
**SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION**

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

AGENDA

Thursday, October 10, 2019 9:00 A. M.

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

* * * *

Call to Order
Announce Date and Time of Meeting for the Record
Roll Call
Pledge of Allegiance

CONSENT ITEMS

1. MEETING MINUTES OF AUGUST 8, 2019
(Action by All Members)
Approve Summary Minutes of the regular meeting.
2. OUT-OF-AGENCY SERVICE REQUEST
(Action by Regular Members)
Request from the City of Stockton to provide out-of-agency sewer service outside the City boundary under Government Code §56133 to 3445 Mourfield Avenue, 3405 Coronado Avenue, 5273 E. Sonora Street, 5247 E. Sonora Street, and 1842 Drake Avenue, Stockton.

PUBLIC HEARING ITEMS

3. BSNF RAILROAD AND EBMUD LAND ANNEXATION TO THE RECLAMATION DISTRICT 2039 – JONES TRACT (LAFc 22-19)
(Action by Regular Members)
Request to annex approximately 338.60 acres to Reclamation District 2039 – Jones Tract.
4. AMENDMENT TO THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE (LAFc 23-19)
(Action by Regular Members)
Request to amend the Municipal Service Review and the Sphere of Influence to the South San Joaquin Irrigation District.

5. TRACY VILLAGE REORGANIZATION TO THE CITY OF TRACY
(LAFCO 24-19)
(Action by Regular Members)
Request to annex approximately 180 acres to the City of Tracy with concurrent detachment from the San Joaquin County Resource Conservation District and Tracy Rural Fire Protection District.

PUBLIC COMMENTS

6. Persons wishing to address the Commission on matters not otherwise on the agenda.

EXECUTIVE OFFICER COMMENTS

7. Comments from the Executive Officer

COMMISSIONER COMMENTS

8. Comments, Reports, or Questions from the LAFCO Commissioners

CLOSED SESSION

9. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
10. CLOSED SESSION
 - A. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)
Name of Case: Pacific Gas and Electric v. San Joaquin LAFCo and South San Joaquin Irrigation District (San Joaquin County Superior Court Case No. 39-2015-00321743-CU-JR-STK)
 - B. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)
Name of Case: Tracy Rural County Fire Protection District with the City of Tracy as named Real Party of Interest v. San Joaquin LAFCo (San Joaquin County Superior Court Case No. 2019-9687)
11. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

ADJOURNMENT

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

**SUMMARY MINUTES
August 8, 2019**

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

Chairman Johnson called the meeting to order at 9:05 a.m.

MEMBERS PRESENT: Commissioners Andrade, Krumeich, Patti, Villapudua
and Chairman Johnson

MEMBERS ABSENT: None

ALTERNATE MEMBERS PRESENT: Commissioners Bretenbucher, Morowit and Winn

ALTERNATE MEMBERS ABSENT: None

OTHERS PRESENT: James Glaser, Executive Officer; Rod Attebery,
Legal Counsel; and Mitzi Stites, Commission Clerk

CONSENT ITEMS

Chairman Johnson opened the matter up for public and Commissioner Comments.

A motion was made by Commissioner Villapudua and seconded by Commissioner Andrade to approve the Consent Calendar.

The motion for approval of the Summary Minutes of July 11, 2019, was passed by an unanimous vote of the Commission.

The motion for approval for the out-of-agency service request to the property located at 2124 Totten Avenue, and 5017 S. Elvin Avenue Stockton was passed by an unanimous vote of the regular voting members of the Commission.

ACTION ITEMS

3. REQUEST FOR FEE DETERMINATION FOR RECLAMATION DISTRICT NO. 2039 (JONES TRACT) ANNEXATION
(Action by Regular Member)
Request to authorize a fee of \$4,000 for the processing of an annexation application for BNSF AND EBMVD lands to Reclamation District No. 2039 (Jones Tract).

James Glaser, Executive Officer, stated that LAFCo has received a request from Reclamation District 2039 (Jones Tract) to reduce the fee to process an annexation to Reclamation District 2039.

Mr. Glaser, Executive Officer stated that the adopted fee schedule allows the Commission to waive or adjust processing fees upon the determination that the proposal would further the purposes of LAFCo and that a request for a fee waiver or adjustment must be submitted to the Commission prior to the submittal of an application for approval. Reclamation District 2039 (Jones Tract) would like to process an annexation application for Burlington Northern & Santa Fe Railroad Company (BNSF) and East Bay Municipal Utility District (EBMUD) lands of 335 acres that separate the two original districts. Without a fee reduction, the fee for the annexation application is \$9,133 plus a \$1000 legal deposit and a \$1466.60 fee for Public Works. Staff recommended that the fee be reduced to \$4,000 with the legal fee and Public Works fee remaining the same. This amount reflects more accurately the cost for LAFCo to process the application.

Chairman Johnson opened the floor to Commissioner Comments.

No comments were made.

Chairman Johnson closed the floor to Commissioner Comments.

Chairman Johnson opened the floor to Public Comments.

No one came forward.

Chairman Johnson closed the floor to Public Comments.

Moved by Commissioner Villapudua, seconded by Commissioner Andrade, to set the filing fee for an annexation application of the BNSF and EDMUD lands to the Jones Tract Reclamation District 2039 at \$4000 and further finds that the proposed application would further the purpose of the Local Government Reorganization Act of 2000.

Roll Call Vote:

Ayes: Commissioners Andrade, Patti, Villapudua, Krumeich, and Chairman Johnson

Nos: None

Absent: None

4. REQUEST FOR TIME EXTENSION FOR GUEDEL ANNEXATION TO CSA 29 (LAFc 25-18)

(Action by Regular Member)

Request for One-Year Time Extension to complete condition of approval for Gudel Annexation to CSA 29, Forest Lake Ranchettes.

Mr. James Glaser, Executive officer, presented a PowerPoint presentation showing the timeline of the Gudel annexation. On September 13, 2018, the Commission approved the annexation of the Gudel properties to County Service Area No. 29 for the development of two major subdivisions. The Commission had placed a condition on their approval stating that the Certificate of Completion will not be recorded until a Proposition 218 process has been completed. Government Code Section 57001 requires that all conditions of approval for an annexation be satisfied within one year of Commission approval. The year will expire on September 13, 2019. Staff recommended that Commission grant a one-year time extension to September 13, 2020 to Gudel Annexation to CSA 29-Forest Lake Ranchettes to complete the Conditions of Approval.

Chairman Johnson opened the floor to Commissioner Comments.

No comments were made.

Chairman Johnson closed the floor to Commissioner Comments.

Chairman Johnson opened the floor to Public Comments.

No one came forward.

Chairman Johnson closed the floor to Public Comments.

Moved by Commissioner Patti, seconded by Commissioner Villapudua to approve a one-year extension to September 13, 2020 to Gudel Annexation to CSA-29-Forest Lake Ranchettes to complete the Conditions of Approval. Motion was passed by an unanimous vote of the Commission.

PUBLIC HEARING

5. CARMAX ANNEXATION TO THE CITY OF STOCKTON (L AFC 14-19)

(Action by Regular Members)

Request to annex approximately 13.26 acres to the City of Stockton.

Mr. James Glaser, Executive Officer, presented a PowerPoint presentation. The City of Stockton submitted a proposal to annex 13.26 acres to the City, for CarMax. Annexation of the territory to the City will consist of concurrent detachment from Waterloo-Morada Fire District and the San Joaquin County Resource Conservation District. The territory proposed for annexation was anticipated for development and was included in the City's interim 10-year Sphere of Influence boundary approved by the Commission in February 2019.

LAFCo received a referral comment from the County Department of Public Works stating that the annexation should include all the widened portion of Hammer Lane. The proposed parcel for annexation is part of a larger parcel proposed to be divided and annexation should be postponed

until the division is made. LAFCo response to this comment is that the remaining portions of the widened area of Hammer Lane will be annexed as the City annexes the area for development. Records show proposed annexation parcel is one tax assessor parcel, which is consistent with LAFCo policy to avoid split lines of assessment.

This annexation promotes a planned, orderly and efficient pattern of City development. Staff recommended approval of this project.

Chairman Johnson opened the floor to Commissioner Comments.

No Comments were made.

Chairman Johnson closed Commissioner Comments.

Chairman Johnson opened the floor to Public Comments.

Dan Wright, Vice-Mayor, City of Stockton, stated that this is the last step in a long process. Vice-Mayor Wright respectfully requested that LAFCo approve this project.

David Kwong, Community Development Director, City of Stockton, presented a PowerPoint presentation giving an overview of this project. This annexation will allow the development of a used car dealership containing approximate 18,824 sq. feet of commercial building area and 290-vehicle display area. This dealership will bring approximately 60 jobs to the Stockton – San Joaquin area. Mr. Kwong thanked Mr. Glaser for his recommendation.

Mike Hakeem, Hakeem Ellis & Marengo, on behalf of CarMax, stated that this project will benefit the City of Stockton by having a location of CarMax to service the San Joaquin County and the additional 60 jobs it will bring to the region.

Chairman Johnson closed Public Comments.

Chairman Johnson opened Commissioner Comments.

Commissioner Morowit stated that this is a great infill project especially with the potential for one million dollars of revenue and more jobs coming to Stockton.

Chairman Johnson agreed with that statement and added that CarMax locations are always well maintained. This is a great project to for the City.

Commissioner Andrade stated that he is happy that CarMax will be in Stockton. It is a win for the citizens and the City of Stockton. He thanked the Vice-Mayor Wright for speaking.

Chairman Johnson closed Commissioner Comments.

Moved by Commissioner Patti, seconded by Commissioner Andrade, to approve Resolution 1413, CarMax reorganization to the City of Stockton with concurrent detachment from the Waterloo-Morada Rural Fire District and the San Joaquin County Resource Conservation District.

Roll Call Vote:

Ayes: Commissioners Andrade, Patti, Villapudua, Krumeich, and Chairman Johnson

Nos: None

Absent: None

PUBLIC COMMENTS

6. Persons wishing to address the Commission on matters not otherwise on the agenda.

Jeff Schroder, Ponderosa Homes, addressed the Commission regarding Tracy Village annexation.

Mr. Alvarez, resident from the City of Tracy, addressed the Commission regarding his annexation.

Bob Bentz addressed the Commission.

EXECUTIVE OFFICER COMMENTS

7. Comments from the Executive Officer

James Glaser, Executive Officer, provided an overview of the annexation process.

Commissioner Krumich inquired as to who came up with the process timeline and questioned whether each LAFCo can streamline the process.

James Glaser, Executive Officer, stated that LAFCo follows the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. These rules were created by the State of California and they are designed to provide guidance and to protect citizens and the environment.

Commissioner Patti inquired where the two annexation applicants stand in the review process.

James Glaser, Executive Officer, stated that as of now, LAFCo does not have a completed application. LAFCo is awaiting corrections from the City of Tracy.

Commissioner Patti inquired why LAFCo has not accepted the applications.

James, Glaser, Executive Officer, stated that there are numerous corrections needed to be made to the application to meet specific legal requirements. The City of Tracy has been given detailed guidance.

James Glaser, Executive Officer, informed the Commission that the Annual CALAFCo Conference will take place from October 30 to November 1 in Sacramento. There will be no September meeting and possibly no October meeting. In the near future, SSJID will be coming before the Commission to make an amendment to their MSR. Reclamation District 2039 – Jones Tract, will be annexing a railroad in the middle of the district, and BBID and TWSID will be consolidating.

COMMISSIONER COMMENTS

8. Comments, Reports, or Questions from the LAFCO Commissioners

Commissioner Patti is concerned that there is no September meeting and possibly no October meeting.

Mr. James Glaser, Executive Officer, stated that statutory time frames prevent consideration of the annexation applications any earlier than either October or November.

Commissioner Winn stated he understands the complexity of the annexation process. It is a very long process and he understands all the administrative requirements and the challenges. He did want to know how the Auditor's Department is doing with their turn-around time to get LAFCO their comments.

Mr. James Glaser, Executive Officer, stated that they are very professional and extremely responsive.

CLOSED SESSION

9. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7

10. CLOSED SESSION

A. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)

Name of Case: Pacific Gas and Electric v. San Joaquin LAFCo and South San Joaquin Irrigation District (San Joaquin County Superior Court Case No. 39-2015-00321743-CU-JR-STK)

B. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)

Name of Case: Tracy Rural County Fire Protection District v. San Joaquin LAFCo, City of Tracy Real Party in Interest. (San Joaquin County Superior Court Case No. 2019-9687)

11. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

The Commission went into Closed Session at 10:03 a.m. and reconvened at 10:34 a.m. There was no reportable action.

The meeting adjourned at 10:35 a.m.

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

October 10, 2019

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **CITY OF STOCKTON OUT-OF-AGENCY SERVICE REQUESTS**

Recommendation

It is recommended that the Commission approve the requests from the City of Stockton to provide out-of-agency sewer service under the Government Code §56133 to properties located at 3445 Mourfield Avenue, 3405 Coronado Avenue, 5273 E. Sonora Street, 5247 E. Sonora Street, and 1842 Drake Avenue, Stockton.

Background

Government Code Section §56133 states that the Commission may authorize a city or special district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization and that prior to providing new or extended service, the city or district must first receive approval from LAFCo. The Commission adopted a policy that conditions their approval for out-of-agency service requiring the recordation of an agreement with the landowner consenting to annexation of their property when annexation becomes feasible.

The City of Stockton submitted requests for approval to extend sanitary sewer services to single family residences outside the city limits but within the City's sphere of influence. A vicinity map is attached showing the locations of each out-of-agency request. Connections to City sewer lines are available to the properties and the property owners have paid the appropriate connection fees to the City. The requests for out-of-agency service are in compliance with the Government Code §56133 and Commission policies. Staff recommends approval of the attached Resolution 1414 approving out-of-agency services.

Attachment: Resolution No. 1414
Vicinity Map

Resolution No. 1414

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION
COMMISSION APPROVING AN OUT-OF-AGENCY SANITARY SEWER
SERVICE FROM THE CITY OF STOCKTON TO 3445 MOURFIELD AVENUE,
3405 CORONADO AVENUE, 5273 E. SONORA STREET, 5247 E. SONORA
STREET, AND 1842 DRAKE AVENUE STOCKTON.**

WHEREAS, the above-reference requests have been filed with the Executive Officer of the San Joaquin Local Agency Formation Commission pursuant to §56133 of the California Government Code.

NOW THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

- Section 1. Said out-of-agency service request is hereby approved.
- Section 2. The proposal is found to be Categorically Exempt from CEQA.
- Section 3. The proposal is subject to the following conditions:
 - a. Prior to connection to the city sewer or water, the City of Stockton shall record a covenant and agreement with the property owners to annex to the City of Stockton in a form acceptable to the Executive Officer.
 - b. This approval and conditions apply to current and future property owners.

PASSED AND ADOPTED this 10th day of October, by the following roll call votes:

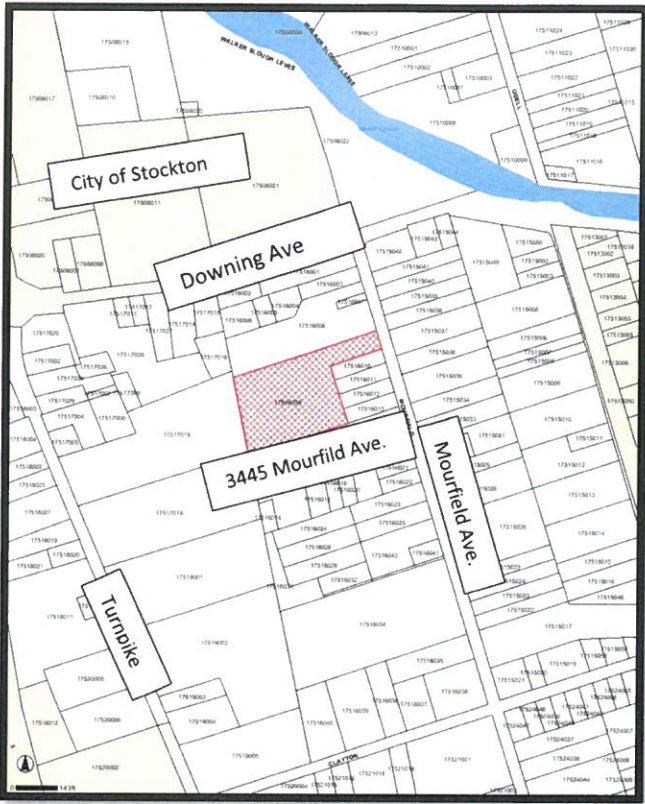
AYES:

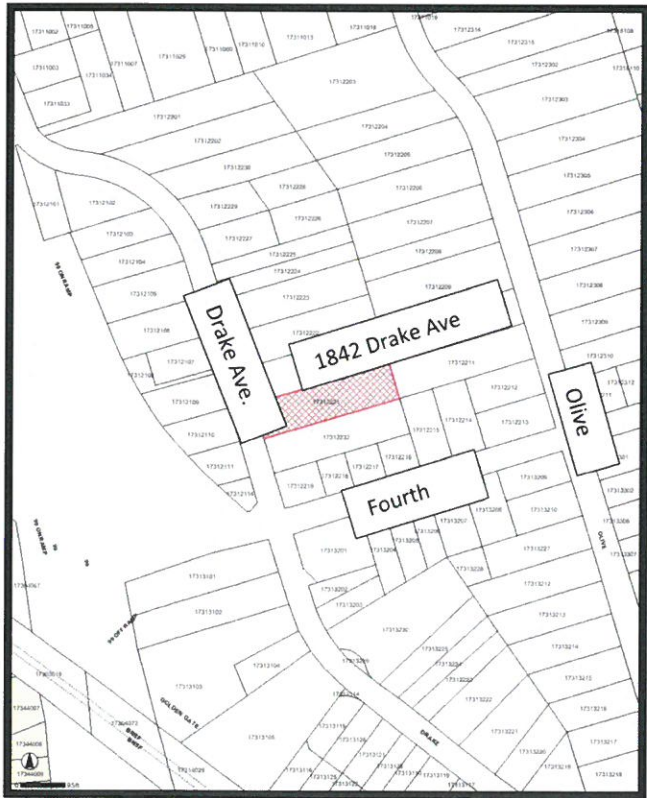
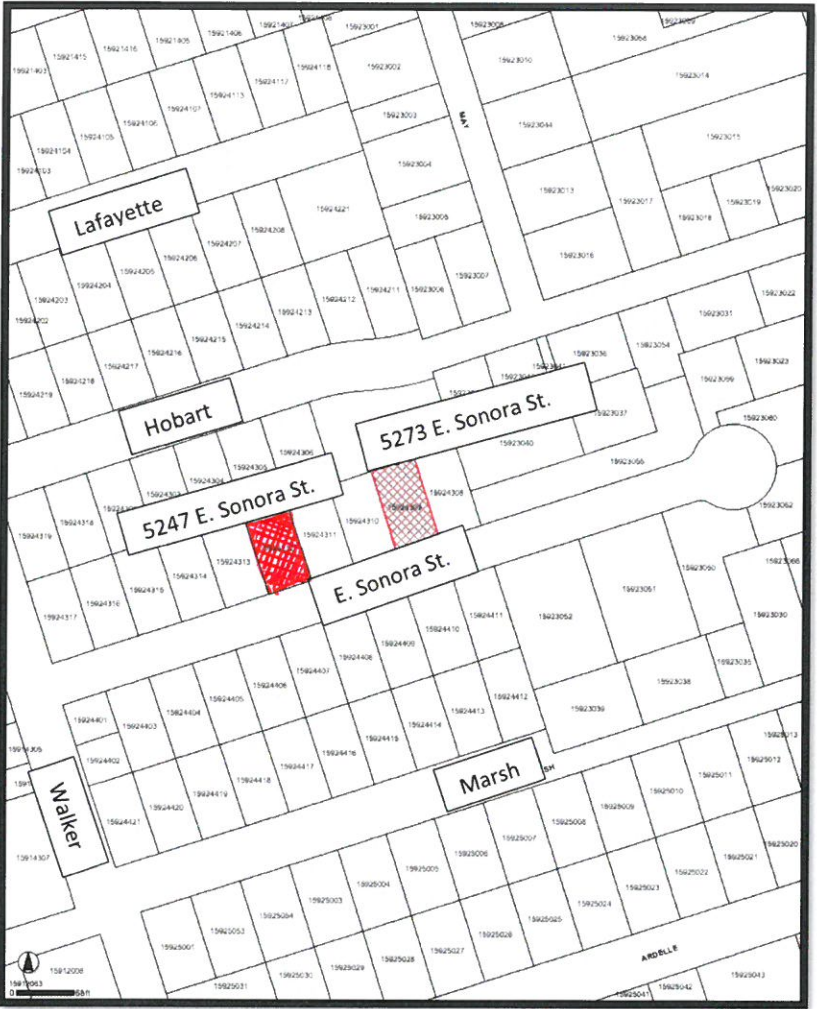
NOES:

ABSENT:

Peter M. Johnson, Chairman
San Joaquin Local Agency
Formation Commission

Res. No. 1414
10-10-19





LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

PROJECT: **BNSF RAILROAD AND EBMUD LAND ANNEXATION TO RECLAMATION DISTRICT 2039-JONES TRACTS (LAFc 22-19)**
PROPOSAL: To annex approximately 338 acres to Reclamation District No. 2039 (Jones Tracts)
APPLICANT: Reclamation District No. 2039
LOCATION: Approximately seven miles west of Stockton, near the community of Holt, CA (Exhibit A: Vicinity Map)
PURPOSE: Proposed annexation territory benefits from levee and drainage service provided by the reclamation district
PROCESS: Uninhabited annexation

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1415 approving the annexation of BNSF Railroad and EBMUD lands to Reclamation District No. 2039 (RD 2039).

BACKGROUND

In February 2019 the Commission approved the consolidation of Reclamation Districts 2038 (Lower Jones Tract) and 2039 (Upper Jones Tract). Both Districts were formed under the California Water Code §50000, et seq. to provide levee maintenance and drainage services. The consolidated district (RD 2039) provides flood protection for more than 12,000 acres of agricultural lands as well as the infrastructure on Jones Tract Island including the Burlington Northern Santa Fe Railroad (BNSF), East Bay Municipal Utility District Aqueducts (EBMUD), Kinder Morgan Fuel Transmission Line, and Highway 4. Although the reclamation districts consolidated, the district remained separated by the railroad embankment for the BNSF line. The railroad embankment has an open trestle allowing floodwaters to flow to either into both Upper and Lower Jones Tracts in order to relieve pressure on the rail line. The infrastructure receives benefits by the levee and drainage services provided by reclamation district. In 2018, the Commission approved a Municipal Service Review and Sphere of Influence Plan and subsequently the consolidation of the two reclamation districts in February 2019. Annexation of BNSF and EBMUD lands is the next step in the process that would improve the delivery of services for the lands it protects. (Exhibit B: Justification of Application and Board Resolution)

REVIEW FACTORS

Section 56668.3 of the Government Code requires the Commission to consider the following factors in its review of a special district annexation.

(a) Whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district

The BSNF infrastructure receives benefits by the levee and drainage services already provided by reclamation district. The reclamation district provides levee protection within the district boundary as well as the surrounding 12,000 acres.

(b) Any factors which may be considered by the commission as provided in Section 56668

In 2018, the Commission approved a Municipal Service Review and Sphere Plan for the reclamation districts. The MSR determined that the district has the ability to provide adequate services and sufficient revenues are available for those services. Many of the review factors in Section 56668 do not apply to this annexation request and are more appropriate for city annexations.

ENVIRONMENTAL

RD 2039 determined that the annexation project is exempt from CEQA and filed a Notice of Exemption on July 24, 2019 (Exhibit C).

DISCUSSION

The Commission approved a Municipal Service Review and Sphere of Influence Plan for Reclamation Districts 2038 and 2039. The MSR provided a comprehensive analysis of the services provided by the reclamation districts. A Sphere of Influence boundary was adopted for the two districts which allowed the districts to consolidate as recommended by the findings of the MSR that determined service delivery would be provided more efficiently and effectively as one district. The MSR also found that the BNSF Railroad and EBMUD properties bifurcating the two districts benefitted by the levee and drainage services provided by the districts and recommended that that the land be included into the district. The annexation will achieve a more complete and appropriate area of benefit from the levee and drainage services provided by the District.

Attachments: LAFCO Resolution No. 1415
Exhibit A: Vicinity Map
Exhibit B: Justification of Proposal/Resolution
Exhibit C: Notice of Exemption

RESOLUTION NO. 1415

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE BNSF RAILROAD AND EBMUD LAND ANNEXATION TO
RECLAMATION DISTRICT 2039-JONES TRACTS (LAFC 22-19)**

WHEREAS, the above entitled proposal was initiated by Resolution by the Reclamation District 2039 Board of Directors and on August 21, 2019, the Executive officer certified the application filed for processing in accordance with the Local Government Reorganization Act; and

WHEREAS, the Commission held a public hearing on the proposed annexation on October 10, 2019 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CA, pursuant to a Notice of Hearing which was published, posted, and mailed in accordance with State law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal, and all persons present were given an opportunity to be heard; and

WHEREAS, the Reclamation District 2039 certified that the BNSF Railroad and EBMUD land annexation to Reclamation District 2039 would not have a significant effect on the environment and that said annexation is not subject to the California Environmental Quality Act (CEQA); and

WHEREAS, the subject territory is uninhabited and does not have owner consent;

WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive Officer, the factors set forth in Section 56668.3 of the California Governmental Code, and testimony and evidence presented at the hearing held on October 10, 2019.

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

- Section 1. Certified that, as a Responsible Agency, that the Commission has independently reviewed and considered the Reclamation District 2039 CEQA determination as certified;
- Section 2. Finds that no written objections to the proposal were received from landowners by the close of the hearing and protest proceedings has been waived pursuant to Section 56663 of the California Government Code;
- Section 3. Approves the proposal as submitted to annex 338 acres to Reclamation District 2039 subject to a final boundary description as approved by the County Surveyor, attached hereto as Exhibit A.

PASSED AND ADOPTED this 10th day of October 2019 by the following roll call vote:

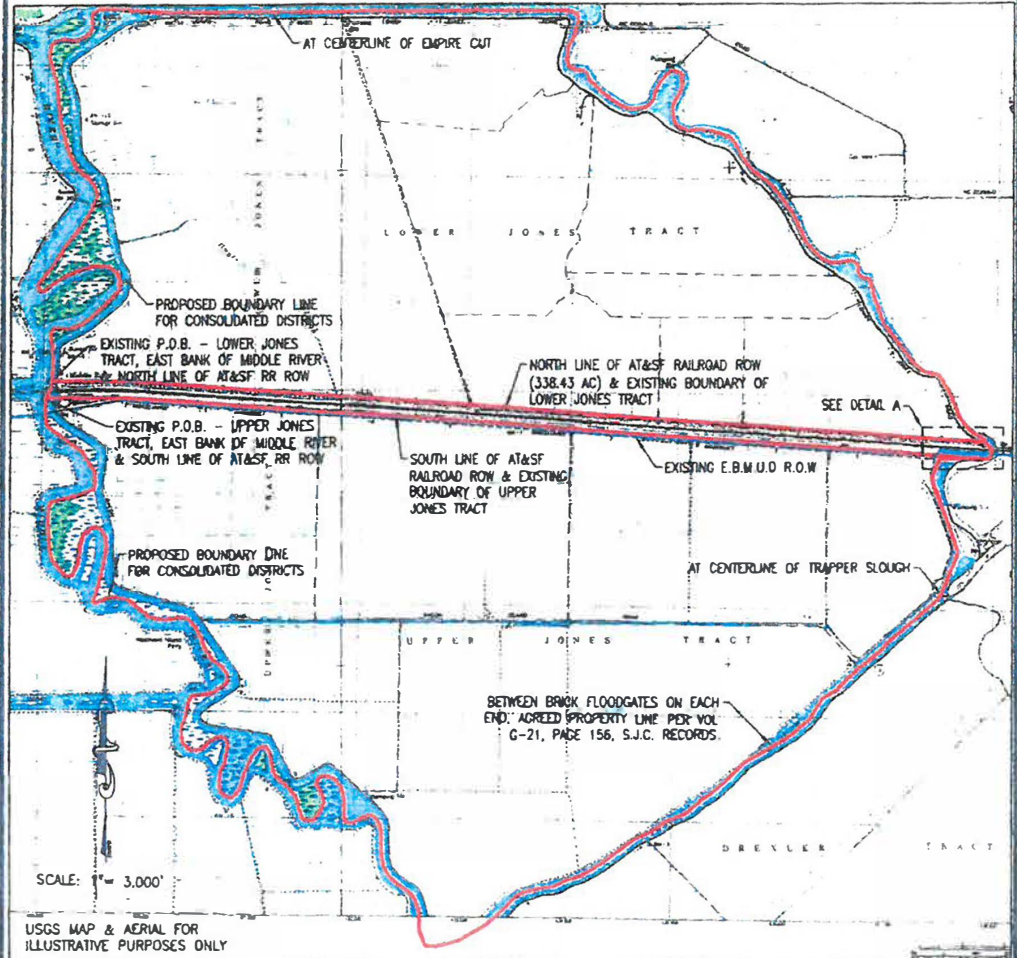
AYES:

NOES:

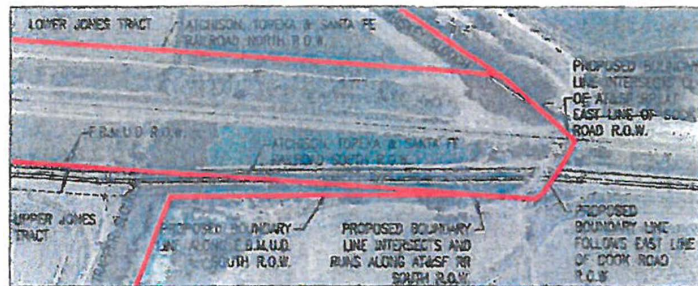
ABSENT:

PETER M. JOHNSON, Chairman
San Joaquin Local Agency
Formation Commission


UPPER JONES TRACT (RD 2039) & LOWER JONES TRACT (RD 2038) CONSOLIDATION



SITE MAP - SCALE: 1"=3000'



DETAIL A - SCALE: 1"=600'

	UPPER JONES & LOWER JONES TRACTS RECLAMATION DISTRICT CONSOLIDATION EXHIBIT MAP		PROJECT NO: 2038-20 DRAWN BY: GAC CHECKED BY: DL SCALE: AS SHOWN DATE: 2013-10-30 CAD FILE: 170816-2013.DWG	SHEET NO: 1-1 OF 1
	RD 2038 & RD 2039 SAN JOAQUIN COUNTY, CALIFORNIA		APPROVED BY: _____ DATE: _____	1"=3000' 0 1000 2000 3000

San Joaquin Local Agency Formation Commission

509 West Weber Avenue Stockton, CA 95203
209-468-3198 FAX 209-468-3199

JUSTIFICATION OF PROPOSAL

Please complete the following information to process an application under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: (Indicate N/A if Not Applicable)

SHORT TITLE OF THE PROPOSAL: Reclamation District No. 2039 (Jones Tracts) Annexation of portion of BNSF Railroad and EBMUD land.

TYPE OF PROPOSAL

- City Incorporation
- Consolidation
- Detachment
- Sphere of Influence Amendment
- Sphere of Influence Update
- Addition of Services
- Reorganization (involving an Annexation and Detachment(s))
- District Formation
- Annexation
- District Dissolution

AGENCY CHANGES RESULTING FROM THIS PROPOSAL

Agency or Agencies gaining territory: _____
Reclamation District No. 2039 _____
 Agency or Agencies losing territory: _____
 None _____

NOTIFICATION

Please indicate the names, addresses and telephone numbers of all Applicants, Applicant's Agents, and all affected Agencies who are to receive the hearing notice and the Executive Officer's Report:

<u>Name</u>	<u>Mailing Address</u>	<u>Telephone</u>
<u>Applicant:</u>	<u>Reclamation District No. 2039 (Jones Tracts) P. O. Box 1461, Stockton, CA 95201</u>	<u>(209) 465-5883</u>
<u>Applicant's Agent:</u>	<u>Dante John Nomellini P. O. Box 1461, Stockton, CA 95201</u>	
<u>Telephone:</u>	<u>(209) 465-5883</u>	<u>Email: ngmplcs@pacbell.net</u>

(Attach a separate sheet if necessary.)

PROJECT INFORMATION

Please provide project-related information for the following questions:

- 1. Do the proposed boundaries create an island of non-agency territory? Yes No
- 2. Do the proposed boundaries split lines of assessment or ownership? Yes No
- 3. Does the proposal involve public rights-of-way or easements? Yes No
- 4. Does the proposal involve public land or land assessed by the State? Yes No
- 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? Yes No
- 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? Yes No

7. List the affected Assessor Parcel Numbers, Owners of record and Parcel Sizes:

<u>APN</u>	<u>Owner</u>	<u>Acreage</u>
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See attached.

(Attach a separate sheet if necessary)

8. Physical Location of Proposal: Upper Jones Tract Hwy 4 approximately 7 miles west of Stockton. (Street or Road, distance from and name of Cross Street, quadrant of City)

9. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? Yes No

If Yes, please attach a Project Site Plan or Tentative Subdivision Map.

If No, please provide an estimate of when development will occur: _____

10. List those public services or facilities which will be provided to the affected territory as a result of the proposed action:

See Municipal Service Review and Sphere of Influence Update RD 2038 (Lower Jones Tract) and RD 2039 (Upper Jones Tract) dated December 13, 2018.

11. Indicate which of these services or facilities will require main line extensions or facility upgrades in order to serve the affected territory: None

12. Provide any other justification that will assist the Commission in reviewing the merits of this request. (Attach a separate sheet if necessary)

INDEMNIFICATION AGREEMENT

As part of this application, applicant and real property in interest, if different, agreed to defend, indemnify, hold harmless, and release the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of the above, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney's fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this application, whether or not there is concurrent passive or active negligence on the part of the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, or employees.

Executed at Stockton, California, on July 18, 2019

APPLICANT

Signature: 
Dante John Nomettini
Title: Secretary & counsel

REAL PARTY IN INTEREST
(If different from Applicant)

Signature: _____
Title: _____

SUBMITTALS


In order for this application to be processed, the following information needs to be provided:

1. Two copies of this Justification of Proposal, completed and signed with original signatures;
2. Five prints of a full-scale proposal map showing the affected territory and its relationship to the affected jurisdiction (Refer to Guide for Preparation);
3. Five copies of an 8.5" x 11" or 11" x 17" reduction of the proposal map;
4. Three copies of a metes and bounds description of the affected territory;
5. One certified copy of the City Council and/or Special District Board Resolution of Application, or a petition making application to LAFCo (as appropriate);
6. Written permission from each affected property owner (or signature form);
7. One copy of the project environmental document (One Compact Disc if more than 25 pages);
8. One copy of the project Notice of Determination;
9. Three 8.5" x 11" copies of the Vicinity Map (if not included on the proposal map);
10. One copy of the plan for providing services along with a schematic diagram of water, sewer and storm drainage systems (refer to Government Code Section 56653);
11. One copy of the Pre-Zoning map or description (as required by Section 56375);
12. One copy of the Statement of Open Space (Ag) Land Conversion (refer to Section 56377);
13. One Copy of the Statement of Timely Availability of Water Supplies (refer to Section 56668(k);
14. One copy of the Statement of Fair Share Housing Needs (if residential land uses are included in the proposal) (refer to Section 56668(l));
15. One copy of the project design (site plan, development plan, or subdivision map);
16. One copy of the Residential Entitlement matrix form (if residential land uses are included in the proposal); and
17. Filing and processing fees in accordance with the LAFCo Fee Schedule and the State Board of Equalization Fee Schedule.

Additional information may be required during staff review of the proposal.

CERTIFICATION

The undersigned hereby certifies that all LAFCo filing requirements will be met and that the statements made in this application are complete and accurate to the best of my knowledge.


(Signature)
Print or Type Name: Dante John Nomettini

Date: 7-18-19

Daytime Telephone: 209 465-5883

Reclamation District No. 2039 (Jones Tracts)
Annexation of Portion of BNSF Railroad and EBMUD Land

Item 12 Justification

The area to be annexed is primarily the strip of land now bifurcating Reclamation District No. 2039 (Jones Tracts), owned by and comprising a segment of the BNSF Railroad and a small segment at the easterly end owned by EBMUD. The area to be annexed is benefitted by levee and drainage services already provided by Reclamation District No. 2039 (Jones Tracts). The annexation will achieve a more complete and appropriate area of benefit from the levee and drainage services provided by the District.

The proposed annexation is within the Sphere of Influence, follows the consolidation of Reclamation District No. 2039 (Upper Jones Tract) and Reclamation District No. 2038 (Lower Jones Tract) and is in furtherance of the recommendations in the Municipal Service Review and Sphere of Influence Update RD 2038 (Lower Jones Tract) and RD 2039 (Upper Jones Tract) dated December 13, 2018.

**RECLAMATION DISTRICT NO. 2039 (Jones Tracts)
RESOLUTION OF APPLICATION
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION
TO TAKE PROCEEDINGS FOR THE
ANNEXATION OF A PORTION OF BNSF RAILROAD LAND BIFURCATING
DISTRICT AND A PORTION OF EBMUD LAND ADJACENT THERETO**

RESOLVED, that the Board of Trustees of Reclamation District No. 2039 (Jones Tracts), previously Rindge Land Reclamation District No. 2039 (Upper Jones Tract) also known as Reclamation District No. 2039 and now consolidated with Rindge Land Reclamation District No. 2038 (Lower Jones Tract) also known as Reclamation District No. 2038,

WHEREAS, Reclamation District No. 2039 (Jones Tracts) desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for reorganization of RD 2039 to include annexation of the territory described in Exhibit "A" attached hereto which consists of BNSF Railroad right of way which presently bifurcates the District and a small portion of EBMUD right of way adjacent thereto, and

WHEREAS, notice of intent to adopt this resolution has not been given to each interested and each subject agency, and

WHEREAS, the territory to be annexed is not inhabited and a description of the territory is set forth in Exhibit "A" attached hereto and by this reference incorporated herein, and

WHEREAS, this proposal is consistent with the sphere of influence of the District, and

WHEREAS, Reclamation District No. 2039 (Upper Jones Tract) and Reclamation District No. 2038 (Lower Jones Tract) have been consolidated into this District named Reclamation District No. 2039 (Jones Tracts).

WHEREAS, the reasons for the proposed reorganization are as follows:

Reclamation District No. 2039 (Jones Tracts) is now bifurcated by the BNSF Railroad property. The BNSF Railroad property contains an embankment which serves as a railroad bed. Based on experience with the flooding of Lower Jones Tract in 1980 and Upper Jones Tract in 2004, it is clear that the railroad embankment does not constitute an adequate levee to contain flood waters if District levees fail. Additionally, subsequent to the 1980 flooding the railroad constructed an open trestle across the 1980 flood breach in the railroad embankment, thus assuring that flood waters will pass from one side of the District into the other as was demonstrated in the 2004 flooding of both Upper Jones Tract and Lower Jones Tract. The EBMUD property is a small sliver of property adjacent to the BNSF property. The area to be annexed is presently serviced by the existing levee and drainage systems of Reclamation District No. 2039 and no additional facilities are required. The annexation is in furtherance of the

recommendations in the Municipal Service Review and Sphere of Influence Update RD 2038 (Lower Jones Tract) and RD 2039 (Upper Jones Tract) (December 13, 2018).

WHEREAS, this Board certifies that the proposed annexation is found to be exempt pursuant to the general/common sense exemption under CEQA and has no potential for a significant impact on the environment.

NOW, THEREFORE, this Resolution of Application is hereby adopted and approved by the Board of Trustees of Reclamation District No. 2039 (Jones Tracts) and the Local Agency Formation Commission of San Joaquin County is hereby requested to undertake proceedings for the annexation of territory as described in Exhibit "A", according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Reorganization Act of 2000.

PASSED AND ADOPTED by the Board of Trustees of Reclamation District No. 2039 at a meeting thereof held on the 18th day of July, 2019, by the following vote:

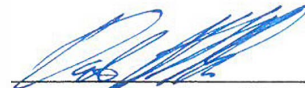
Ayes: Steve Barsoom, Kurt Sharp, Greg Torlai, Kevin Jones, Bernard te Velde

Noes: None

Absent: None

I, Dante John Nomellini, Secretary of Reclamation District No. 2039, do hereby certify that the above is a true and correct copy of the resolution duly adopted by the Board of Trustees on July 18, 2019.

Dated: July 18, 2019



Dante John Nomellini

Reclamation District No. 2039 (Jones Tracts)
c/o Nomellini, Grilli & McDaniel
Professional Law Corporations
235 East Weber Avenue
P.O. Box 1461
Stockton, California 95201-1461

Filed Doc #: 39-07242019-227
07/24/2019 04:03:15 PM

Steve J. Bestolarides
San Joaquin County Clerk

NOTICE OF EXEMPTION

NOTICE OF EXEMPTION

To: County Clerk
County of San Joaquin
44 N. San Joaquin St., Suite 260
Stockton, CA 95202

From: Reclamation District No. 2039
(Jones Tracts)
P.O. Box 1461
Stockton, CA 95201

Project Title: Reclamation District No. 2039 (Jones Tracts) annexation of a portion of BNSF land bifurcating District and adjacent EBMUD land.

Project Applicant: Reclamation District No. 2039 (Jones Tracts) hereinafter "District"

Project Location – Specific: Upper Joes Tract approximately seven miles west of Stockton, California and just west of Holt, California. See attached map.

Project Location – County: San Joaquin

Description of Nature, Purpose and Beneficiaries of Project: All the lands within the District, the BNSF land and the EBMUD land are served by the same levee systems and the same drainage systems. The BNSF land bifurcating the District contains a trestle opening which allows flood and drainage water to pass from Upper Jones Tract into Lower Jones Tract and vice versa. The annexation is in furtherance of and consistent with the recommendations of the Municipal Service Review and Sphere of Influence Update (December 13, 2018).

Name of Public Agency Approving Project: LAFCO – San Joaquin

Name of Person or Agency Carrying Out Project: Reclamation District No. 2039 (Jones Tracts).

Exempt Status: General/Common Sense exemption.

Reasons why project is exempt: The annexation is of area already developed solely for BNSF Railroad purposes and for EBMUD utility purposes. Existing facilities of the District already serve the area to be annexed and no change in use will result. Annexation is in furtherance of Municipal Service Review and Sphere of Influence Update (December 13, 2018). There is no change in existing facilities or services and the annexation has no potential for causing a significant impact on the environment.

Lead Agency

Contact Person: Dante John Nomellini

Area Code/Telephone: (209) 465-5883

Signature: 

Date: 7-18-19

Title: Secretary and Counsel

Signed by Lead Agency

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

October 10, 2019

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **Municipal Service Review (MSR) and Sphere of Influence (SOI)
Amendment for South San Joaquin Irrigation District (SSJID)**

Recommendation

It is recommended that the Commission approve the Municipal Service Review (MSR) and Sphere of Influence (SOI) amendment for South San Joaquin Irrigation District (SSJID). Attached is a resolution for Commission's consideration.

Background

On September 9, 2014, a combined Sphere of Influence Plan and Municipal Service Review (SOI/MSR) for the South San Joaquin Irrigation District (District) was prepared and publicly released by the San Joaquin Local Agency Formation Commission (LAFCo), in compliance with the 2000 Cortese-Knox-Hertzberg Act (CKH Act). On December 11, 2014, after a two day public hearing, LAFCo adopted an EIR, the District's MSR/SOI along with an Addendum to the document and SSJID's request to provide a new and different service (electric). The original documents (MSR and Addendum) can be view on LAFCo's website at www.sjgov.org/commission/lafco.

The action of the Commission in 2014 was very controversial. The District was requesting the approval to provide a new and different service, namely electric service. Irrigation districts are authorized to provide electric service if they first obtain approval by LAFCo. Pacific Gas and Electric (PG&E) expressed that they were not interested in willingly selling their facilities. Ultimately, the Commission approved SSJID's request to provide a new and different service subject to five

conditions. One such condition pertained to the payment of in lieu taxes and franchise fees. Private utilities are required to pay such fees to affected agencies whereas public utilities are not. SSJID volunteered to pay these fees and suggested it as a condition of approval. The Commission made it a part of the approval. After LAFCo's action, several legal challenges were pursued. For the most part, LAFCo and SSJID (Real Party In Interest) prevailed with the exception of the condition pertaining to in lieu taxes and franchise fees. The lower court ruled that this condition was unconstitutional and was a gift of public funds. This matter is presently under appeal with the Third District Court of Appeals. The bankruptcy of PG&E has further complicated this challenge and may result in additional delays.

Since LAFCo's action in 2014, the District has received annexation requests from several property owners who wish to obtain irrigation water and drainage services. The matter before the Commission today, focuses only on the expansion of services for irrigation and drainage services from the District (see attached amendment). The amendment makes no changes to electric services as specified in the previously adopted municipal services review.

The present Sphere of Influence for the District is relatively complex. It covers different areas, time frames, and services. This stems from the ability of the district to provide electric service base on the distribution of PG&Es facilities and how they needed to be severed. The sphere, as it pertains to irrigation and drainage, is much simpler. It only addressed a time frame for services.

The amendment involves essentially three changes to the sphere:

- Area D
A change in the sphere horizon affecting 5,240 acres from the 30 year to 10 year for irrigation and drainage (retail electric to remain in the 30 year horizon)
- Area F
A change in the sphere horizon from 30 year to 10 year for irrigation and drainage for approximately 40 acres (originally part of Area B)
- Area G
An expansion of the sphere for 80 acres to allow irrigation and drainage in the 10 year horizon.

Figure 2-3 provides a detailed graphic of these proposed changes.

The proposed amendment also provides an update of data and information to make the MSR current. A redline version is provided to allow the reader to easily understand the proposed changes.

Attached is a resolution for Commission's consideration.

Attachment: Resolution No. 1416
Amendment Sphere of Influence Plan/ Municipal Service Review- South
San Joaquin Irrigation District

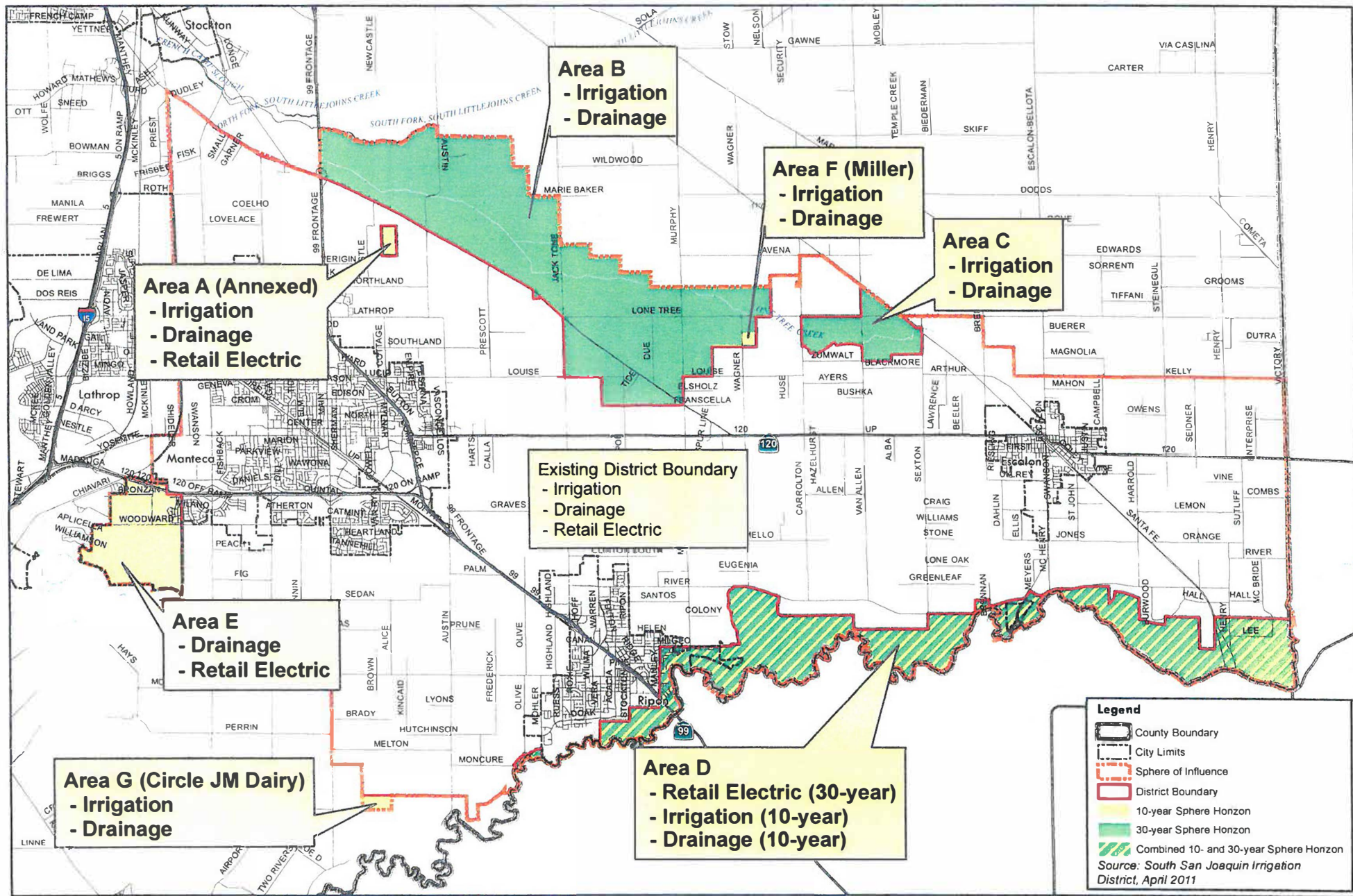
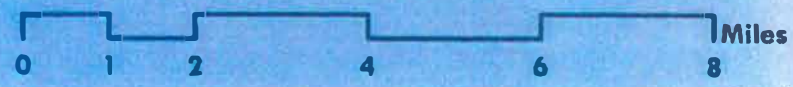


Figure 2-3 (Revised August 2019)
10- and 30-year Timeframes and Anticipated Services



Resolution No. 1416

**Before the San Joaquin Local Agency Formation Commission
Approving an Amendment to the Municipal Service Review and Sphere of Influence
Plan for South San Joaquin Irrigation District (SSJID)**

WHEREAS, Section 56425 of the Government Code requires the Commission to review and update each sphere of influence every five years; and

WHEREAS, the Commission approved a Municipal Service Review and Sphere of Influence Plan for SSJID on December 11, 2014

WHEREAS, the Commission held a public hearing on the proposed amendments to SSJID's Sphere of Influence and Municipal Service Review on October 10, 2019 in the Board of Supervisors Chambers, 44 North San Joaquin Street, Stockton California, pursuant to the notice of hearing which was posted and published in accordance with State Law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the Sphere of Influence and Municipal Service Review amendment, and all persons present were given an opportunity to be heard; and

WHEREAS, this Commission has duly considered SSJID Sphere of Influence and Municipal Service Review amendment; and

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that the proposal is found to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 of the CEQA guidelines.

Section 2. The determinations required by Section 56428 of the Government Code have been made and are incorporated by reference.

Section 3. SSJID's Sphere of Influence and Municipal Service Review amendment is hereby approved and the amended Sphere of Influence is depicted in Exhibit A, attached.

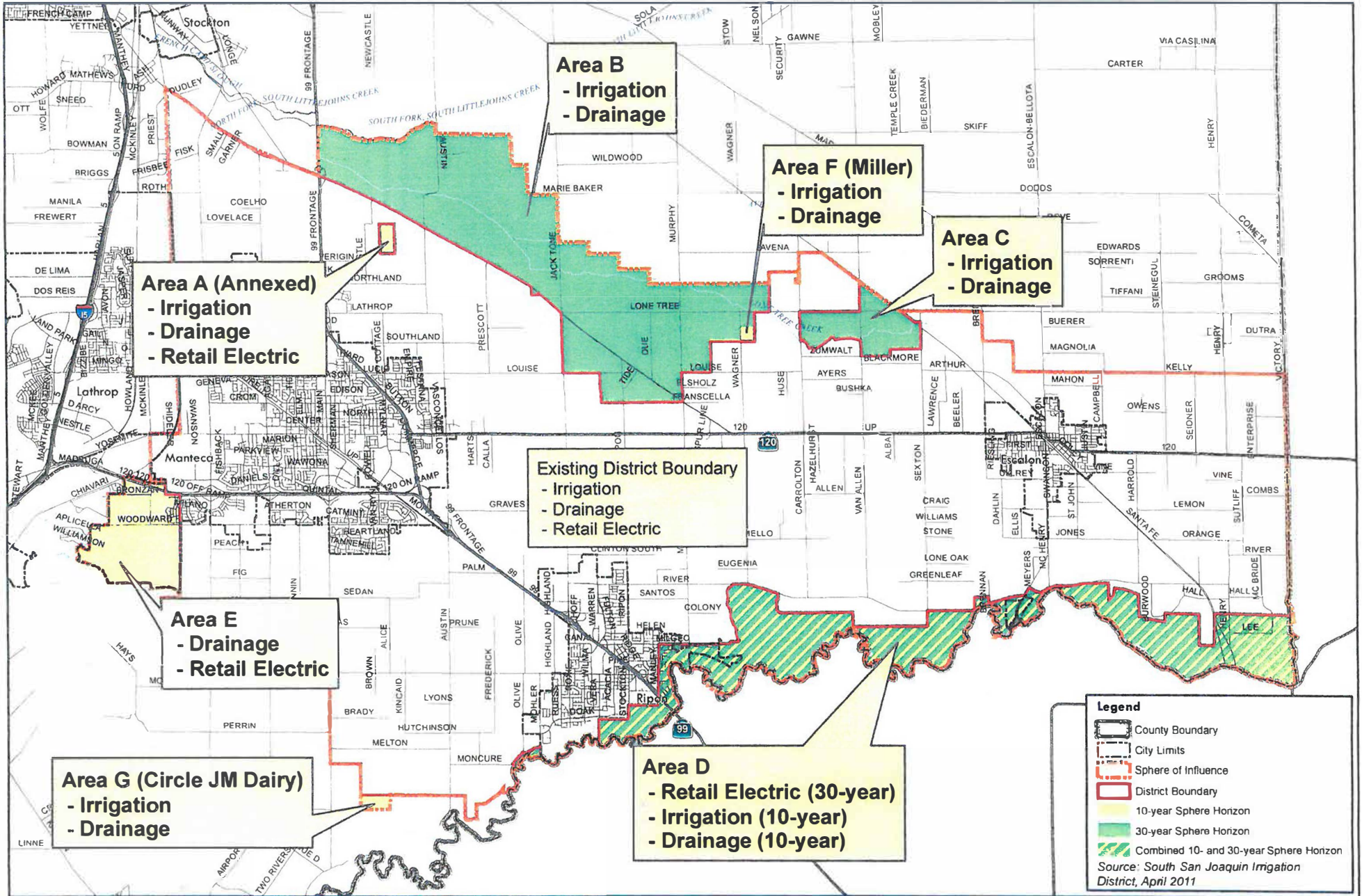
Section 4. The Executive Officer is hereby authorized and directed to distribute copies of the adopted Sphere of Influence and Municipal Service Review amendment and this resolution to affected agencies and interested parties.

PASSED AND ADOPTED this 10th day of October 2019 by the following roll call votes:

AYES:

NOES:

Peter M. Johnson,
Chairman, San Joaquin Local
Agency Formation Commission



(October 10, 2019)
10- and 30-year Timeframes and Anticipated Services



EXECUTIVE OFFICER’S REPORT

- PROJECT:** TRACY VILLAGE REORGANIZATION TO THE CITY OF TRACY (L AFC 24-19)
- PROPOSAL:** To annex 180.23 acres to the City of Tracy with concurrent detachments from the Tracy Rural Fire District and the San Joaquin County Resource Conservation District.
- APPLICANT:** City of Tracy
- LOCATION:** Southwest corner of Corral Hollow and Valpico Roads, Tracy (Exhibit A: Vicinity Map)
- PURPOSE:** Development of a gated and age-restricted subdivision consisting of 590 single-family homes on 135.2 acres. The remaining acres consist of the adjacent 42-lots of existing rural residential units and portions of Corral Hollow and Valpico Roads.
- PROCESS:** Proposed annexation area is “inhabited” and does not have 100% owner-consent. Protest proceedings may be required.

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1417 approving annexation of 180.23 acres to the City of Tracy with concurrent detachments from Tracy Rural Fire District and San Joaquin County Resource Conservation District and waiving the protest proceedings or direct the Executive Officer to hold a protest hearing, as applicable.

BACKGROUND

A Resolution of Application was approved by the City of Tracy authorizing an application submittal to LAFCo for annexation of 180.23 acres for the development of a gated, age-restricted subdivision consisting of 590 single-family homes and the annexation of 42-lots with existing rural residential homes. The existing homes are included with this annexation to avoid the creation of an unincorporated island. The annexation area also includes the portions of Corral Hollow Road adjacent to the annexation site and Valpico Roads from the city boundary west to Corral Hollow Road. (Exhibit B: City Resolution and Justification of Proposal).

“Inhabited territory” under the Cortese Knox Hertzberg Reorganization Act of 2000 (CKH) is defined as territory within which there resides 12 or more registered voters. This application includes “inhabited territory” as there are more than 12 registered voters. The proposal does not have 100% consensus from property owners agreeing to the annexation. As a result, by Statute protest proceedings are applicable. However, Section 56663 of the CKH also provides that the Commission may waive protest proceedings if all of the following has occurred:

- (a) Mailed notice has been given to all landowners and registered voters
- (b) Mailed notice discloses that unless written opposition to the proposal is received before the conclusion of the hearing, the commission intends to waive the protest proceeding
- (c) Written opposition has not been received

LAFCo posted, mailed and published Public Hearing Notices 21-days before the hearing, including the disclosures required under sub-section (b). As of the date of publication no written opposition to this Application has been received. Thus, all three of the conditions under Section 56663 have been satisfied, although there is still a possibility of receipt of written opposition.

ENVIRONMENTAL

The City of Tracy certified a Final Environmental Impact Report (EIR) and adopted Mitigation Measures, and a Monitoring and Reporting Program for the project in May 2018. LAFCo, as a Responsible Agency must consider the City’s environmental report and make findings upon approval of the project. The EIR is posted on LAFCo’s website. (Exhibit C: Notice of Determination).

PROPERTY TAX EXCHANGE

Pursuant to the Revenue and Taxation Code, the City and County must have an agreement in place that would determine the exchange of property tax revenues from jurisdictional changes. The County/Tracy master tax sharing agreement expired on July 31, 2019. However, the County and the City agreed to extend the terms of the master tax agreement for an additional six months.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act requires fifteen factors to be considered by a LAFCO when evaluating a proposal for a change in organization or reorganization to a City. Factors to be considered shall include, but are not limited to the following (Government Code Sections 56668):

(a) *Population and population density, likelihood of significant growth during the next 10 years*

The project includes the annexation of 180.23 acres of which 135-acres is proposed for the development of the Tracy Village Development Project (TVDP) designed as an age-restricted community of 590 single-family homes. The project site is surrounded with 42 lots designated as low density residential. Residential-low land uses form the eastern boundary of the project area and to the south include residential-low land uses. These lands are already within the city limits. Lands to the west of the project area are in agricultural uses or vacant land. Residential development is planned for these areas and they are within the City’s 10-year sphere plan.

(b) *The need for organized community services and present cost and adequacy of governmental services*

Essential governmental services which are provided to the subject area at the present time, and which will be provided after the proposal is finalized, are indicated in the following chart:

SERVICE	CURRENT PROVIDER	AFTER ANNEXATION
Law Enforcement	County Sheriff's Office	City
Fire Protection	Tracy Rural Fire District	City
Water	None	City
Sewer	None	City
Drainage	None	City
Irrigation	Byron Bethany Irrigation District ¹	Byron Bethany Irrigation District
Schools	Tracy Joint Unified School District Jefferson Elementary School District	Tracy Joint Unified School District Jefferson Elementary School District
Planning	County	City

¹ *BBID will continue to serve the 133 acre parcel that is within the District. The 42-lots are not within BBID boundaries. The BBID boundaries will not change with this annexation.*

City ordinances and resolutions are in place to ensure that required public facilities fees are paid and that services can be maintained at appropriate levels for the project. The City's recently approved Municipal Service Review (MSR) and SOI Update and the project specific environmental review concluded that the project impacts on the water, wastewater, and storm drainage systems would be less than significant.

Commission Policies

Detachment: The current application under consideration made by The City of Tracy includes a request for detachment consistent with their Governance Plan as referenced in the Municipal Service Review.

The proposed annexation territory is currently being served by the Tracy Rural Fire District. On April 22, 2019 the Commission adopted Resolution No. 1402 adopting a fire governance model requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire District. Upon annexation, Tracy Village will receive fire service and all other services the City provides. LAFCo received letters from Tim Smith, Chairman, Tracy Rural County Fire Protection District (Tracy Rural) dated September 17, 2019, and from Randall Bradley, Fire Chief, South San Joaquin County Fire Authority (SSJCA) dated September 16, 2019 opposing the detachment (Exhibit D). ¹ A letter was also received from Monica Nino, San Joaquin County Administrator Office, dated September 30, 2019, in support of the City of Tracy's annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation.

¹ Confirmed by Chief Bradley on September 24, 2019 the matter regarding Tracy Village Reorganization to the City of Tracy has not been considered by the Fire Authority Board and that the comments contained in the letter dated September 17, 2019 reflect only the opinions of Chief Bradley and not that of the "Authority".

A letter from Tracy Rural states “the provision detaching annexation land from TRFD will impair fire protection services by eliminating TRFD’s ability to assess properties and raise critical, life and property saving funds.” The loss of property tax and assessments is approximately \$16,707 annually. The TRFD letter did not provide supplementary information demonstrating how fire protection services will be impaired with a decrease in revenue. Upon annexation, Tracy Rural will no longer be responsible for fire services to the 180 acres.

A letter from Chief Bradley, the South San Joaquin County Fire Authority, outlines four areas regarding detachment including: a. detachment jeopardizes the current level of service; b. non-detachment attract more commercial investment; c. financial benefits of detachment have not been demonstrated; and d. detachment risks inhibiting development. The letter from Chief Bradley did not provide any substantive information or supporting documentation in demonstrating how detachment would affect any of these areas.

A letter from Monica Nino, County Administrator, summarizes the history and status of the tax sharing agreement with the City of Tracy and provides a reiteration of the information and analysis provided to the Commission for its deliberations regarding the fire governance model in April 2019. The conclusion of that analysis was that the County will have a cumulative loss of approximately \$74.2 million in revenue due to annexation without detachment for the twelve existing annexations for FY 2001/02 through 2026/27. The letter also stated that the County’s loss of revenue for Tracy Village without detachment would be approximately \$225,463 over the next seven years. It should be noted that the loss of revenue could be significantly higher since this project is expected to build out at a much faster rate than the projected city-wide growth rate. The letter states further that the County is in support of the City of Tracy’s annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation. The letter concludes with the statement that:

“Requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire Protection District will ensure the County is provided necessary funding for increased demand on County services.”

At the LAFCo Commission’s special meeting on April 22, 2019, the City and Tracy Rural was afforded the opportunity to provide testimony on the subject of detachment and after due consideration the Commission adopted a Fire Governance Model including a policy that the fire district will detach upon a city annexation. This process was a culmination of extensive efforts since 2011 to address the duplication of fire services and to adopt a fire governance model as required by LAFCo’s County Fire Municipal Service Review adopted on October 21, 2011.

The City’s application to annex Tracy Village requests detachment in compliance with the adopted fire governance model. In addition, the City’s Services Plan prepared by the City of Tracy and submitted with the application demonstrates that the city has the ability to provide adequate fire services to the newly annexed territory. The City Services Plan states that upon annexation, the property will detach from the Tracy Rural Fire District. Payment of applicable City development impact fees will also be required in support of fire and police facilities as development of the site occurs. Additional funding of fire and police services will come from annual payment of property taxes and payment of a Community Facilities District fee for services, along with sales taxes and other revenues generated

citywide. The City Services Plan concludes with the statement that the Tracy Village Project is not expected to increase response times or trigger new fire station construction.

In July 2019 the Commission approved a Municipal Service Review (MSR) for the City. The MSR provides a comprehensive analysis of services provided by the City including fire. The Commission adopted written determinations that the City can provide adequate fire service and has the resources available to fund fire service. The determination reads, in part:

“The City has an appropriate process in place to plan and fund fire protection services, including regular review of its service levels and funding sources and annual budgeting of resources, that will ensure adequate fire protection staffing, performance levels, and facilities are maintained to serve the City’s existing population as well and future growth within the SOI.”

Commission’s policy regarding Adverse Impact of Annexation on Other Agencies

It is Commission’s policy to consider any significant adverse effects that may be caused by an annexation, (i.e. a negative impact on a special districts’ budget) and if adequate mitigation has been provided. The proposed annexation of 180.23 acres to the City will result in a financial impact to Tracy Rural in the annual amount of \$16,707 loss in property tax and direct charges revenue to the District. Financial mitigation by the City to Tracy Rural has not been proposed. However, the Commission’s policy requires that the special district must demonstrate that the action will negatively impact the special district’s budget or services or require the continuation of services without the provision of adequate funding. Tracy Rural has not provided information in support of this finding.

(c) *The effect of the proposed action and of alternative actions, adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.*

The proposed action will not have an effect on any social interests or any effect on economic interests, as the area will no longer be utilized for agricultural purposes. There will be no effect of the proposed action on the local governmental structure of the county.

(d) *The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.*

Section 56377 requires that the Commission, in reviewing proposals that would reasonably induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, to consider the following policies and priorities:

(1) Development of land for other than open-space uses shall be guided away from existing prime agricultural lands towards areas containing nonprime agricultural land unless that action would not promote the planned, orderly, and efficient development of the area; and

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

The City's Open Space Statement (Exhibit E: Statement on Open Space) addresses the development of Tracy Village on open-space lands. The City's statement determined that none of the annexation land is classified as Prime Farmland and identifies 126.4 acres as Farmland of Local Importance. LAFCo policies however requires that a determination first be made if the annexation land to be converted is "Prime *Agricultural Land*." "Prime agricultural land" is different from Prime Farmland and would qualify as Prime Agricultural land if it meets any of the following: (a) class I or class II rating, if irrigated" in the USDA Natural Resources Conservation Service land use capability classification; (b) has an 80-100 Storie Index Rating; (c) land that supports livestock used for the production of food and fiber; (d) land planted with fruit or nut-bearing trees, vines, bushes, or crops that will provide a return of at least \$400 annually; or (e) is land that has returned from the production of unprocessed agricultural plant products of at least \$400 annually for three of the previous five years. The vacant parcel to be developed is class II when irrigated, does not meet the Storie Index Rating, and has historically been used for agricultural production according to the City's Statement.

The Tracy Village site was included in the City's 10-year sphere of influence boundary as it was anticipated for development. The site is adjacent to the City boundary and is surrounded by urban development or lands planned for eventual development. The City addressed the conversion of open-space lands in its General Plan and EIR and adopted a Statement of Overriding Considerations and provided mitigation measures for the loss of agricultural lands. In 2015 voters approved an amendment to the City's General plan to create an "Active Adult Residential" land use designation. The initiative was designed to reserve this specific property to be used for senior living residential units. Development of the site would promote the planned, orderly, and efficient development of the area.

(e) *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.*

Agricultural lands are defined as land that is currently used for the purpose of producing an agricultural commodity for commercial purposes. The 135-acre parcel in this annexation has been historically used for agricultural production and will be developed to urban uses. The City addresses the conversion of agricultural lands to urban uses in its EIR and adopted a Statement of Overriding Considerations and mitigation measures for the loss of agricultural lands. Mitigation measures includes the implementation of a "Right to Farm" and participation in the City's agricultural mitigation fee program. The City's Agricultural Mitigation Fee program requires a payment of \$2,906.23 per acre which will be remitted to the Central Valley Farmland Trust to be used to fund conservation easements on comparable or better agricultural lands.

(f) *The definiteness and certainty of the boundaries of the territory.*

The annexation area is consistent with LAFCO's policy and includes full assessor parcels.

(g) *A regional transportation plan adopted pursuant to Section 65080 and consistency with city or county general and specific plans.*

The 2018 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) services as the region's long range transportation plan and provide guidance for decisions about transportation spending priorities. The proposal is consistent with the City's General Plan and other applicable planning documents. The Plan was adopted by the San Joaquin

Council of Governments (COG) Board on June 28, 2018. The Plan appears to be consistent with the city general plan.

(h) *The sphere of influence of any local agency, which may be applicable to the proposal being received.*

Tracy Rural Fire District's SOI is contiguous with its service boundary and the proposed annexation area will be taken out of Tracy Rural's SOI.

Byron Bethany Irrigation District currently provides irrigation water to the 133-acre vacant parcel only and detachment from the district is not being proposed. The BBID boundary will not change with this annexation.

(i) *The comments of any affected local agency or other public agency.*

The proposal was distributed to local and affected agencies for their review and comment. (Exhibit F: Comment Letters)

Byron Bethany Irrigation District (BBID): A portion of the Tracy Village Reorganization lies within BBID's Central Valley Project service area and should remain within the District in order to provide the City with a future municipal water source. Staff is recommending no change to BBID's service boundary.

County Public Works Department: No comment.

SJ County Administrator's Office: See previous discussion regarding comments received from Tracy Rural, South San Joaquin County Fire Authority, and SJ County Administrator (section (b)).

(j) *The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.*

The City will extend municipal services to the proposed annexation area. As required by Government Code § 56653 the City submitted a plan for providing services (Exhibit G). GC 56653 requires that the plan address the following: 1) an enumeration and description of services to be provided; 2) the level and range of those services; 3) an indication of when those services can feasibly be extended; 4) improvements or upgrading of services or other conditions that would be imposed or required by the annexation; and 5) how the services will be financed. Detailed information can be found in the City's Services Plan.

Water: The City's water supply is provided by various sources including surface water from the Delta-Mendota Canal, surface water delivered by South San Joaquin Irrigation District, and groundwater from nine City wells. The City's Water Supply Assessment report indicates that the City's existing and additional planned future water supplies are sufficient to meet the projected water demands of the proposed project to the year 2040 under all hydrologic conditions including normal years, single dry years, and multiple dry years.

Water service to the proposed development will be extended by connections to an existing 24-inch water main in Corral Hollow Road and an existing 16-inch water main in Valpico Road. In addition, the developer is required to design and install water laterals to

the point of service (within the right-of way) for the existing homes to the north of Valpico Road and the existing homes along the east side of Corral Hollow Road.

Stormwater: Storm drain improvements will include a 36-inch storm drain main in Valpico Road. The primary stormwater treatment control measure would be the on-site man-made lake system. It will serve as the primary drainage conveyance and peak attenuation/storage facility, and will provide water quality treatment for urban stormwater runoff.

Sewer: The City will provide wastewater collection and treatment upon annexation. TVDP's proposed internal sewer network would collect effluent from TVDP into a main line to be constructed in Valpico Road. From there, it would flow to a main line, also to be constructed in Corral Hollow Road. This would connect to the existing sewer line north of the project area and to the City's Wastewater Treatment Facility. The City indicates that the treatment facility has the capacity to receive and treat the effluent anticipated to be produced by the project. In addition, the developer is required to design and install sewer laterals to the point of service (within the right-of-way) for the existing homes to the north of Valpico Road and the existing homes along the east side of Corral Hollow Road.

Police: Law enforcement services are currently provided by the County Sheriff's Office and will be provided by the City's Police Department (TPD) upon annexation. The police department is located 3.5 miles north of the site. Response times for emergency calls in 2017 was 7 minutes 7 seconds, and the City determined that the annexation is not expected to increase the response times. Funding will be provided by the collection of development impact fees and a Community Facilities District. The Police Chief determined that no new or expanded police facilities would be necessary to serve the development.

Fire: The project site will detach from the Tracy Rural Fire District. LAFCo annexation policies require that the loss of financial resources due to detachment be mitigated by the annexing agency if financial loss will negatively impact the detaching fire district. See discussion in section (b) above.

Fire service is provided by the South San Joaquin County Fire Authority (SSJCFA) whose membership includes the City of Tracy and Tracy Rural. The nearest City fire station is located at 595 West Central Avenue, less than 2 miles from the annexation site. Revenues for services will be generated from applicable City development impact fees, property taxes, Community Facilities Fees, and sales taxes.

(k) Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5.

The City prepared a Statement of Timely Availability of Water Supplies. The City an Urban Water Management Plan that evaluates potential population growth and the availability of water based on existing water use patterns. The City determined that an adequate water supply can be reasonably available through 2040.

(l) The extent to which the proposal will affect a city and the county in achieving their respective fair share of the regional housing needs

The City's Regional Housing Needs Allocation for the period 2014-2023 is 4,976 housing units. Of those, 2,463 are allocated for the above to moderate income (\$43,012 to \$64,517 annual income) category. The annexation proposal would create up to 600 new housing unity, all of which fall into the above-moderate category. The development of Tracy

Village, however, will satisfy the City's recently passed Measure K which created a secondary allocation system for Active Adult Residential Growth Allotments. The Ordinance provides an allocation of 600 units for active adults housing (Exhibit H: Housing Statement).

(m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

No information or comments have been received from landowners, voters, or residents of the affected territory.

(n) Any information relating to existing land use designations.

There is no other land use information related to this project.

(o) The extent to which the proposal will promote environmental justice (fair treatment of people of all races cultures, and incomes with respect to the location of public facilities and the provision of public services).

The project does not result in the unfair treatment with respect to the location of public facilities and provision of public services.

DISCUSSION

The Cortese-Knox-Hertzberg Reorganization Act of 2000 provides guidance to local LAFCo's in the review of proposals for reorganizations. This staff report provides a summary of the review factors for consideration by the Commission in its review of the annexation proposal. The project represents a logical extension of the City boundary and provides for the orderly development of the western area of the City. The proposed annexation should include all territory as submitted in the City's application otherwise annexation of only the portion of the site specifically for the Tracy Village Development Plan would create an unincorporated island that cannot be annexed under the island provisions in the future and would result in an inefficient delivery of services. The proposed development has been addressed in the City's General Plan and the MSR/SOI Plan approved by the Commission in July 2019. The City Services Plan provides adequate information that the City can appropriately provide full municipal services for the proposed development.

Protest Proceedings: For an inhabited annexation, if any owner of land or registered voter within the proposed annexation boundary submits a written statement protesting the Tracy Village annexation by the close of the Commission public hearing, a protest proceeding will be triggered. If, by the close of the protest hearing, 50% or more of the voters protest the annexation, the proceedings are terminated. If more than 25% but less than 50% of the voters or more than 25% of the number of owners of land who also own at least 25% of the assessed value of land protest the annexation, the action is subject to an election. If less than 25% of the registered voters or less than 25% of the number of owners of land owning less than 25% of the assessed value of land protests the annexation, the action requires approval of the annexation.

The Commission may waive the protest proceedings if all of the following have occurred:

- (a) The mailed public hearing notice has been given to and landowners and registered voters in the affected territory
- (b) The mailed notice discloses that unless written opposition is received before the conclusion of the hearing, the commission intends to waive the protest proceeding and that there is potential for the extension or continuation of any previously authorized charge, fee, assessment, or tax

- (c) Written opposition to the proposal from landowners or registered voters is not received before the conclusion of the hearing on the proposal

By policy, Commission has delegated the responsibility to hold protest proceedings to the Executive Officer. If a protest proceeding is needed, the Commission should direct the Executive Officer to hold the protest proceedings.

Attachments: LAFCO Resolution No. 1417 and Alternate Resolution-Requires Protest Proceeding
Exhibit A: Vicinity Map
Exhibit B: City Resolution and Justification of Proposal
Exhibit C: Notice of Determination
Exhibit D: Letters from Tracy Rural, SSJCFA, and County Administrator
Exhibit E: Open Space Statement
Exhibit F: Referral Comments
Exhibit G: City Service Plan
Exhibit H: Housing Statement

RESOLUTION NO. 1417

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE TRACY VILLAGE REORGANIZATION TO THE CITY OF
TRACY WITH CONCURRENT DETACHMENTS FROM TRACY RURAL FIRE
PROTECTION DISTRICT AND THE SAN JOAQUIN COUNTY RESOURCE
CONSERVATION DISTRICT (L AFC 24-19)**

WHEREAS, the above entitled proposal was initiated by resolution by the City of Tracy and on September 10, 2019 the Executive Officer certified the application filed for processing in accordance with the Local Government Reorganization Act of 2000; and

WHEREAS, the Commission held a public hearing on the proposed reorganization on October 10, 2019 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CA, pursuant to notice of hearing which was published, posted, and mailed in accordance with State law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal, and all persons present were given an opportunity to be heard; and

WHEREAS, the City of Tracy certified and adopted an Environmental Impact Report (State Clearinghouse No. 2016112016) and approved Mitigation Measures/Monitoring and Reporting Program for the Tracy Village Development Project;

WHEREAS, the subject territory is inhabited and does not have 100% owner consent;

WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive officer, the factors set forth in Section 56668 of the California Government Code and testimony and evidence presented at the public hearing held on October 10, 2019;

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered the Tracy Village Environmental Impact Report (State Clearinghouse No 2016112016) and adopts the CEQA Mitigation Measures/Monitoring and Reporting Program as certified by the City of Tracy.

Section2. Finds that the proposal is inhabited and does not have 100% owner consent.

Section 3. Finds that no written protests were received by any landowner or registered voter within the project area by the conclusion of the hearing; and therefore, waives the protest proceedings pursuant to government Code Section 56663;

Section 4. Approves the annexation of the Tracy Village Reorganization to the City of Tracy with concurrent detachments from the Tracy Rural Fire Protection District and the San Joaquin County Resource Conservation District with the boundary description attached hereto as Exhibit A.

Section 5. Finds, pursuant to Government Code Section 56856.5, the reorganization is necessary to provide services to planned, well-ordered, and efficient urban development patterns that include appropriated consideration of the reservation of open-space lands within those urban development patterns.

Section 6. Finds, that Tracy Rural Fire District has not demonstrated that the action will negatively impact the special district's budget or services or require the continuation of services without the provision of adequate funding.

PASSED AND ADOPTED this 10th day of October 2019 by the following roll call vote:

AYES:

NOES:

ABSENT:

PETER M. JOHNSON, CHAIRMAN
San Joaquin Local Agency Formation Commission

RESOLUTION NO. 1417

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION
APPROVING THE TRACY VILLAGE REORGANIZATION TO THE CITY OF
TRACY WITH CONCURRENT DETACHMENTS FROM TRACY RURAL FIRE
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Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered the Tracy Village Environmental Impact Report (State Clearinghouse No 2016112016) and adopts the CEQA Mitigation Measures/Monitoring and Reporting Program as certified by the City of Tracy.

Section 2. Finds that the proposal is inhabited and does not have 100% owner consent.

Section 3. Finds that written protests were received by landowners or registered voters within the project area by the conclusion of the hearing; and therefore, directs the

Executive Officer to conduct protest proceedings pursuant to Chapter 4 (commencing with Section 56065 of Part 4 of the Government Code;

Section 4. Approves the annexation of the Tracy Village Reorganization to the City of Tracy with concurrent detachments from the Tracy Rural Fire Protection District and the San Joaquin County Resource Conservation District with the boundary attached hereto as Exhibit A.

Section 5. Finds, pursuant to Government Code Section 56856.5, the reorganization is necessary to provide services to planned, well-ordered, and efficient urban development patterns that include appropriated consideration of the reservation of open-space lands within those urban development patterns.

Section 6. Finds, that Tracy Rural Fire District has not demonstrated that the action will negatively impact the special district's budget or services or require the continuation of services without the provision of adequate funding.

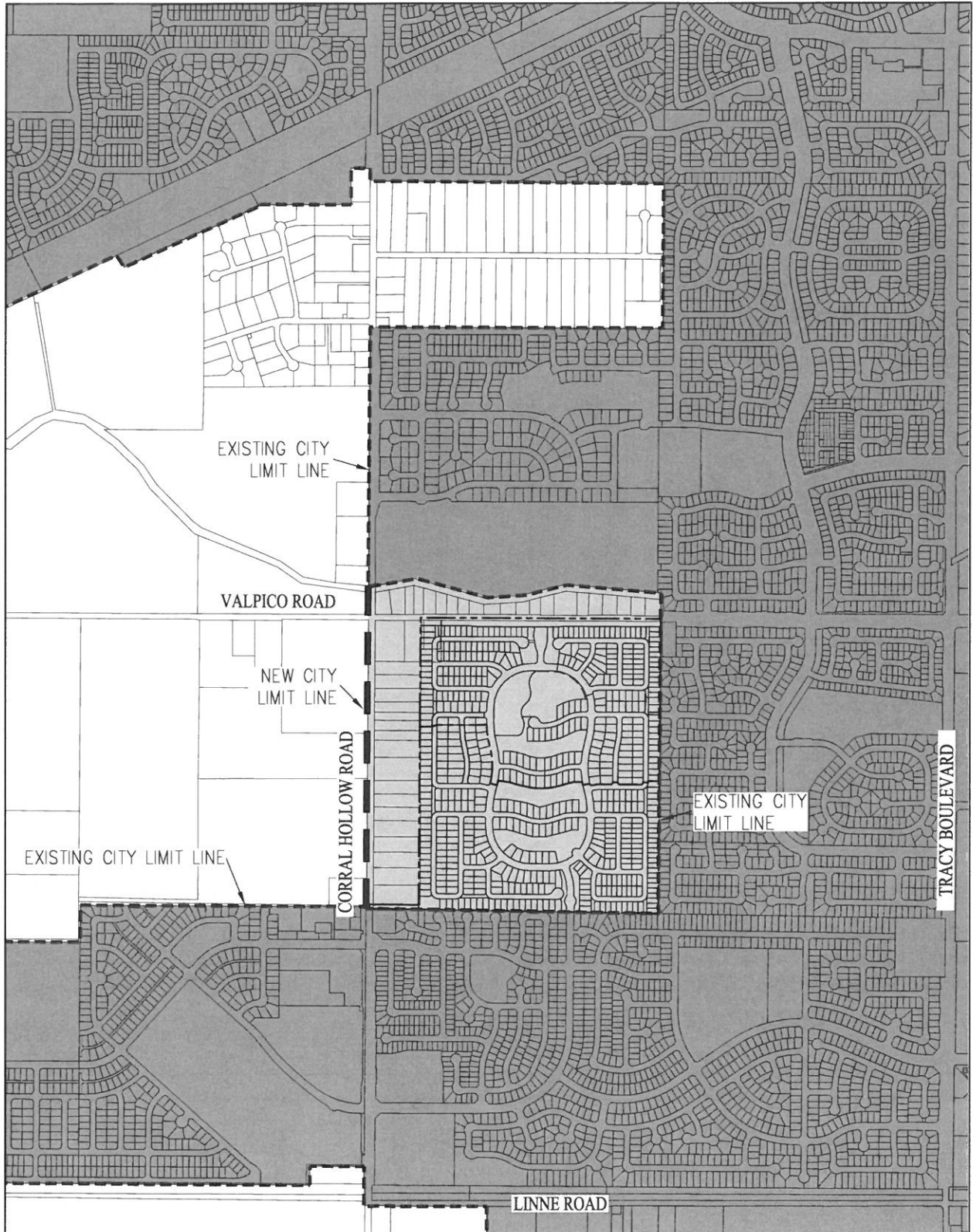
PASSED AND ADOPTED this 10th day of October 2019 by the following roll call vote:

AYES:






NOES:

ABSENT:

PETER M. JOHNSON, CHAIRMAN
San Joaquin Local Agency Formation Commission

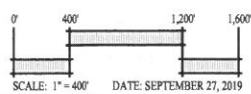


LEGEND

-  NEW CITY LIMIT LINE
-  EXISTING CITY LIMIT LINE
-  TRACY VILLAGE BOUNDARY LINE
-  ANNEXATION AREA
-  CITY LIMITS

**TRACY VILLAGE ANNEXATION
VICINITY MAP**

SAN JOAQUIN COUNTY CALIFORNIA



cbg Carlson, Barbee & Gibson, Inc.
CIVIL ENGINEERS - SURVEYORS - PLANNERS
www.cbgs.com

9581 BAKER, CALIFORNIA 95763-8801 (916) 375-1877
SACRAMENTO, CALIFORNIA (916) 375-1877

RESOLUTION 2018-087

EXECUTING AN APPLICATION TO LAFCO FOR ANNEXATION/PREZONING OF THE 590 TRACY VILLAGE DEVELOPMENT PROJECT LOTS AND 42 ADJACENT LOTS (A/P13-0002), APPROVING THE TRACY VILLAGE SPECIFIC PLAN (SPA18-0001), APPROVING A TENTATIVE SUBDIVISION MAP (TSM17-0003) FOR THE TRACY VILLAGE DEVELOPMENT PROJECT, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING AND REPORTING PROGRAM AND CERTIFYING THE ENVIRONMENTAL IMPACT REPORT FOR THE TRACY VILLAGE DEVELOPMENT PROJECT

WHEREAS, Applications have been filed or initiated for development of a 135-acre gated age-restricted residential community (Tracy Village or Project) located on the south side of Valpico Road, East of Corral Hollow Road. The Project proposes annexation/prezoning of the lands to the City, and includes a Specific Plan and Tentative Subdivision Map on Assessor's Parcel Numbers 244-040-01, and 244-030-01 and 02. Additionally, the Project includes the annexation/prezoning to Residential Estate of 42 lots currently located in unincorporated San Joaquin County, situated immediately west of the Tracy Village project site along Corral Hollow Road and north of the Tracy Village project site along Valpico Road, consisting of Assessor's Parcel Numbers 244-030-03 through 244-030-022 and 242-050-01 through 242-050-021, and 242-040-29, and

WHEREAS, The subject Tracy Village property is designated Active Adult Residential by the City of Tracy General Plan, is well suited for residential development, and promotes a compact development pattern that includes up to 600 residential lots, community center, and related open space and infrastructure improvements. The Project will also include a man-made lake system to provide a focal aesthetic feature for the community, serve as the primary drainage conveyance and peak attenuation/storage facility, and provide water quality treatment for urban storm water runoff, and

WHEREAS, The annexation and prezoning to Residential Estate of the additional 42 lots of record to the City will provide for the logical, sequential extension of the City limits in conjunction with the annexation and prezoning of the Tracy Village project site. The majority of the lots are developed with single-family residences. The proposed prezoning for the properties is Residential Estate, which reflects the type and intensity of residential development on the lots, and permits single family residential development on the undeveloped sites, and

WHEREAS, The Project is consistent with General Plan Land Use and Housing Goals and Policies, including maintaining a Sphere of Influence that is consistent with the long-term land use vision of the General Plan; encouraging residential growth that follows an orderly pattern with initial expansion in Secondary Residential Growth Areas; provision of residential neighborhoods that contain a mix of housing types including single family homes on a range of lot sizes; and promotion of efficient residential development patterns and orderly expansion of residential areas to maximize the use of existing public services and infrastructure, and

WHEREAS, The Project has been evaluated in accordance with California Environmental Quality Act (CEQA) Guidelines, and an Environmental Impact Report has been prepared and is proposed for certification along with the adoption of a statement of overriding considerations and mitigation monitoring and reporting program, and

WHEREAS, The Planning Commission conducted a noticed public hearing to receive public input and review the Project on April 11, 2018 and recommended City Council approval of the project;

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Tracy hereby approves the following:

1. Environmental Impact Report

- A. The project was evaluated under an Environmental Impact Report (EIR), which evaluated potential environmental impacts associated with project development. Based on the EIR analysis, a series of mitigation measures has been identified which would ensure mitigation of potentially significant environment impacts to levels of insignificance. These include mitigation in the areas of air quality, geology, cultural resources, hydrology, land use, traffic/transportation, utilities and cumulative impacts. A statement of overriding considerations has been prepared to address air quality impacts.
- B. The City Council does hereby certify the project EIR, attached to the staff report accompanying this resolution and incorporated herein by reference, and based on the findings as established in Exhibit 1 and adopts the statement of overriding considerations contained therein. The City Council also adopts the Mitigation Monitoring and Reporting Program contained in Exhibit 2.

2. Annexation/Prezoning (Application Number A/P13-0001)

- A. The Project proposes that the City Council apply to LAFCO for annexation and prezoning of the Tracy Village project site and the adjoining 42 lots of record.
- B. The City Council shall execute application number A/P13-0001 for annexation/prezoning of the Tracy Village project site and the adjoining 42 lots of record.

3. Tracy Village Specific Plan (Application Number SPA18-001)

- A. The Tracy Village Specific Plan (TVSP or Specific Plan) is consistent with the General Plan, because the permitted uses of the Specific Plan's Residential uses are allowed within the General Plan designation of Active Adult Residential and are consistent with goals and policies of the Housing Element. Also, the Specific Plan's Design Standards and Guidelines, particularly related to siting requirements (site planning, architecture, and parking) and design standards (infrastructure, auxiliary site features, fencing and walls) are consistent with Land Use and Community Character Element goals and policies.
- B. The TVSP includes a finance and implementation chapter that addresses Tracy Village development costs and developer responsibilities for project maintenance. The Project will also be subject to payment of applicable development impact fees and other infrastructure mitigation requirements to mitigate the Project's fair share of infrastructure costs required by the City's infrastructure master plans.

- C. The Specific Plan also addresses the annexation and zoning/prezoning of the 42 adjacent lots, utilizing the Residential Estate zone development standards of the Tracy Municipal Code.
- D. The City Council approves the Specific Plan for the project, application number SPA18-001, contained in Exhibit 3, attached to the staff report accompanying this resolution and incorporated herein by reference.

4. Tentative Subdivision Map


- A. The Project includes an initial Tentative Subdivision Map that provides for creation of a master lotting program that will facilitate phased development of the project site.
- B. The City Council approves the Tentative Subdivision Map, TSM17-0003, contained in Exhibit 4, attached to the staff report accompanying this resolution and incorporated herein by reference, as conditioned in Exhibit 5, and based on the following findings:
 - 1. The project is a Vesting Tentative Subdivision Map to create 590 single-family dwelling units and common area spaces on approximately 135 acres, with an overall density of approximately 4.4 dwelling units per gross acre, which is consistent with the amended General Plan land use and density requirements.
 - 2. The proposed map is consistent with the General Plan, and Title 12, the Subdivision Ordinance, of the Tracy Municipal Code. The General Plan designation of the property is Active Adult Residential.
 - 3. The site is physically suitable for the type of development, as the site is virtually flat and the characteristically high clay content of Tracy's soils may require amendments and treatment for proposed landscaping, foundations, and other surface and utility work. The physical qualities of the property make it suitable for residential development and the proposed recreational amenities in accordance with City standards.
 - 4. The site is physically suitable for the proposed density of development. Traffic circulation is designed in accordance with City standards for the proposed density to ensure adequate traffic service levels are met.
 - 5. The design of the subdivision or the proposed improvements will not cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. The Tracy Village EIR was completed to analyze the potential impacts of the project.
 - 6. The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.
 - 7. The project complies with all other applicable ordinances, regulations and

guidelines of the City, including but not limited to, the local floodplain ordinance. The subject property is not located within any floodplain and the project, with conditions, will meet all applicable City design and improvement standards.


8. All the public facilities necessary to serve the subdivision will be in place prior to the issuance of building permits. All the public facilities necessary to serve the subdivision or mitigate the impacts created by the subdivision will be assured through a subdivision improvement agreement prior to the approval of a final map.

The foregoing Resolution 2018-087, was adopted by the Tracy City Council on the 15th day of May, 2018, by the following vote:

AYES:	COUNCIL MEMBERS: DEMENT, RANSOM, YOUNG, VARGAS, RICKMAN
NOES:	COUNCIL MEMBERS: NONE
ABSENT:	COUNCIL MEMBERS: NONE
ABSTAIN:	COUNCIL MEMBERS: NONE


MAYOR

ATTEST:


CITY CLERK

**San Joaquin
Local Agency Formation Commission**

509 West Weber Avenue Stockton, CA 95203
209-468-3198 FAX 209-468-3199

JUSTIFICATION OF PROPOSAL

Please complete the following information to process an application under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: (Indicate N/A if Not Applicable)

SHORT TITLE OF THE PROPOSAL: Tracy Village Annexation

TYPE OF PROPOSAL

- | | | |
|--|--|---|
| <input type="checkbox"/> City Incorporation | <input type="checkbox"/> Sphere of Influence Amendment | <input type="checkbox"/> District Formation |
| <input type="checkbox"/> Consolidation | <input type="checkbox"/> Sphere of Influence Update | <input type="checkbox"/> Annexation |
| <input type="checkbox"/> Detachment | <input type="checkbox"/> Addition of Services | <input type="checkbox"/> District Dissolution |
| <input checked="" type="checkbox"/> Reorganization (involving an Annexation and Detachment(s)) | | |

AGENCY CHANGES RESULTING FROM THIS PROPOSAL

Agency or Agencies gaining territory: City of Tracy

Agency or Agencies losing territory: San Joaquin County Resource Conservation District and
Tracy Rural Fire Protection District

NOTIFICATION

Please indicate the names, addresses and telephone numbers of all Applicants, Applicant's Agents, and all affected Agencies who are to receive the hearing notice and the Executive Officer's Report:

<u>Name</u>	<u>Mailing Address</u>	<u>Telephone</u>
City of Tracy Department of Development Services Attn: Bill Dean	333 Civic Center Drive Tracy, CA 95376	(209)831-6426
County of San Joaquin Community Development Dept.	1810 E. Hazelton Avenue Stockton, CA 95205	(209) 468-3121
Ponderosa Homes Attn: Jeff Schroeder	5020 Franklin Drive, Ste. 200 Pleasanton, CA 94588	(925) 460-8900

(Attach a separate sheet if necessary.)

PROJECT INFORMATION

Please provide project-related information for the following questions:

- 1. Do the proposed boundaries create an island of non-agency territory? Yes No
- 2. Do the proposed boundaries split lines of assessment or ownership? Yes No
- 3. Does the proposal involve public rights-of-way or easements? Yes No
- 4. Does the proposal involve public land or land assessed by the State? Yes No
- 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? Yes No
- 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? Yes No

7. List the affected Assessor Parcel Numbers, Owners of record and Parcel Sizes:

<u>APN</u>	<u>Owner</u>	<u>Acreage</u>
Tracy Village lands: 244-040-01, and 244-030 01 and 02	JC Tracy Group, LLC (Ponderosa Homes)	135.2
244-030-01 through 244-030-21, and 242-050-01 through 242-050-21 and 242-040-29	Numerous-See attached	Numerous Individual Lots

(Attach a separate sheet if necessary)

- 8. Physical Location of Proposal: Tracy Village: South side of Valpico Road, east of Corral Hollow Road. Additional annexation lands: east side of Corral Hollow Road, and north side of Valpico Road (see attached maps).
- 9. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? Yes No
If Yes, please attach a Project Site Plan or Tentative Subdivision Map.
If No, please provide an estimate of when development will occur: **See attached Map**
- 10. List those public services or facilities which will be provided to the affected territory as a result of the proposed action:
-Water; Wastewater; Storm Drainage; Roadways; Fire Services; Police Services
Municipal Plan for Services Attached in Project Description
- 11. Indicate which of these services or facilities will require main line extensions or facility upgrades in order to serve the affected territory:
-Potable Water; Wastewater; Roadways
- 12. Provide any other justification that will assist the Commission in reviewing the merits of this request. **See attached Project Description**

INDEMNIFICATION AGREEMENT

As part of this application, applicant and real property in interest, if different, agreed to defend, indemnify, hold harmless, and release the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of the above, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney's fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this application, whether or not there is concurrent passive or active negligence on the part of the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, or employees.

Executed at Tracy, California, on August 21, 2019.

APPLICANT

Signature: [Signature]
Title: City Manager

REAL PARTY IN INTEREST
(If different from Applicant)

Signature: [Signature]
Title: Senior Vice President

SUBMITTALS

In order for this application to be processed, the following information needs to be provided:

1. Two copies of this Justification of Proposal, completed and signed with original signatures;
2. Five prints of a full-scale proposal map showing the affected territory and its relationship to the affected jurisdiction (Refer to Guide for Preparation);
3. Five copies of an 8.5" x 11" or 11" x 17" reduction of the proposal map;
4. Three copies of a metes and bounds description of the affected territory;
5. One certified copy of the City Council and/or Special District Board Resolution of Application, or a petition making application to LAFCo (as appropriate);
6. Written permission from each affected property owner (or signature form);
7. One copy of the project environmental document (One Compact Disc if more than 25 pages);
8. One copy of the project Notice of Determination;
9. Three 8.5" x 11" copies of the Vicinity Map (if not included on the proposal map);
10. One copy of the plan for providing services along with a schematic diagram of water, sewer and storm drainage systems (refer to Government Code Section 56653);
11. One copy of the Pre-Zoning map or description (as required by Section 56375);
12. One copy of the Statement of Open Space (Ag) Land Conversion (refer to Section 56377);
13. One Copy of the Statement of Timely Availability of Water Supplies (refer to Section 56668(k));
14. One copy of the Statement of Fair Share Housing Needs (if residential land uses are included in the proposal) (refer to Section 56668(l));
15. One copy of the project design (site plan, development plan, or subdivision map);
16. One copy of the Residential Entitlement matrix form (if residential land uses are included in the proposal); and
17. Filing and processing fees in accordance with the LAFCo Fee Schedule and the State Board of Equalization Fee Schedule.

Additional information may be required during staff review of the proposal.

CERTIFICATION

The undersigned hereby certifies that all LAFCo filing requirements will be met and that the statements made in this application are complete and accurate to the best of my knowledge.

[Signature]
(Signature)
Print or Type Name: Jennifer D. Hamuyama

Date: 8/21/19
Daytime Telephone: 209-831-6115

Tracy Village Annexation Application
Attachment 1

Project Title: Tracy Village Annexation to the City of Tracy

APNs: Tracy Village lands: 244-040-01, and 244-030-01 and -02
Residential Annexation lands: 244-030-01 through 244-030-21, 242-050-01 through 22-050-21, and 242-040-29

Project Location: The Project site consists of 135 acres located on the south side of Valpico Road, east of Corral Hollow Road, and 42 lots currently located in unincorporated San Joaquin County, located immediately west of the Tracy Village site along Corral Hollow Road and north of the Project site on Valpico Road.

Project Proposal:

The TVDP (TVDP) consists of a 590 single-family home gated and age-restricted community on 135.2 acres located on the south side of Valpico Road, east of Corral Hollow Road. Additionally, the project includes the requested annexation and rezoning of 42 lots currently located in unincorporated San Joaquin County, located immediately west of the Tracy Village site along Corral Hollow Road and north of the Project site on Valpico Road. Tracy City Council approved the project at its meeting of May 15, 2018.

The Project includes this submission of an annexation application to the San Joaquin County Local Agency Formation Commission (LAFCO). City Council approved actions also have included rezoning of the area to be annexed, adoption of the Tracy Village Specific Plan, and approval of a Tentative Subdivision Map with conditions of approval. In addition, the City Council certified the Environmental Impact Report for the project, and adopted a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Plan. The TVDP includes a system of lakes with a surrounding walking path, and a community center to serve the residents. Amenities within the community center include meeting and event spaces, a pool, putting green, bocce and pickle ball courts, coffee bar and a library. The gated community of mostly single-story homes would also include a walking promenade with seating areas along the walkways, bicycle trails, and a dog park.

In support of the Tracy Village Development Project (TVDP), several actions have been approved by the Tracy City Council:

- Annexation and rezoning of the TVDP site and annexation and rezoning of 42 adjacent parcels currently in unincorporated San Joaquin County (A/P13-0002)
- Approval of a Specific Plan for the Tracy Village development plan site and outparcels (SPA18-0001), which also will serve as the rezoning/zoning for the TVDP site. The 42 lots would be rezoned to Residential Estate.
- Approval of a Vesting Tentative Subdivision Map to allow for the subdivision of the TVDP site (TSM17-0003)
- Certification of an Environmental Impact Report and the adoption of a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

The project also includes the requested annexation of 42 adjoining residential lots currently in unincorporated San Joaquin County. Many of these lots are developed with single-family residences, though several of the lots are currently undeveloped.

TVDP – Project Description

✓ The Project proponent for the TVDP is Ponderosa Homes. The application to the City includes Specific Plan, Annexation and Rezoning, and a Tentative Subdivision Map. The TVDP is proposed as an active adult, gated and age-restricted community consisting of 590 single-family dwelling units ranging from 1,450 square feet to 3,000 square feet. The Tracy Village Specific Plan would reflect the City of Tracy General Plan land use designation of Active Adult Residential. The Specific Plan serves as pre-zoning to set the requirements for future development. The TVDP will comply with all applicable development regulations contained in the Specific Plan.

The Project will feature three man-made lakes totaling approximately 10.6 acres and a community recreation center with pool, spa, bocce courts, open space, and a community building. The Project also includes a 3.2-acre park, a 0.5-acre secondary recreation area (containing a pool, spa and open space), and a dog park. The project is proposed as a gated community, with private streets and open space areas, which would be maintained by the project homeowner's association.

Residential Development

A variety of single-family home lot sizes and types (590 total lots) are proposed for the project, generally ranging in size from 4,370 sq ft to 6,000 sq ft, summarized below. All of the lots are proposed for single-family detached residential development, with home sizes generally ranging from 1,350 sq ft to 3,000 sq ft.

Approximate Lot Size Number of Lots Estates:

6000 sf 119 Classics:

5500 sf 116 Villas:

5335 sf 103 Bungalows:

4500 sf 86 Casitas I: 4600 sf 73

Casitas II: 4370 sf 93

The Specific Plan includes a series of design styles and floor plans for the project, which would be utilized in guiding development of each lot. The plan styles include:

- European Country
- Farmhouse
- Hacienda
- Italian
- Prairie
- Spanish
- Tuscan
- Contemporary
- Progressive Cottage
- Progressive Farmhouse
- Progressive Spanish

Lake System

The Tracy Village Specific Plan (TVSP) would feature a man-made lake system to provide a focal aesthetic feature for the community, serve as the primary drainage conveyance and peak attenuation/storage facility, and provide water quality treatment for urban storm water runoff. The system would consist of a series of three lakes that also incorporate wetlands to serve as natural filtration systems. During periods of abundant precipitation, lake water levels would be reduced to accommodate storm water flows. Reclaimed water, once available to the site, would supply the lake system and water would be pumped into the highest lake to then flow to the lowest lake. A solar and natural gas-powered cogeneration facility would power this water pumping system and would simultaneously provide a continuous heat source for the community pool.

Recreation/Open Space

The TVSP includes approximately 22.6 acres of community open space that includes the lake system, the two recreation areas, a dog park, and the landscape areas at the two entries to the community. In addition, a loop promenade is provided around the lake system.

The TVDP will include a community center, which will serve the social and recreational needs of Tracy Village residents. The community center includes amenities such as a pool and spa, bocce courts, open space/park areas, a pet park, covered and open outdoor seating, a putting green, a community building, and other recreational uses. The community building would be centralized at the community center and will include a kitchen for daily and event use by residents, coffee bar, library, multimedia room, meeting rooms for social groups, exercise facilities, and bathrooms. In addition to the community center, the TVDP also includes smaller neighborhood recreational areas.

The TVDP will also include a walking promenade along the circular main project roadway, which surrounds the lake system. This walking path would consist of an eight-foot wide concrete pathway, landscaping, and seating areas. Pedestrian and bicycle trails will connect to pedestrian and bicycle facilities on Valpico Road and Middlefield Drive.

Residential Annexation Area

The Residential Annexation Area is located in San Joaquin County, but within the City of Tracy Sphere of Influence. The City seeks annexation of these lands at this time to ensure appropriate continuation of the City boundary as a result of the TVDP. All 42 properties are designated Low Density Residential (R/L) by both the San Joaquin and City of Tracy General Plans, as well as the San Joaquin County zoning code. The majority of the lots (39) are developed with single-family residences. The proposed rezoning for the properties is Residential Estate, which is reflective of the type and intensity of residential development on most of the lots, and would permit single family residential development on the undeveloped sites. The existing homes are served with private wells and septic systems; these would be allowed to continue to be used, though property owners could seek to voluntarily connect to City water and sewer systems at their own expense. Similarly, any new development on these lots would be required to connect to City water and sewer systems at developer expense.

Surrounding Land Uses

North

The area north of the Project Area consists of single-family homes and undeveloped land, with approvals in place for more single-family homes.

East

Residential-low land uses form the eastern boundary of the Project Area. Small residential parks are scattered through the residential uses. Monticello Elementary School is also located east of the Project Area.

South

Residential-low land uses form the southern boundary of the Project Area. Small residential parks are scattered through the residential uses. Anthony Traina Elementary and Jefferson Middle Schools are also located south of the Project Area.

West

Agricultural/vacant land and a church are located on the western edge of Coral Hollow Road. Land to the southwest of the Project Area is approved for residential and commercial development as well as a swim center, as part of the Ellis project on Corral Hollow Road and West Linne Road.

General Plan Consistency

The TVDP site is designated "Resource Conservation (OS/RC)" by the County of San Joaquin General Plan and zoned "Agriculture-Urban Reserve (AU-20)" by the San Joaquin County Zoning Ordinance. The TVDP site is designated "Active Adult Residential" by the City of Tracy General Plan. The City of Tracy General Plan designates the Residential Annexation area as Residential Low.

There are many General Plan policies applicable to the proposed project, including (but not limited to):

- Maintain a Sphere of Influence that is consistent with the long-term land use vision in this General Plan.
- Establish a clearly defined urban form and city structure.
- Commitments to provide water and wastewater services to areas outside the City limits is accomplished by a pre-annexation agreement and approved by LAFCO if required.
- The City shall encourage residential growth that follows an orderly pattern, with initial expansion in Secondary Residential Growth Areas.
- The City provides fire and emergency response facilities and personnel necessary to meet residential and employment growth in the city.
- Promote efficient residential development patterns and orderly expansion of residential areas to maximize the use of existing public services and infrastructure.
- Land development that mitigates its environmental, design and infrastructure impacts.

- Use of berms, landscaped buffer zones, sound walls, and other similar measures between quarrying operations and noise sensitive adjacent uses is encouraged to ensure consistency with standards established in the City's Noise Element of the General Plan.
- Ensure that development near the Tracy Municipal Airport is compatible with airport uses and conforms to safety requirements.
- Size and design neighborhoods to be walkable.
- Provision of parks, open space, and recreation facilities and services that maintain and improve the quality of life for Tracy residents.
- The City shall encourage Active Adult communities to meet the needs of an aging population and to promote housing opportunities.
- The vision for the Tracy Village Specific Plan property is a low-density, master planned community, with the potential to facilitate an "active adult" lifestyle for older citizens.

The proposed map shows 590 single-family lots, which will be located in six distinct neighborhoods of varying lot sizes. All of the homes in the TVDP are proposed to be single story to accommodate ease of access and aging in-place, with an optional second floor living space. Home sizes would range from approximately 1,350 square feet to 3,000 square feet, with a wide variety of housing designs. The residential neighborhood would provide housing for persons over the age of 55, which would allow them to remain in the City of Tracy. The development is intended to be a uniform style of housing to best serve this population. The development would also meet all of California's Title 24 Energy Efficiency Standards through several design features, including the use of solar roofs and an on-site stormwater treatment system and water quality control system that would utilize the manmade lakes.

For noise reduction regarding vehicle noise on Valpico Road, the project would incorporate a sound wall facing the street to meet applicable noise regulations in the General Plan.

The entire annexation area is located within the Tracy Municipal Airport Safety Zone and is consistent with the land use restrictions. SJCOG review concluded that the project is consistent with the 2009 SJCOG Airport Land Use Compatibility Plan.

As noted above, several Tracy General Plan policies address new residential development, and development of the TVDP site in particular. Passage of Measure K specifically addresses development of the site for "active adults" and pursuant to a specific plan (adopted by the Tracy City Council in 2018). As shown on the attached map of vacant lands in the City limit, there are very few remaining vacant properties that have a General Plan land use designation which could support the proposed TVDP. And, as noted above, the TVDP focuses on a development project, exempt from having to obtain City growth allocations, based on its age-restricted occupancy.

Environmental Review – Project EIR

The City completed and certified a Draft and Final Environmental Impact Report for the project ("EIR," SCH #2016112016), which evaluated a full range of potential environmental impacts that may result from the project¹, including:

Aesthetics, Light, and Glare Land Use and Planning Agriculture and Forest Resources Mineral Resources Air Quality Noise Biological Resources Population and Housing Cultural Resources Public Services Geology, Soils and Seismicity Recreation Greenhouse Gas Emissions Transportation and Traffic Hazards/Hazardous Materials Utilities and Service Systems Hydrology and Water Quality.

The project evaluated by the EIR includes both the TVDP and the City's annexation of the 42 lots (or "outparcels").

This analysis included, more specifically, evaluation of the following:

- Impacts on the visual character of the project site and surrounding area, as well as impacts related to light and glare from the project on adjacent uses.
- Conversion of agricultural land to non-agricultural uses, including the potential direct, indirect and cumulative impacts.
- Impacts to sensitive plant and animal species in the area, including to special status species that may be present, as well as to habitat, which can support them and migration corridors.
- Air quality and Greenhouse Gas (GHG) emissions impacts during the construction and operational phases of the Project in view of the existing cumulative conditions in the San Joaquin Valley.
- Land use compatibility and any growth-inducing impacts, and buffering of the proposed residential uses from surrounding rural uses.
- Traffic and circulation impacts on local roadways in the vicinity of the Project site.
- Water quality impacts as well as impacts on water supply, wastewater treatment, and solid waste disposal capacity to accommodate the Project.

Based on the EIR analysis, a series of mitigation measures were identified which would ensure mitigation of potentially significant environment impacts to levels of insignificance. These include mitigation in the areas of air quality, geology, cultural resources, hydrology, land use, traffic/transportation, utilities and cumulative impacts. Even with mitigation, air quality conditions will not be reduced to a less-than-significant level. Adoption of a statement of overriding considerations was also included as part of the City's EIR certification action. A Notice of Determination was also completed, and is included with the annexation application.

Notice of Determination

AUG 01 2018

JUN 22 2018

Appendix D

To:

Office of Planning and Research
U.S. Mail: P.O. Box 3044 Sacramento, CA 95812-3044
Street Address: 1400 Tenth St., Rm 113 Sacramento, CA 95814

From:

Public Agency: City of Tracy
Address: 333 Civic Center Plaza Tracy, CA 95376
Contact: Victoria Lombardo
Phone: 209.831.6428

County Clerk
County of: San Joaquin
Address: 44 N. San Joaquin Street, Suite 260 Stockton, CA 95202

Lead Agency (if different from above):
Address:
Contact:
Phone:
Filed Doc #: 39-05182018-131
05/18/2018 09:16:01 AM
Steve J. Bestolarides
San Joaquin County Clerk

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2016112016

Project Title: Tracy Village

Project Applicant: Ponderosa Homes

Project Location (include county): 134 acres at Valpico Road and Corral Hollow Road in San Joaquin County

Project Description:

The Tracy Village Development Project is proposed gated community consisting of up to 600 single-family detached residential homes. The Project would include three man-made lakes totaling approximately ten acres, along with a community recreation center with pool, spa and bocce courts, open space, and trails/pathways. The Project site is within the City's Sphere of Influence (SOI). The Project also includes a Residential Annexation Area consisting of 42 lots being considered for annexation by the City of Tracy to rationalize the city limits

This is to advise that the City Council of the City of Tracy has approved the above (X) Lead Agency or () Responsible Agency

described project on May 15, 2018 and has made the following determinations regarding the above described project.

- 1. The project (X) will () will not have a significant effect on the environment.
2. (X) An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA. () A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures (X) were () were not made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan (X) was () was not adopted for this project.
5. A statement of Overriding Considerations (X) was () was not adopted for this project.
6. Findings (X) were () were not made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at: 333 Civic Center Plaza, Tracy, CA 95376

Signature (Public Agency): Victoria Amick Title: Senior Planner

Date: 5/16/18 Date Received for filing at OPR:

Tracy Rural County Fire Protection District

Natalie Bowman, Clerk of the Board
1820 W. Kettleman Ln, Ste F
Lodi, CA 95242
P: (209) 224-1940
www.tracyruralfire.org

September 17, 2019

Sent via Email/U.S. Mail

Mr. Jim Glaser
c/o Mitzi Stites, mstites@sjgov.org
San Joaquin County Local Agency Formation Commission
509 Weber Ave
Suite 420
Stockton, CA 95203

Re: TRACY VILLAGES ANNEXATIONS – IMPAIRMENT OF FIRE PROTECTION SERVICES FOR SAN JOAQUIN COUNTY

Dear Mr. Glaser:

This letter will serve as formal notice that Tracy Rural County Fire Protection District (TRFD), as a member of the South San Joaquin County Fire Authority, objects to the detachment associated with the Tracy Village Annexations.

As discussed in the San Joaquin LAFCo April 22, 2019, hearing, the provision detaching annexation land from TRFD **will impair fire protection services** by eliminating TRFD's ability to assess properties and raise critical, life and property saving funds. Due to this effect, and given that TRFD's sole mandated role as a special fire district is to provision the best possible fire protection and EMS services for those living and working under our jurisdiction, TRFD cannot support the Tracy Village Annexations with detachment. The annexations should be approved without detachment as has been established allows for the best provision of fire services.

Sincerely,



Tim Smith, Chairperson
Tracy Rural County Fire Protection District
tim.smith@tracyruralfire.org
P: (209) 224-1940

cc: Byron-Bethany Irrigation District; Jefferson Elementary School District; County Committee on School District Organization; City of Tracy; County of San Joaquin; Tracy Unified School District; SJ County Resource Conservation District



SOUTH SAN JOAQUIN COUNTY FIRE AUTHORITY

Fire Administration

September 16, 2019

Sent via Email and U.S. mail

LAFCo
509 West Weber Ave.
Stockton, CA 95203

Re: Tracy Village Reorganization to City of Tracy

Dear Commissioners:

The South San Joaquin County Fire Authority hereby objects to the detachment of fire services from Tracy Rural Fire Protection District as currently proposed by the above annexation. The reasons detachment of fire services should not occur include:

- The non-detachment of fire services provides the highest level of fire protection for the residents of the JPA. Detachment will jeopardize this current level of service.
- Non-detachment attracts more commercial investment for the area covered by the JPA.
- The financial benefit of detachment have not been demonstrated.
- Detachment risks inhibiting development.

The Commission should approve the annexation of Tracy Village but without detachment.

Sincerely,

A handwritten signature in black ink, appearing to read "Randall Bradley".

Randall Bradley
Fire Chief
South San Joaquin Fire Authority

cc: County Administrator; County Public Works;
San Joaquin Council of Governments;
Byron Bethany Irrigation District;
Tracy Joint Unified School District;
SJ County Resource Conservation District;
Community Development Department;
Environmental Health; Tracy Rural Fire District;
Jefferson Elementary School District





SAN JOAQUIN
—COUNTY—
Greatness grows here.

Office of the County Administrator

Monica Nino, County Administrator

Jerry Becker, Assistant County Administrator

September 30, 2019

James Glaser
Executive Officer
San Joaquin LAFCO
509 West Weber Avenue, Suite 420
Stockton, CA 95203

Tracy Village Reorganization to the City of Tracy (LAFC 23-19)

Dear Mr. Glaser:

This letter is in response to the City of Tracy annexation application to annex approximately 180 acres of property to the City for the development of 590 single family homes in an age-restricted community and the annexation of the adjacent 42 lots.

In order to process annexation applications, State law requires that an agreement be in place between the requesting city and the county to specify how the existing property tax in the area to be annexed will be redistributed. In San Joaquin County, master agreements between the County and each of the cities have facilitated annexations since 1997.

On August 13, 2019, the City of Tracy entered into its most recent extension of the existing tax sharing agreement with San Joaquin County to extend the previous tax sharing agreement until January 31, 2020. The term of the previous Master Annexation Agreement between San Joaquin County and the City of Tracy was for the period of November 20, 2012 through July 31, 2019. Negotiation of a new Master Annexation Agreement between the County and the City began in early June 2019, but has not concluded. The City of Tracy formally requested an extension of the 2012 Master Annexation Agreement for six (6) months to January 31, 2020 to allow the City time to explore alternative tax sharing options and to ensure that its projects going before LAFCo in the next three to six months move forward without delay as negotiations between the County and City continue.

Pursuant to the tax sharing agreement, for annexations that involve detachment from a fire district, reallocated property taxes are shared in the ratio of 80% for the County and 20% for the City. For annexations that do not involve detachment from a fire district, reallocated property taxes are shared in the ratio of 85% for the County and 15% for the City for consolidated fire districts established between June 15, 1996 and June 15, 2003.

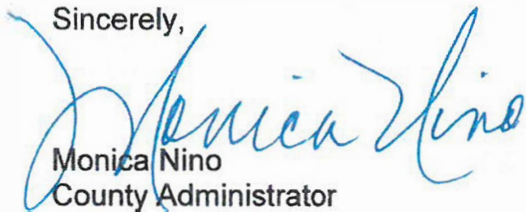
Since 1996, the City of Tracy has annexed twelve properties within its Sphere of Influence and the properties were annexed into the City without detachment from the Tracy Rural Fire District. Annexation without detachment has resulted in a significant loss of revenue for the County. Utilizing the time frame identified in the Governance Review between Fiscal Years (FY)

2019/20 through 2026/27, the San Joaquin County Auditor Controller's Office (ACO) identified County revenues would have increased by \$3.5 million in FY 2019/2020 and continued to increase to \$10.1 million in FY 2026/27, with a cumulative loss of potential revenue totaling \$55 million during the 2019/20 through 2026/27 fiscal year time frame for annexations without detachment. The ACO also calculated revenue loss that occurred in the past from annexations utilizing the time frame of FY 2001/02 through 2018/19, which has resulted in a loss of revenue totaling \$19.2 million for the County. Combining both time frame periods, the County will have a cumulative loss of approximately \$74.2 million in revenue due to annexation without detachment for the twelve existing annexations. For the proposed 180 acre Tracy Village annexation, utilizing the same time frame between FY 2019/20 through 2026/27, the County will lose a total of approximately \$225,463 in revenue if annexation without detachment occurs.

On April 22, 2019, the LAFCo commission unanimously determined all future annexations in the City of Tracy would require detachment from the Tracy Rural Fire District. The County is in support of the City of Tracy's annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation. The County continues to encourage the City of Tracy to adhere to the same process as other cities that provide fire service in the County (Stockton, Lodi, and Manteca) which is to perform annexation with detachment. Requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire Protection District will ensure the County is provided necessary funding for increased demand on County services.

Thank you for your consideration. If you have any questions, I can be reached at (209) 468-3203 or by contacting Mo Hatef, Senior Deputy County Administrator at (209) 468-2996.

Sincerely,



Monica Nino
County Administrator

MN09-06

c: City of Tracy
Board of Supervisors
Auditor-Controller
Tracy Rural County Fire Protection District
South San Joaquin County Fire Authority

Tracy Village Annexation Application
Attachment 12

Open Space

Pursuant to Gov Code Section 56377, in reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the LAFCo is required to consider the following:

(a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

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

None of the property in the Tracy Village Annexation area is classified as Prime Farmland. 126.4 acres of the property is classified as Farmland of Local Importance, and the remainder (County islands) consists of Rural Residential Land and Urban and Built-Up Land. An Agricultural Mitigation Fee of \$2,906.23 per acre will be collected prior to the issuance of building permits for development of the project and remitted to the Central Valley Farmland Trust.

The development of the TVDP site, as it is surrounded by residential uses on all sites is consistent with the City's long-term planning vision; the City's General Plan designates the land as Active Adult Residential. The City intends to protect other open space and agricultural lands by prioritizing development in Urban Reserves such as this area, which is less biologically sensitive and less agriculturally productive.

The project site has been historically used for agricultural production. The potential environmental impacts from development of the Plan Area for urban uses and the associated removal of prime farmland soil for agricultural use were considered and addressed in the City of Tracy General Plan and General Plan Final EIR. There, it was determined that buildout of the General Plan, including development of the project site, would result in the conversion of Prime Farmland, Unique Farmland, and Farmland of Statewide Importance to urban uses. The General Plan Final EIR found this to be a significant and unavoidable impact. On February 1, 2011, the Tracy City Council adopted a Statement of Overriding Considerations (Resolution 2011-028) for the loss of prime agricultural land resulting from adoption of the Plan and EIR, and provided mitigation measures for the agricultural land lost to development in the City of Tracy's urbanized areas. Mitigation measures included the implementation of a "Right to Farm" ordinance by the City (Ord. 10.24 et seq.), intended to preserve and protect existing agricultural operations within the incorporated City, and participation in the City's agricultural mitigation fee program (Tracy Municipal Code, Chapter 13.26). The proposed project is designated as Residential Low in the Tracy General Plan, which is intended for residential development with generally low densities. The project applicant proposes a Specific Plan which would establish development regulations over the entire Plan Area. The proposed project is consistent with the

overriding considerations that were adopted for the General Plan and the established mitigation measures under that Plan. Under this framework, the project applicant is required to participate in the City's agricultural mitigation fee program by paying the established fees to the City on a per-acre basis for the loss of important farmland. Fees paid toward the City's program are collected and distributed to the Central Valley Farmland Trust, and shall be used to fund conservation easements on comparable or better agricultural lands to provide compensatory mitigation. As such, implementation of the proposed project would not create new impacts over and above those identified in the General Plan Final EIR, nor significantly change previously identified impacts

The project site is also a participant in the San Joaquin Multi-Species Habitat Conservation and Open Space Plan, and the land for new development is classified as Agricultural Open Space, while the surrounding 42 developed out-parcels are classified as Urban/Exempt. Based on the 126.4 acres of Agricultural Open Space to be developed, if construction is started in 2019 and the property owner chose to participate by paying the in-lieu fee of \$13,399 per acre, the fee remitted to SJCOG for the administration of that Habitat plan would be \$1,693,633, at the time of issuance of a grading permit (prior to land disturbance). If the property owner rather chooses to participate in the plan through a dedication of land or habitat easements on land elsewhere in San Joaquin County, as approved by SJCOG, they would work with SJCOG for the dedication of that land/easement, and pay an endowment fee of \$4,548.75 per acre, or \$574,962 (prior to land disturbance).



September 10, 2019

James E. Glaser
Executive Officer
San Joaquin LAFCo
509 West Weber Avenue, Suite 420
Stockton, CA 95203

RUSSELL KAGEHIRO
President
Division V

SUBJECT: Tracy Village Reorganization to the City of Tracy (LAFC 23-19)

TIM MAGGIORE
Vice President
Division III

Dear Mr. Glaser:

LARRY ENOS, JR.
Director
Division I

This letter acknowledges receipt of the Tracy Village Reorganization to the City of Tracy (LAFC 23-19) Application Referral.

MARK MAGGIORE
Director
Division II

Byron Bethany Irrigation District (BBID or District) holds a Central Valley Project (CVP) water service contract with the United States Bureau of Reclamation. A portion of the Tracy Village Reorganization lies within BBID's CVP "water service contract service area".

FELIX MUSCO
Director
Division IV

CHARLES TUSO
Director
Division VI

Based on the City of Tracy's Urban Water Management Plan 2015, the Tracy Village Project Draft Environmental Impact Report identifies BBID as a current and projected contractual water source. BBID concurs with this characterization and has been providing water to the City of Tracy for the Cordes Ranch Annexation; and, beginning in 2020, the City's Tracy Hills' Project through a Wholesale Water Agreement.

JEFF BROWN
Director
Division VII

RICK GILMORE
General Manager
Secretary

In closing, a majority of the annexation lies within BBID; and, the affected area should remain in the District in order to provide the City with a future municipal water source. If you have any questions, don't hesitate to contact me.

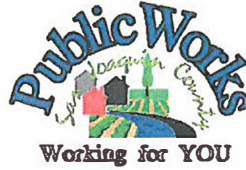
Very truly yours,

A handwritten signature in blue ink, appearing to read "Rick Gilmore", is written over a light blue circular scribble.

Rick Gilmore
General Manager



SAN JOAQUIN
 COUNTY
Greatness grows here.



Department of Public Works

Kris Balaji, Director of Public Works

Fritz Buchman, Deputy Director/Development
 Alex Chetley, Interim Deputy Director/Engineering
 Jim Stone, Deputy Director/Operations
 Kristi Rhea, Manager of Strategic Initiatives

September 16, 2019

MEMORANDUM

TO: James E. Glaser, Executive Officer
 LAFCo
 CONTACT PERSON: Elizabeth Contreras, LAFCo Analyst

FROM: Awni Taha, Interim Engineering Services Manager ^{AT}
 Development Services Division

SUBJECT: TRACY VILLAGE REORGANIZATION TO THE CITY OF TRACY (LAFC 23-19)
 To annex 135.20 acres to City of Tracy for rural residential development.

LOCATION: Southwest corner of Corral Hollow Rd. and Valpico Rd., Tracy.

COMMENTS:

- **No comments for this proposal**

AC:SC

X:\LAFCO\LAFCo Referrals\Tracy Village Reorganization to the City of Tracy (LAFC 23-19)\Comments (LAFC 23-19).doc



Tracy Village Annexation Application
Attachment 10

Plan for Services

Future utilities serving the project site would be provided by the City of Tracy, via the extension of existing nearby water, storm drain, and sewer lines. Police and Fire services would also be provided by the City of Tracy as noted below.

Infrastructure:

The City of Tracy will be able to provide all necessary urban services to the project site upon annexation, as summarized below, with additional detail (including utility schematic diagrams) provided in the Tracy Village Specific Plan, attached with the annexation application:

Sanitary Sewer:

There is an existing 18-inch sanitary sewer main in Corral Hollow Road near the intersection of Parkside Drive that flows northerly in Corral Hollow Road, increasing in size and eventually reaching the City of Tracy Wastewater Treatment. The City's Wastewater Master Plan currently proposes to extend the existing sewer line down Corral Hollow Road, from Parkside Drive to West Linne Road. The TVDP's proposed internal sanitary sewer network would collect effluent from the tract into the main line to be constructed in Valpico Road. From there, the TVDP effluent would flow to the Master Plan proposed 21-inch Corral Hollow trunk line and then to the City of Tracy Wastewater Treatment Facility, which has the capacity to receive and treat the effluent anticipated to be produced by the project as well as the existing out-parcels.

The TVDP is required by conditions of project approval to design and install wastewater services to existing homes in the Residential Annexation Area on the north side of Valpico Road, and to provide funds to a City Capital Improvement Plan project to facilitate installation of wastewater service connections for the existing homes along the east side of Corral Hollow Road in the Residential Annexation Area.

The City's 2015 Wastewater Master Plan anticipated and analyzed sewer conveyance and treatment capacity for approximately 1,000 dwelling units, as opposed to the 600 now proposed. The demand created by the proposed project (and out-parcels) is significantly less than the previous assumption, resulting in an excess of treatment capacity, therefore, the existing treatment plant can serve the project and no expansion of the wastewater treatment plant is required.

Water Supply:

As discussed in the SB610 Analysis for the TVDP, the City of Tracy provides the water supply for the project through a variety of different sources. As shown in chapter 7 of this analysis, the demand for potable water is not expected to exceed the projected supply demands in normal, single dry, and multiple dry years during the 20-year projection.

The TVDP is located in Pressure Zone Two of the Tracy municipal water system, which serves areas between elevation 75 and 150. There is an existing 24-inch Zone 2 water main in Corral Hollow Road and an existing 16-inch water main in Valpico Road. There

main in Corral Hollow Road and an existing 16-inch water main in Valpico Road. There are also existing 12-inch water mains in Middlefield Drive and Bluegrass Lane on the south and east side of the TVDP that extends to the site.

The TVDP will extend the existing 12-inch water main at Middlefield Drive through Tracy Village with a connection to the existing 16-inch water main in Valpico Road. In addition, the water main will connect to the existing 12-inch water main in Bluegrass Lane. The City plans to develop a recycled water system, which, once completed, is expected to be made available to the project site. There is an existing groundwater well located near the northwest corner of the Development Project site, which will be removed, consistent with the City's Urban Water Management Plan.

The TVDP is required by conditions of project approval to design and install water services to existing homes in the Residential Annexation Area on the north side of Valpico Road, and to provide funds to a City Capital Improvement Plan project to facilitate installation of water service connections for the existing homes along the east side of Corral Hollow Road in the Residential Annexation Area.

Section 13 (timely water supply) of this annexation application explains in further detail the availability of water supplies, summarizing the Water Supply Analysis completed for the project prior to its City project and EIR approval.

Stormwater:

The TVDP storm drain improvements include a 36-inch storm drain main in Valpico Road from Tracy Village to the Westside Channel as identified in the City-wide Storm Drain Master Plan.

The primary stormwater treatment control measure for the TVDP would be the on-site lake system. All stormwater runoff from the project will drain to the lake system, where it would be circulated on a continuous basis with pumps. This system will include media filters to treat the water and remove pollutants as it is being circulated.

Roadways and Circulation:

The TVDP site fronts Valpico Road and would be required to construct frontage and interior private street improvements consistent with City standards and the adopted Specific Plan. In addition to the primary gated entrance from Valpico Road, additional vehicular access will be available from Middlefield Road, to the south. Payment of applicable City impact fees will be required to offset proportionate costs of City roadway and transportation system improvements, which are sized appropriately to accommodate this development. The Residential Annexation Area properties would continue to have access to Valpico Road and Corral Hollow Road through individual driveway connections to the public streets.

Other Urban Services

Solid Waste:

Solid waste from the TVDP will be accommodated at the Tracy Materials Recovery Facility (MRF transfer facility), and would then be hauled to the County Foothill landfill east of

Tracy. On a designated day, the City's solid waste franchisee (currently Tracy Delta Solid Waste Management, Inc.) will collect solid waste and take it to their disposal facilities.

Utilities:

PG&E provides electricity to the TVDP site. Transformers would be located above ground as per PG&E requirements. This above-ground transformer would likely be placed in between the front yards of residential units and screened if possible. Where feasible, PG&E will locate the transformers within the common areas. PG&E also provides natural gas service to the TVDP site. Gas pressure regulators will be placed within common areas. However, individual gas meters will be placed in the side yards of each home.

AT&T will provide telephone service. Comcast provides television cable for Tracy and unincorporated areas. It is anticipated that electric, gas, telephone, and cable services to the proposed development will be provided through extension of existing facilities adjacent to the community. Overhead lines located on the north side of Valpico Road will be placed underground.

Emergency Services:

Police protection is provided by the Tracy Police Department, serviced from their headquarters at 1000 Civic Center Drive, approximately 3.5 miles north of the site. Upon annexation of the TVDP and adjacent residential properties to the City police services will be provided by the Tracy Police Department (they are currently served by the San Joaquin County Sheriff).

The necessity for the potential expansion of police services was analyzed for the City's General Plan area in the 2011 General Plan update (and EIR) and gradual expansion of police staff and facilities were planned for as necessary, to be funded through the collection of development impact fees and a Community Facilities District for all new residential development. The Tracy Village project was analyzed for police services and the Police Chief determined that no new or expanded police facilities would be necessary to serve the TVDP.

The Tracy Police Department established a goal of response times of 7 minutes. Response times for emergency calls in 2017 was 7 minutes 7 seconds, and the additional land added to the City through this annexation is not expected to increase these response times.

Fire protection is provided by the City of Tracy through a contract with the South San Joaquin County Fire Authority (SSJCFA), serviced by Fire Station No. 97 located at 595 West Central Avenue, less than 2 miles from the site. The SSJCFA is also considering a new fire station, to be located east of the project site along Valpico Road, which will be constructed when the need is triggered by surrounding development, and funded through development impact fees collected for said development.

The City recently finalized an agreement on February 6, 2018, which merged the services of the Tracy Rural Fire Protection District and the City of Tracy as of July 1, 2018, creating the SSJCFA. Upon annexation, the property will detach from the Tracy Rural Fire District. Payment of applicable City development impact fees will also be required in support of fire and police facilities as development of the site occurs. Additional funding of fire and police services will come from annual payment of property taxes and payment of a Community

Facilities District fee for services, along with sales taxes and other revenues generated citywide.

Response time goals for arrival of firefighters for fire and emergency medical services (EMS) is six minutes, thirty seconds 90 percent of the time. This timeline includes 30 seconds for the call to be received and information obtained, one minute for dispatch processing, one minute for fire station staff turnout, and four minutes for travel time. In FY 2017/18 these response times were met 71% of the time for EMS calls, 68% of the time for structure calls and 77% of the time for all other incident types. Development of the TVDP is not expected to increase response times or trigger new fire station construction.

The design of the roadways and alleys within the proposed project area has been reviewed and approved by the SSjCFA to ensure adequate physical access is available to emergency response vehicles and personnel.

Tracy Village Annexation Application
Section 14

Fair Share Housing Needs

LAFCo is required to consider the extent to which annexations will affect achieving its fair share of the regional housing needs as determined by the San Joaquin Council of Governments, Pursuant to Government Code Section 56668(m).

As part of the City of Tracy SOI, Avenues is currently part of San Joaquin County who maintains land use jurisdiction over the plan area. The extent to which the proposal will affect the County in achieving its respective fair share of the its Regional Housing Needs Assessment (RHNA) allotment of housing needs is determined by the San Joaquin County of Governments (SJCOG) consistent Sections 65580, *et seq.* of the California Government Code.

SJCOG's most recently completed Regional Housing Needs Allocation (RHNA) was completed in conjunction with its 2014 Regional Transportation Plan (RTP). As described in section 7.2 of the San Joaquin County Housing Element, SJCOG's methodology is based on the regional numbers (of housing units) supplied by the Department of Housing and Community Development (HCD). SJCOG takes those numbers and allocates a "fair share" by income category based on projected housing need for each jurisdiction. Since the allocation is to the unincorporated county in total, the parcels that make up Tracy Village and the surrounding parcels are not given a specific allocation in the process. The RHNA allocations by jurisdiction is shown in the Table 14.1 below. This allocation is for the period from 2014 to 2023:

Table 14.1: Preliminary SJCOG RHNA Allocation Summary by Jurisdiction

Agency	Extremely Low (\$16,129 & Below)	Very Low (\$16,130 to \$26,882)	Low (\$26,883 to \$43,011)	Moderate (\$43,012 to \$64,517)	Above Moderate (\$43,012 to \$64,517)	Total RHNA
Escalon	60	42	66	65	192	425
Lathrop	526	493	759	957	2,421	5,156
Lodi	244	253	331	333	770	1,931
Manteca	459	466	693	825	1,958	4,401
Ripon	154	154	215	231	726	1,480
Stockton	1,675	1,482	2,004	2,103	4,560	11,824
Tracy	513	467	705	828	2,463	4,976
SJ County	1,257	1,239	1,727	1,724	4,220	10,167
Total	4,888	4,596	6,500	7,066	17,310	40,360
	12.11%	11.39%	16.11%	17.51%	42.89%	100.00%

The San Joaquin County 2015 – 2023 Housing Element (SJCHEU) details how the County plans to meet its housing need allocation. The parcels that make up the Tracy Village and adjacent properties to be annexed are currently zoned Agricultural-Urban Reserve (A/UR) and Low

Density Residential (R/L). The A/UR designation is applicable in areas expected to become urban, but most likely beyond the planning period of the County's General Plan 2010. This zoning is consistent with the fact that the property has long been within the City's Sphere of Influence intended for residential development. The Low Density Residential out-parcels will remain essentially unchanged upon annexation, with the City's proposed zoning of Residential Estates, which is for large-lot single-family homes.

Annexation of this area into the City of Tracy would not impact San Joaquin County's ability to meet their RHNA need for the current planning period, based on the methodology outlined in the 2015-2023 San Joaquin County Housing Element because the County zoning of that area did not intend for or allow new housing units to be constructed on the properties to be annexed. Annexation and development of the Tracy Village project area would rather assist the City of Tracy in meeting their RHNA for above moderate housing during the current and likely next Housing Element cycle (beginning in 2024).

The City's Regional Housing Needs Allocation (RHNA) for the period from 2015-2023) is 4,976 housing units. Of those, 2,463 were allocated in the above moderate category. The proposed project would create up to 600 new housing units, all of which fall into the City's above moderate category. Because the build-out of the project would occur over several years, this project would likely continue to facilitate the City reaching the RHNA goals for the following Housing Element cycle. The City of Tracy RHNA has increased steadily over time, and it is anticipated that the future RHNA for above moderate housing units will be even greater for the current cycle, and this project will be ready to continue construction into that RHNA cycle, implementing the City's housing needs.

The City's General Plan was amended in 2015 by Tracy voters via Measure K to add a "Residential Active Adult" land use designation which also created a secondary allocation system for Active Adult Residential Growth Allotments (in addition to the Tracy Municipal Code Growth Management Ordinance which requires other residential development projects to obtain Residential Growth Allotments). The measure allowed for and allocated 600 Active Adult Residential Growth Allotments to the Tracy Village project for development. The proposed Tracy Village project is currently the only project that can use these allotments and build active adult housing units to satisfy this section of the General Plan.

The City has taken several steps to address meeting Moderate, Low and Very Low RHNA categories. In 2015, as a condition of certification of the City's Housing Element, numerous amendments were made to the Tracy Municipal Code to gain compliance with SB2 (the 2008 CA Housing Accountability Act) to provide for low income and special needs housing. Those amendments included the following:

- Improved clarity for emergency shelters
- Second units in residential zones with existing single-family units
- Manufactured/mobile homes allowed in all single-family residential zones
- Single room occupancy facilities
- Amending the definition of "family" in the Zoning Ordinance
- Reasonable accommodations for housing for people with disabilities
- Eliminating the need for a Conditional Use Permit for temporary dwellings during construction

In 2018 an additional Zoning Ordinance amendment was made in response to state law changes regarding Accessory Dwelling Units (ADU's, formerly secondary units). Previously in Tracy, fairly stringent regulations applied to ADU's and very few were constructed. Since the state law changes have applied (and within Tracy's current Housing Element cycle), 19 ADU permits have been issued, their rental rates all falling within the City's RHNA for moderate income units. The City has also issued permits for 1,115 multi-family units during the current Housing Element cycle. While none of those units are deed-restricted for moderate, low or very low income categories, as rental units they are more affordable by design than a typical single-family dwelling unit.

The City is currently processing an application for a 264-unit deed-restricted for moderate income apartment project (expected City Council hearing date in October 2019) as well.

Additionally, a Request for Proposals to utilize the City's affordable housing funds for rental housing development was posted in June of 2019 with up to \$4 million in funding available for affordable rental housing, \$1.3 million of which is required to be dedicated to extremely low income housing. Two proposals have been received and funding is expected to be awarded by November 2019.