



**CITY OF ELK GROVE
CITY COUNCIL STAFF REPORT**

AGENDA TITLE: Adopt a Resolution authorizing the City Manager to execute a Memorandum of Understanding with Sacramento Local Agency Formation Commission regarding Preparation of an Environmental Impact Report for the Elk Grove Multi-Sport Park Complex

MEETING DATE: February 11, 2015

PREPARED BY: Christopher Jordan, AICP, Planning Manager

DEPARTMENT HEAD: Darren Wilson, PE, Planning Director

RECOMMENDED ACTION:

Staff recommends that the City Council adopt a resolution authorizing the City Manager to execute a Memorandum of Understanding (MOU) with Sacramento Local Agency Formation Commission (LAFCo) regarding Preparation of an Environmental Impact Report for the Elk Grove Multi-Sport Park Complex (Attachment 1).

BACKGROUND AND ANALYSIS:

On January 28, 2015, the City Council adopted a Resolution authorizing an application to LAFCo for a Sphere of Influence Amendment (SOIA) covering the property being planned for the Multi-Sports Park Complex (Project).

On February 4, 2015, LAFCo considered the City's request to enter into an MOU regarding the joint preparation of an Environmental Impact Report (EIR) consistent with the California Environmental Quality Act (CEQA). Under the terms of the MOU, LAFCo will manage the EIR consultant

contract, in consultation with the City. The City will be responsible for all costs associated with the preparation of the EIR and SOI processing, which is a standard requirement for all projects applications submitted to LAFCo.

Under the MOU, the City and LAFCo would be co-lead agencies for the EIR for each of their respective approval roles over the Project. By jointly preparing the EIR, LAFCo and the City can both rely upon the document for the SOIA, subsequent Project approvals (General Plan amendment, zoning, design review), and annexation, thereby creating cost savings to the City.

At the LAFCo meeting on February 4, 2015, the Commission discussed the proposed boundaries of the SOI amendment and received comments from interested members of the public, including neighboring property owners. Following public comment and Commission deliberation, the Commission approved the MOU, with the direction that the EIR analyze an increased SOI amendment with a configuration including additional properties within the Urban Services Boundary, primarily towards the railroad tracks. Two adjoining property owners (the Kendrick family and the Mahon family) expressed support for this increased SOI amendment at the Commission meeting. Staff will meet with these and other surrounding property owners to receive further feedback. The EIR could analyze the non-City properties programmatically for purposes of the larger SOI Amendment and analyze the Sports Park at a more detailed, project level. This could result in an increased SOI amendment, followed by either phased or concurrent annexations of properties into the City.

FISCAL IMPACT:

The costs associated with the preparation of SOIA application and accompanying EIR for the Project have been included in the Fiscal Year 2014-15 Budget.

ATTACHMENTS:

1. Resolution
2. Memorandum of Understanding
3. Property Owner Site Map

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF
UNDERSTANDING (MOU) WITH SACRAMENTO LOCAL AGENCY FORMATION
COMMISSION (LAFCO) REGARDING PREPARATION OF AN ENVIRONMENTAL
IMPACT REPORT FOR THE ELK GROVE MULTI-SPORT PARK COMPLEX**

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, the City has identified an intended use for the Project Site, being 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 has authorized initiation of 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, the Project is subject to the California Environmental Quality Act (CEQA); and

WHEREAS, the City Council of the City of Elk Grove desires to enter into a Memorandum of Understanding (MOU) with LAFCo to jointly prepare the environmental analysis for the Project as required under CEQA; and

WHEREAS, the approval of the MOU does not constitute the approval of the Project under CEQA.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove authorizes the City Manager to execute a Memorandum of Understanding with LAFCo in substantially the form presented with the accompanying staff report relating to the preparation of an Environmental Impact Report for the Elk Grove Multi-Sport Park Project.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 11th day of February 2015.

GARY DAVIS, MAYOR of the
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:

JASON LINDGREN, CITY CLERK

JONATHAN P. HOBBS,
CITY ATTORNEY

**Memorandum of Understanding between the
Sacramento Local Agency Formation Commission and the City of Elk Grove
Relating to the Preparation of an Environmental Impact Report
for the Elk Grove Multi-Sport Park Project and Establishment of Co-Lead
Agencies for the purpose thereto**

Recitals

A. The City of Elk Grove (City) has adopted Resolution No. _____ initiating the Sphere of Influence Amendment, Reorganization (annexation and related detachments) and ultimate development of approximately 100 acres at the southeast quadrant proximate to the intersection of State Route 99 and Grant Line Road, south of Grant Line Rd. The site is located in the unincorporated portion of Sacramento County and outside of the current City of Elk Grove Sphere of influence. The development application is comprised of a General Plan Amendment, Pre-Zoning, and Design Review. In addition, the proposed development requires the City to apply to the Sacramento Local Agency Formation Commission (LAFCo) for a Sphere of Influence Boundary Amendment (including a related Municipal Services Review) and Reorganization (annexation and related detachments). Taken together these applications comprise a "project" within the meaning of and subject to the California Environmental Quality Act (Pub. Res. Code §21000 et seq.) (CEQA) for which an Environmental Impact Report will be prepared and which are referred to collectively in this Memorandum of Understanding as the Elk Grove Multi-Sport Park Complex Project ("Sport Park").

B. LAFCo is the appropriate Lead Agency for the proposed Sphere of Influence Boundary Amendment (Gov. Code § 56425 subd. (a); Pub. Res. Code § 21067; LAFCo Policies, IV.F.1, p. IV-7), and will require that the EIR adequately address the environmental issues associated with this application. The City is the appropriate Lead Agency for the remaining elements of the proposed Sport Park and will require the EIR to adequately address the environmental issues associated with applications related to all entitlements. (14 CCR §15051 subd. (b)(2); LAFCo Policies, §IV F.1.d.p. IV-7.)

C. The City and LAFCo desire to have a single EIR prepared for the Sport Park and have agreed to prepare a single EIR. The City and LAFCo will cooperate in the preparation of a single EIR as authorized by CEQA Guidelines, 14 CCR § 15051 subd. (d). (Sierra Club v. West Side Irrig. Dist. (2005) 128 Cal.App.4th 690, 700.)

D. City and LAFCo enter into this Memorandum of Understanding to establish themselves as Co-Lead Agencies for the Sport Park and to establish their respective roles and responsibilities relating to the oversight and management of the preparation of a single EIR. The purpose of this Memorandum of Understanding is to ensure that the resulting Sport Park EIR adequately addresses the environmental

issues of the Sport Park as a whole and provides both LAFCo and the City with the information each needs to review, consider, and take action on the Sport Park applications in full compliance with the law.

Determinations

The Sacramento Local Agency Formation Commission and the City of Elk Grove agree to the following:

1. Sacramento LAFCo and City agree to select a consultant acceptable to both agencies to prepare the EIR on the Sport Park, which: 1) contract shall be managed by LAFCo, in consultation with City, and 2) EIR shall include the environmental review of all of the following: the Sphere of Influence Boundary Amendment; all necessary City entitlements, including but not limited to a General Plan amendment, Pre-zoning, and Design Review; and Reorganization (annexation and detachments).

2. City and LAFCo shall cooperate and work collaboratively to ensure that the EIR fully satisfies LAFCo's requirements for conducting a legally adequate environmental review of the Sphere of Influence Boundary Amendment and Reorganization in accordance with CEQA, the CEQA Guidelines, the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (Gov. Code §56000 et seq.), and LAFCo's locally adopted Policies, Standards and Procedures, as well as the City's requirements for conducting a legally adequate environmental review of the General Plan Amendment, Reorganization, and all other necessary City entitlements. The parties agree to the following protocols for preparation of the EIR:

A. LAFCo, through its staff, shall be the primary contact point for the selected EIR consultant for purposes of generally directing the work of preparing the EIR; transmitting, receiving and disseminating reports, studies, drafts, and other documents related to the EIR; transmitting, receiving and responding to questions, comments, requests for clarification or additional information; scheduling meetings; and the like.

B. LAFCo, through its Commission, staff and independent consultants, shall have final oversight, review, and approval authority over the content of the administrative draft EIR (ADEIR), the draft EIR (DEIR), and the final EIR (FEIR) as they each relate to the Sphere of Influence Boundary Amendment only and shall have Responsible Agency review over the Reorganization (annexation and related detachments). LAFCo shall coordinate and work cooperatively and collaboratively with City to ensure that both parties have sufficient and meaningful opportunity to review, evaluate, and exercise their independent judgment over the content of the EIR as it relates to the discretionary actions each will consider with respect to the Project. LAFCo shall have the right to approve all studies, reports, drafts, and other documents prepared for or in connection with the EIR before public release, to edit or request changes to the ADEIR, DEIR, and FEIR, and request additional work as LAFCo, in the

exercise of reasonable judgment and discretion, determines to be necessary to ensure the adequacy and objectivity of the EIR as needed for LAFCo's action as lead agency for the Sphere of Influence Boundary Amendment and as responsible agency for the Reorganization (annexation and related detachments.)

(1) LAFCo shall notify reasonably in advance (typically a minimum of 72 hours) and give City the opportunity to attend all meetings with the EIR consultant and shall copy City on all correspondence between LAFCo and its consultant(s), except those related solely to contract and billing issues.

C. City and LAFCo shall each identify and notify the other of their respective staff contacts responsible for implementing this MOU.

D. City and LAFCo staffs shall hold regular status meetings to discuss the progress of the work in conformance with the agreed schedule.

E. LAFCo shall schedule and hold at least one public hearing during the DEIR comment period to receive comments on and proposed revisions to the DEIR.

3. City and LAFCo understand that the City shall be fully and solely responsible for the costs of the EIR consultant as well as LAFCo's normal processing fees, including, but not limited to, consultant fees, staff time and legal review. LAFCo shall review and approve invoices received from the consultant, which it shall forward to City within 15 days of receipt, and City agrees to pay the selected consultant directly. In addition, as agreed to by City in LAFCo's standard applicant funding agreement, City understands that it shall indemnify LAFCo for all costs, including legal costs, related to the EIR and the Project. LAFCo shall keep the City reasonably informed of anticipated costs, budgets, and estimates so as to allow the City to conduct appropriate fiscal planning for the Sport Park environmental and processing costs. Upon request, LAFCo shall provide the City with any schedule of fees (hourly or otherwise) charged by LAFCo consultant(s), LAFCo staff, and/or LAFCo legal counsel.

4. City and LAFCo agree to use all reasonable effort and due diligence to process the Project through to the final hearings in a timely fashion to meet City's objective of having LAFCo set for public hearing the SOIA prior to City Council final consideration of related entitlements. City and LAFCo agree to work cooperatively with each other, and the project applicant and/or EIR consultants as necessary to develop a project schedule listing key steps and dates to aid in achieving City's objectives, which schedule shall be attached to and become a part of this Memorandum of Understanding.

5. City and LAFCo agree to the following sequence of actions to be taken to complete processing of the Sport Park:

A Completion of FEIR and submittal to LAFCo

B. LAFCo public hearing and exercise of discretionary action on certification of the FEIR and Sphere of Influence Boundary Amendment

C. If the Sphere of Influence amendment is approved, a City public hearing and action on the General Plan Amendment, Pre-Zoning, Design Review, and any other necessary entitlements will follow.

D. If the City approves the items in subsection C above, a LAFCo hearing and action on the Reorganization (annexation and related detachments) will follow.

Nothing contained in this Memorandum of Understanding is intended, nor shall it be construed, to commit, control, or influence in any manner whatsoever the authority, judgment, or discretion of the LAFCo Commission or the City Council of Elk Grove in their future hearings on all or any aspect of the Sport Park and the ultimate decision of each to approve, approve with conditions, or disapprove the Sport Park, in whole or in part, or to require or impose mitigation measures as a result of the environmental review of the Sport Park.

This Memorandum of Understanding is entered into as of the ____ day of _____, 2015.

By _____
Laura Gill, City Manager
City of Elk Grove

By _____
Peter Brundage
Sacramento Local Agency
Formation Commission

Approved as to form:

By _____
Jonathan P. Hobbs,
City Attorney

By _____
Nancy Miller,
Sacramento LAFCo Counsel

Surrounding Owners and Context

