIM and State TIM programs include projects on State highways and regionally significant County roads that provide benefit on a regional level.

Within the RIF program, there is established a 30% set-aside account for the Silva Valley Interchange project. In addition, there are various development agreements, reimbursement agreements, and road improvement agreements that prioritize the set-asides and reimbursements for projects within the RIF area. There are also development agreements, reimbursement agreements, and road improvement agreements that prioritize and obligate the fees collected under the TIM, H50 Variable TIM, and the State TIM programs.

B. Terms and conditions.

1. Continued Collection of Fees: Upon the effective date of the incorporation, City shall continue to impose fees for the RIF, TIM, H50 Variable TIM, and State TIM from development projects within the City's incorporated boundaries at the current levels adopted by the County.

After the date of incorporation, City shall concurrently with County take all necessary steps to adjust the fees of the four aforementioned impact fee programs in order to adequately fund approved road construction projects, and ensure compliance with all applicable levels of service and

other standards in the County's 2004 General Plan. The City shall however retain the exclusive right to impose a RIF fee structure that is different from the County approved fee structure; provided that complete documentation substantiating the need for said fee structure consistent with all legal and contractual requirements, and that the changes implemented by the City do not adversely affect the ability to finance programmed projects or adversely affect the scheduling of those projects. It is the intent to fund projects within each program solely from funds collected in accordance with each program, and nothing herein shall be construed to obligate either the County or the City to fund the construction of projects from other sources of revenue including general fund revenues.

City shall continue to apply the set-asides and reimbursement priorities set forth in existing development agreements, road improvement agreements, reimbursement agreement, and other similar contracts as they pertain to the respective fee programs. City shall collect said fees and place them in segregated trust accounts for each program. City shall provide County with a quarterly accounting of those fees collected.

2. Transfer of RIF Fees: Within 60 days of the effective date of incorporation, all assets, funds, obligations and responsibilities associated with the RIF shall be transferred to and assumed by the City, with the exception of funds required per section b. below. County shall provide a complete accounting for all retained funds, including a quarterly balance sheet analysis showing expenditures, project % complete and an estimate of cost to complete on a project by project basis. Upon receipt of the initial accounting, and for every quarterly accounting rendered by the County thereafter, City shall have 60 days to review the accounting and request any additional information required. At the end of the sixty day period, if no objections have been submitted in writing, the accounting will be deemed to have been accepted. City shall administer the RIF in full compliance with all legal or contractual requirements related to the RIF including, but not limited to, making reimbursements and affording credits applicable to the RIF required in any development agreement, road improvement agreement, reimbursement agreement, or other similar contracts. After the effective date of incorporation, County and City shall take all necessary actions to revise the RIF program boundary to coincide with the incorporation boundary (hereinafter the "New RIF"). For projects undertaken within the New RIF that are not currently under construction, County shall transfer available funds currently set aside in the RIF account for said projects. Unless otherwise stated herein, all projects within the New RIF boundaries will thereafter become the full responsibility of the City.

a. Projects of Regional Significance: County and City agree that the El Dorado Hills Boulevard Interchange Project, the Silva Valley Interchange Project, and the Green Valley Road Widening - Francisco Drive to Folsom City Limit Project are projects of regional significance to both the County and the City. The El Dorado Hills Boulevard Interchange Project and the Green Valley Road Widening Project are in various phases of construction. The Silva Valley Interchange Project is currently in the environmental and design phase. County and City agree that these projects are and will remain the highest priority projects of the RIF and will be advanced first before other projects under the program.

City shall segregate and retain funds out of impact fee accounts designated for funding these projects, including segregating the 30% Silva Valley Interchange set-aside. City shall retain funds currently earmarked in the Silva Valley set-aside account to be used solely for the costs associated with delivery of that project.

City shall be solely responsible for maintaining the RIF program at current or increased levels necessary to adequately fund these priority projects.

b. Projects under Construction: City shall enter into a cooperative agreement with the County whereby County will be authorized to continue to act as lead agency for the purpose of completing those phases of all projects located within the City boundary currently under construction at the time of the effective date of incorporation. County shall retain funds out of the RIF an amount equal to 125% of the remaining programmed project budget for each project being completed by County. The programmed project budget includes all anticipated costs of the project including, but not limited to, construction costs, right-of-way acquisition and project administration, and may not be included in its entirety in any single year of the County's annual budget. In the event of any shortfall between actual project costs and funds retained, the City shall fund the shortfall out of RIF program fees transferred to the City, and if necessary New RIF fees collected after incorporation. In the event that a project is phased, construction will be completed by the County on that phase of the project under construction. Subsequent phases of the project shall be the sole responsibility of the City. For purposes of this paragraph, a phase of a project shall be deemed "under construction" if a contract for the construction of any portion of the work has been awarded by the County. The City and County, by mutual written agreement, may provide for a different method of completing project phases under construction.

c. Green Valley Road: Green Valley Road County Line Project #72355 is programmed in part to be constructed with RIF, the H50 Variable TIM, and the TIM fee programs. County shall provide the TIM fees and H50 Variable TIM fees programmed and collected for said project, as referenced in the Project Category/Task and Funding Source information in the Department of Transportation Proposed Interim Capitol Improvement Program Fiscal Year 03/04 through 07/08, for the project costs listed as Direct Construction Costs, Construction/Engineering & Administration and Environmental Monitoring. County shall not be obligated to provide funds other than those actually programmed and collected for this project under the TIM and H50 Variable TIM fee programs.

3. Bass Lake Road: A portion of Bass Lake Road lies within the existing TIM and a portion within the existing RIF. The New RIF contains an expanded portion of Bass Lake Road. All of the programmed improvements within the New RIF are funded or advanced pursuant to the Bass Lake Hills Specific Plan Public Facilities Financing Plan, and those developer advanced improvements that are eligible for reimbursement will be reimbursed by the New RIF. That portion of Bass Lake Road that lies outside the Bass Lake Hills Specific Plan but inside the City will be reimbursed by the New RIF. That portion that lies outside the boundaries of the City will be TIM obligations in accordance with Section 4 herein.

4. Projects within the TIM area: Upon revision of the RIF boundary as set forth hereinabove, the TIM program will only contain projects located outside the incorporation boundary, and County will thereafter have the sole responsibility to administer the TIM program. The advancement and completion of any projects in the TIM program residing outside of the City boundaries shall be within the sole discretion of the County. County shall retain all TIM funds except for contributions required under paragraph 2c, above.

5. The H50 Variable TIM and State TIM: City shall collect the H50 Variable TIM and State TIM program fees within the City incorporation boundary and segregate and maintain said fees in separate trust accounts, and shall account for the fees to the County on a quarterly basis. Commencing with the first quarter after the effective date of incorporation, and continuing each quarter thereafter, City shall transfer to the County fees collected under said programs. County shall retain all accumulated funds for use in accordance with the H50 Variable TIM and State TIM programs.

Except as provided herein for Green Valley Road, County will be responsible for delivering projects identified for each of these programs as required by the program and subject to available funding solely from the respective fee program. City acknowledges that the highest priority project currently identified under the State TIM program is the Missouri Flat Interchange project. City further acknowledges that U.S. Highway 50 priority projects under the H50 Variable TIM program, listed in their rank order include: the Green Valley Road Westbound Lane project, the U.S. 50 HOV Lane Phase I project, the El Dorado Hills Boulevard to Bass Lake Road Project (U.S. 50 Lane Widening), Bass Lake Road U.S. Highway 50 Auxiliary Lane Project, and Bass Lake Road Interchange Project. County shall be solely responsible for prioritizing all additional projects that are not listed above, conditioned on available funds. City shall enter into any necessary cooperative agreements to allow County to act as lead and project manager for the delivery of the projects described herein. The rank ordering of these projects is intended to generally reflect the priorities assigned among these projects by the County and the City assuming available funding for all projects. The ranking shall not prevent the County from advancing any of the projects over another in order to take advantage of opportunities to advance projects more rapidly than might otherwise be the case due to availability of grants or other funding sources, the ability to phase projects, the ability to complete a smaller project more rapidly than if projects were commenced in the order stated. County shall advise City, and receive input from the City, regarding any proposed approval of projects other than in the order referenced.

After completion of construction of all of the aforementioned projects, the County and City will thereafter annually collaborate to identify and prioritize future projects within the program.

6. Development, Reimbursement, and Road Improvement Agreements: Pursuant to Government Code section 65865.3, for development applications for projects located wholly or partially within the boundaries of the City, any and all development agreements, reimbursement agreements, road improvement agreements, and the like entered into between any development project applicant, and any conditions of approval (including mitigation measures adopted pursuant

to the California Environmental quality Act) imposed by the County Planning Commission and/or County Board of Supervisors on any and all discretionary projects adopted and approved prior to the effective date of annexation shall remain valid and enforceable between the applicant and the City, and after the effective date of the incorporation, the above referenced agreements, and conditions of approval (including mitigation measures adopted pursuant to the California Environmental Quality Act) shall be interpreted to refer to the City of El Dorado Hills, its departments and agencies where reference is made to the County, its agencies and departments. After the effective date of the incorporation, City shall assume all obligations under said agreements that relate to or pertain to the fee programs that are transferred to City's control.

7. Support Services from County: City may request staff support and assistance with administration of fee accounts, preliminary planning, survey, design, construction management, and construction inspection, and the like from County. County, subject to staffing availability and reimbursement for services provided, will provide said as-needed support services, to be billed at the weighted hourly rate attributable to each staff person performing the work.

8. Further Coordination: City and County will meet and work collaboratively to implement these aforementioned requirements during the first 90 days following the effective date of incorporation, and periodically as required thereafter.

9. Dispute Resolution. In the event of a dispute between the City and County regarding the interpretation or implementation of any of these terms and conditions related to the administration of the RIF, TIM, H50 Variable TIM and State TIM programs following incorporation, the following dispute resolution procedures shall be used:

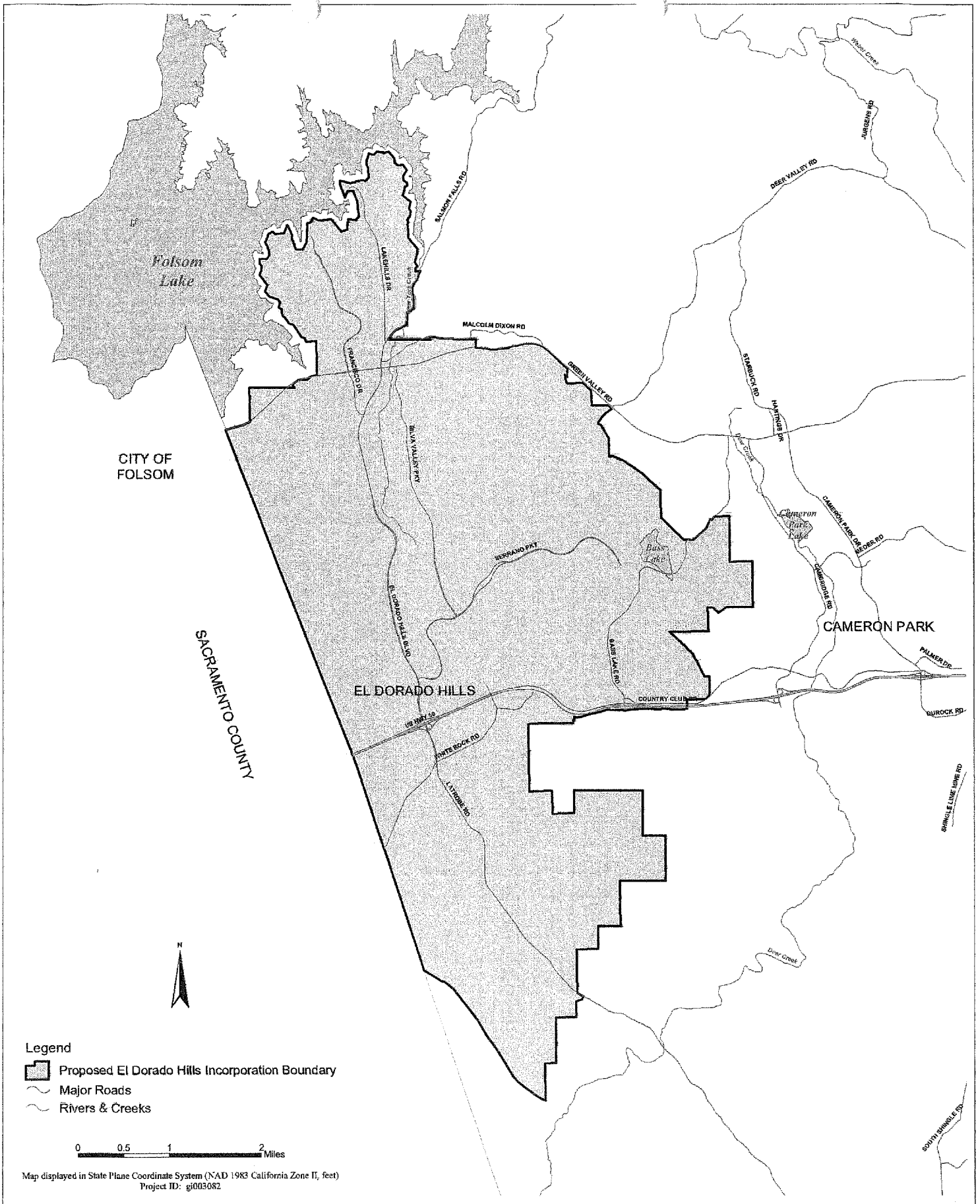
A. The City and County shall attempt to resolve all disputes informally at the lowest administrative level possible. Any complaint shall be made known to the appropriate counterparts at the other agency as soon as possible in order to attempt resolution.

B. If initial attempts at resolving the dispute fail, the entity which believes a dispute exists shall give written notice of the nature of the perceived dispute to the Chief Administrative officer of the County or City Manager of the City, respectively. The Chief Administrative Officer and City Manager, and any other appropriate staff, shall meet within 30 days of the written notice and attempt to resolve the differences between the parties. If no resolution is reached additional meetings may be scheduled as deemed appropriate by the parties including, but not limited to, joint meetings of the governing bodies or subcommittees of the governing bodies.




C. If the dispute is not resolved, either party may request that the services of a facilitator or mediator, mutually agreed upon by the City and County, be employed. Such facilitation or mediation shall be non-binding and shall not affect, impair or restrict the legal rights of either party. Each party shall pay one-half the cost of the mediator and bear its own costs. Mediation shall occur within 60 days of a written request by either party. If the dispute is not resolved, each party reserves its full rights as may exist in the absence of this provision.

**EXHIBIT NO. 2 TO  
LAFCO RESOLUTION  
L-05-12**





Legend

-  Proposed El Dorado Hills Incorporation Boundary
-  Major Roads
-  Rivers & Creeks

0 0.5 1 2 Miles

Map displayed in State Plane Coordinate System (NAD 1983 California Zone II, feet)  
Project ID: gi003082

Source: El Dorado County

**EXHIBIT NO. 3 TO  
LAFCO RESOLUTION  
L-05-12**

**EL DORADO LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

**FULL TEXT OF THE BALLOT MEASURE  
Exhibit 3 to LAFCO Resolution L-05-12 Ordering the  
Incorporation of the Proposed City of El Dorado Hills  
LAFCO PROJECT NO. 03-10**

Short Form Designation: "Incorporation of the Proposed City of El Dorado Hills"

A resolution of application for the proposed incorporation of certain territory in the County of El Dorado was heretofore filed with the Executive Officer of the Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act, commencing with Section 56000, et seq. of the Government Code and the proposed incorporation was approved by LAFCO on June 8, 2005. The reasons for the incorporation, as stated in the resolution of application, are as follows:

- (A) To enhance the physical character, community identity, and quality of life in El Dorado Hills by establishing local control of public services, land use planning, and public and private investment in the community;
- (B) To establish a locally elected City Council in El Dorado Hills to provide community leadership and increase local control over, and accountability for, governmental decisions affecting El Dorado Hills, including comprehensive planning and zoning and other land use decisions affecting El Dorado Hills,
  - (1) Increase accessibility of citizens to local government officials and staff members,
  - (2) Provide a local forum for discussion and resolution of issues important to the community through active community participation programs and opportunities for involvement in civic affairs,
  - (3) Increase local responsibility for determining public service levels and providing capital improvements,
  - (4) Ensure the best allocation of state and federal revenues, to the maximum extent possible, to support needed services within the City of El Dorado Hills;
- (C) To consolidate responsibility for municipal services in El Dorado Hills under a single local entity, the City of El Dorado Hills, which can, through improved efficiency and access to substantial state and federal revenues not presently available to the community, increase public service levels;
- (D) To allow for improved public services in El Dorado Hills, including:
  - (1) Improved levels of police protection,
  - (2) Continued improvements to the level of fire protection and emergency medical services (EMS),
  - (3) Improved health, safety, and welfare through implementation and enforcement of local laws and ordinances,
  - (4) Increase capacity of existing roads to improve traffic flow,
  - (5) Improved maintenance of existing roads that have been allowed to deteriorate,

- (6) Improved parks and recreation facilities and programs,
- (7) Assurance of adequate public services and facilities needed to meet the demands of all residents;
- (E) To enhance physical development in El Dorado Hills, which promotes and preserves a vital blend of residential, agricultural, commercial, industrial, and open space land uses; and,
- (F) To promote economic prosperity and fiscal independence through the identification and implementation of common economic goals.

If this ballot measure is approved by the voters, the incorporation shall be subject to all of the terms and conditions set forth as follows:

Section 1. Incorporation Area. The incorporation area is incorporated into a new general law city. The boundary of the new city is generally described as including all territory within the exterior perimeter boundary of the El Dorado Hills Community Services District as of June 8, 2005 and the following additions (all references to APNs are as of June 8, 2005):

- a) The Green Springs Ranch subdivision;
- b) Parcels west of Salmon Falls Road and south of Folsom Lake (APN 110-430-04, 110-020-30, 067-051-05, 067-310-05, 08, 09, 25, 26);
- c) The Sierra Pacific parcels (APN 108-050-05, 108-050-06, 108-050-07, 108-050-08, 108-050-14, 108-050-17);
- d) The El Dorado Union High School District parcel (APN 108-050-42);
- e) The Carson Creek Specific Plan area; and
- f) The El Dorado Hills Business Park.

Said territory includes approximately 17,839 acres and is found to be inhabited, as defined in Government Code Section 56046.

The boundary of said incorporation is approved as modified by the Commission and as shown on the map marked **Attachment A** and as described in the boundary description marked **Attachment B**.

Section 2. Governmental Structure. The name of the new city shall be "The City of El Dorado Hills." The new city shall have the following governmental structure:

- a) The governing body of the new city shall be a five-person City Council, initially elected at large from throughout the area to be incorporated.
- b) Future City Council members shall be elected either at large or by district as determined by the voters in this election.
- c) The new city shall have a City Manager form of government.
- d) The City Council shall appoint a City Manager, City Clerk, City Treasurer and City Attorney who shall serve at the pleasure of the City Council.

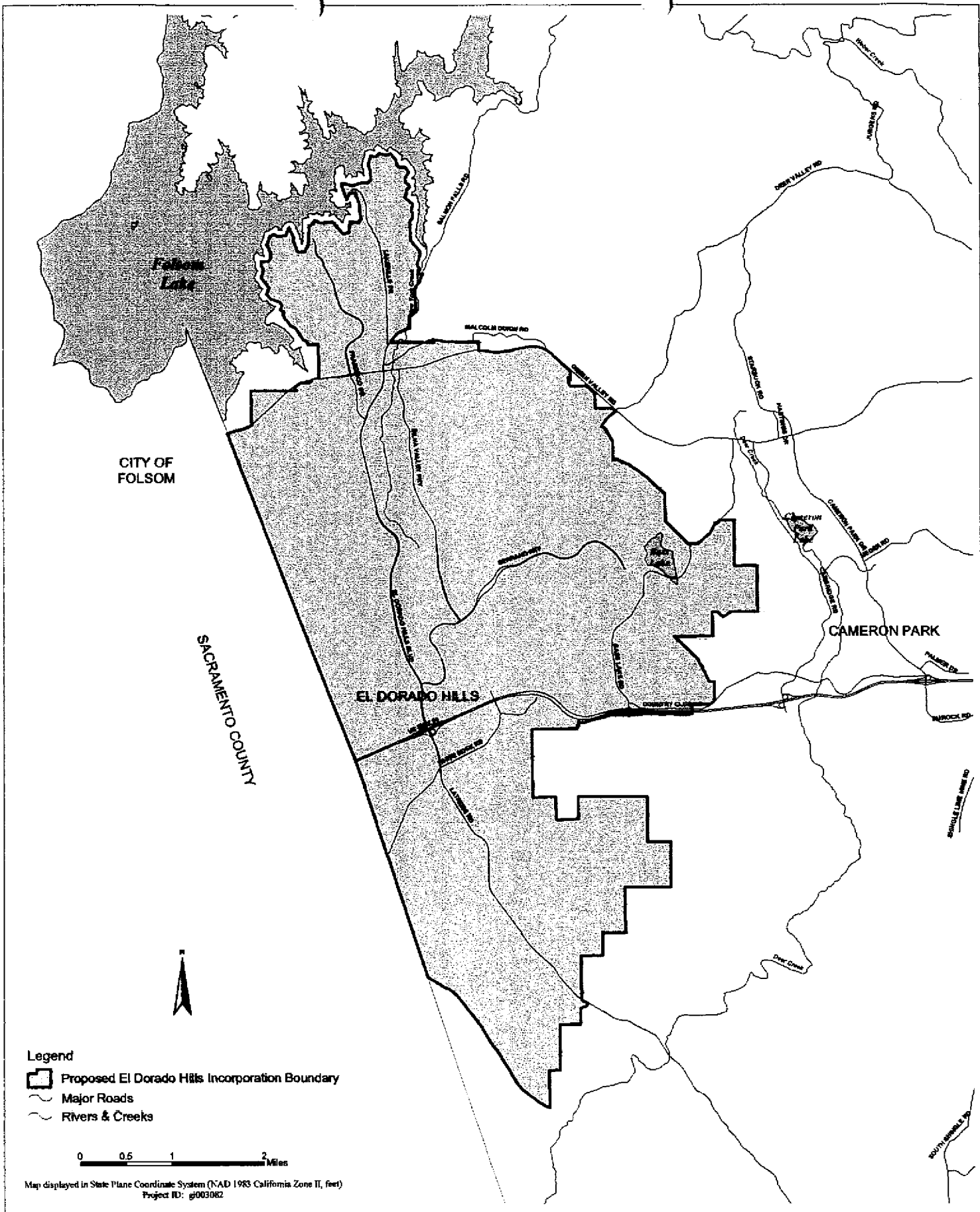
Section 3. Related Changes of Organization. The incorporation is approved along with the following additional changes of organization within the area to be incorporated:

- a) The area to be incorporated shall be detached from County Service Area 9.
- b) The El Dorado Hills and Springfield Meadows Community Services Districts shall be dissolved and their functions reorganized into the city.
- c) Such other changes of organization as specified herein.

Section 4. Effective Date. Subject to the limitations of Government Code Section 57202, the effective date of incorporation is to be July 1, 2006.

Section 5. Assessment Roll; Taxes. The regular county assessment roll will be utilized and the affected territory will continue to be taxed for existing bonded indebtedness and other taxes and parcel charges of any agency to be reorganized hereunder or whose boundaries are changed.

Section 6. In addition to all of the terms and conditions set forth above, the incorporation shall be subject to all terms and conditions specified in LAFCO Resolution L-05-09. Those terms and conditions are as set forth in this ballot measure or in **Attachments C and D.**



Source: El Dorado County

### Full Text of the Ballot Measure Attachment A

**Full Text of the Ballot Measure  
Attachment B  
Boundary Description**

The boundary of the new city is generally described as including all territory within the exterior perimeter boundary of the El Dorado Hills Community Services District as of June 8, 2005 and the following additions (all references to APNs are as of June 8, 2005):

- a) The Green Springs Ranch subdivision;
- b) Parcels west of Salmon Falls Road and south of Folsom Lake (APN 110-430-04, 110-020-30, 067-051-05, 067-310-05, 08, 09, 25, 26);
- c) The Sierra Pacific parcels (APN 108-050-05, 108-050-06, 108-050-07, 108-050-08, 108-050-14, 108-050-17);
- d) The El Dorado Union High School District parcel (APN 108-050-42);
- e) The Carson Creek Specific Plan area; and
- f) The El Dorado Hills Business Park.

Attachment B to  
Resolution L- 05-09

TERMS AND CONDITIONS OF INCORPORATION

*Final Hearing Version*

1. Services to be Provided. The City is authorized to provide and shall provide the following public services:

- a) General Government, including City Manager, City Attorney, City Clerk.
- b) Law Enforcement (including traffic control and accident investigation currently supplied by the California Highway Patrol);
- c) Planning and Land Use Regulation;
- d) Building Permits and Inspection;
- e) Maintenance, Monitoring, Engineering and Construction of streets and highways currently maintained by the County of El Dorado and Springfield Meadows CSD, including associated drainage and other appurtenant facilities.
- f) Animal Care and Regulation;
- g) Park and Recreation;
- h) Flood Control;
- i) Solid Waste;
- j) Landscape Maintenance;
- k) Street lighting.
- l) Refuse Collection, through franchise agreements with private waste collection providers;
- m) Cable Television, through franchise agreements with Comcast and/or other private CATV service providers; and,
- n) Administration of architectural review and enforcement of Covenants, Conditions and Restrictions (CC&Rs) to the same extent as previously provided by the El Dorado Hills CSD; see Section 15 (f), below;
- o) Code Enforcement; and,
- p) Public Works not otherwise specified.

2. Services Not Provided. The City is not authorized to provide the following services and these services shall not be provided by the City. These services shall continue after incorporation and shall be exclusively provided by the agency or agencies identified below, consistent with spheres of influence as determined by LAFCO until and unless service responsibilities are modified by LAFCO pursuant to Government Code §56425, et. seq., and



any taxes, assessments, charges and fees currently levied within the incorporation area for these services shall continue in effect:

- a) Domestic Water Supply and Irrigation: El Dorado Irrigation District;
- b) Wastewater Collection, Treatment, and Disposal: El Dorado Irrigation District;
- c) Fire Protection and Emergency Services: El Dorado Hills County Water District and Rescue Fire Protection District (hereinafter, the "Fire Agencies");
- d) Resource Conservation: El Dorado County Resource Conservation District;
- e) Schools: Buckeye Union School District, Rescue Union School District, Latrobe Union School District, and El Dorado Union High School District;
- f) Library: El Dorado County Library (County Service Area 10);
- g) Transit: El Dorado County Transit Authority, subject to the provisions of Condition 8, below;
- h) Cemetery: El Dorado County for Mormon Island Cemetery and other cemeteries within the City, if any, as required by law. Private cemeteries shall continue to be serviced by private providers.
- i) Air Pollution Control: El Dorado Air Quality Management District; the governing body of the Air Quality Management District will be reconfigured as required by law as a result of the incorporation.
- j) Provision of Advanced Life Support Services (ambulance) and associated dispatch functions: El Dorado County (County Service Area 7)

3. Park Development Standards. The new City shall continue in effect the park development standards and related development impact fees for park and recreation services of the El Dorado Hills CSD in effect as of the Effective Date.

4. Wild Land Fire Protection. The new City shall provide funding to insure that wild land fire protection services are provided within the area of the City for the portions of the new City that, by state law, are reclassified from State Responsibility Area to Local Responsibility Area, as a result of incorporation. This obligation shall be satisfied by the new City as follows:

- a) Pursuant to its authority under Government Code Section 56815 and in accordance with Revenue and Taxation Code Section 99 et seq., LAFCO shall require the City to enter into a tax sharing agreement with the affected Fire Districts providing for the transfer of property tax sufficient to cover the costs to be incurred by the respective districts in providing wild land fire protection. Said tax sharing agreement shall provide for an initial transfer of property tax sufficient to fund each District's projected annual cost of providing such protection as detailed in the Comprehensive Fiscal Analysis. The Tax Sharing Agreement shall further provide that every three years thereafter, the County Auditor, in consultation with the City and the Fire Districts, shall adjust the tax sharing arrangement to

an amount sufficient to cover the then projected annual cost of providing such protection, taking into account increases or decreases in the total acreage subject to such wildland fire protection due to annexation, detachment or reclassification and the Districts' projected costs.

The Fire Districts shall perform a wild land reclassification assessment every three years, prior to the start of the subsequent three year "agreement period." This reclassification shall result in a direct adjustment (upwards or downwards) to the wild land coverage cost to be borne by the City. The Tax Sharing Agreement shall further provide that the annual amount of property taxes transferred pursuant to this Tax Sharing Agreement shall not exceed the projected cost of providing such service through a Cooperative Contract with the California Department of Forestry, so long as such Cooperative Contracts are an option available to the Districts.

b) In all cases, the level of wild land fire protection services shall be not less than the same level as provided by the CDF prior to incorporation.

c) Nothing herein is intended as a grant of authority to the City to provide fire and emergency services. The City's sole authority is to fund the continuation of such service by the fire agencies or CDF.

d) Should the City or an Affected Fire Agency fail to perform any of its obligations as set forth herein, any citizen may obtain a court order to compel the City or Fire Agency to perform their obligations hereunder, or to enforce the terms of any agreement between the City and the Fire Agencies then or most recently in effect.

5. Adoption of County Ordinances. Pursuant to Government Code Section 57376, the new City shall, immediately following its organization and prior to performing any other official act, adopt an ordinance providing that all county ordinances previously applicable shall remain in full force and effect as city ordinances for a period of 120 days after incorporation or until the city council has enacted ordinances superseding the county ordinances, whichever occurs first.

Specifically included among the County ordinances to be adopted by the new City, and not by way of limitation, are the following:

a) The Fire District Improvement Fee, as set forth in Chapter 13.20 of the County Ordinance Code. In accordance with the provisions of Chapter 13.20, the new City shall transfer to any affected Fire Agency an amount equal to the present Fire District Improvement Fee in effect as of the Effective Date on new development projects to which is applies.

b) The El Dorado Hills -Salmon Falls Roadway Improvement Fee (RIF), The El Dorado County Transportation Impact Mitigation (TIM) Fee, and all other impact fee programs currently levied by the County;

c) County Buildings and Construction Code (Chapter 15)

d) County Subdivision Ordinance (Chapter 16)

- e) County Grading, Erosion and Sediment Control Ordinance
- f) County Zoning Ordinance (Chapter 17), including specifically, and not by way of limitation,
  - i) The County's Right-to-Farm ordinance (Chapter 17.13)
  - ii) The Ecological Preserve and Fee In-Lieu of Mitigation (Chapter 17.71)

6. County General Plan. The City shall adopt the El Dorado County General Plan as the interim City General Plan for the incorporated area. The El Dorado County General Plan shall remain in effect for 30 months or until the new City has adopted a new City General Plan pursuant to Government Code Section 65360.

7. Erosion Control and Grading Plan Review. To continue the present level of service related to the review of grading plans, and to assure that grading activities proposed for sites within the incorporation area conform with the requirements of the County's Grading and Erosion Control Ordinances, the City shall enter into an agreement with the El Dorado County Resource Conservation District (RCD) for such services. The agreement shall provide for planning and technical assistance to the City and to property owners within the incorporation area in return for the payment of fees for such services which shall be at the same level as fees charged for comparable services within the City of Placerville.

8. Transit Services. The City shall maintain at least the same level of transit service provided by the El Dorado County Transit Authority in the incorporation area and the incorporation shall not cause a reduction in service within the existing service area of the El Dorado County Transit Authority. Transit services in the new City shall be provided by the EDCTA for a minimum of ten (10) fiscal years, after which time the new City may elect to withdraw from the JPA upon providing a notice of intent to withdraw as provided below.

The new City shall either (a) join the El Dorado County Transit Authority as a new member and in that capacity, transfer to the Authority all funding to which the City may be eligible to receive under applicable federal and state transit funding sources so as to provide transit services within City boundaries at a level at least equal to services provided prior to incorporation and to prevent a reduction of service within the EDCTA service area; or (b) in the event the new City fails to join the EDCTA, or withdraws from the JPA prior to the ten (10) year obligation, the new City shall annually provide to EDCTA funds or revenue equal to the loss in revenue by the EDCTA as a result of either the new City failing to join the EDCTA or withdrawing from the EDCTA for a period of twelve (12) years and the EDCTA shall continue to serve the area within the new City for such twelve (12) year period. The funds or revenue shall be provided either through development fees, sales tax revenues, Transportation Development Act funds, property taxes, or other revenue sources or funds, to insure no loss of funding to the EDCTA. If at any time after the expiration of the ten (10) year obligation or of the twelve (12) year obligation transit services within the new City are not provided by the EDCTA, the EDCTA shall retain the right (but not the

obligation) to use the commuter bus stops in the new City and to provide commuter bus service within the City boundaries at no cost to City.

This transit services condition may be modified upon mutual agreement of the EDCTA and the new City.

In joining the EDCTA as specified in (a) above, the new City shall agree to the provisions set forth in the Joint Exercise of Powers Agreement, including the amendment dated May 22, 2001. The EDCTA shall be designated as the transit operator for El Dorado Hills and shall be authorized to file the claim for apportionment under Public Utilities Code Section 99260 on behalf of the new City as provided in Section 15 of the JPA Agreement.

The new City may provide a notice of its intent to withdraw as a member to the EDCTA, provided it has maintained EDCTA services for eight (8) full fiscal years after establishment of the City. The written notice of intent to withdraw from the Joint Powers Authority shall be provided, if at all, during the month of May and shall be provided at least two (2) years prior to the effective date of the withdrawal, thus providing for minimum of ten (10) years of service by the EDCTA to the new City. The notice shall specify the effective date of the withdrawal, which shall be at least two years from the date of the notice. In addition, the City shall also provide the EDCTA with a ninety-day final notice of intent of withdrawal from EDCTA.

9. Roadway as Boundary. The boundary of the City shall include the full width of all roadway parcels that lie along the perimeter of the City with the exception of two segments of Green Valley Road which will remain outside the City boundary where the County shall continue road maintenance responsibility along Green Valley Road in those road segments described as follows: (1) Green Valley Road contiguous and running along APN 115 051 07 and (2) contiguous to parcels numbered 115 051 11 and 115 051 12. In addition, the City will be responsible for three roadway segments adjacent to the City boundary but in the incorporated area as follows: Green Valley Rd across APN 067 030 06 and across the adjacent federally owned parcel (No APN); Bass Lake Rd. along APNs 115 030 02 & 03; Malcolm Dixon Rd. across APNs 067 310 11 & 12. The City shall be responsible for roadway maintenance on the full width of roads that lie along its exterior boundary.

10. Road Maintenance Responsibility. Responsibility for all roads, as well as associated drainage and other appurtenant facilities, excluding private roads, within the jurisdiction of all districts that are being dissolved in connection with this incorporation, shall transfer to the new City upon the Effective Date.

11. Transfer of County Roads. All roads included within the El Dorado County Road System as of the Effective Date and all offers of dedication shall transfer to the City upon the Effective Date in accordance with Government Code Section 58385.

12. Sphere of Influence. The City shall initiate sphere of influence proceedings in a timely manner with LAFCO so as to allow LAFCO to adopt a sphere of influence for the new City no later than one (1) year following the Effective Date. If the City determines that

it needs more time to develop a long-term sphere plan, in conjunction with the development of its general plan, the City may satisfy this requirement by proposing an initial Sphere of Influence that is co-terminus with the City boundary.

13. Detachment from CSA 9. The territory included within the new city boundary shall detach from County Service Area 9 (CSA 9). The City shall continue to provide the same level of services previously provided by CSA 9 through continuation of the service zones within the City. All funds held by the County for the service zones being detached shall be transferred to the new City. The parcel charges currently in effect in the affected service zones shall continue in effect within the City. The City shall utilize the funds transferred from the County and those generated in the service zones to continue the services within the zones. Upon the effective date of incorporation, flood control facilities, including, but not limited to, drainage channels and appurtenant facilities within the incorporated territory that were maintained by the County prior to incorporation, whether through CSA 9 or otherwise, shall become the property of the City and the City shall be authorized and obligated to, and shall assume responsibility for the post-transfer maintenance, monitoring, engineering and construction of such facilities within the City.

14. Dissolutions and Reorganizations, General. With respect to all agency dissolutions and governmental reorganizations ordered in connection with this incorporation, no agency being dissolved shall take any actions described in Government Code Section 56885.5 except in compliance with the requirements thereof.

15. Dissolution and Reorganization of CSDs. The dissolution and reorganization of the El Dorado Hills Community Services District and the Springfield Meadows CSD is conditioned pursuant to the following provisions:

a) All real and personal property, including land, vehicles and structures, interests in property, rights of use, contracts, all monies, including cash on hand and moneys due, but uncollected, of any dissolving district shall transfer to the City as successor agency to the dissolving districts, in accordance with Government Code §57452 and 57457.

b) All transfers of real property and property interests shall be transferred to the City subject to any and all liens or other financial obligations and encumbrances lawfully entered into by the dissolving District prior to the Effective Date.

c) Property held in trust by any dissolving district shall be conveyed to the new City and shall be used for the purposes for which it was collected, in accordance with Government Code Sections 57382 and 57462.

d) The services provided by the dissolving districts shall continue at a level not less than that provided by the districts prior to the Effective Date of dissolution.

e) The City shall continue the parks and recreation services, landscaping and lighting maintenance, solid waste collection and disposal, and Cable TV services at a level not less than that provided by the El Dorado Hills CSD prior to the Effective Date. Any contracts to provide these services shall continue in effect and transfer to the successor agency.

f) With respect to architectural review and enforcement of Conditions, Covenants and Restrictions (CC&Rs) for subdivisions within the EDHCSD, the City shall continue to provide such services at a level not less than that provided by the EDHCSD for not less than one (1) year following the Effective Date.

g) Pursuant to Government Code §56886(t), any authorized charges, fees, assessments or taxes being collected by the dissolving districts shall to be transferred to the City of El Dorado Hills as the successor agency, including the EDHCSD development impact fee and charges for administration and enforcement of CC&Rs.

i) Any employee of a dissolving district as of the date of dissolution and reorganization shall continue as an employee of the City of El Dorado Hills on an interim basis. If the City determines to continue any such employee as a permanent city employee, the City shall continue all employment rights, seniority, retirement, accrued leave and related benefits of such employee to the maximum extent feasible consistent with the City's employment rules.

j) The Effective Date of Dissolution and Reorganization of all dissolving districts shall be the Effective Date.

k) Each dissolving district shall transfer all records, archives and related materials to the City of El Dorado Hills, to be retained by the city for a minimum of five years following the Effective Date of Dissolution and Reorganization.

16. Payment of Costs. Any and all costs incurred by or on behalf of the El Dorado Local Agency Formation Commission in connection with LAFCO Project 03-10, Proposed Incorporation of El Dorado Hills, that remain unpaid and outstanding as of August 12, 2005 shall be paid by the Incorporation Committee no later than November 1, 2005. Recordation by the Executive Officer of the Certificate of Completion is subject to the full satisfaction of this requirement.

17. Election Materials. The Terms and Conditions as approved by the Commission shall be provided as part of the election materials. The question of incorporation, including all Terms and Conditions shall be one question on the ballot.

#### **Fiscal and Revenue Neutrality Terms and Conditions.**

The City shall be required to make annual fiscal mitigation payments to the County pursuant to California Government Code Section 56815(c)(2) as set forth in these Fiscal and Revenue Neutrality Terms and Conditions.

18. Base Year General Fund Amount. The Base Year amount of the fiscal mitigation payments made as unrestricted payments to the County's General Fund is \$309,000.00. The Base Year calculation represents the fiscal mitigation payment calculated as of fiscal year 2003-2004.

19. Base Year Road Fund Amount. The Base Year amount of the fiscal mitigation payments made to the County Road Fund as a result of loss of Road District Tax Revenues is \$751,300.

20. Commencement and Term of Payments Fiscal mitigation payments to both the County's General Fund and Road Fund shall commence in the first fiscal year in which the City receives its property tax allocation (projected as the 2006-2007 FY) and shall continue annually thereafter for a period of 25 years.

21. Collection of Payments.

a. In each fiscal year during the term of fiscal mitigation payments, the County shall be and is authorized and entitled to withhold the payment due to County that year from the secured and unsecured property tax revenues collected by the County on behalf of the City. The County Auditor shall be authorized to withhold said payments due from the tax revenues collected and to transfer the amounts due to the County's General Fund and Road Fund respectively at the same time that the balance of the City's tax revenue is transferred to the City. One-half of the annual amount due for each fund, respectively, shall be withheld from each of the two installments of property taxes collected within the City during the fiscal year.

b. The annual fiscal mitigation payments shall be an obligation of the City with the amount coming due thirty (30) days after the delinquency date of each semi-annual installment of property taxes; provided, however, that the City shall not be responsible for any delays in payment arising out of delays in collection and accounting by the County.

c. Nothing in this term and condition shall be deemed to prevent the County from exercising any legal remedy available for collection of such debt from the City if, for any reason, the County is unable to withhold the payments from the tax revenues collected.

d. The County will assume the responsibility for the administration and accounting of withholdings from the City's share of property taxes and road district taxes resulting from these Terms and Conditions at its own expense.

22. Adjustment to Mitigation Payment Amount. Beginning in fiscal year 2004 -2005, and each year thereafter during the term, the Base Year General Fund Amount and the Base Year Road Fund Amount shall each be adjusted by the annual increase in the published annual Consumer Price Index - All Urban Consumers, California.

23. Provision of Service in First Year. Pursuant to Government Code Section 57384, the County shall continue to furnish to the area incorporated all services furnished to the area prior to the incorporation, at the same level and in accordance with the budget for the County adopted prior to the effective date of incorporation, for the remainder of the fiscal year during which the incorporation becomes effective, or for a shorter period if the City of El Dorado Hills, acting through its City Council, requests discontinuation of a service or services.

24. Reimbursement for Initial Year Service. The City shall reimburse the County for the net cost of services provided pursuant to paragraph 23, above, as defined in California

Government Code Section 57384(b). Reimbursement shall be made in full not later than the end of the fifth fiscal year following the fiscal year in which the incorporation becomes effective. The County shall be and is authorized and entitled to withhold the amounts due from secured and unsecured property tax revenues collected on behalf of the City in the same manner as set forth in paragraph 21, above, with respect to fiscal mitigation payments. County shall be entitled to one fifth of the total payment due in each of the five (5) fiscal years following the fiscal year in which the incorporation becomes effective.

25. Contracting with the County. The City is encouraged to contract with the County for continuation of services after the first year of incorporation upon terms mutually agreeable to the City and County.

26. Property Tax Transfer.

a) The base property tax (FY 2003-04) transferred to the new City pursuant to Government Code Section 56810 and 56812 shall be \$2,122,822. This amount shall be adjusted in accordance with Government Code Section 56810 and any other applicable statutes referenced therein.

b) County Road property tax within the boundaries of the City shall transfer to the City Road property tax.

c) Property tax which accrues to the El Dorado Hills CSD and the Springfield Meadows CSD shall transfer to the City.

27. Gann Limit. In accordance with Section 7902.7 of the California Constitution, the OPR Incorporation Guidelines and the technical documentation provided in the CFA, and as calculated pursuant to Government Code Section 56812, the provisional appropriations limit is \$19.5 million. The permanent appropriations limit of the City shall be set at the first municipal election, which will be held following the first full fiscal year of operation of the new City, in accordance with Government Code Section 56812(c).

28. Transfers of Development Impact Mitigation Fees. Not later than sixty (60) days following the end of the fiscal year in which the incorporation becomes effective, the County shall account for and transfer to the City all development impact or mitigation fees collected on any development project within the incorporated territory of the City (except traffic mitigation fees collected pursuant to the County's RIF, TIM, Variable Highway 50 TIM, or State TIM programs which are dealt with separately in these conditions, and except for any mitigation fees collected specifically to fund mitigation programs that will continue to be administered by the County following incorporation (e.g. the Rare Plant Impact Mitigation In Lieu Fee).

29. Accounting for Revenues Received During First Year. Within sixty (60) days after the end of the fiscal year in which the incorporation becomes effective, County shall account for all monies paid to the County during that year by permit applicants or other members of the public as processing fees or otherwise, paid to reimburse the County for services within the incorporation area. The accounting shall indicate that amounts paid, the purpose of payment, the amounts applied to services actually rendered prior to the end of the year and



any unexpended amounts remaining. After reimbursing itself for all services rendered prior to the end of the year, the County shall transfer any remaining balances to the City.

30. Community Facilities Districts. As soon as is feasible after the Effective Date of the incorporation, the city council and the Board of Supervisors shall enter into an agreement pursuant to California Government Code Section 53368.1 for the transfer of the authority for the governance of all active Community Facilities Districts located within the incorporated territory of the City from the jurisdiction of the County to the jurisdiction of the City. The City shall also satisfy all other conditions to the transfer of such authority pursuant to California Government Code Section 53368.2, or as may otherwise provided by law. City and County shall cooperate to take any other actions required for the transfer of responsibility for the administration of the Community Facilities Districts as may be required or reasonable. Provided however, that the City and County may determine not to transfer certain districts where the remaining obligations are fixed and limited to collection of existing assessments.

31. Land Use Entitlements. In accordance with California Government Code Section 65865.3, any and all development agreements entered into between El Dorado County and any development project applicant, owner or sponsor, and any conditions of approval imposed by the Board of Supervisors, the County Planning Commission, the County Zoning Administrator, or any other authorized representative of the County, on any and all discretionary projects adopted and approved prior to the effective date of the incorporation shall remain valid and enforceable between the applicant or property owner and the City. Development agreements shall remain in effect for the term set forth in Section 65865.3. Upon the effective date of the incorporation, the City shall administer such development agreements, including any and all conditions of approval (including mitigation measures adopted pursuant to the California Environmental Quality Act) as the same were imposed by the Board of Supervisors at the time of project approval. After the effective date of the incorporation, such development agreements and project approvals and conditions of approval shall be interpreted to refer to the City of El Dorado Hills, its departments and agencies where reference is made to the County, its agencies and departments, except that where any such development agreement, condition of approval or other agreement refers to the provision of some benefit, property, money or other matter to support any service that will remain the responsibility of the County after the effective date of incorporation, the County shall be entitled to receive such benefit, property, money or other matter as a beneficiary of the agreement. After the Effective Date of the incorporation, City shall assume all obligations under said development agreements.

32. Transfer of Funds Held in Trust. Not later than sixty (60) days after the end of the first fiscal year of operation of the City (transition year) and pursuant to Government Code §56886(t), the County shall transfer to the City of El Dorado Hills as the successor agency all authorized charges, fees, assessments or taxes that have been collected by the County or by CSA 9, in accordance with Government Code Sections 57382 and 57462, including all development impact fees not included elsewhere in these Terms and Conditions and all

funds collected for the administration of CSA 9 for drainage services within the incorporation area.

33. RIF and TIM Transfer Arrangements. Upon the effective date of the incorporation, City shall continue to impose fees for the RIF, TIM, H50 Variable TIM, and State TIM from development projects within the City's incorporated boundaries at the current levels adopted by the County, and shall carry out all other obligations as set forth in the "Transfer Arrangements Regarding the County Traffic Impact Fee Programs (RIF, TIM et. al.), and Agreement Regarding the Means of Completion of all County Projects Associated with the Traffic Impact Fee Programs" which is attached hereto as **Attachment E** and incorporated herein by this reference.

34. Collection of Habitat Mitigation Fee. The City shall collect the Habitat Conservation Mitigation Fee and shall transfer to the County an amount equal to the proceeds thereof consistent with Chapter 17.71 of the County Ordinance Code or its successor.

#### **Miscellaneous Terms and Conditions.**

35. City to Join SACOG. The City of El Dorado Hills shall petition the Sacramento Area Council of Governments ("SACOG") for inclusion in its Joint Powers Agreement as a member city and shall participate in SACOG's regional planning activities as a nonmember prior to membership.

36. NPDES. The City of El Dorado Hills shall become a co-permittee of the County under the terms of the existing Countywide National Pollution Discharge Elimination System Permit as soon as practicable after incorporation.

37. Incorporation Election. The election on the incorporation of the City of El Dorado Hills shall be held on the regular election date of November 8, 2005.

38. Records. It shall be an on-going obligation of the County and CSA 9 to make available to the City, on a timely basis, all records and documentation related to any or all of the following:

- a) Records, correspondence, application materials, studies and other information reasonably related to approved or pending specific plans, development agreements, subdivision plans, tentative and final subdivision maps, building permits, building, housing or other code enforcement actions located within the proposed City boundary;
- b) File materials, studies, reports, correspondence and other documentation related to all matters listed in (a) involving environmental review under CEQA;
- c) Files and records related to highway and street improvements not otherwise included within these *Terms and Conditions*;

APPROVED

- d) All "as built" drawings and records related to any component of water, wastewater, drainage or other infrastructure or facility located within the proposed City boundary and for which the City of El Dorado Hills would become responsible following incorporation.
39. Allocation of Liability for Facilities. Nothing herein is intended to alter the allocation of tort or similar liability for facilities transferred from the County to the City that would otherwise occur under the law in connection with such transfers in an incorporation.

End.

Attachment E to  
Resolution L- 05-09

**TRANSFER ARRANGEMENTS REGARDING THE COUNTY TRAFFIC IMPACT FEE PROGRAMS (RIF, TIM ET. AL), AND AGREEMENT REGARDING THE MEANS OF COMPLETION OF ALL COUNTY PROJECTS ASSOCIATED WITH THE TRAFFIC IMPACT FEE PROGRAMS ("RIF AND TIM TRANSFER ARRANGEMENTS")**

A. Background.

The County has adopted the following traffic impact fee programs: The El Dorado Hills/Salmon Falls Road Impact Fee Program (hereinafter the "RIF"), the West Slope Traffic Impact Mitigation Fee Program (hereinafter the "TIM"), the Interim Highway 50 Corridor Traffic Impact Fee Program (hereinafter the "H50 Variable TIM"), and the State Traffic Impact Mitigation Fee Program (hereinafter the "State TIM"). Fees for these programs are collected at the time of building permit issuance except for permits in the Tahoe Basin. Properties in the west slope of the County are subject to either the RIF or TIM fee, and both the H50 Variable TIM and the State TIM fees.

The boundary established for the RIF lies primarily within the boundaries of the proposed incorporated City ("City"). The boundary of the City also includes a small portion of the TIM area.

The RIF program funds projects located primarily within the RIF boundary. The TIM fees fund projects primarily located outside the incorporation boundary. The H50 Variable TIM and State TIM programs include projects on State highways and regionally significant County roads that provide benefit on a regional level.

Within the RIF program, there is established a 30% set-aside account for the Silva Valley Interchange project. In addition, there are various development agreements, reimbursement agreements, and road improvement agreements that prioritize the set-asides and reimbursements for projects within the RIF area. There are also development agreements, reimbursement agreements, and road improvement agreements that prioritize and obligate the fees collected under the TIM, H50 Variable TIM, and the State TIM programs.

B. Terms and conditions.

1. Continued Collection of Fees: Upon the effective date of the incorporation, City shall continue to impose fees for the RIF, TIM, H50 Variable TIM, and State TIM from development projects within the City's incorporated boundaries at the current levels adopted by the County.

After the date of incorporation, City shall concurrently with County take all necessary steps to adjust the fees of the four aforementioned impact fee programs in order to adequately fund approved road construction projects, and ensure compliance with all applicable levels of service and

other standards in the County's 2004 General Plan. The City shall however retain the exclusive right to impose a RIF fee structure that is different from the County approved fee structure; provided that complete documentation substantiating the need for said fee structure consistent with all legal and contractual requirements, and that the changes implemented by the City do not adversely affect the ability to finance programmed projects or adversely affect the scheduling of those projects. It is the intent to fund projects within each program solely from funds collected in accordance with each program, and nothing herein shall be construed to obligate either the County or the City to fund the construction of projects from other sources of revenue including general fund revenues.

City shall continue to apply the set-asides and reimbursement priorities set forth in existing development agreements, road improvement agreements, reimbursement agreement, and other similar contracts as they pertain to the respective fee programs. City shall collect said fees and place them in segregated trust accounts for each program. City shall provide County with a quarterly accounting of those fees collected.

2. Transfer of RIF Fees: Within 60 days of the effective date of incorporation, all assets, funds, obligations and responsibilities associated with the RIF shall be transferred to and assumed by the City, with the exception of funds required per section b. below. County shall provide a complete accounting for all retained funds, including a quarterly balance sheet analysis showing expenditures, project % complete and an estimate of cost to complete on a project by project basis. Upon receipt of the initial accounting, and for every quarterly accounting rendered by the County thereafter, City shall have 60 days to review the accounting and request any additional information required. At the end of the sixty day period, if no objections have been submitted in writing, the accounting will be deemed to have been accepted. City shall administer the RIF in full compliance with all legal or contractual requirements related to the RIF including, but not limited to, making reimbursements and affording credits applicable to the RIF required in any development agreement, road improvement agreement, reimbursement agreement, or other similar contracts. After the effective date of incorporation, County and City shall take all necessary actions to revise the RIF program boundary to coincide with the incorporation boundary (hereinafter the "New RIF"). For projects undertaken within the New RIF that are not currently under construction, County shall transfer available funds currently set aside in the RIF account for said projects. Unless otherwise stated herein, all projects within the New RIF boundaries will thereafter become the full responsibility of the City.

a. Projects of Regional Significance: County and City agree that the El Dorado Hills Boulevard Interchange Project, the Silva Valley Interchange Project, and the Green Valley Road Widening - Francisco Drive to Folsom City Limit Project are projects of regional significance to both the County and the City. The El Dorado Hills Boulevard Interchange Project and the Green Valley Road Widening Project are in various phases of construction. The Silva Valley Interchange Project is currently in the environmental and design phase. County and City agree that these projects are and will remain the highest priority projects of the RIF and will be advanced first before other projects under the program.

City shall segregate and retain funds out of impact fee accounts designated for funding these projects, including segregating the 30% Silva Valley Interchange set-aside. City shall retain funds currently earmarked in the Silva Valley set-aside account to be used solely for the costs associated with delivery of that project.

City shall be solely responsible for maintaining the RIF program at current or increased levels necessary to adequately fund these priority projects.

b. Projects under Construction: City shall enter into a cooperative agreement with the County whereby County will be authorized to continue to act as lead agency for the purpose of completing those phases of all projects located within the City boundary currently under construction at the time of the effective date of incorporation. County shall retain funds out of the RIF an amount equal to 125% of the remaining programmed project budget for each project being completed by County. The programmed project budget includes all anticipated costs of the project including, but not limited to, construction costs, right-of-way acquisition and project administration, and may not be included in its entirety in any single year of the County's annual budget. In the event of any shortfall between actual project costs and funds retained, the City shall fund the shortfall out of RIF program fees transferred to the City, and if necessary New RIF fees collected after incorporation. In the event that a project is phased, construction will be completed by the County on that phase of the project under construction. Subsequent phases of the project shall be the sole responsibility of the City. For purposes of this paragraph, a phase of a project shall be deemed "under construction" if a contract for the construction of any portion of the work has been awarded by the County. The City and County, by mutual written agreement, may provide for a different method of completing project phases under construction.

c. Green Valley Road: Green Valley Road County Line Project #72355 is programmed in part to be constructed with RIF, the H50 Variable TIM, and the TIM fee programs. County shall provide the TIM fees and H50 Variable TIM fees programmed and collected for said project, as referenced in the Project Category/Task and Funding Source information in the Department of Transportation Proposed Interim Capitol Improvement Program Fiscal Year 03/04 through 07/08, for the project costs listed as Direct Construction Costs, Construction/Engineering & Administration and Environmental Monitoring. County shall not be obligated to provide funds other than those actually programmed and collected for this project under the TIM and H50 Variable TIM fee programs.

3. Bass Lake Road: A portion of Bass Lake Road lies within the existing TIM and a portion within the existing RIF. The New RIF contains an expanded portion of Bass Lake Road. All of the programmed improvements within the New RIF are funded or advanced pursuant to the Bass Lake Hills Specific Plan Public Facilities Financing Plan, and those developer advanced improvements that are eligible for reimbursement will be reimbursed by the New RIF. That portion of Bass Lake Road that lies outside the Bass Lake Hills Specific Plan but inside the City will be reimbursed by the New RIF. That portion that lies outside the boundaries of the City will be TIM obligations in accordance with Section 4 herein.

4. Projects within the TIM area: Upon revision of the RIF boundary as set forth hereinabove, the TIM program will only contain projects located outside the incorporation boundary, and County will thereafter have the sole responsibility to administer the TIM program. The advancement and completion of any projects in the TIM program residing outside of the City boundaries shall be within the sole discretion of the County. County shall retain all TIM funds except for contributions required under paragraph 2c, above.

5. The H50 Variable TIM and State TIM: City shall collect the H50 Variable TIM and State TIM program fees within the City incorporation boundary and segregate and maintain said fees in separate trust accounts, and shall account for the fees to the County on a quarterly basis. Commencing with the first quarter after the effective date of incorporation, and continuing each quarter thereafter, City shall transfer to the County fees collected under said programs. County shall retain all accumulated funds for use in accordance with the H50 Variable TIM and State TIM programs.

Except as provided herein for Green Valley Road, County will be responsible for delivering projects identified for each of these programs as required by the program and subject to available funding solely from the respective fee program. City acknowledges that the highest priority project currently identified under the State TIM program is the Missouri Flat Interchange project. City further acknowledges that U.S. Highway 50 priority projects under the H50 Variable TIM program, listed in their rank order include: the Green Valley Road Westbound Lane project, the U.S. 50 HOV Lane Phase I project, the El Dorado Hills Boulevard to Bass Lake Road Project (U.S. 50 Lane Widening), Bass Lake Road U.S. Highway 50 Auxiliary Lane Project, and Bass Lake Road Interchange Project. County shall be solely responsible for prioritizing all additional projects that are not listed above, conditioned on available funds. City shall enter into any necessary cooperative agreements to allow County to act as lead and project manager for the delivery of the projects described herein. The rank ordering of these projects is intended to generally reflect the priorities assigned among these projects by the County and the City assuming available funding for all projects. The ranking shall not prevent the County from advancing any of the projects over another in order to take advantage of opportunities to advance projects more rapidly than might otherwise be the case due to availability of grants or other funding sources, the ability to phase projects, the ability to complete a smaller project more rapidly than if projects were commenced in the order stated. County shall advise City, and receive input from the City, regarding any proposed approval of projects other than in the order referenced.

After completion of construction of all of the aforementioned projects, the County and City will thereafter annually collaborate to identify and prioritize future projects within the program.

6. Development, Reimbursement, and Road Improvement Agreements: Pursuant to Government Code section 65865.3, for development applications for projects located wholly or partially within the boundaries of the City, any and all development agreements, reimbursement agreements, road improvement agreements, and the like entered into between any development project applicant, and any conditions of approval (including mitigation measures adopted pursuant

to the California Environmental quality Act) imposed by the County Planning Commission and/or County Board of Supervisors on any and all discretionary projects adopted and approved prior to the effective date of annexation shall remain valid and enforceable between the applicant and the City, and after the effective date of the incorporation, the above referenced agreements, and conditions of approval (including mitigation measures adopted pursuant to the California Environmental Quality Act) shall be interpreted to refer to the City of El Dorado Hills, its departments and agencies where reference is made to the County, its agencies and departments. After the effective date of the incorporation, City shall assume all obligations under said agreements that relate to or pertain to the fee programs that are transferred to City's control.

7. Support Services from County: City may request staff support and assistance with administration of fee accounts, preliminary planning, survey, design, construction management, and construction inspection, and the like from County. County, subject to staffing availability and reimbursement for services provided, will provide said as-needed support services, to be billed at the weighted hourly rate attributable to each staff person performing the work.

8. Further Coordination: City and County will meet and work collaboratively to implement these aforementioned requirements during the first 90 days following the effective date of incorporation, and periodically as required thereafter.

9. Dispute Resolution. In the event of a dispute between the City and County regarding the interpretation or implementation of any of these terms and conditions related to the administration of the RIF, TIM, H50 Variable TIM and State TIM programs following incorporation, the following dispute resolution procedures shall be used:

A. The City and County shall attempt to resolve all disputes informally at the lowest administrative level possible. Any complaint shall be made known to the appropriate counterparts at the other agency as soon as possible in order to attempt resolution.

B. If initial attempts at resolving the dispute fail, the entity which believes a dispute exists shall give written notice of the nature of the perceived dispute to the Chief Administrative officer of the County or City Manager of the City, respectively. The Chief Administrative Officer and City Manager, and any other appropriate staff, shall meet within 30 days of the written notice and attempt to resolve the differences between the parties. If no resolution is reached additional meetings may be scheduled as deemed appropriate by the parties including, but not limited to, joint meetings of the governing bodies or subcommittees of the governing bodies.

C. If the dispute is not resolved, either party may request that the services of a facilitator or mediator, mutually agreed upon by the City and County, be employed. Such facilitation or mediation shall be non-binding and shall not affect, impair or restrict the legal rights of either party. Each party shall pay one-half the cost of the mediator and bear its own costs. Mediation shall occur within 60 days of a written request by either party. If the dispute is not resolved, each party reserves its full rights as may exist in the absence of this provision.



If you have any questions, you may contact the LAFCO office during normal business hours at (530) 295-2707.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

ROSEANNE CHAMBERLAIN, EXECUTIVE OFFICER

**MOUNTAIN DEMOCRAT**

**TO BE PUBLISHED ONE TIME ONLY:** June 20, 2005

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**PROTEST OF  
CHANGE OF ORGANIZATION OR REORGANIZATION**

*(Please Check One)*

By Landowners \_\_\_\_\_ By Registered Voters \_\_\_\_\_

*In accordance with Part 3, Division 3, Title 5 of the California Government Code commencing with §56000 (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), the undersigned hereby protest the following change of organization or reorganization:*

*LAFCO Project No. 03-10  
The Proposed Incorporation of the City of El Dorado Hills  
El Dorado Hills, California*

*Date/Time/Location of Protest Hearing  
July 11, 2005 - 5:30 P.M.*

*El Dorado County Government Center, 2850 Fairlane Court, Bldg. C, Placerville, California*

*Only protests dated and received between the date of publication of the hearing notice **June 20, 2005** and the conclusion of the protest hearing will be considered to determine the value of written protest.*

*Protests may be made on behalf of an owner of land by an agent authorized in writing by the owner to act as agent with respect to that land. Signed authorization must be provided with the protest. Protests may be made on behalf of a private corporation which is an owner of land by any officer or employee of the corporation without written authorization by the corporation to act as agent in making that protest.*

*Each of the undersigned states:*

- 1. I personally signed this protest.*
- 2. I am a landowner or registered voter as noted above within the affected territory.*
- 3. I personally affixed hereto the date of my signing this protest and the address(es) and/or the Assessor's Parcel Number(s) such that the location of the property is readily ascertainable.*

	<i>Name</i>	<i>Address and/or Assessor's Parcel No.</i>	<i>Date</i>
<i>1</i>	<i>Print Name</i>		
	<i>Signature</i>		
<i>2</i>	<i>Print Name</i>		
	<i>Signature</i>		
<i>3</i>	<i>Print Name</i>		
	<i>Signature</i>		

*Return protest to LAFCO, 550 Main Street, Suite E, Placerville, CA 95667 prior to the close of the protest hearing schedule for the date and time appearing. Please call (530) 295-2707 if you have any questions.*

# **EL DORADO LOCAL AGENCY FORMATION COMMISSION**

550 MAIN STREET SUITE E  
PLACERVILLE, CA 95667

TELEPHONE:(530)295-2707  
FAX:(530)295-1208

[lafco@co.el-dorado.ca.us](mailto:lafco@co.el-dorado.ca.us)    [www.co.el-dorado.ca.us/lafco](http://www.co.el-dorado.ca.us/lafco)

## **NOTICE OF PROTEST HEARING**

Notice is hereby given for the Conducting Authority Proceedings.

The hearing will be at 5:30 P.M. or as soon thereafter as possible, on July 11, 2005 at El Dorado County Board of Supervisors Chambers, 330 Fair Lane, Placerville, CA 95667 for the following project:

The Proposed Incorporation of the City of El Dorado Hills  
LAFCO Project No. 03-10

**Proponents:** El Dorado County Board of Supervisors

**Project/Boundary Description:** The boundary of the City of El Dorado Hills is generally described as including all territory within the exterior perimeter boundary of the El Dorado Hills CSD and the following additions: Green Springs Ranch Subdivision, Parcels west of Salmon Falls Road and south of Folsom Lake (APN 110-430-04, 110-020-30, 067-051-05, 067-310-05, 08, 09, 25, 26), The Sierra Pacific Parcels (APN 108-050-05, 108-050-06, 108-050-07, 108-050-08, 108-050-14, and 108-050-17), El Dorado Union High School District (APN 108-050-42), Carson Creek Specific Plan and El Dorado Hills Business Park.

**Reason for Change:** The reasons for incorporation of the City of El Dorado Hills and other changes of organization include the following: (A) To enhance the physical character, community identity, and quality of life in El Dorado Hills by establishing local control of public services, land use planning, and public and private investment in the community; (B) To establish a locally elected city Council in El Dorado Hills to provide community leadership and increase local control over, and accountability for, governmental decisions affecting El Dorado Hills, including comprehensive planning and zoning and other land use decisions affecting El Dorado Hills; (C) To consolidate responsibility for municipal services in El Dorado Hills under a single local entity, the City of El Dorado Hills, which can, through improved efficiency and access to substantial state and federal revenues not presently available to the community, increase public service levels; (E) To enhance physical development in El Dorado Hills, which promotes and preserves a vital blend of residential, agricultural, commercial, industrial, and open space land uses; and to promote economic prosperity and fiscal independence through the identification and implementation of common economic goals.

The following agency or agencies affected by the proposed jurisdictional changes are: El Dorado County, El Dorado Hills CSD (Dissolution), Springfield Meadows CSD (Dissolution), and County Service Area 9 (Detachment). The project is subject to the Terms & Conditions specified in LAFCO Resolution No. L-05-09.

All landowners and registered voters within the proposed incorporation boundary may file a written protest to the project. Project Map & Protest forms are available at LAFCO, 550 Main Street, Suite, E, Placerville or at [www.co.el-dorado.ca.us/lafco](http://www.co.el-dorado.ca.us/lafco). Protests must be submitted before the close of the public hearing.