AGENDA TITLE: Consider a Revised Resolution of Application Requesting the Sacramento Local Agency Formation Commission to Process a Sphere of Influence Amendment for a Possible Elk Grove Multi-Sport Park Complex (CEQA Exemption)

MEETING DATE: April 8, 2015

PREPARED BY: Christopher Jordan, AICP, Planning Manager

DEPARTMENT HEAD: Darren Wilson, PE, Planning Director

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Adopt a Resolution requesting the Sacramento Local Agency Formation Commission process a Sphere of Influence Amendment to include the Elk Grove Multi-Sport Park Complex site (Attachment 1); and

2. Direct staff to prepare all necessary application materials and submit an application to the Sacramento Local Agency Formation Commission for the amendment of the Sphere of Influence, indicating a revised area from the previously approved application.

BACKGROUND INFORMATION AND ANALYSIS:

On January 28, 2015, the City Council adopted Resolution 2015-020, requesting the Sacramento Local Agency Formation Commission LAFCo process a Sphere of Influence (SOI) Amendment to include the Elk Grove Multi-Sport Park Complex site (the Project). On February 4, 2015, staff presented the proposed SOI Amendment to LAFCo as part of a request for a Memorandum of Understanding (MOU) regarding joint preparation of the required Environmental Impact Report (EIR) for the Project.
At the LAFCo meeting, the Commission noted that the proposed Sphere of Influence boundary was a peninsula, which is a configuration not preferred by LAFCo policies. While the Commission appreciated the City’s desire to only seek a SOI boundary that conformed to the Project boundary, the Commission suggested that the City consider a larger area to avoid the peninsula result. The Commission asked the City to seek feedback from surrounding property owners and, if necessary, to modify the proposed SOI boundaries to include additional properties around the site and towards the existing City Limits to the southwest.

Staff has met with the surrounding property owners and briefed them of the City’s Project and LAFCo’s suggestions. These property owners include the Mosher Family, the Mahons, the Kendrick s, and Cypress Abbey Company (a corporation). All have indicated support for inclusion in the SOI Amendment; all but Cypress Abbey have provided the attached letters supporting and requesting inclusion in the application.

LAFCo staff has requested that the City formally modify the application (prior to submittal) to include these additional properties in the SOI. Should the Council provide direction along these lines, as staff recommends the Council do, staff will finalize the application for submittal to LAFCo.

Staff has also received the attached letter representing the Kautz and D. Mahon properties north of the Project. In addition, staff has spoken with a representative of the Daehling Ranch property regarding their interest in including their parcel in the SOI application. The two requests would add an additional 900± acres to the SOI application. Staff is concerned that these requests could complicate the Project and therefore recommends that these lands not be included. Staff anticipates addressing these properties as part of the upcoming General Plan Update, pursuant to Council direction.

In the meantime, staff has met with LAFCo and their EIR consultant, AECOM, to review the Project and the potential SOI boundaries. A scope of work for the EIR is being finalized and work will begin shortly after submission of the application to LAFCo.

**ENVIRONMENTAL REVIEW**

This activity does not constitute the approval of a project, and is, therefore, not subject to environmental review under the California Environmental Quality Act (CEQA). This activity is also exempt from CEQA as part of a
feasibility study and data collection of a possible project (CEQA Guidelines, §§15262, 15306). The City will conduct environmental review under CEQA prior to the approval of any Project.

**FISCAL IMPACT:**

The costs associated with preparing and processing the SOI amendment, along with the CEQA costs, are included in the current Project budget.

Staff continues to refine the costs of the Project, specifically focusing on a Phase 1 project in the $35 to $40 million dollar range. Subsequent phases of the Project could deliver other elements. A Project update on the phasing and the cost estimate will be provided in May.

**ATTACHMENTS:**

1. Resolution
   a. Exhibit A – Proposed Sphere of Influence Amendment Area
2. Property Owner Correspondence
   a. Mosher Family
   b. Mahons
   c. Kendricks
   d. Kautz, et. al.
WHEREAS, on October 31, 2014, the City acquired a property at 10251 Grant Line Road, more particularly described as Assessor’s Parcel Number 134-0190-009 (the Project Site); and

WHEREAS, subject to environmental review, analysis, and other approvals, the City is considering developing the Project Site as a multi-sport park complex (the Project); and

WHEREAS, the Project Site is located in an area identified in the City’s General Plan as Urban Study Area, which is an area where urbanization to some extent was envisioned to occur; and

WHEREAS, the City of Elk Grove’s established Sphere of Influence is coterminous with the City boundary; and

WHEREAS, development of the Project Site with the Project under the jurisdiction of the City is in the best interest of the residents of the City of Elk Grove; and

WHEREAS, the City of Elk Grove City Council 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 an amendment to the City of Elk Grove’s established Sphere of Influence; and

WHEREAS, the Sacramento Local Agency Formation Commission (LAFCo) is the approving authority for changes to the City’s Sphere of Influence; and

WHEREAS, on January 28, 2015, the City Council adopted Resolution 2015-020 requesting that LAFCo process a sphere of influence amendment for the Project; and

WHEREAS, on February 4, 2015, the City presented the Project to LAFCo and received direction to modify the boundaries of the proposed Sphere of Influence to include additional lands surrounding the Project site in order to be consistent with LAFCo policies regarding peninsula-shaped Spheres; and

WHEREAS, the City has received correspondence from surrounding property owners indicating that they request to be included within the proposed Sphere of Influence; and
WHEREAS, the adoption of this Resolution of Application does not constitute the approval of a Project under CEQA.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby repeals Resolution 2015-020; and

BE IT FURTHER RESOLVED, that the City Council of the City of Elk Grove hereby adopts and approves this Resolution of Application for an Amendment to the City’s existing Sphere of Influence; and

BE IT FURTHER RESOLVED, that the City Council of the City of Elk Grove authorizes City staff to submit a Sphere of Influence Amendment application to LAFCo and hereby requests that LAFCo proceed with processing this Sphere of Influence Amendment for the area shown in “Exhibit A” in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

BE IT FURTHER RESOLVED, that the City Council of the City of Elk Grove requests that as part of this application, LAFCo concurrently consider the following reorganizations and any other annexations and detachments as may be required:

- Detachment from CAS No. 1 (Street Lighting)
- Detachment from CAS No. 11 (Supplemental Police - Sheriff and Animal Control Services)
- Annexation into Sacramento Area Sewer District and Sacramento County Regional Sanitation District; and

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 8th day of April 2015.

GARY DAVIS, MAYOR of the CITY OF ELK GROVE

ATTEST: APPROVED AS TO FORM:

JASON LINDGREN, CITY CLERK JONATHAN P. HOBBS, CITY ATTORNEY
March 31, 2015

Laura Gill
City Manager
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

Re: Mosher Ranch – Elk Grove Sphere of Influence Application

Dear Ms. Gill:

In response to our recent meeting and on behalf of the Mosher family, I am requesting that the portion of the Mosher Ranch situated north of the 100-year flood plain of the Cosumnes River, located at the address listed above and shown on the attached exhibit, be included in the City’s amended Sphere of Influence (SOI) application with the Sacramento County Local Agency Formation Commission (LAFCo).

As you know, the Mosher Ranch is east of and contiguous to the City’s proposed Sports Park facility. As you also know, we have significant concerns regarding the potential impacts of the City’s proposal, unless the two properties can be planned together concurrently in order to adequately address land use compatibility issues between the Sports Park facility and the existing and future planned land uses on our property. To enable that concurrent planning to take place, we believe it imperative that the Mosher Ranch be included in the City’s amended LAFCo application.

We thank you in advance for your consideration of our request and hope to work supportively with the City on its amended application before LAFCo.

Very truly yours,

[Signature]

Melba Mosher

cc: Elk Grove City Council
Sacramento County Local Agency Formation Commission
Julie Cline
Darren Wilson
Christopher Jordan
March 30, 2015

Laura S. Gill, City Manager
City of Elk Grove
8401 Laguna Palms Drive
Elk Grove, CA 95758

Peter Brundage, Executive Officer
Sacramento Local Agency Formation Commission
1112 I Street, Suite 100
Sacramento, CA 95814

RE: Elk Grove Sports Complex Project

Dear Mrs. Gill and Mr. Brundage,

Our family has been engaged in ranching and other agricultural activities in the Elk Grove area for 133 years. Our current operations consist of a cow-calf herd of approximately 250 head, feed and forage products, and renovation of our historic equestrian facilities. We encourage you to view our website for more information at http://mahonranch.com.

We are excited about the City’s plans for a sports park complex adjacent to our land on Grant Line Road. We believe that this project can, and will, be designed as a compatible activity to our agricultural operations.

Since the City first met with us to discuss their project, we have identified opportunities to explore teaming up on various project components. As a working farm, we believe there are opportunities to develop agri-tourism ventures and other compatible uses on our property, such as a County Fair complex. As such, we welcome, support, and request inclusion in the pending Sphere of Influence Amendment for our property that is currently within the Urban Services Boundary.

Should our property be included in the Sphere Amendment, we would like the land to be considered as an extension of the City’s project. While discussions are on-going and no final decisions have been made, we believe that both the County Fair complex and the stadium/entertainment venue would be compatible components to our existing operations.

Should you have any questions, please contact me. We look forward to being part of this collaborative process, balancing the needs of the City and the preservation and promotion of our precious agricultural resources.

Sincerely,

Tom Mahon
March 29, 2015

Laura S. Gill, City Manager
City of Elk Grove
8401 Laguna Palms Drive
Elk Grove, CA 95758

Peter Brundage, Executive Officer
Sacramento Local Agency Formation Commission
1112 I Street, Suite 100
Sacramento, CA 95814

RE: Elk Grove Sports Project

Dear Mrs. Gill and Mr. Brundage,

We own approximately 100 acres directly west of the City’s planned sports complex. We understand from the February 2015 Commission meeting that LAFCo is interested in considering a Sphere of Influence as part of the City’s project that would include our land. We strongly support and request inclusion in this effort.

Our property presents an excellent opportunity to transition from the more industrial land uses to the west towards the City’s project. We believe there are future use opportunities along our Grant Line Road frontage for commercial (approximately 25 acres), with the balance being a combination of commercial (along the shared property line with the City) and industrial uses. We envision potential commercial uses, such as hotels, dining establishments, and sports-oriented retail spaces, along with private indoor sports training uses could be privately developed on our property, all complementing and supporting the City’s proposed use.

We look forward to being part of the process.

Sincerely,

Leonard Kendrick
Leonard Kendrick and Son, Inc.
April 2, 2015

Laura Gill  
City Manager  
City of Elk Grove  
8401 Laguna Palms Way  
Elk Grove, CA  95658

Re:  Elk Grove Sphere of Influence

Dear Ms Gill:

On behalf of Dale and Pat Mahon and John and Jack Kautz, we respectfully request that the City consider amending its current application with LAFCo to include the properties outlined in red on the attached exhibit.

We understand that the Mosher and Daehling families are also interested in having their properties included in the City's SOI application. We are supportive of their interest.

As we have shared with you, we believe that the City's Sports Park proposal is a bold step. One, however, that bears land use consequences well beyond the boundary of the proposed park site itself. We believe that the appropriate scope for the City's SOI process should be focused, but also sufficiently comprehensive in order to best address the land use effects of such a regional sports facility.

We are supportive of the City's goal of creating a significant sports and recreational amenity for the residents of Elk Grove. We ask only that the process utilized to achieve that goal be one that recognizes all of the impacts of the Sports Park proposal on the landowners in the affected area.
We appreciate your consideration of our request.

Very truly yours,

George E. Phillips

cc: Elk Grove City Council
Sacramento County Local Formation Commission
Julie Cline
Darren Wilson
Christopher Jordan
Dale and Pat Mahon
John Kautz
Jack Kautz