

Meeting Date: 1/20/2015

Report Type: Staff/Discussion

Report ID: 2015-00087

Title: City Council Resolution Opposing the Proposed Sphere of Influence Amendment for Sacramento Metropolitan Fire District

Location: Unincorporated portion of the Natomas Basin within Sacramento County adjacent to District 1

Recommendation: Pass a Resolution 1) opposing a Sphere of Influence Amendment for Sacramento Metropolitan Fire District to amend the District's Sphere of Influence to include the Natomas area; and 2) direct the City Manager to forward this action on behalf of the Mayor and City Council to the Local Agency Formation Commission by no later than January 23, 2015.

Contact: Walt W. White, Fire Chief, (916) 808-1601, Fire Department

Presenter: None

Department: Fire

Division: Office Of The Fire Chief Adm

Dept ID: 12001011

Attachments:

1-Description/Analysis

2-Background

3-Resolution

City Attorney Review

Approved as to Form

Gerald Hicks

1/14/2015 3:11:11 PM

Approvals/Acknowledgements

Department Director or Designee: Walt White - 1/13/2015 9:21:45 AM

Description/Analysis

Issue Detail: On December 4, 2014 Sacramento Metropolitan Fire District submitted an application to the Local Agency Formation Commission (LAFCo) to amend the District's Sphere of Influence into the Natomas Fire Protection District to include the Natomas Vision Area.

Policy Considerations: In December 2002, the City and County of Sacramento entered into a Memorandum of Understanding (MOU) regarding principles of land use and revenue sharing for the Natomas Area.

The Resolution provides for "broad collaboration between the City and County regarding principles for growth, revenue sharing, and permanent open space preservation in the unincorporated portion of the Natomas Basin within Sacramento County." Furthermore, the Resolution provides: "The City, rather than the County, is the appropriate agent for planning new growth in Natomas and can better provide a full range of municipal services."

On July 25, 2006, the City (by Resolution 2006-568) initiated a Sphere of Influence (SOI) amendment for portions of the Natomas Joint Vision Area and contracted to prepare an Environmental Impact Report (EIR). The Natomas landowners declined to contribute to the cost of preparing the EIR and the City was forced to cancel the contract.

Annexation by the Sacramento Metropolitan Fire District of the Natomas Joint Vision Area (renamed in the landowner application to the County as Natomas Vision Plan Area) is premature in that the SOI amendment/annexation precedes the decision about whether and when to urbanize the area and would preclude – or severely complicate - the development of the area by the City.

Economic Impacts: Annexation by the Sacramento Metropolitan Fire District of the Natomas Joint Vision Area could lend to reduction of financial resources to support the Sacramento Fire Department.

Environmental Considerations: In the long-term, development of the area could compromise preservation of habitat.

Sustainability: Development of the area in advance of build-out of Natomas would increase sprawl and likely increase vehicle miles traveled.

Commission/Committee Action: None

Rationale for Recommendation: Annexation by the Sacramento Metropolitan Fire District of the Natomas Joint Vision Area is premature in that the SOI amendment/annexation precedes the decision about whether and when to develop the area.

Financial Considerations: The City of Sacramento and the Natomas Fire Protection District initially entered into an agreement in August 1984 (City Agreement 84-037) for the City to provide fire protection services within the District. The contractual arrangement has been mutually beneficial and has proven to be an efficient and effective way to provide fire protection and emergency medical services within the District. The current contractual term extends to June 30, 2016 – whereupon the City intends to extend the term for an additional 5-year term. As compensation for providing fire protection services, the City receives the district's property tax revenue (net of property tax administration and audit fees); the annual revenue is approximately \$1.9 million.

Local Business Enterprise (LBE): No goods or services are being purchased.

BACKGROUND – OPPOSITION TO METROPOLITAN FIRE DISTRICT SPHERE OF INFLUENCE AMENDMENT

Metro Fire District’s Application to LAFCo

On November 14, 2013, the Sacramento Metropolitan Fire District Board of Directors approved Resolution 2013-117 authorizing an application to the Sacramento Local Agency Formation Commission (LAFCo) to request and process a Sphere of Influence (SOI) amendment to include the service area of the Natomas Fire District (in unincorporated Sacramento County) and “Sutter Pointe” in unincorporated Sutter County.

On December 4, 2014, Sacramento Metropolitan Fire District submitted an application to Sacramento LAFCo for a Sphere of Influence (SOI) amendment to expand into Natomas Fire Protection District to include the Natomas Vision area.

The application (LAFCo #01-14) includes an updated Municipal Services Review of the Sacramento Metropolitan Fire District. The application also asserts in a narrative that *“The City has effectively abandoned plans to annex the area and has recognized the County’s interest in becoming the ‘urbanizer’ of the area.”*

Sacramento LAFCo has requested comments regarding any operational, service, fiscal and/or other impacts or concerns be provided to LAFCo by 4:00 p.m. on January 23, 2015.

Natomas Fire Protection District

The Natomas Fire Protection District is a dependent special district governed by the Sacramento County Board of Supervisors. The District comprises 42.5 square miles in the rural / unincorporated northwest portion of the County and includes a population of 2,848 people. An updated municipal services review for the District was approved by LAFCo on June 4, 2014.

The District was established on June 23, 1924. The City of Sacramento and the Natomas Fire Protection District initially entered into an agreement in August 1984 (City Agreement 84-037) for the City to provide fire protection services within the District. The contractual arrangement has been mutually beneficial and has proven to be an efficient and effective way to provide fire protection and emergency medical services within the District. The current contractual term extends to June 30, 2016 – whereupon the City intends to extend the term for an additional five-year term. As compensation for providing fire protection services, the City receives the district’s property tax revenue (net of property tax administration and audit fees); the annual revenue is approximately \$1.9 million.

Current Land Uses within the District

At present, the land uses within the Natomas Fire Protection District are predominantly agricultural. Some residential development has occurred along the Garden Highway, as well as agricultural uses with related single-family residential land uses. Non-residential developments within the District include:

- Sacramento International Airport (approximately 6,000 acres) – although the air-side of the terminals is served by the Airport Fire Department.
- Metro Air Park (an approved plan for 2,000-acre industrial, commercial, and office project).
- Northgate I-80 Business Park (840 acres) – existing development.

- The Panhandle – a 595-acre mostly vacant site proposed for detachment from the Natomas Fire Protection District with annexation to the City; the East Natomas Education Complex is partially constructed and is within the Panhandle project area.
- Camino Norte – an area on the east side of El Centro Road for which the City initiated a Sphere of Influence (SOI) amendment (Resolution 2006-859) on 403 acres. Forward progress on this SOI Amendment stopped when the property fell out of contract with the project proponent.

Proposed Land Uses within the District

In September 2014, a consortium of owners within the unincorporated area of Natomas in Sacramento County filed an application with the County for the Natomas Vision Plan. The application would include land use development of 5,700 acres north of Elkhorn Blvd. and east of Hwy 99 – adding 19,772 dwelling units (53,582 population) and 34,806 jobs in the unincorporated Natomas area immediately proximate to the City’s North Natomas Community Plan Area. The project application would also establish an urban reserve of 3,300 acres.

Environmental documents and public hearings for the proposed land use plan are not yet available or scheduled. If the requested entitlements are approved by the County Board of Supervisors, then the costs and revenues of service delivery within the District would be substantially different from the present circumstances.

Urbanizing the Natomas Vision Area

On December 10, 2002, the City & County entered into a Memorandum of Understanding (MOU) (City Resolution 2002-830 and County Resolution 2002-1566) regarding Principles of Land Use and Revenue Sharing for the Natomas Area. The Resolution provides for “broad collaboration between the City and County regarding principles for growth, revenue sharing, and permanent open space preservation in the unincorporated portion of the Natomas Basin within Sacramento County.” Furthermore, the Resolution provides: “*The City, rather than the County, is the appropriate agent for planning new growth in Natomas and can better provide a full range of municipal services.*”

On July 25, 2006, the City (by Resolution 2006-568) initiated a Sphere of Influence (SOI) amendment for portions of the Natomas Joint Vision Area and contracted to prepare an Environmental Impact Report (EIR). The Natomas landowners declined to contribute to the cost of preparing the EIR and the City was forced to cancel the contract.

In conclusion, annexation by the Sacramento Metropolitan Fire District of the Natomas Joint Vision Area (renamed in the landowner application to the County as Natomas Vision Plan Area) is premature in that the SOI amendment / annexation precedes the decision about whether and when to urbanize and would preclude – or severely complicate - the urbanization of the area.

RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

January 20, 2015

OPPOSING THE PROPOSED SPHERE OF INFLUENCE AMENDMENT FOR THE SACRAMENTO METROPOLITAN FIRE DISTRICT

BACKGROUND:

- A. The City of Sacramento currently provides emergency medical care, fire prevention inspections, rescue and fire protection services to the Natomas Fire Protection District (NFPD) under contract with the County Board of Supervisors (acting as the governing body for the dependent special district). The District was established in 1924; the contract dates to August 25, 1984 with renewals every five (5) years. The current contract expires in 2016.
- B. On December 10, 2002, the City and County entered into a Memorandum of Understanding (MOU) (City Resolution 2002-830 and County Resolution 2002-1566) regarding principles of land use and revenue sharing for the Natomas Area.
- C. On November 14, 2013, the Sacramento Metropolitan Fire District Board of Directors approved Resolution 2013-117 authorizing an application to the Sacramento Local Agency Formation Commission (LAFCo) to request and process a Sphere of Influence (SOI) amendment to include the service area of the Natomas Fire District (in unincorporated Sacramento County) and "Sutter Pointe" in unincorporated Sutter County.
- D. On March 14, 2014, the Sutter County Administrative Officer authored a letter to Sacramento LAFCo stating that "Sutter County determined that any decision regarding who will provide future fire protection services is premature at this time."
- E. In September 2014, a consortium of landowners and property owners within the unincorporated area of Natomas in Sacramento County filed an application with the County for the Natomas Vision Plan. The application includes land use development of 5,700 acres north of Elkhorn Blvd. and east of Hwy 99 – adding 19,772 dwelling units (53,582 population) and 34,806 jobs in the unincorporated Natomas area immediately proximate to the City's North Natomas Community Plan Area. The project application would also establish an urban reserve of 3,300 acres.
- F. On December 4, 2014, Sacramento Metropolitan Fire District submitted an application to Sacramento LAFCo for Sphere of Influence amendment to expand into Natomas Fire Protection District to include the Natomas Vision area.
- G. Sacramento LAFCo has requested that comments regarding any operational, service, fiscal and/or other impacts or concerns be provided to LAFCo by 4:00 p.m. on January 23, 2015.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

1. The consideration of a Sphere of Influence (SOI) amendment for Sacramento Metropolitan Fire District is premature. The justification for the SOI amendment and annexation is that the Natomas Vision Area will be urbanizing and that (if urbanization occurs) Sacramento Metropolitan Fire District is the appropriate fire protection service provider. However, while an application for development of the Vision Area in the County has been initiated, the decision about whether, when to urbanize, and who urbanizes (City/County) has yet to be made.
2. Sacramento LAFCo's decision on a SOI amendment and annexation should be based on reasonable certainty about when and whether the affected territory will urbanize – and whether the City or County will be the agent of urbanization.
3. The SOI amendment and annexation should be based on an agreement between the City and County as to which areas would urbanize in the City and which would urbanize in the County. The proposed SOI amendment includes several areas for which the City Council has initiated annexations.
4. LAFCo criteria identify that evaluation of a SOI amendment should be based on the provision of efficient services. The Municipal Services Review (MSR) that was submitted with the application is void in facilitating a City/Metro Fire District comparison of service delivery models and cost structures.
5. If the City of Sacramento loses the contract to provide fire protection service to the Natomas Fire Protection District, the City anticipates loss of 27 City personnel and loss of City revenues.
6. If Sacramento Metropolitan Fire District's SOI amendment is granted, because of existing station locations and travel paths, Sacramento Fire Department units would still likely be the first responder, as well as comprise the majority of engines and trucks at large-scale emergencies.
7. The City Manager is directed to forward this Resolution on behalf of the Mayor and City Council to the Local Agency Formation Commission by no later than January 23, 2015.