
**SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION**

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

AGENDA

Thursday, July 11, 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 JUNE 13, 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 3371 O' Dell Avenue, 3347 O'Dell Avenue, and 1420 N. Golden Gate Avenue, Stockton.

PUBLIC HEARING

3. FINAL MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) UPDATE FOR THE CITY OF TRACY (LAFCo 14-16)
(Action by Regular Members)
Public Hearing to receive testimony and comments on the Final MSR and SOI Update for the City of Tracy.

PUBLIC COMMENTS

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

EXECUTIVE OFFICER COMMENTS

5. Comments from the Executive Officer

COMMISSIONER COMMENTS

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

CLOSED SESSION

7. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
8. 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)
9. 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

June 13, 2019

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

Vice-Chair Andrade called the meeting to order at 9:05 a.m.

MEMBERS PRESENT: Commissioners Andrade, Patti, Villapudua, Krumeich

MEMBERS ABSENT: Chairman Johnson

ALTERNATE MEMBERS PRESENT: Commissioners Bretenbucher, Morowit, and Winn

ALTERNATE MEMBERS ABSENT: None

OTHERS PRESENT: James E. Glaser, Executive Officer; Dan Schroder, Legal Counsel; and Mitzi Stites, Commission Clerk

Vice-Chair Andrade thanked former Commissioner Kuehne for his years of service and welcomed Commissioner Krumich to LAFCo.

CONSENT ITEMS

Vice-Chair Andrade opened the matter up for Public and Commissioner Comments. Commissioner Winn inquired about out-of-agency's requests and if the County can require a written agreement that states the property owner will not oppose annexation to a city.

Mr. James Glaser, Executive Officer stated according to Government Code Section 56133, LAFCo can approve an out of agency as long it is in the Sphere of Influence and the property is in anticipation of annexation. The property owner and any successor in interest cannot oppose an annexation. The City is the one to request the out of agency and the application comes to LAFCo. The County cannot require conditions.

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

The motion for approval of the Summary Minutes of May 9, 2019, was passed by an unanimous vote of the Commission.

The motion for approval of Resolution 1406 for the out-of-agency service request to the property located at 1925 E. Ninth Street and 254 E. Fourth Street, Stockton was passed by an unanimous vote of the regular voting members of the Commission.

ACTION ITEM

3. CITY OF TRACY DRAFT MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) UPDATE (LAFC 14-19)

(Action by Regular Members)

Workshop to receive testimony and comments on the Draft MSR and SOI Update for the City of Tracy

James Glaser, Executive Officer, provided a PowerPoint presentation, which gave an overview of the process to update the MSR and the SOI. He stated that LAFCo is required to prepare an MSR for each of its incorporated cities and special districts and update the SOIs. LAFCo requires that the SOI delineate where development is expected to occur within 5-10 years and a 30-year period and that future annexations must be consistent with the SOI. The Policies allows amendments to the planning horizons between reviews without changes to the Municipal Service Review. LAFCo last approved the City of Tracy Municipal Service Review and the Sphere of Influence Plan in 2012. Policies set by the Commission carries the same weight as law and should be supported. At a special meeting of the Commission on April 22, 2019, the Commission adopted a policy that future annexations to the City will detach from Tracy Rural Fire Protection District. The Draft Municipal Service Review (MSR) and Sphere of Influence Plan (SOI) reflects this requirement. The City has proposed an alternate sphere plan for consideration by the Commission.

The City of Tracy is requesting LAFCo consider an alternative planning horizon and allow the Sphere to include lands in the 100-year floodplain.

Mr. Glaser, Executive Officer, stated that the City of Tracy did not want De Nova Planning Group, author of the report, to present their PowerPoint of the MSR, therefore, Mr. Glaser presented that PowerPoint.

Vice-Chair Andrade inquired about responsibility of a MSR, is it LAFCo or is it governed by State regulations.

Mr. Glaser, Executive Officer, stated it is ultimately LAFCo's responsibility, but State governed regulation. All LAFCo's have their own policies depending on the needs of their county.

Vice-Chair Andrade opened the floor to Public Comments.

Robert Rickman, Mayor, City of Tracy, stated City of Tracy's department heads and elected officials are in the audience and are available to answer questions. In 2012, when LAFCo

approved the last MSR/SOI Updates, the Commission was flexible to the needs of the City. The Mayor stated that since then, there has been 9 million square feet of light industrial and manufacturing space construction and 9,000 jobs created.

The City of Tracy is asking for LAFCo to be flexible in order for the City to be ready to develop when the need occurs. This allows the City to be successful for economic development and expansion of jobs that will be created in the region.

Andrew Malik, Assistant City Manager, City of Tracy, stated that there are two issues that LAFCo has brought up and that the City will address. They include development in the floodplain and the planning horizons. Several factors went into the decision of requesting a change in policy for the City of Tracy. They include: discouraging County development in the Sphere; having land ready in the City when the need occurs, including island parcels in the 10-year horizon, moving 300-400 acres to the 30-year planning horizon, and shortening the time line for future development.

Beth Thompson, Principal, De Novo Planning Group, presented a PowerPoint presentation.

Jim Neilson, Consultant for the City of Tracy addressed the Commission. Mr. Neilson stated that he is a Civil Engineer and has worked for FEMA and other cities regarding flood issues. He gave a PowerPoint presentation supporting development in the floodplain provided local, State and Federal regulations are adhered to.

Vice-Chair Andrade opened the floor to Public Comments.

The following persons spoke in support of the request made by the City of Tracy to allow greater development in the 10-year planning horizon:

John Dunn, VP/General Counsel, Bright Development, Jeff Schroeder, Ponderosa Homes, Trevor Smith, Ridge Capital, Mike Sandhu, Veronica Vargas, Councilmember, City of Tracy, Rhodesia Ransom, Councilmember, City of Tracy, Tad Neave, Acting Division Chief, Tracy Fire Department, Dan Arriola, Councilmember, City of Tracy, John Palmer, Tracy Hills landowner, Mike Souza, Savik Farms, George Petrulakis, Alvarez Annexation.

Vice-Chair Andrade closed the floor to Public Comments.

Vice-Chair Andrade opened the floor to Commissioner Comments and discussion ensued regarding various topics including adherence to LAFCo Policies and the ability of the Commission to approve the request of the City of Tracy. Mr. Glaser stated the Commission can exercise broad discretion in arriving at a decision.

Moved by Commissioner Patti, seconded by Commissioner Morowit, that the City of Tracy Municipal Service Review and Sphere of Influence Plan Update be scheduled for public hearing on July 11, 2019, including the incorporation of Appendix A reflecting the City of Tracy's amendment provided the City completes the County/City Consultation as required by Government Code Section 56425.

PUBLIC HEARING

4. FINAL MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) PLAN FOR BRYON- BETHANY IRRIGATION DISTRICT AND THE WEST SIDE IRRIGATION DISTRICT (18-16)
(Action by Regular Members)

James Glaser, Executive Officer, provided an overview of the process to prepare the Municipal Service Review (MSR) and the Sphere of Influence (SOI). He stated that LAFCo is required to prepare an MSR for each of its incorporated cities and special districts and update the SOI's. LAFCo held a workshop in May 9, 2019. The Final report reflects the comments received.

Mr. Glaser, Executive Officer, stated that the Final Mitigated Negative Declaration is on the dais. Staff recommends that the Commission approve the Final Municipal Service Review and Sphere of Influence Update for Bryon Bethany Irrigation District and The West Side Irrigation District.

Vice-Chair Andrade opened the floor to Public Comments.

Kateri Harrison, Founder, SWALE INC., thanked Mr. Glaser and stated her support for this MSR/SOI.

Vice-Chair Andrade closed the floor to Public Comments.

A motion was made by Commissioner Villapudua and seconded by Commissioner Morowit to approve the Resolution No. 1407 approving the Municipal Service Review for Byron-Bethany Irrigation District (BBID) and The West Side Irrigation District (TWSID), and Resolution No. 1408 approving the Sphere of Influence for Byron-Bethany Irrigation District (BBID) and The West Side Irrigation District (TWSID)

Roll Call Vote:

Ayes: Commissioners Patti, Villapudua, Krumeich, Morowit, and Vice-Chair Andrade

Nos: None

8. PRELIMINARY BUDGET REPORT FOR THE FISCAL YEAR 2019-2020
(Action by Regular Members)
Commission consideration of the Preliminary Budget for Fiscal Year 2019-2020, Work Program and Schedule of Fees.

Mr. James Glaser, Executive Officer, presented an overview of the proposed budget. He stated that the budget anticipates that the cost for staffing and operations will be approximately \$728,958 and that the Commission will transfer \$254,358 from its \$876,753 Contingency/Reserve fund to continue agency operations at the end of the FY 2019-2020 if all line items are fully expended.

The Budget Committee proposes to increase the County and Cities contribution by 3% each year or an increase of \$6,500 each. The Committee also proposes that \$200,000 be set aside in the Contract for Services line item in the event that the Commission wishes to contract out for special studies, complete municipal service reviews, or other matters that require an outside consultant. All approvals for contractual services will require subsequent action by the Commission.

Mr. Glaser summarized LAFCo's accomplishments during the fiscal year and outlined next year's program and the Budget Committee's recommended changes to the Application Filing Fee Schedule.

The fee schedule includes the following adjustments:

- Increase fee from \$1,200 to \$3,000 for Amendments to the Municipal Service Review
- Clarification of the Surveyor Map Checking Fee by adding the words "whichever is higher"

At last month's meeting, the Commission requested that Staff review the current fee schedule and compare our application filing fees with those of other LAFCos. Staff did the analysis and found that San Joaquin LAFCo fee schedule and application fees are comparable with other LAFCos.

The Commission also approved, at the May Meeting, a salary increase for the Executive Officer. The final budget reflects those changes.

Vice-Chair Andrade opened the floor to Public Comments.

No one came forward.

Vice-Chair Andrade closed the floor to Public Comments.

It was moved by Commissioner Patti, seconded by Commissioner Villapudua, to approve Resolution No. 1409, approving the LAFCo Final Budget, Work Program for Fiscal Year 2019-2020 as presented.

Roll Call Vote:

Ayes: Commissioners Patti, Villapudua, Krumeich, Morowit, and Vice-Chair Andrade

Nos: None

PUBLIC COMMENTS

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

No one came forward

EXECUTIVE OFFICER COMMENTS

10. Comments from the Executive Officer

Next Commission Meeting will be on Thursday, July 11, 2019. Items on the agenda include the Public Hearing for the Municipal Service Review and Sphere of Influence for the City of Tracy.

COMMISSIONER COMMENTS

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

CLOSED SESSION

12. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
13. 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)
14. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

There was no Closed Session.

12:03p.m. – Vice-Chair Andrade adjourned the meeting to Thursday, July 11, 2019.

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

July 11, 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 3371 O'Dell Avenue, 3347 O'Dell Avenue, and 1420 N. Golden Gate 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 1411 approving out-of-agency services.

Attachment: Resolution No. 1411
Vicinity Maps

Resolution No. 1411

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION
COMMISSION APPROVING AN OUT-OF-AGENCY SANITARY SEWER
SERVICE FROM THE CITY OF STOCKTON TO 3371 O'DELL AVENUE, 3347
O'DELL AVENUE, AND 1420 N. GOLDEN GATE 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 11th day of July, by the following roll call votes:

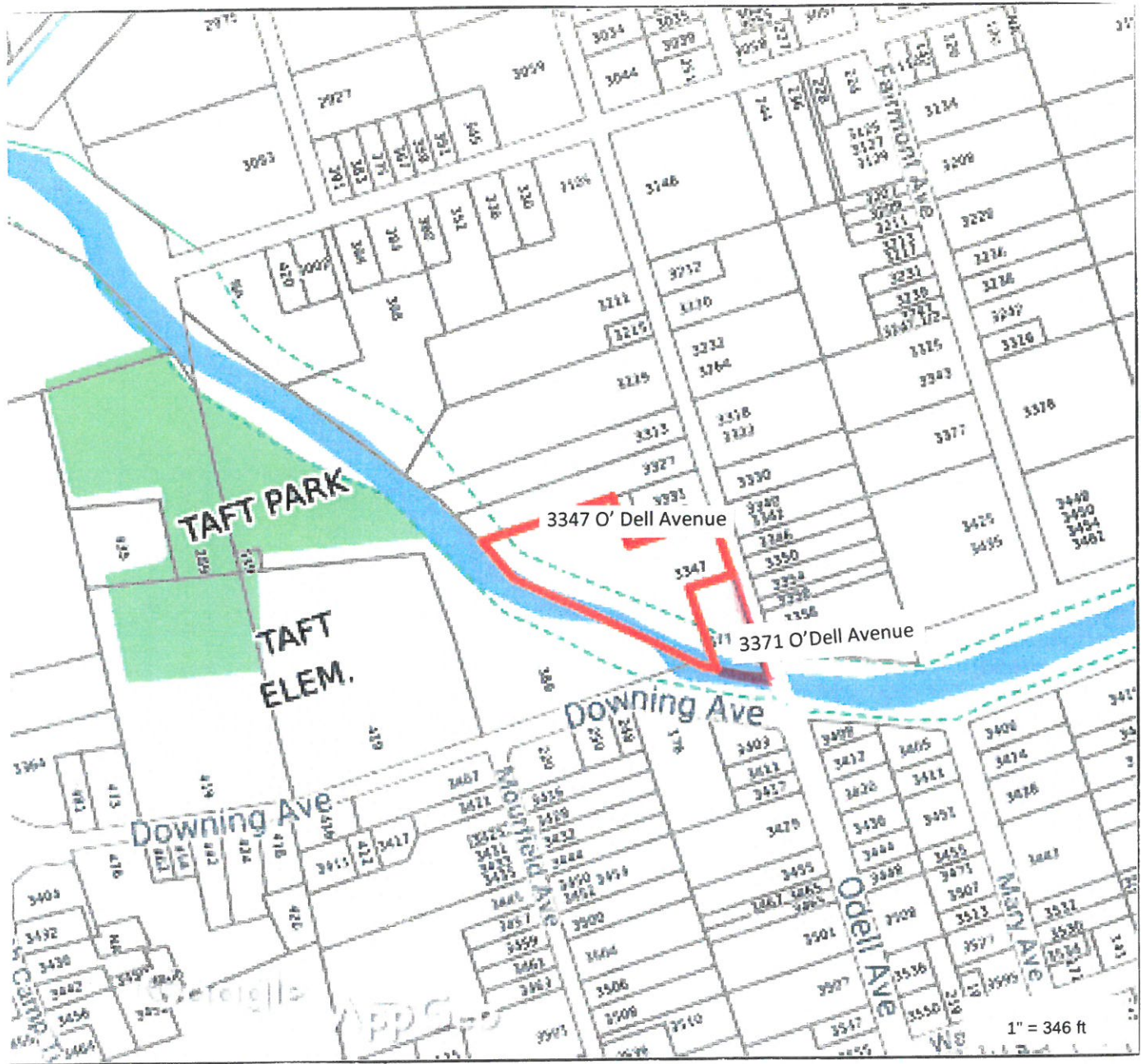
AYES:

NOES:

ABSENT:

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

Res. No. 1411
07-11-19





1420 N. Golden Gate Avenue



0 120 ft

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

July 11, 2019

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **City of Tracy Final Municipal Service Review (MSR) and /Sphere of Influence (SOI) (LAFCo 18-16)**

Recommendation

It is recommended that the Commission approve the Final Municipal Service Review and Sphere of Influence Update for the City of Tracy. Attached are two separate resolutions for Commission's consideration.

Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCo review and update spheres of influence every five years and to have service reviews prepared for special districts and cities. The City of Tracy submitted a draft Municipal Service Review and Sphere of Influence Update for LAFCo's consideration. On June 13, 2019 the Commission held a workshop on these documents and provided comments.

A Municipal Service Review (MSR) is a comprehensive review of an agency intended to obtain information about the agency's ability to provide services. Its purpose is to evaluate the provision of services from a comprehensive perspective and recommend actions, when necessary, to promote the efficient provision of those services. Service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand the public service structure and evaluate options for the provision of efficient and effective public services that the agency currently provides. State law requires that LAFCo update Spheres of Influence and prepare a Municipal Service Review in conjunction with that update. LAFCo last approved the City of Tracy's Municipal Service Review and Sphere of Influence Plan in 2012.

The MSR is required by the Cortese-Knox-Hertzberg Act to have six categories, as defined by the San Joaquin LAFCo “Service Review Policies” December 14, 2012. Each of these categories requires a written determination. The six categories are as follows:

- Growth and Population Projections for the Affected Area
- The Location and Characteristics of any Disadvantage Unincorporated Communities within or Contiguous to the Sphere of Influence
- Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies
- Financial Ability of Agencies to Provide Services
- Status of and Opportunities for Shared Facilities
- Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

In determining a sphere of influence, the Commission is required to consider and make written determinations with respect to the following factors (Government Code Section 56425):

- The Present and Planned Land Uses in the Area, Including Agricultural and Open Space Lands.
- The Present and Probable Need for Public Facilities and Services in the Area.
- The Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide.
- The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines that they are Relevant to the Agency.
- The Present and Probable Need for those Public Facilities and Services within any Disadvantaged Unincorporated Communities (DUCs) within the Sphere of Influence.

At a special meeting of the Commission on April 22, 2019, the Commission adopted a policy that future annexations to the City will detach from Tracy Rural Fire Protection District. The Draft Municipal Service Review (MSR) and Sphere of Influence Plan (SOI) reflects this requirement. After extensive discussion at the June 13th workshop, the Commission directed the Executive Officer to incorporate the City’s alternate Sphere plan proposal into the final document. The alternative plan focuses on the expansion of the 10-year planning horizon and development in the floodplain in the first planning horizon.

Planning Horizons

In 2007, the Commission adopted policies and procedures for Spheres of Influence. As a part of this policy the Commission adopted a standard that depicted specific timeframes for the Spheres of Influence. The adopted language reads as follows:

“Sphere horizons” or planning increments should depict the agency’s logical boundary at the time period of between 5 and 10 years and at the end of the 30-year time frame.

The policy also allows the Commission to consider and accord reasonable deference to each local agency's policies with respect to the rate of residential growth, anticipated absorption of land, and the agency's policies for economic and employment growth. This provision allows the Commission to exercise discretion when considering MSRs and SOIs.

City of Tracy's Requested Planning Horizons

The Final Draft Municipal Service Review and Sphere Plan (dated July 11, 2019) reflects the City of Tracy alternate Sphere of Influence plan originally shown in Appendix A of the draft document. The Final document includes an updated cover and inside cover page to replace "Draft" with "Final" and updated text, tables, and figures to reflect the SOI Plan selected by the Commissioners.

City/County Consultation

On June 19, 2019 and July 1, 2019, the City of Tracy's senior staff met with officials from the County Administrator's office to discuss the City's Sphere of Influence (SOI) and the SOI planning horizons and to discuss their mutual understanding as it relates to development within the City's SOI. The two agencies agreed that notification to the City of development applications filed with the County in Tracy's SOI allows appropriate dialogue between the agencies. No written agreement between the City and County is expected to be reached. The agencies intend to continue to discuss details of current development projects.

No additional comments have been received since the Workshop held on June 13, 2019. The Final Municipal Service Review and Sphere of Influence Plan Update can be found on our website at www.sjgov.org/lafco.

Staff has prepared two resolutions (Municipal Service Review and Sphere of Influence Update) for Commission's consideration. The resolutions incorporate, by reference, draft determinations in accordance with the requirements specified in the California Government Code.

Attachments: Resolution No. 1409
Resolution No. 1410

Resolution No. 1409

**Before the San Joaquin Local Agency Formation Commission
Approving the City of Tracy Municipal Service Review**

WHEREAS, Section 56430 of the Government Code requires the Commission to conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission; and

WHEREAS, the Commission must prepare a written statement of its determinations with respect to six specific topics; and

WHEREAS, the Commission held a workshop on June 13, 2019 and received comments; and

WHEREAS, the Commission held a public hearing on the proposed Municipal Service Review on July 11, 2019 in the Board of Supervisors Chambers, 44 North San Joaquin Street, Stockton, California, pursuant to 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 Municipal Service Review, and all persons present were given an opportunity to be heard; and

WHEREAS, this Commission has duly considered the City of Tracy Municipal Service Review dated July 11, 2019; 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 56430 of the Government Code have been made within the final Municipal Service Review dated July 11, 2019 and are incorporated herein by reference.

Section 3. The City of Tracy Municipal Service Review is hereby approved.

Section 4. The Executive Officer is hereby authorized and directed to distribute copies of the adopted Municipal Service Review and this Resolution to affected agencies and

interested parties.

PASSED AND ADOPTED this 11th day of July 2019 by the following roll call votes:

AYES:

NOES:

ABSENT:

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

Resolution No. 1410

**Before the San Joaquin Local Agency Formation Commission
Approving the City of Tracy Sphere of Influence Update**

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

WHEREAS, Section 56076 of the Government Code provides that “Sphere of Influence” means a plan for the probable physical boundaries and service area of a local governmental agency; and

WHEREAS, the Commission must prepare written statements of its determinations with respect to five specific factors; and

WHEREAS, a Municipal Service Review in compliance with Section 56430 of the Government Code has been prepared in conjunction with this Sphere of Influence Update; and

WHEREAS, the Commission held a workshop on June 13, 2019 and received comments; and

WHEREAS, the Commission held a public hearing on the Sphere of Influence Update on July 11, 2019 in the Board of Supervisors Chamber, 44 North San Joaquin Street, 6th Floor, Stockton California, pursuant to 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 update, and all persons present were given an opportunity to be heard; and

WHEREAS, this Commission has duly considered the City of Tracy Sphere of Influence Update and has given reasonable deference to the City’s policies with respect to the rate of growth, anticipated absorption of land and the agency’s policies for economic and employment growth; 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 within the Sphere of Influence Update and are incorporated herein by reference.

Section 3. The City of Tracy Sphere of Influence Update is hereby approved and 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 Update and this resolution to affected agencies and interested parties.

PASSED AND ADOPTED this 11th day of July 2019 by the following roll call votes:

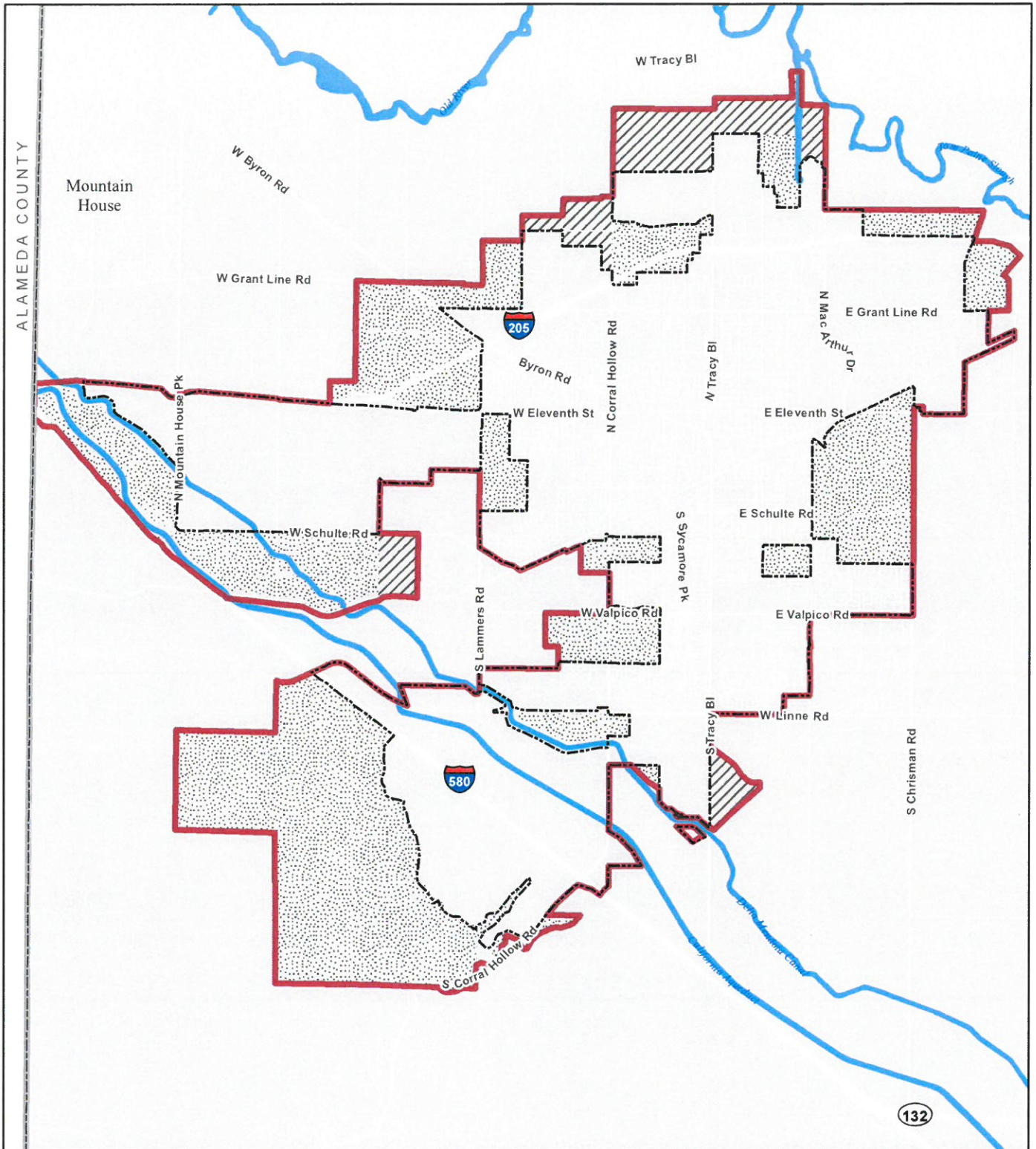
AYES:

NOES:

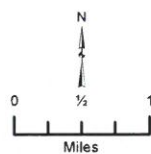
ABSENT:

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

Exhibit A



- Planning Areas**
- City Limits
 - Sphere of Influence
- Planning Horizon**
- 10-Year Planning Horizon
 - 30-Year Planning Horizon



TRACY MUNICIPAL SERVICES REVIEW

Figure 1-1. Planning Horizons

NOTICE OF EXEMPTION

To: Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

From: San Joaquin LAFCO
509 W Weber Ave # 420
Stockton, CA 95203

San Joaquin County Recorder-County Clerk
44 North San Joaquin Street
Second Floor, #260
Stockton, CA 95202

Project Title: City of Tracy Final Municipal Services Review and Sphere of Influence Plan

Project Location: City of Tracy and Sphere of Influence, San Joaquin County

Project Description: The San Joaquin Local Agency Formation Commission has prepared a Municipal Service Review (MSR) and Sphere of Influence (SOI) Plan for the City of Tracy. The MSR considers the present land uses and planned growth and land uses in the City and SOI, the ability of the City to provide municipal services to areas within the SOI, the financial ability of the City to provide services under existing and future conditions, opportunities for the City to share facilities with other service providers and entities, and the City's structure, accountability, and decision-making processes. The SOI Plan does not propose any changes to the boundary of the SOI, but does provide for adjustments between the 10-Year and 30-Year Horizons. The Cortese-Knox-Hertzberg Act of 2000 calls for the Municipal Service Review to be completed prior to or concurrent with the SOI Update. The MSR and SOI Plan is a planning document and does not establish the location or rate of growth, does not entitle any growth, and does not annex any lands to the City, but rather addresses the capacity of the City to serve future planned growth.

Lead Agency: San Joaquin LAFCO

Lead Agency Contact: James Glaser, Executive Officer

Applicant: N/A (LAFCO is carrying out project)

Exemption Status: Ministerial [Section 21080(b)(1); 15268]
 Declared Emergency [Section 21080(b)(3); 15269(a)]
 Emergency Project [Section 21080(b)(4); 15269(b)(c)]
 General Rule [Section 15061(b)(3)]
 Categorical Exemption [state type and section number]
 Statutory Exemption 15262 – Feasibility and Planning Studies
 Other

REASONS WHY THIS PROJECT IS EXEMPT OR DOES NOT REQUIRE FURTHER ENVIRONMENTAL DOCUMENTATION:

Development envisioned under the MSR and SOI Plan would be consistent with development location, densities, and intensities allowed by the City's General Plan. The project would not result in any increases in development densities or land use intensities. The MSR and SOI Plan is a planning document used to inform possible future annexation actions and does not entitle, propose, authorize, or otherwise approve or require the construction of new development or rehabilitation of existing development, but rather includes determinations regarding the ability of the City to provide services and the appropriateness of the SOI Plan. The proposed MSR and SOI Plan does not include the approval of any future annexations within the SOI. The MSR and SOI Plan is consistent with the General Plan and the Land Use Map.

Future development will continue to be based on market forces and demand, which relate to factors such as the availability of financing, availability of land, and market demand for housing, commercial, industrial, and other types of development. Future development within the SOI would be required to be reviewed and approved by the City Council and subsequently be approved for annexation by San Joaquin LAFCO. The proposed MSR and SOI Plan was reviewed and it was determined that the proposed MSR and SOI Plan would not result in any adverse effect to any environmental issue area, including aesthetics, agricultural/timber resources, air quality, biological resources, cultural and tribal cultural resources, energy, geology/soils, greenhouse gases/climate change, hazards and hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, population/housing, public services, recreation, transportation/traffic, utilities/service systems, cumulative impacts, or substantial adverse effects to human beings. Therefore, the MSR and SOI Plan is exempt from the provisions of the California Environmental Quality Act (CEQA) as set forth in Section 15061(b)(3) of the State CEQA Guidelines.

San Joaquin LAFCO

By _____
James Glaser, Executive Officer
(209) 468-3198
Date: June 26, 2019