

**LAKE
LOCAL AGENCY FORMATION COMMISSION
Application Form for Changes of Organization**

-- LAFCO use only --

AGENCY-PROJECT	SHORT FORM DESIGNATION

-- To be completed by applicant --

Use supplemental pages as necessary, and reference all attachments on the attachment list

1. Subject Property

PROJECT TITLE: South Lakeport Annexation Project		ADDRESS OR LOCATION: 136.78 acres of land located south of the existing city limits, adjacent to South Main St. and Soda Bay Rd, east of State Route 29.
ACREAGE: 136.78	PARCEL NO.: See list in Attachment D	

2. Proposal

Applicants request the following change of organization: **Annexation to the City of Lakeport of approximately 136.78 acres of land (50 parcels plus public rights-of-way).**

3. Applicants

LAFCO will send copies of the staff report on the proposal to the following (maximum of 3):

NAME: Kevin Ingram, Community Development Director		PHONE: 707-263-5615
ADDRESS: 225 Park Street, Lakeport, CA 95453		
EMAIL: Kingram@cityoflakeport.com		
NAME: David Ruderman, City Attorney		PHONE: 530-798-2417
ADDRESS: Colantuano, Highsmith & Whatley, PC - 420 Sierra College Drive, Suite 140, Grass Valley, CA 95945		
EMAIL: Druderman@chwlaw.us		
NAME: Linda Ruffing, Planning Consultant		PHONE: 707-272-2343
ADDRESS: North Coast Community Planning - 310 S. Harold Street, Fort Bragg, CA 95437		
EMAIL: Linda@nccplanning.com		

4. Authority to File Application

☐ Petition of landowners or registered voters ☒ Resolution of Application of an affected agency

Certified copies of the Petition or Resolution of Application are included as Attachment **A.**

Petitions and Resolutions of Application must meet certain legal requirements. The Application Instructions include samples for applicant use.

5. Statement of Justification

Provide a Statement of Justification for and explain the purpose of each request for change of organization. Include in the statement reasons why the proposal is more effective than the present organization and/or what services to the area are to be enhanced by the project. If any terms or conditions are proposed for this project, include them in the statement.

A Statement of Justification for this proposal is included as Attachment **B.**

6. Boundaries

- a. An 8.5 x 11 map of the subject territory meeting the specifications listed in the Application Instructions is included as Attachment **C.**
- b. A geographic description of the boundaries of the subject territory meeting the specifications listed in the Application Instructions is included as Attachment **D.**
- c. Describe how the boundaries of this proposal were determined. **The boundary represents a logical and orderly extension of the Lakeport City limits consistent with the Lakeport General Plan Land Use Element and the adopted Sphere of Influence for the City of Lakeport.**
- d. This proposal ☒ **is** (check one) consistent with the sphere of influence of all the affected agencies. (If you are not sure of each agency's sphere boundaries, check with LAFCO staff.)
- e. Describe access to the area. **Access to the annexation area is available from South Main Street and Soda Bay Road. The road corridor traverses the annexation area on a north-south axis. Access is also provided via State Route 175 which intersects with South Main Street near its midpoint in the annexation area.**

7. Neighboring Properties

- a. A Public Notice List meeting the specifications listed in the Application Instructions is included as Attachment **E.**
- b. Have surrounding property owners been canvassed for participation in the proposal? **The City sent informational mailings to property owners, businesses and residents and conducted door-to-door canvassing on July 15 and 16, 2019 to provide information and respond to questions. A Town Hall meeting is planned in late August and a community sentiment survey will be conducted shortly thereafter.**

Results of any survey of surrounding property owners are included as Attachment **F.** **Results of the survey will be submitted to LAFCO under separate cover, as soon as available.**

8. Land Use

- a. Describe existing land use within the subject property. **The area is developed with a mix of commercial, light industrial and residential uses, along with a few vacant properties.**
- b. Describe the land use surrounding the subject property:

North

The City of Lakeport is located north of the annexation area. Adjacent lands within the city limits are developed with a mix of commercial and light industrial uses similar to

those in the annexation area.

South

To the south of the annexation area along Soda Bay Road, there are a handful of properties developed with industrial and commercial uses, including a cement plant, storage units, and a solid waste transfer station. There are also agricultural parcels and scattered residences.

East

To the east of the annexation area is undeveloped agricultural land, most of which is in a designated flood hazard area.

West

To the west of the annexation area is State Route 29 and its associated right-of way.

- c. What is the General Plan designation for the subject property? The Lake County General Plan designates the annexation area as Cc, Community Commercial and Cs, Service Commercial.
- d. What are the General Plan Designations surrounding the subject property?

North

MR, Major Retail (City of Lakeport General Plan)

South

I, Industrial; A, Agriculture (Lake County General Plan)

East

A, Agriculture; RC, Resource Conservation (Lake County General Plan)

West

O, Office Space; MR, Major Retail (City of Lakeport General Plan); LDR, Low Density Residential; RR, Rural Residential (Lake County General Plan)

- e. What is the zoning designation (include combining districts, if applicable) for the subject property? C3, Service Commercial, with the exception of parcels located immediately north and south of State Route 175 (APN 005-035-10 and 082-092-01) which are designated CH, Highway Commercial, and APN 008-003-04 which has two zoning designations (C2, Community Commercial), on the westerly portion bordering Main Street and C3, Service Commercial on the easterly portion) (Lake County Zoning Map).
- f. What are the Zoning Designations surrounding the subject property?

North

C3, Service Commercial; C2, Major Retail (City of Lakeport Zoning Map)

South

M2, Heavy Industrial (Lake County Zoning Map)

East

APZ, Agricultural Preserve; A, Agricultural (Lake County Zoning Map)

West

PO, Professional Office (City of Lakeport Zoning Map); RR, Rural Residential; SR,

Suburban Residential (Lake County Zoning Map)

- g. Have any zoning changes, General Plan amendments, subdivision maps, or conditional use permits been applied for on the subject property? **The City of Lakeport updated its Sphere of Influence and completed a General Plan amendment and pre-zoning in 2015 to establish the current boundaries of the SOI. At that time, a General Plan amendment was adopted and pre-zoning designations of Major Retail (C2) and Industrial (I) were assigned to the South Lakeport Annexation Area.**

Copies of any such maps and/or applications or entitlements are included as Attachment **F**.

- h. Will any entitlement applications be made after approval of this proposal? **No**.
If yes, please explain. _____
- i. If this proposal is for an annexation to a city, a pre-zone map and adopted city resolution are included as Attachment **G**.
- j. Does the project involve agricultural or open space lands? **No**.
- k. Flood Zone Designation? **Most of the annexation area is in Zone X; eastern portions of parcels on east side of Main Street/Soda Bay Rd are in Zone AO and Zone AE (along unnamed drainage and Manning Creek).**

9. Public Services

- a. Please indicate which agencies presently provide public services to the subject territory, and which are proposed to provide service. If you are uncertain, you may leave spaces blank.

<i>Service</i>	<i>Present Provider</i>	<i>Proposed Provider</i>
Fire Protection	Lakeport Fire Protection District	Same
Police Protection	Lake County Sheriff	Lakeport Police
Domestic Water Service	None	City of Lakeport
Agricultural Water Service	None	None
Sewer Service	LACOSAN (collection)/City of Lakeport (treatment)	City of Lakeport
Solid Waste	Lake County Waste Solutions	Lakeport Disposal
Road/Street Maintenance	County of Lake	City of Lakeport
Snow Removal	County of Lake	City of Lakeport
Power	PG&E	Same
Street Lighting	County of Lake	City of Lakeport
Planning & Zoning Authority	County of Lake	City of Lakeport
Schools	Lakeport Unified School District	Same

- b. What effect will approval of this proposal have on the type or level of services *within* the subject property? **See Attachment B, Statement of Justification and Attachment H, Plan for Services.**
- c. What effect will approval of this proposal have on public services *outside* the subject property? **This annexation will result in less territory for the Lake County Sheriff's Office to patrol.**

fewer roads for the County to maintain, and fewer permit applications for the County to process. By reducing demands on County services, the annexation will allow the service capacity currently used within the annexation area to be made available to unincorporated areas outside of the annexation area. The annexation will transfer responsibility for wastewater collection within the annexation area from the Lake County Sanitation District (LACOSAN) to the City of Lakeport, shrinking the size of LACOSAN's service area boundaries. A portion of LACOSAN's wastewater system serving areas south of the City of Lakeport is located beyond the boundaries of the annexation area.

d. Will approval of this proposal place additional burdens on a public service provider? If so, what revenue will the change in organization generate to compensate the provider for the additional services? See Attachment I, Fiscal Impact Study for analysis of service costs following annexation and projected revenues to offset those costs.

e. Have the affected agencies been notified of this proposal (per G.C. 56654 (b))? Yes.

A list of agencies who have received notification is included as Attachment J.

10. Population

Estimate whether the subject territory contains:

☒ 12 or more registered voters. ☐ Less than 12 registered voters.

The Lake County Registrar of Voters identified 18 registered voters in the annexation area. During the City's door-to-door canvassing, City staff was informed that some of the identified voters no longer reside in the annexation area.

11. Property Tax Exchange

An agreement for property tax exchange (if relevant) must be in place prior to LAFCO considering this change of organization. The Tax and Revenue Code requires negotiation of such an agreement to be completed within up to 90 days of initiation or in compliance 99b of the Revenue and Taxation Code, or the LAFCO application proceeding will be considered terminated. To assure satisfaction of this requirement, LAFCO requires applications to be accompanied by documentation that property tax negotiations have been completed.

a. If this application includes a Resolution of Application, does the Resolution include or reference documentation that the agencies are in agreement with regards to a Tax Exchange Agreement? A tax exchange agreement is in place and is referenced in the Resolution of Application. The City of Lakeport and the County of Lake entered into a tax exchange agreement regarding the South Lakeport Annexation project on February 18, 1997. Per section 4.1, the agreement "shall remain in effect, unless terminated by mutual agreement of the parties or by an uncured breach by one of the parties [...]." The agreement has not been terminated and remains in effect.

See Attachment K - "Agreement between the County of Lake and City of Lakeport for Revenue Redistribution Pertaining to the City of Lakeport South Lakeport Reorganization - Phase I."

b. If this application includes a petition, documentation of applicants' request that the affected agencies initiate tax exchange negotiations is included as Attachment N/A.

12. Feasibility of Proposal

a. What revenue will this proposal require for the accomplishment of its goals and what are the prospective sources of such revenues? See Attachment I, Fiscal Impact Study. The Fiscal

Impact Study identifies property tax revenues and sales taxes associated with the project. Property tax rates would not change. The City of Lakeport has enacted two special sales tax measures which will add a total of 1.5% to the sales tax rate collected by businesses in the annexation area.

If the proposal involves a granting of an additional service, consolidation, incorporation, or formation, a 5 - year projected budget is included as Attachment **N/A.**

- b. Is a new tax or assessment being proposed as a part of this project? **No.**

If so, a thorough discussion of how the service will utilize the tax or assessment, as well as the legal authority for the agency to utilize the tax or assessment is included as Attachment **N/A.**

- c. Have agreements to mitigate the financial effects of this proposal been established with present service providers? **Yes. The City of Lakeport and the County of Lake have entered into three agreements pertaining to the annexation:**

1. "Agreement between the County of Lake and City of Lakeport for Revenue Redistribution Pertaining to the City of Lakeport South Lakeport Reorganization - Phase I" (02/18/97). This agreement provides for the allocation of property tax revenues and sharing of sales tax revenues upon annexation by the City.

2. "Pre-Annexation Agreement Regarding Proposed Underground Utility District and Possible Road Improvements in the South Lakeport Area of the County of Lake (04/17/01). This agreement pertains to the City sharing of County costs and expenses relating to undergrounding of utilities and road improvements in the annexation area. Per section 1 of this agreement, it is applicable if the City files an application to annex any portion of the South Lakeport Annexation area within six (6) years of the date of the agreement (i.e., 04/17/07).

3. "Pre-Annexation Agreement Regarding Sales Tax Allocations in the South Lakeport Area of the County of Lake" (2/26/02). Section 3 of this agreement provides that, if the City annexes the subject area within ten (10) years of the date of the agreement (i.e., 2/26/12) and if the County has either constructed or committed irrevocably to construct undergrounding of utilities and road improvements in the annexation area, County and City will enter into a sales tax sharing agreement in exchange for the County undertaking the construction of the utility and road improvements.

If so, signed copies of these agreements are included as Attachment **K.**

13. Environmental Compliance

- a. Is the applicant agency acting as ☒ **Lead Agency** or ☐ Responsible Agency (*check one*) for purposes of California Environmental Quality Act (CEQA) compliance?

- i. Indicate what the Lead Agency has done to comply with the requirements of CEQA.

☐ Categorical Exemption from CEQA

☐ Negative Declaration

☒ Environmental Impact Report & Addendum

☐ Other (*please specify*):

The City prepared an Initial Study/Environmental Checklist for the South Lakeport Annexation Project which concluded that, per CEQA Guidelines Section 15153(b)(1) and Section 15162(a), the Environmental Impact Report that was prepared for the City of Lakeport General Plan 2025 (State Clearinghouse Number 2005102104) and the Addendum to the Lakeport General Plan 2025 EIR that was prepared for the 2015 General Plan amendment updating the Lakeport Sphere of Influence are sufficient to

serve as the environmental documents for the South Lakeport Annexation project. The City Council Resolution of Application (See Attachment A) includes the CEQA determination.

- ii. Copies of the complete environmental documentation prepared by the Lead Agency (including the initial study, any technical reports, and any written comments or recorded public testimony relative to the environmental documents), and a copy of the Notice of Determination, showing the date filed with the County Clerk, are included as Attachment L.
If you are not sure what constitutes the complete environmental documentation, consult with the appropriate staff at the Lead Agency.

- iii. Was the environmental documentation circulated to the Lake Local Agency Formation Commission prior to adoption by the Lead Agency? ☒ **Yes** _____ **No**

If yes, copies of any comments made by LAFCO relative to the project, and any Lead Agency responses are included as Attachment M.

Note for Sphere of Influence Proposals and Updates: Should an agency desire to include more territory within its Sphere of Influence all additional CEQA costs must be paid by that agency prior to the Commission approving the Sphere of Influence Update.

- b. In limited circumstances, LAFCO will act as Lead Agency for CEQA purposes. These circumstances are listed in LAFCO's CEQA Guidelines and include situations where the applicant agency is unable or unwilling to act as Lead Agency.

If the applicant agency has declined to act as Lead Agency, and the applicant wishes LAFCO to assume this responsibility, applicant must Request for LAFCO to Act as Lead Agency.

14. Disclosure Requirements and Certification. Pursuant to Government Code Sections 56700.1 and 57009 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and 82015 and 82025 of the Political Reform Act applicants for LAFCO approvals and those opposing such proposals are required to report to LAFCO all political contributions and expenditures with respect to the proposal that exceed \$1,000. LAFCO has adopted policies to implement the law, which are attached to this application (attachment #8 to application instructions). By your signature to this application, you are binding the applicant to abide by these disclosure requirements. You are further agreeing that should LAFCO be required to enforce these requirements against you (or if the agency is the formal applicant, the real party in interest) that you will reimburse LAFCO for all staff cost and legal fees, and litigation expenses incurred in that enforcement process. Applicants request that proceedings as described in this application be taken in accordance with the provisions of Government Code sections 56000 *et seq.* and hereto affix their signatures:

Date	Signature	Printed Name	Title
8/19/19		Margaret Silveira	Lakeport City Manager

NOTE:

Applications will not be accepted without the signature of one or more of the following: 1) the legal owner(s) or official agents with Power of Attorney or written authorization to sign (a copy of which must be attached); 2) Chief Petitioners; 3) Chair of the Legislative Body submitting a Resolution of Application.

Applicants must also sign and date **Agreement to Pay**; the Application will be considered incomplete until that form is submitted.

Attachment List

Applicant **City of Lakeport**[illegible]

Attachment A:
Resolution of Application

RESOLUTION NO. 2725 (2019)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEPORT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION OF LAKE COUNTY TO INITIATE PROCEEDINGS FOR THE ANNEXATION OF LAND IN THE SOUTH LAKEPORT AREA

WHEREAS, the City Council of the City of Lakeport desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3, Title 5, commencing with Section 56000 of the California Government Code, for the annexation of unincorporated land into the City; and

WHEREAS, at the time and in the manner provided by law, the City provided notice of the date, time, and place of a public hearing by the Lakeport City Council to initiate these proceedings and a notice of intent to adopt this resolution of application has been given to Lake LAFCo and to each interested and subject agency; and

WHEREAS, the territory proposed to be annexed is inhabited and a map and description of the boundaries of the property are set forth in Exhibits "A" and "B" attached hereto and by this reference incorporated herein; and

WHEREAS, this proposal is consistent with the Sphere of Influence of the City of Lakeport; and

WHEREAS, this proposal is consistent with the Lakeport General Plan and adopted pre-zoning designations; and

WHEREAS, it is desired to provide that all costs incurred to complete the annexation, including but not limited to Lake LAFCo, Lake County, and the State Board of Equalization costs will be borne by the City of Lakeport; and

WHEREAS, the reason(s) for the proposed annexation are as follows:

1. The 136.78-acre South Lakeport Annexation Project area is within Lakeport's adopted Sphere of Influence and will allow for a logical and orderly extension City services and utilities to the annexation area.
2. Presently, there is a need for municipal water services in the annexation area to serve existing development with inadequate water systems and to accommodate future development.
3. The extension of water service to the annexation area will benefit public safety by enabling installation of fire hydrants along South Main Street and Soda Bay Road.
4. The annexation will enable the City to operate the wastewater collection system serving properties in the annexation area and to continue to treat wastewater from the annexation area at the City of Lakeport Municipal Sewer District Wastewater Treatment Facility. The City's contract with the Lake

County Sanitation District for treatment of wastewater from the annexation area expires in 2026.

5. The annexation will allow the City of Lakeport to provide enhanced public utilities, public safety and general government services to an urbanized area that has no other reasonable means of acquiring such services; and

WHEREAS, on February 18, 1997, the City of Lakeport and the County of Lake entered into an "Agreement between the County of Lake and City of Lakeport for Revenue Redistribution Pertaining to the City of Lakeport South Lakeport Reorganization - Phase I" which is attached hereto as Exhibit "C" and by this reference incorporated herein, and which establishes terms for:

1. The exchange of property tax revenue to be made under Section 99 of the Revenue and Taxation Code; and
2. A schedule for the City of Lakeport to reimburse the County of Lake for sales tax loss for a period of seven years following the effective date of the reallocation of sales tax from the County to the City by the State Board of Equalization; and

WHEREAS, on April 21, 2009, the City Council adopted findings of fact and a Statement of Overriding Considerations and certified the Final Environmental Impact Report (EIR) for the City of Lakeport General Plan 2025 (SCH No. 2005102104) and adopted a Mitigation Monitoring and Reporting Program ("2014 EIR Addendum") pursuant to the requirements of the California Environmental Quality Act (CEQA; section 21000 et seq. of the Public Resources Code); and

WHEREAS, on February 17, 2015, the City Council adopted findings of fact, certified an EIR Addendum for the Focused General Plan Update and Rezoning Project, adopted a Mitigation Monitoring and Reporting Program and approved an amendment to the General Plan to reduce the boundaries of the City's Sphere of Influence; and

WHEREAS, an Initial Study and Environmental Checklist for the South Lakeport Annexation Project was prepared pursuant to sections 15153 and 15162 of the CEQA Guidelines which concludes that the Final EIR for the City of Lakeport General Plan 2025 ("2009 EIR") and its the 2014 EIR Addendum are sufficient to serve as the environmental documents for the South Lakeport Annexation Project; and

WHEREAS, the Initial Study and Environmental Checklist for the South Lakeport Annexation Project was circulated for a 45-day public review period as provided in sections 15087, 15105 and 15205 of the CEQA Guidelines and the City has responded to comments received; and

WHEREAS, the City Council has considered the information provided in the Initial Study and Environmental Checklist for the South Lakeport Annexation Project, the Final EIR for the City of Lakeport General Plan 2025, and the EIR Addendum for the Focused General Plan Update and Rezoning Project, comments received during the public review period and responses to those comments, and comments received at a duly noticed public hearing conducted on August 13, 2019.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Lakeport does hereby determine that the Final EIR for the City of Lakeport General Plan 2025 ("2009

EIR") and the EIR Addendum for the Focused General Plan Update and Rezoning Project ("2014 Addendum") are sufficient to serve as the environmental documents for the South Lakeport Annexation Project based on the following findings which are supported by substantial evidence cited in the Initial Study and Environmental Checklist for the South Lakeport Annexation Project:

- Per CEQA Guidelines Section 15153(a), the South Lakeport Annexation Project is essentially the same in terms of environmental impacts as the project described in the 2014 EIR Addendum and the South Lakeport Annexation Project would not result in an increase in the significance of impacts identified in the 2009 EIR or the 2014 EIR Addendum, or in new significant impacts.
- Per CEQA Guidelines Section 15162(a)(1), the proposed South Lakeport Annexation Project does not include changes that would cause a new significant environmental effects or substantially increase the severity of a previously identified significant environmental effect from the 2009 EIR and 2014 EIR Addendum that would require major revisions to the EIR. All environmental effects would be nearly equivalent to or less than the effects previously analyzed in the 2009 EIR and 2014 EIR Addendum.
- Per CEQA Guidelines Section 15162(a)(2), the proposed South Lakeport Annexation Project would not cause a new significant environmental effect or substantially increase the severity of a previously identified significant environmental effect, and there have been no other changes in the circumstances that meet this criterion. There have been no significant changes in the circumstances under which the South Lakeport Annexation Project will be undertaken that were not contemplated and analyzed in the 2009 EIR and 2014 EIR Addendum that would result in new or substantially more severe environmental impacts.
- Per CEQA Guidelines Section 15162(a)(3), there is no new information of substantial importance (which was not known or could not have been known at the time of the application) that identifies: a new significant environmental effect; a substantial increase in the severity of a previously identified significant environmental effect; mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects; or mitigation measures or alternatives which are considerably different from those analyzed in the EIR which would substantially reduce one or more significant effects on the environment.

BE IT FURTHER RESOLVED that the City Council of the City of Lakeport hereby adopts a Plan for Services for the proposed South Lakeport Annexation Project attached hereto as Exhibit "D" and by this reference incorporated herein; and

BE IT FURTHER RESOLVED that the City Council of the City of Lakeport has reviewed and approved this Resolution of Application for the South Lakeport Annexation project and hereby requests the Local Agency Formation Commission of Lake County to initiate annexation proceedings for the property as shown on Exhibit A and as described in Exhibit B in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

BE IT FURTHER RESOLVED that the City Manager or the City Manager's designee is authorized to take all necessary and appropriate steps to further the completion of the application and completion of the proposed change of organization.

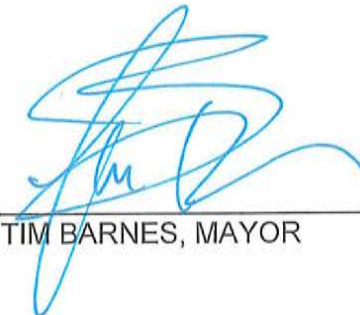
This Resolution was passed by the City Council at a special meeting on August 13, 2019, by the following vote:

AYES: Mayor Barnes, Council Members Mattina, Parlet, Spurr and Turner

NOES: None

ABSTAINING: None

ABSENT: None


TIM BARNES, MAYOR

ATTEST:

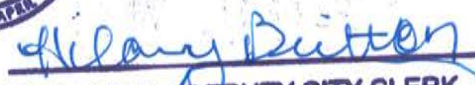

KELLY BUENDIA, City Clerk

Exhibit "A" - Legal Description- Map
Exhibit "B" - Legal Description- Metes & Bounds
Exhibit "C" - 1997 Tax Sharing Agreement
Exhibit "D" - Plan for Services



**THE WITHIN INSTRUMENT
IS A CORRECT COPY
OF THE ORIGINAL
ON FILE IN THIS OFFICE.**

ATTEST:


CITY CLERK / DEPUTY CITY CLERK
STATE OF CALIFORNIA, CITY OF LAKEPORT

ATTACHMENT B:
Statement of Justification

STATEMENT OF JUSTIFICATION - SOUTH LAKEPORT ANNEXATION

(LAFCO Application - Attachment B)

Introduction

The City of Lakeport is submitting an application to the Local Agency Formation Commission of Lake County (LAFCO) for annexation of 50 parcels totaling approximately 136.78 acres located on both sides of the South Main Street and Soda Bay Road corridor southeast of the existing city limits. The gross acreage includes both private property and public rights-of-way. The Lakeport City Council, in accordance with LAFCO Policies, Standards, and Procedures, has adopted a Resolution of Application (see LAFCO Application, Attachment A). The City of Lakeport has prepared the following findings of fact in accordance with the provisions of California law and LAFCO policies. The findings in this Statement of Justification provide factual information regarding the various factors to be considered in the review of an annexation proposal pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56668 *et seq.*).

(a) Population and population density; land area and land use; per capita assessed valuation; topography; natural boundaries and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area and in adjacent incorporated and unincorporated areas during the next 10 years:

Population:

The population of the proposed South Lakeport annexation area is estimated at 21 people. There are two parcels where the primary use type is single-family residential and seven parcels with apartments and/or caretakers units combined with commercial uses. A population estimate of 21 persons is derived utilizing a factor of 2.38 persons per household (9×2.38 persons per household = 21.42 persons). *Sources: Lake County Assessor's Office (2019); Lake County Registrar of Voter's Office (2019); State Department of Finance City/County Population and Housing Estimates (1/1/19).*

Population density:

The population density is estimated to be 6.51 persons per acre. (136.78 acres divided by 21 people = 6.51 persons per acre.) *Source: Lakeport Community Development Department.*

Land area:

The land area of the proposed annexation is 136.78 acres. This includes the acreage of the 50 parcels plus public rights-of-way. (See LAFCO Application, Attachments C and D.) *Source: Legal description of the South Lakeport Annexation Project (Conser Land Surveying, October 2018).*

Land use:

The existing general pattern of land development and land use within the annexation area includes a mix of commercial and industrial uses including a hardware store, multiple auto shops, a cinema, a gas station, a handful of residences and several vacant or partially-developed land. Land uses within the annexation area are regulated by the Lake County General Plan (2009), Lakeport Area Plan (2000), and its implementing ordinances. The proposed annexation area is located within the future boundaries of the City of Lakeport as identified in the Lakeport General Plan and Sphere of Influence documents. (See LAFCO Application, Attachment F.) *Source: Lakeport Community Development Department; Annexation Area Business Map (2019).*

Per Capita Assessed Valuation:

The total assessed value of the proposed annexation area is \$23,805,146. The estimated per capita assessed valuation of the South Lakeport Annexation Project area is \$1,133,578. ($\$23,805,146/21 \text{ persons} = \$1,133,578$). Per capita is defined as a “a measure of dividing a sum equally per unit of population per person, or equally to each individual.” *Source: Lake County Assessor’s Office (2019).*

Topography, Natural Boundaries and Drainage Basins:

The topography of the proposed annexation area is relatively flat. City of Lakeport GIS mapping information contains topographic contours, property line information, floodplain information, storm drain line information, utility information, and other details including ground surface elevations. The lands within the South Lakeport Annexation Project area slope gradually from west to east. The average elevation is approximately 1,342 feet above sea level. *Sources: City of Lakeport GIS mapping system; Lakeport Community Development Department; scale 1” equals 200’ (2019); Google Earth (2019).*

The boundaries of the proposed annexation area are defined by the limits of the properties which adjoin South Main Street and Soda Bay Road with the exception of properties that are in agricultural use which are excluded from the annexation area. The annexation area extends south from the Lakeport city limits to the curve where Soda Bay Road heads east. This is coterminous with the City's designated Sphere of Influence. *Source: Lakeport Community Development Department; Lakeport Sphere of Influence Update (2015).*

The annexation area drains into Manning Creek either by sheet flow, through existing culverts or via an unnamed tributary to Manning Creek. Portions of the annexation area are within the designated 100-year floodplain. *Sources: The City of Lakeport Drainage Basin Maps Storm Drainage Record Maps/Basins, City of Lakeport Engineer’s Office (1979); FEMA Flood Insurance Rate Map, Panels 06033C0493D and 06033C0494D (2005).*

Proximity to other populated areas:

The proposed 136.78-acre South Lakeport Annexation project area is located adjacent to the City of Lakeport, an incorporated City with a population of approximately 4,806. *Source: California Department of Finance, City/County Population Estimates (1/1/2019).*

The likelihood of significant growth in the area and in adjacent incorporated and unincorporated area during the next ten years:

The City of Lakeport has traditionally been a relatively slow-growing community, at times experiencing no growth at all, as documented by the California Department of Finance demographic information. The Lakeport General Plan Update projects an annual growth rate of 1.445%. It is anticipated that future growth will occur in a comparable fashion to past growth. The likelihood of significant growth in the unincorporated areas adjacent to Lakeport is low due to the lack of a municipal water system. *Source: California Department of Finance City/County Population Estimates (1/1/2019).*

The pre-zoning land use designations for the annexation area are Major Retail (C-2) and Industrial (I) (See LAFCO Application, Attachment G). These proposed land use designations are consistent with the Lake County General Plan designations of Service Commercial (Cs) and Industrial (I) provided in this area. Neither of the proposed City of Lakeport land use designations allows residential uses as a principal permitted use and, therefore, population growth in the annexation area is expected to be relatively minimal. It should be noted, however, that if a residential care facility were to be developed in the C-2 zone, it could result in a significant increase in residential population. *Source: City of Lakeport General Plan Update (2015).*

The Fiscal Analysis for the South Lakeport Annexation prepared by Applied Development Economics (ADE) (See LAFCO Application, Attachment I) projected growth in employment (jobs) and square footage of industrial, office, commercial and institutional uses for the entire City between 2017 and 2050 (ADE, p. 9-10). The analysis estimates that the annexation area could absorb about 41% of the projected growth. By 2030, this would translate to a total increase in square footage of development in the annexation area of about 199,000 square feet in a moderate growth scenario (Attachment I, p. 12). *Source: Fiscal Analysis of the Proposed South Lakeport Annexation (2019).*

- (b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

“Services,” as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

Need for organized community services:

The City of Lakeport provides organized community services within its boundaries, and it maintains a Sphere of Influence that represents the planned future boundaries of the City. The proposed annexation area has been within Lakeport's adopted Sphere of Influence since at least 1994. The annexation area is adjacent to the City of Lakeport and is a logical and orderly extension of the City. Presently, there is a need for municipal water services

in the annexation area to serve existing development with inadequate water systems and to accommodate future development. As explained in the Plan for Services (LAFCO Application, Attachment H), upon annexation, the City would extend water service to the annexation area and property owners could choose whether or not to connect to the system. The extension of water service to the annexation area will also benefit public safety by enabling installation of fire hydrants along South Main Street and Soda Bay Road. The City of Lakeport currently provides wastewater treatment services to properties within the annexation area under an agreement with the Lake County Sanitation District (LACOSAN) that will expire in 2026. Upon annexation, the City would assume responsibility for operation and maintenance of the wastewater collection system as well. The preference for organized community services to be provided by cities is stated in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Local Agency Formation Commission of Lake County (LAFCO) Policies, Standards, and Procedures, and the Lakeport General Plan. The County of Lake's Lakeport Area Plan does not provide a plan for the provision of organized community services within the annexation area. *Sources: Lakeport General Plan Land Use Element (2009); City of Lakeport General Plan Update (2015); Lakeport Area Plan (2000); South Lakeport Annexation Area Plan for Services (2019).*

The present cost and adequacy of governmental services and controls in the area:

The County of Lake provides law enforcement, public works, general government administrative and social services to the annexation area. The Fiscal Analysis of the Proposed South Lakeport Annexation prepared by Applied Development Economics (See LAFCO Application, Attachment I) presents net County costs and per capita costs for countywide services (ADE, p. 23) however the present cost for services specific to the annexation area is unknown. The Fiscal Analysis estimates the cost of County services for the annexation area following annexation at \$88,743 (ADE, p. 24). Wastewater collection is provided by LACOSAN with wastewater treatment provided by the City of Lakeport. There is no municipal water service in the annexation area. Because the full range of governmental services, including wastewater treatment and water services, are not provided by the County of Lake, the current provision of governmental services and controls in the annexation area is inadequate to accommodate urban growth. *Source: Fiscal Analysis of the Proposed South Lakeport Annexation (2019).*

Probable effect of the proposed annexation and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas:

The probable effects of annexation on the cost of County services are addressed in the Fiscal Impact Analysis of the South Lakeport Annexation Project prepared by Applied Development Economics (See LAFCO Application, Attachment I) as follows:

"In total, it is estimated the County will continue to receive about \$80,200 per year generated from properties in the South Lakeport Annexation Area. The major cost obligation of the County would be in Criminal Justice. Although the City of Lakeport Police Department will provide patrol and police protection services, the County funds operation of the court system and the jail and related detention

services. The residential uses may have some potential need for health services and social services from the County. Both the residential uses and the industrial uses are projected to create fiscal deficits for the County due to their relatively low assessed values. While the retail properties would generate a surplus, the County is estimated to incur a small annual deficit of about \$8,500 per year after annexation. This would be mitigated for many years by the \$210,000 in sales tax payments the City would make to the County. The deficit would also likely be short-lived, as discussed below, as new development would produce a positive fiscal benefit for the County." (ADE, p. 24-25)

The net fiscal impact on the City of Lakeport if the annexation is approved is positive due primarily to two voter-approved sales tax measures that Lakeport has in place which increase the base sales tax revenue by nearly 150% over what the County currently receives from the same businesses. (ADE, p. 20-21). *Source: Fiscal Analysis of the Proposed South Lakeport Annexation (2019)*

The annexation area is not currently served by a municipal water system. Upon annexation, City water service will be extended into the annexation area. Property owners will not be required to hook-up to City water. New connections will generate revenues in connection fees and monthly charges, and these fees and charges are established to offset the additional costs for connection to the system and operation of the water system. The City's Water Treatment Plant has the capacity to serve planned growth in the City of Lakeport and in the proposed annexation area.

Wastewater services are currently provided to the annexation area by the Lake County Sanitation District (LACOSAN). LACOSAN operates the wastewater collection system and conveys the wastewater to the City for treatment at the City of Lakeport Municipal Sewer District (CLMSD) Wastewater Treatment Facility. The agreement for the City to treat wastewater from the annexation area (and other parts of LACOSAN's service area) expires in 2026. The City's preference is for the City to operate the collection system in the annexation area and to provide wastewater treatment. Alternatively, an extension of the existing agreement with LACOSAN could be negotiated.

Responsibility for repair and maintenance of streets and public storm drainage facilities in the annexation area currently rests with the County of Lake. Upon annexation, the Lakeport Department of Public Works would assume responsibility. Upon annexation, the City would provide police services, general government, and planning and building services. These services are all funded by the City's general fund. As demonstrated in the Fiscal Analysis, existing and potential future development in the annexation area would generate sufficient revenues to offset the cost of City services.

Fire and ambulance services would continue to be provided by the Lakeport Fire Protection District and would be unaffected by the annexation. Solid waste services would be transferred from Lake County Waste Solutions to Lakeport Disposal, Inc. *Source: South Lakeport Annexation Area Plan for Services (2019).*

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

The effect of the proposed action is that 136.78 acres of land now under County of Lake jurisdiction would be annexed and transferred to the City of Lakeport's jurisdiction. There are no alternative actions proposed. The effect on adjacent areas will be minimal although enhancements to urban services within the annexation area is expected to have a positive effect within the annexation area. From an economic standpoint, the Fiscal Analysis of the Proposed South Lakeport Annexation (see LAFCO Application, Attachment I) estimates that the County would incur an annual deficit of about \$8,500 per year after annexation based on estimated reductions in both revenues and expenses. This deficit would be offset for many years by the \$210,000 in sales tax payments the City would make to the County. As discussed in the Fiscal Analysis, the deficit would likely be short-lived, as over time, property tax revenues generated by new development in the annexation area (enabled by the extension of municipal water service) would produce a positive fiscal benefit for the County." (ADE, p. 24-25)

The effect of the proposed annexation on the local governmental structure of the County is minimal, except that there will be savings on road maintenance and sheriff services. *Sources: South Lakeport Annexation Project Initial Study & Environmental Checklist (2019); Fiscal Analysis of the Proposed South Lakeport Annexation (2019)*

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

LAFCO has adopted Policies, Standards and Procedures. The following are the general policies and substantive standards that apply to LAFCO's consideration of any type of proposal:

Section 2.1 Communication between local agencies: The City and LAFCO have communicated regarding this proposed annexation as evidenced by correspondence, emails, and verbal discussions between City management staff and consultants and LAFCO management staff. The City has also communicated with County officials regarding its intent to annex the South Lakeport annexation area. Furthermore, the City of Lakeport updated its Sphere of Influence and General Plan in 2015 in preparation for this annexation.

Section 2.2 Urban development: LAFCO policy encourages proposals that result in urban development to include annexation to a City whenever reasonably possible and discourages proposals for urban development without annexation. The South Lakeport Annexation project will implement this policy by annexing 136.78 acres of predominantly urbanized land to the City of Lakeport. The City of Lakeport updated its Sphere of Influence in 2015 to remove parcels in current agricultural use and properties containing prime

agricultural soils. That action ensured that the South Lakeport Annexation area is comprised solely of urbanized parcels.

Section 2.3 Discouraging urban sprawl: LAFCO policy discourages urban sprawl which is characterized by irregular dispersed and/or disorganized urban or suburban growth patterns occurring in a manner that precludes or hinders efficient delivery of municipal services, especially roads, public sewer, and public water. The existing development pattern within the South Lakeport Annexation area, which occurred under County governance, has a number of under-utilized and vacant lots. By annexing the area and providing the opportunity for property owners to connect to the City's water system, the City of Lakeport will promote in-fill development on vacant and under-developed parcels.

Section 2.4 Environmental consequences: The City of Lakeport is the lead agency for the annexation under the California Environmental Quality Act (CEQA). An Initial Study/Environmental Checklist was prepared and circulated for public review in May/June 2019. The Initial Study concludes that two previous environmental documents are sufficient to serve as the environmental documents for the annexation project. (See LAFCO Application, Attachment L.) These previously certified environmental documents are (1) the Environmental Impact Report prepared for the City of Lakeport General Plan 2025 (State Clearinghouse Number 2005102104) and (2) the Addendum to the Lakeport General Plan 2025 EIR which was prepared for the 2015 General Plan amendment updating the Lakeport Sphere of Influence. The City has consulted with LAFCO staff during this public review process by forwarding a copy of the CEQA Initial Study to LAFCO staff.

Section 2.5 Balancing jobs and housing: The City encourages an appropriate balance between jobs and housing as set forth in the Housing Element of the Lakeport General Plan.

Section 2.6 Compact urban form and in-fill development encouraged: LAFCO will consider whether the proposed development is timely, compact in form, and contiguous to an urbanized area. LAFCO will favor development of vacant or under-utilized parcels already within a City or other urbanized area prior to annexation of new territory. The City of Lakeport's policies, as contained in the Lakeport General Plan, are consistent with these LAFCO policies. The City supports and encourages in-fill development within the City limits, specifically through Policies LU 4.1, 4.2, and 4.3 of the Lakeport General Plan Land Use Element. As explained under Section 2.3, above, the annexation area is urbanized, but under-utilized. This is mainly due to the lack of availability of a public water system in this area. The annexation and subsequent expansion of the City of Lakeport's municipal water system will allow for infill development which will lead to a more compact urban form and efficient delivery of services.

Section 2.7 Public Accessibility and Accountability: LAFCO recognizes the public's ability to participate in local government processes and will consider this principle when it evaluates a proposal for change in organization or reorganization. The City has encouraged public comment and review of the proposed annexation project by

conducting door to door meetings with businesses, residents and property owners in the annexation area and by sending informational mailings to businesses, residents and property owners in the annexation area. The City has also held Town Hall meetings to address the concerns of property owners, businesses and residences in the annexation area. Additionally, notices of public hearings and opportunities to comment on the Initial Study and environmental documents and the annexation application were provided in accordance with State and local requirements.

Section 2.9 Efficient services: Annexation of the South Lakeport Annexation project area will use existing public agencies and, by consolidating activities and services, the City of Lakeport will obtain economies of scale in its provision of services within the annexation area. The incorporation of the 136.78-acre annexation area into the City of Lakeport will provide logical and effective local government services.

Section 2.10 Community Impacts: LAFCO will consider the impacts of a proposal and any alternative proposals on adjacent areas on mutual, social, and economic interests, and on local government structure. The proposed 136.78-acre annexation project will have no significant adverse community impacts.

Section 2.11 Conformance with General and Specific plans: The proposed annexation project area has been pre-zoned Industrial (I) and Major Retail (C-2) consistent with the land use designations of the Lakeport General Plan. (See LAFCO Application, Attachment G.) There are no economic or social communities of interest within the project area, and the annexation of the area to the City will not result in the division of any established community.

The Lakeport General Plan is the land use and policy document regulating the City's intent with regard to growth and development. The Lakeport General Plan Urban Boundary Element specifies the project area as an annexation priority of the City. No policies or regulations of the City would be violated as a result of this annexation. The proposal meets all the applicable consistency requirements of California law.

Section 2.12 Boundaries: A definite boundary has been provided as part of the application to LAFCO for the annexation project. (See LAFCO Application, Attachments C and D.) The proposal is a logical boundary as set forth in the Lakeport Sphere of Influence and follows logical service areas. *Source: Legal description and map of the South Lakeport Annexation Project (Conser Land Surveying, October 2018).*

Section 2.13 Revenue neutrality: LAFCO will approve a proposal for a change in reorganization if the Commission finds that the proposal will result in a similar exchange of revenue and service. The property tax exchange agreement between the County of Lake and the City of Lakeport documents the revenue exchange provisions. (See LAFCO Application, Attachment K(1)). The Fiscal Analysis for the South Lakeport Annexation Project (See LAFCO Application, Attachment I) concludes that the projected \$8,500 annual deficit which the County would initially experience following the annexation would be

offset for many years by \$210,000 in payments from the City, by which time new development in the annexation area is expected to offset any deficit. *Source: Agreement between the County of Lake and City of Lakeport for Revenue Redistribution Pertaining to the City of Lakeport South Lakeport Reorganization (February 1997); Fiscal Analysis of the Proposed South Lakeport Annexation (2019).*

The Fiscal Analysis of the Proposed South Lakeport Annexation (ADE, May 2019) summarizes the revenue neutrality of the proposed annexation as follows:

"The City of Lakeport and the County of Lake adopted a tax sharing agreement ("Agreement") in 1997 for annexation of the South Lakeport area. Under the terms of that Agreement, the County would retain existing property tax revenues from the area and would receive a share of future tax increments equal to the share it receives for the adjacent tax rate area within the current boundaries of Lakeport, which is approximately 19.6 percent of the base property tax (after ERAF Adjustment). The County would also continue to receive property tax in lieu of vehicle license fees (VLF) based on growth in assessed value from the annexation area. The City of Lakeport would receive property tax revenues that are currently allocated to the City Road Fund, which is approximately 1.4 percent of the base property tax. As future tax increments occur, the City would receive the County Road Fund share plus its normal share of the adjacent tax rate area within the City limits, which is about 10.4 percent of the base property tax revenue.

"The tax sharing agreement also addresses sales tax, since the area is largely commercial. The Agreement stipulates that the City shall pay the County a cumulative total of \$210,000 in sales tax revenues over a six-year amortization period. The City shall keep all sales tax revenues received above that amount. Upon annexation, the City would assume service responsibilities for police protection, street maintenance and planning as well as other municipal services. The County would continue to provide countywide services such as criminal justice, health and social services, property assessment and recordation, and other services it provides to all residents of the County.

"This fiscal impact analysis estimates that upon annexation, the County would receive approximately \$80,200 per year in property tax revenues and incidental service charges. This does not include the sales tax payments of \$210,000 over six years from the City under the Agreement. County service costs after annexation for the existing land uses in the area are estimated to cost the County about \$88,700 per year. This small fiscal deficit would be mitigated by the extra sales tax payments from the City. As future growth occurs, property tax revenues would grow as well. By 2030, projected development in the annexation area would generate an estimated \$117,200 in additional annual property tax and other revenues for the County, against \$65,400 in additional costs. Full buildout of the area would generate an additional \$433,900 per year (2019 dollars) in property tax and other revenues for the County and result in additional annual service costs

of about \$234,800. Existing land uses would generate sufficient revenue to cover County costs in the short term with the City sales tax payments to the County, and future development would have an even more beneficial fiscal effect on the County." (ADE, p. 1-2). *Source: Fiscal Analysis of the Proposed South Lakeport Annexation (May 2019).*

Section 2.14 Agricultural and open space land conservation: As indicated in the Initial Study, the annexation project area does not include any areas of soil which are classified by the California Resources Agency as Prime Farmland. It does contain several small areas of land that have been classified by the Lake County Board of Supervisors as Farmland of Local Importance. The City's 2015 Focused General Plan Update and Pre-zoning specifically modified the City's Sphere of Influence to remove agricultural, undeveloped, and rural residential lands located south of the City. None of the lands in the current annexation area are currently used for the production or operation of agricultural commodities, and the project will not convert any active farmland to non-farming uses. The City of Lakeport has adopted, as part of its General Plan, specific measures to facilitate and encourage in-fill development as an alternative to the development of prime agricultural or open space lands. *Sources: City of Lakeport South Lakeport Annexation Project Initial Study (2019); Lakeport General Plan Land Use Element (2009)*

Section 2.15 Need for Services: The annexation area lacks municipal water service and the wastewater system (operated by LACOSAN) is dependent upon a contractual arrangement with the City of Lakeport for wastewater treatment services that expires in July of 2026. As explained in the Plan for Services for the South Lakeport Annexation Area (2019), at least six of the properties in the annexation area have on-site water systems which are regulated by the State Water Resources Control Board's Division of Drinking Water. These water systems require a domestic water supply permit and are required to perform monthly and annual testing. Water Board staff have indicated that none of these permitted systems are in full compliance with State requirements. Once the annexation is approved, the City of Lakeport will extend water service to the annexation area and all property owners will have the choice of connecting to the municipal water system or remaining on private wells. *Sources: South Lakeport Annexation Area Plan for Services (2019); Personal communication with Sheri Miller, Senior Engineer, State Water Resources Control Board (6/27/19).*

Section 2.16 Exceptions:

(Reserved for LAFCO to make exception findings if required.)

Section 2.17 Tribal Lands: The annexation area does not include any tribal territory nor does the City anticipate the proposed annexation would ultimately lead to the provision of services to tribal lands.

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

According to section 56016 of the Government Code, 'agricultural lands' means "land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotation program, or land enrolled in an agricultural subsidy or set-aside program."

The South Lakeport Annexation project area contains no areas that are classified by the California Resources Agency as Prime Farmland. The project area does contain some areas that have been classified by the Lake County Board of Supervisors as Farmland of Local Importance. None of the lands are currently used in the production or operation of agricultural commodities, and thus the annexation project will not convert any active farmland to non-farming uses. No properties within the project area are under a current Williamson Act contract. The South Lakeport Annexation project would not directly or indirectly result in conversion of active farmland to a non-agricultural use. The annexation could facilitate further development in the project area, which increases development pressures on other properties in the vicinity, including those that may be in current agricultural use. The conversions of any additional lands to non-agricultural uses would require subsequent consideration and approval by the City or Lake County, at which time the full impacts of such a change would be considered. *Source: South Lakeport Annexation Project Initial Study (May 2019)*

(f) The definiteness and certainty of the boundaries of the territory, the non-conformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

The boundaries of the proposed annexation area are definite and certain. The proposed boundaries are in conformance with lines of property ownership or edge of public road right-of-way. There are no islands or corridors of unincorporated territory or similar matters affecting the proposed boundaries. (See LAFCO Application, Attachments C and D.) *Source: Legal Description and Map for South Lakeport Annexation to City of Lakeport; Conser Land Surveying (October 2018)*

(g) A regional transportation plan adopted pursuant to Section 65080.

The Regional Transportation Plan is a long-range planning document developed by the Lake Area Planning Council (Lake APC), which functions as the Regional Transportation Planning Agency (RTPA) for the entire Lake County Region. The most recent Regional Transportation Plan for Lake County was adopted in 2017, consistent with Government Code Section 65080. The plan covers a 20-year horizon with an overall goal of promoting the safe and efficient management, operation and development of a multi-modal transportation system that, when linked with appropriate land use planning, will serve the mobility needs of people and goods movement throughout the region.

The 2014 EIR Addendum included an analysis of the impacts of annexation of the project area upon transportation and land use. The annexation of the South Lakeport project area is

consistent and compatible with the Regional Transportation Plan. (See LAFCO Application, Attachment L.) *Sources: Lake County Final Regional Transportation Plan (2017); Lake Area Planning Council, www.lakeapc.org.*

(h) Consistency with City or County General and Specific Plans.

The South Lakeport Annexation project area is consistent with the Urban Boundary Element of the Lakeport General Plan. The Lakeport General Plan is the land use and policy document regulating the City's stance with regard to growth and development of the City's boundaries. Program UB 4.2 of the Lakeport General Plan Urban Boundary Element identifies the project area as a priority and instructs the City to "Pursue annexation of commercial and industrial lands within the proposed southern SOL."

The 2015 Focused General Plan Update and Pre-zoning Project considered and prepared for the annexation of the project area. The 2014 EIR Addendum included an analysis of the impacts of annexation of the project area. (See LAFCO Application, Attachment L.) *Sources: Lakeport General Plan, Urban Boundary Element (2009); South Lakeport Annexation Project Initial Study (2019).*

(i) The Sphere of Influence of any local agency which may be applicable to the proposal being reviewed.

The site is contiguous to the existing southern boundary of the City and is within the City's Sphere of Influence. (See LAFCO Application, Attachment F.)

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

The City of Lakeport circulated a Request for Review for the proposed South Lakeport Annexation project to affected local agencies and other public agencies in March 2019. Comments received in response to the Request for Review are attached. The City also forwarded the Initial Study and Environmental Checklist to the State Clearinghouse and to local agencies for review and comment in May 2019. Comments received to date are also attached. (See LAFCO Application, Attachment L.)

(k) 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.

Please refer to (b) above. The City of Lakeport has the ability to provide the full range of municipal services to the South Lakeport annexation area. The Fiscal Analysis of the Proposed South Lakeport Annexation (See LAFCO Application, Attachment I) identified and addressed the administrative and operational services that the City will provide, including City Council, City Manager/City Clerk, legal services, finance, planning, building inspection, city engineer, police, public works administration, streets, parks and building maintenance, and water and wastewater services. The Fiscal Analysis concluded that the revenues generated from

annexed properties are sufficient to cover the City of Lakeport's increased costs of services to those properties over time. *Source: Fiscal Analysis of the Proposed South Lakeport Annexation (May 2019).*

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

In-fill development of the annexation area will likely result in additional commercial construction and operation, requiring additional potable water to homes and businesses. According to the City's Municipal Services Review report, the City has sufficient water supply available to service projected growth through 2028. The City's Water Master Plan identifies a number of capital improvements to upgrade the City's water supply, treatment and distribution facilities. *Source: City of Lakeport Municipal Services Review (2012)*

The City's municipal water supply is composed of both surface water from Clear Lake and groundwater from City wells located in the Scotts Valley groundwater basin. The Department of Water Resources (DWR) recently reclassified the Scotts Valley groundwater basin as a very low-priority basin, meaning it is exempt from the requirements in the Sustainable Groundwater Management Act (SGMA) to form a Groundwater Sustainability Agency (GSA) and prepare a Groundwater Sustainability Plan (GSP). By contrast, the southern portion of the annexation area overlies the Big Valley Groundwater Basin, which DWR has classified as a medium-priority basin requiring the formation of a GSA and preparation of a GSP under SGMA. *Source: Dept. of Water Resources, Sustainable Groundwater Management Act 2019 Basin Prioritization: Process and Results (Apr. 2019).*

(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

The South Lakeport Annexation will have little to no impact on either the County of Lake's or the City of Lakeport's ability to achieve its fair share of regional housing needs due to the fact that the entire area is currently zoned for industrial and commercial uses and the City of Lakeport has pre-zoned the area for Industrial and Major Retail, neither of which allow residential as a principal permitted use.

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

One comment has been received from Paul Racine, a landowner in the annexation area. His letter and a survey conducted in 2012 are attached as "Exhibit 1."

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

See South Lakeport Annexation Project Initial Study (May 2019)

(p) The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the 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 South Lakeport Annexation will promote environmental justice by providing enhanced public services and facilities to all people in the annexation area. It will enable the City of Lakeport to extend municipal water service to properties in the annexation area. These properties are currently unserved by a municipal water system and several properties are not in compliance with State requirements for water storage. The extension of municipal water service will allow for installation of fire hydrants which will improve fire suppression capabilities in the annexation area. The annexation will also ensure the continued treatment of wastewater generated by properties within the annexation area after expiration of the current contract between the Lake County Sanitation District (LACOSAN) and the City of Lakeport Municipal Wastewater Treatment Facility in 2026.

(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

The South Lakeport Annexation area is not located in a very high fire hazard zone (Draft City of Lakeport Local Hazard Mitigation Plan- June 2019, Fire Hazard Severity Zones, p. 4-134). It is located in a Local Responsibility Area (Lakeport Area Plan-2000, Figure 12, Fire and Earthquake Fault Hazards, p. 1-11).

Paul Racine
2515 Clipper Lane
Lakeport CA 95453

2 July 2019

City of Lakeport, California
Mr. Kevin Ingram

RE: South Lakeport Annexation Project

Dear Kevin,

Attached are two pages of information on a survey about annexation that we did in 2012.

The project has changed from;

- 1 54 parcels to 50 parcels
- 2 Total of 187.595 acres to 123.64 acres.

Although the information is no longer totally accurate the desire of most of the parcel owners, by area, is still the same.

This information was presented to;

Lake County Board of Supervisors on 20 March, 2012 @ 9:00 A.M.

Lakeport City Council on 20 March, 2012 @ 6:00 P.M.

LAFCO on 21 March, 2012 @ 9:30 A.M.

I believe that LAFCO will determine to hold an election in the interest of the parcel owners and that the results will be against annexation.

Thank you for including my comments and information in the "Late July" public hearing.

Respectfully,



Paul Racine

Compiled Annexation Information as of 14 March 2012

?	Y	N	Owner Name	APN	#	Street	Acres	?	Yes	No
		1	AIRPORT AUTO BROKERS LTD	005-052-25	2440	S MAIN ST	1.254	0.000		1.254
	0		AMERIGAS PROPANE L P	082-093-03	72	SODA BAY RD	0.993	0.000		0.000
			BENKELMAN JUNE B TRUSTEE	005-049-12	2325	S MAIN ST	0.764	0.000		0.000
			BOSTICK BILLY J TRUSTEE	008-003-02	2510	S MAIN ST	2.235	0.000		0.000
1			BROSSARD JOHN	005-053-19	2585	S MAIN ST	0.905	0.905		0.000
1			BROSSARD JOHN	005-053-18	2575	S MAIN ST	2.973	2.973		0.000
	1		BUTRICK GARY S	005-052-03	2335	S MAIN ST	0.893	0.000		0.893
	1		DUNKEN NEIL & VIOLET TRUSTEE	005-053-21	2615	S MAIN ST	0.902	0.000		0.902
			EKAL, LLC	005-053-20	2595	S MAIN ST	0.963	0.000		0.000
	1		FERRELL GAS INC	082-092-07	63	SODA BAY RD	1.379	0.000		1.379
			HAGAN JOHN M	005-049-08	2329	S MAIN ST	2.906	0.000		0.000
			HAGAN JOHN M	005-049-11	2305	S MAIN ST	0.702	0.000		0.000
			HARLAN STAN & KAREN L	082-092-01	41	SODA BAY RD	1.082	0.000		0.000
	1		HARRELL JAMES N TRUSTEE	082-093-10	100	SODA BAY RD	3.483	0.000		3.483
	1		JONES WILLIAM H & ROSA M	008-001-06	110	SODA BAY RD	1.662	0.000		1.662
	1		KEITHLY MICHAEL DALLAS & ALLEN GLENN	008-003-09	2350	S MAIN ST	52.359	0.000		52.359
	1		KEMP JAMES R TRUSTEE	008-003-04	2570	S MAIN ST	7.412	0.000		7.412
	1		KOENIG DENNIS M & MARISA	005-052-19	2447	S MAIN ST	0.141	0.000		0.141
			LA MONICA SAM	082-092-02	43	SODA BAY RD	0.511	0.000		0.000
	1		LAKE COUNTY AUTO FINANCING INC	005-052-13	2480	S MAIN ST	0.383	0.000		0.383
	1		LAKE COUNTY FARM BUREAU	082-092-08	65	SODA BAY RD	0.748	0.000		0.748
	1		LAKE COUNTY FARM BUREAU	082-092-09	73	SODA BAY RD	0.436	0.000		0.436
			LOPEZ JUAN N & ARLENE RENEE	005-052-07	2449	S MAIN ST	0.205	0.000		0.000
	1		MBKK ENTERPRISES, LLC	005-052-14	2405	S MAIN ST	0.196	0.000		0.196
	1		MBKK ENTERPRISES, LLC	005-052-27	2465	S MAIN ST	4.545	0.000		4.545
1			MILLER KATHLEEN	008-001-01	2598	S MAIN ST	8.409	8.409		0.000
	1		MUSSAT GARY M & DIANE M TRUSTEE	082-093-15	62	SODA BAY RD	1.079	0.000		1.079
	1		MYER, JR WILLIAM J & OLIVER WENDY M	005-052-05	2345	S MAIN ST	1.513	0.000		1.513
	1		NESLO GROUP LLC	005-053-22	2617	S MAIN ST	0.885	0.000		0.885
1			NICOSIA GLORIA G	082-092-04	53	SODA BAY RD	1.615	1.615		0.000
1			NICOSIA GLORIA G	082-092-03	47	SODA BAY RD	0.916	0.916		0.000
			OCANA SHELLEY SUCC-TRUSTEE	008-003-13	2550	S MAIN ST	12.376	0.000		0.000
	1		PARLEE PAUL N - TRUSTEE	082-093-04	74	SODA BAY RD	0.855	0.000		0.855
	1		PETERS ROBERT B & LORI D	082-093-05	78	SODA BAY RD	1.896	0.000		1.896
	1		PETERS ROBERT B & LORI D	082-093-11	350	SYLVA WY	0.675	0.000		0.675
	1		ROBINSON OIL CORPORATION	005-035-10	2725	S MAIN ST	1.463	0.000		1.463
	1		SABOL CYNTHIA J	082-092-10	75	SODA BAY RD	0.565	0.000		0.565
	1		SHAHER RAYMOND A & DOROTHY J	008-001-03	32	SODA BAY RD	0.850	0.000		0.850
	1		STROHMEIER GUY R & SANDRA M TRUSTEE	082-092-12	87	SODA BAY RD	0.614	0.000		0.614
	1		STROHMEIER GUY RICHARD	082-092-11	83	SODA BAY RD	0.581	0.000		0.581
	1		SYLVA FRANK A & PATRICIA L TRUSTEE	082-093-02	450	SYLVA WY	9.661	0.000		9.661
	1		TAKESUE LISA Y	008-003-12	2530	S MAIN ST	0.782	0.000		0.782
	1		TANTI MARK	082-093-13	82	SODA BAY RD	1.864	0.000		1.864
0			TEGTMEIER ASSOCIATES INC	008-001-25	52	SODA BAY RD	26.119	0.000		0.000
	1		TFI PLAZA LLC	082-092-14	93	SODA BAY RD	1.341	0.000		1.341
	1		TFI PLAZA LLC	082-092-13	91	SODA BAY RD	0.029	0.000		0.029
	1		TFI PLAZA LLC	082-093-08	92	SODA BAY RD	1.772	0.000		1.772
	1		TFI PLAZA LLC	082-093-09	96	SODA BAY RD	1.764	0.000		1.764
	1		THOMAS ALLEN E & DONNA J TRUSTEE	008-001-02	2600	S MAIN ST	9.104	0.000		9.104
	1		TRUSTEES OF GRACE INVESTMENTS LTD	082-092-06	59	SODA BAY RD	0.821	0.000		0.821
	1		U C C CORP	008-003-05	2590	S MAIN ST	1.431	0.000		1.431
			VAN PROYEN DAREL P TRUSTEE	005-052-20	2351	S MAIN ST	0.893	0.000		0.000
	1		WORRA GORDON TRUSTEE	082-093-14	90	SODA BAY RD	0.701	0.000		0.701
	1		YOUNG HILARY C	082-093-16	64	SODA BAY RD	6.989	0.000		6.989

42 Parcels Returned Ballots

78% Survey Response

Representing

138 Acres

88% Parcels Are Against Annexation

89% Acres Are Against Annexation

54	Parcels	100%	Total Acres	187.595
0	Parcels For	0%	Acres For	0.000
37	Parcels Against Annexation	66%	Acres Against	123.028
5	Undecided	8%	Undecided	14.818

Annex.xls

Property Annexation Advisory Committee

We request that all property owners in the proposed annexation area participate in this survey to determine what the property owners feel is in their best interest. The form is designed for up to three properties.

Thank You,

Paul Racine, Committee Chairman

Survey to Determine What Property Owners Prefer Annexation to City or no Annexation

Name _____

Mailing Address _____

City/ State/ Zip _____

Annexation	
For	Against
Undecided	

1 Street Address _____

Property AP _____

Property Area _____

2 Street Address _____

Property AP _____

Property Area _____

3 Street Address _____

Property AP _____

Property Area _____

Signed _____

Date _____

Return to

Annexation Survey
100 Soda Bay Rd.
Lakeport, Ca 95453

Committee Members

Carter, Chad
Racine, Paul

Halbach, Connie
Silva, Frank

Kemp, Rick
Strohmeier, Guy

Mayfield, Mike
Thomas, Allen

Objective

Inform the City of Lakeport, County of Lake and LAFCO that the majority of property owners representing a majority of the area of the proposed South Lakeport Annexation are against annexation into the City of Lakeport.

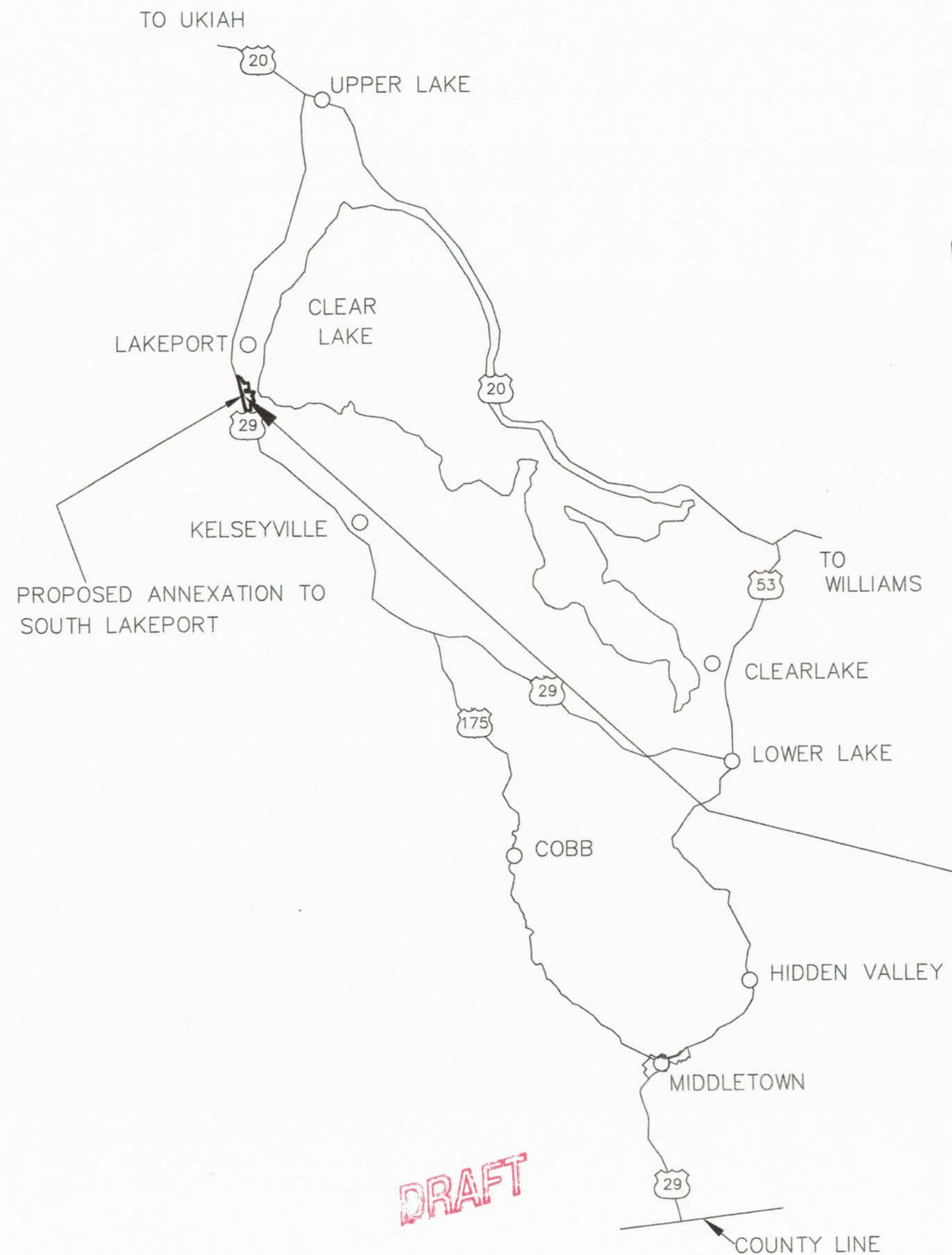
Opinion

We believe the County of Lake provides a better environment for our properties than the City of Lakeport can, or will, provide.

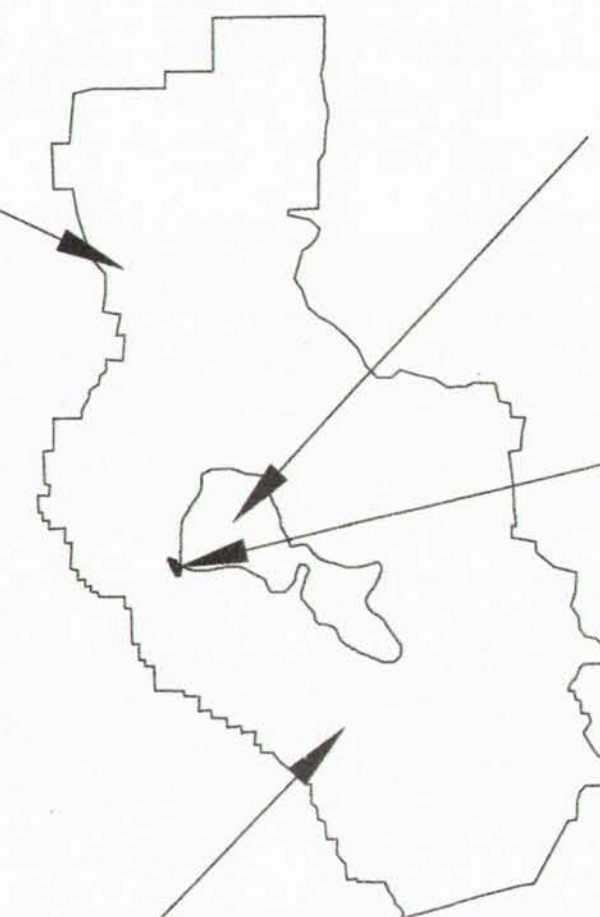
We also would like to avoid the expense, to all concerned, of a vote on annexation but will take whatever action necessary to insure we are not annexed.

Survey started 8 February 2012, survey ended on 14 March 2012.

ATTACHMENT C:
Map of Subject Territory



LAKE COUNTY



CLEAR LAKE

SOUTH LAKEPORT
ANNEXATION

LOCATION MAP
NTS

DRAFT



DISCLAIMER:
"FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A
LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND
MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND
DESCRIBED."
LAFCO FILE 2018-0001

LOCATION MAP FOR ANNEXATION OF SOUTH LAKEPORT

DRAFT

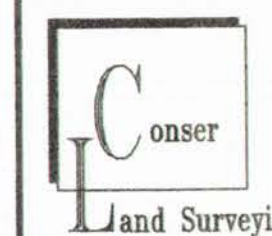
GENERAL LOCATION MAP/SOUTH LAKEPORT

FOR
LAKE LAFCO FILE 2018-0001
"SOUTH LAKEPORT ANNEXATION PROJECT"
ANNEXATION TO THE CITY OF LAKEPORT
BEING PORTIONS OF SECTIONS 31, T.14 N., R. 9 W. AND
SECTION 36, T.14 N., R. 10 W., M.D.B. & M.

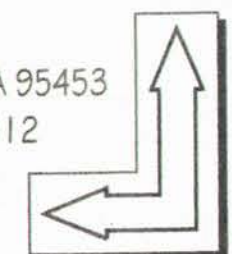
COUNTY OF LAKE

OCTOBER, 2018

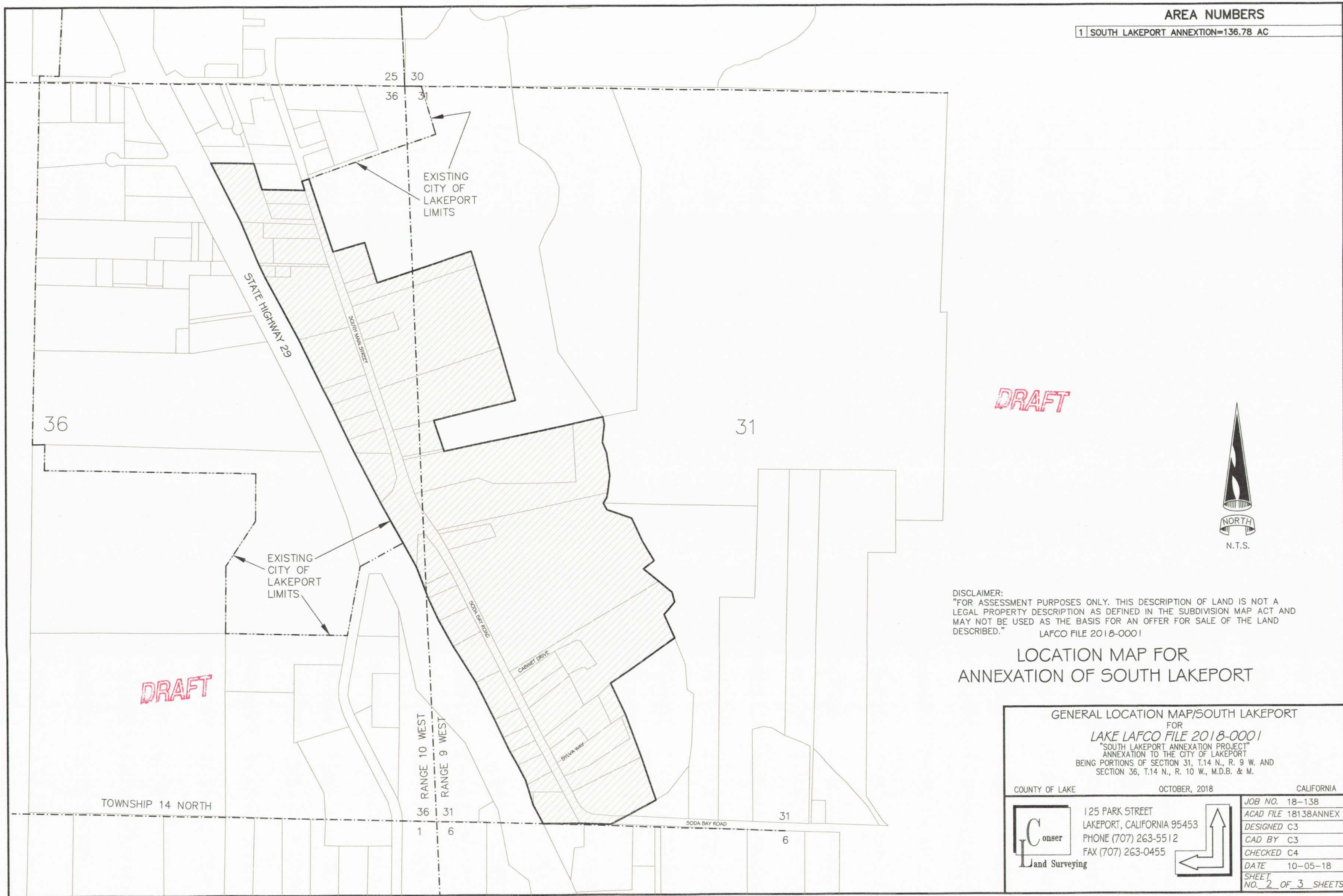
CALIFORNIA



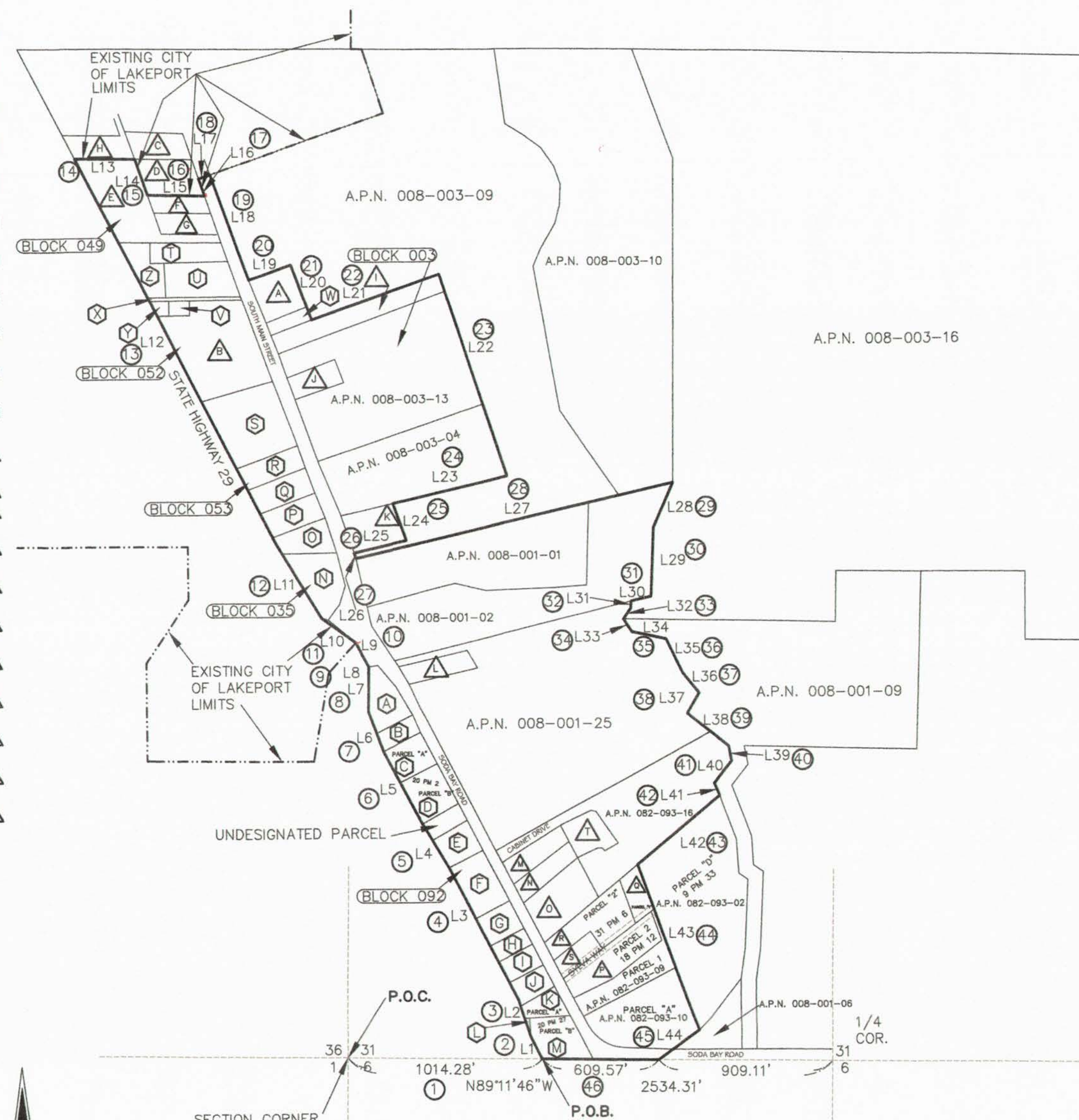
125 PARK STREET
LAKEPORT, CALIFORNIA 95453
PHONE (707) 263-5512
FAX (707) 263-0455



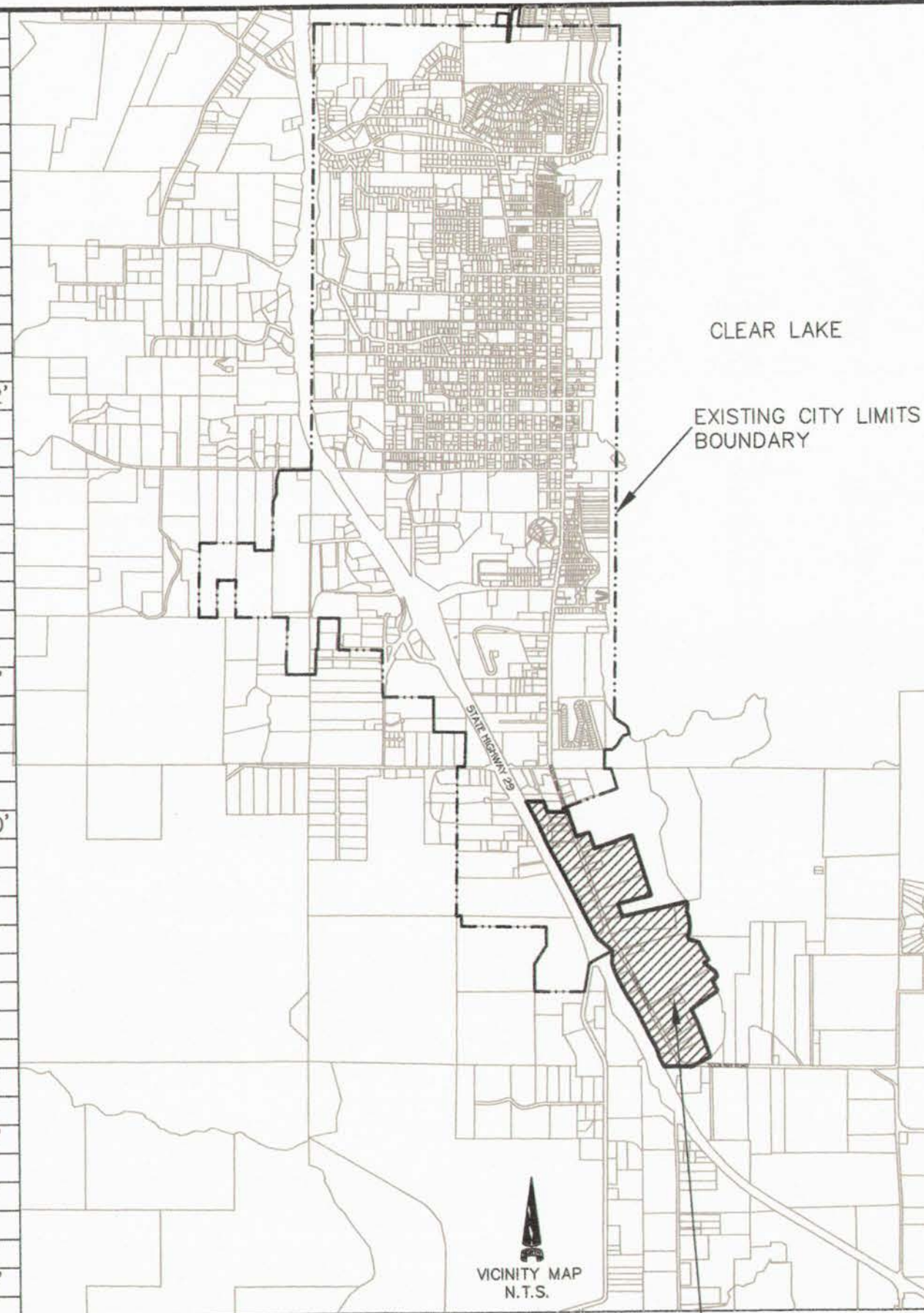
JOB NO. 18-138
ACAD FILE 18-38ANNEX
DESIGNED C3
CAD BY C3
CHECKED C4
DATE 10-05-18
SHEET NO. 1 OF 3 SHEETS



A.P.N. TABLE	
BLOCK	NUMBER
092	082-092-01
	082-092-02
	082-092-03
	082-092-04
	082-092-06
	082-092-07
	082-092-08
	082-092-09
	082-092-10
	082-092-11
	082-092-12
	082-092-13
	082-092-14
035	005-035-10
053	005-053-22
	005-053-21
	005-053-20
	005-053-19
	005-053-18
052	005-052-03
	005-052-05
	005-052-07
	005-052-13
	005-052-14
	005-052-19
	005-052-20
	005-052-25
	005-052-27
049	005-049-05
	005-049-06
	005-049-08
	005-049-11
	005-049-12
	005-049-15
003	008-003-02
	008-003-12
	008-003-05
001	008-001-03
093	082-093-03
	082-093-04
	082-093-05
	082-093-08
	082-093-11
	082-093-13
	082-093-14
	082-093-13



LINE TABLE		
LINE	BEARING	LENGTH
L1	N26°53'49"W	131.95'
L2	N17°02'25"W	200.27'
L3	N27°18'36"W	780.74'
L4	N30°31'53"W	270.42'
L5	N27°27'35"W	429.08'
L6	N20°20'36"W	224.37'
L7	N00°58'08"W	232.95'
L8	N28°52'32"W	64.75'
L9	N27°02'55"W	80.01'
L10	N53°41'56"W	218.76'
L11	N31°03'10"W	455.60'
L12	N27°02'55"W	2278.22'
L13	S89°11'12"W	313.46'
L14	S18°52'40"W	200.00'
L15	S88°46'47"E	300.00'
L16	S18°52'40"E	94.58'
L17	N70°50'00"E	63.35'
L18	S19°36'46"E	587.72'
L19	N70°40'09"E	234.00'
L20	S20°21'46"E	309.00'
L21	N70°23'14"E	703.60'
L22	S18°06'46"E	1117.92'
L23	S76°53'14"W	611.80'
L24	S19°36'46"E	205.55'
L25	S76°53'14"W	280.41'
L26	S16°24'10"E	30.05'
L27	N76°53'14"E	1702.80'
L28	S23°53'12"W	257.40'
L29	S02°23'14"W	362.34'
L30	S76°53'14"W	107.16'
L31	S02°55'00"W	36.58'
L32	S34°51'00"W	68.00'
L33	S33°00'00"E	79.86'
L34	S78°00'00"E	182.16'
L35	S25°00'00"E	199.32'
L36	S39°00'00"E	135.30'
L37	S30°00'00"W	124.08'
L38	S51°00'00"E	275.88'
L39	S11°00'00"E	79.86'
L40	S38°30'00"W	147.84'
L41	S23°00'00"E	70.62'
L42	S50°19'29"E	561.56'
L43	S19°54'49"E	923.48'
L44	S54°14'25"W	263.11'



LEGEND:

COURSE BEARING AND DISTANCE

P.O.B. POINT OF BEGINNING

P.O.C. POINT OF COMMENCEMENT

(BLOCK XXX) DENOTES ASSESSOR'S PAGE NUMBER

A DENOTES ASSESSOR'S PARCEL NUMBER

ANNEXATION AREA
136.78 ± ACRES (CALCULATED)

EXHIBIT "B"
FOR
LAKE LAFCO FILE 2018-0001
"SOUTH LAKEPORT ANNEXATION PROJECT"
ANNEXATION TO THE CITY OF LAKEPORT
BEING PORTIONS OF SECTION 31, T. 14 N., R. 9 W. AND
SECTION 36, T. 14 N., R. 10 W., M.D.B. & M.

COUNTY OF LAKE,

OCTOBER, 2018

CALIFORNIA

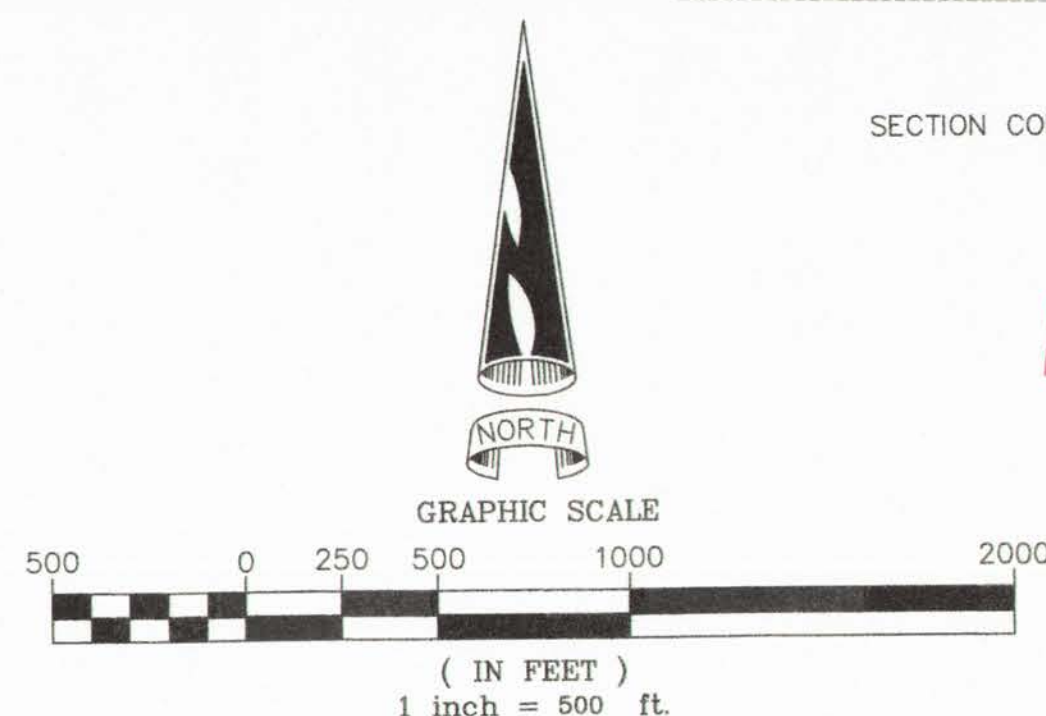
125 PARK STREET
LAKEPORT, CALIFORNIA 95453
PHONE (707) 263-5512
FAX (707) 263-0455

Land Surveying

JOB NO. 18-138
ACAD FILE 18138ANNEX
DESIGNED C3
CAD BY C3
CHECKED C4
DATE 10-11-18
SHEET NO. 3 OF 3 SHEETS

DISCLAIMER:
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DESCRIBED."
LAFCO 2018-0001

SOUTH LAKEPORT ANNEXATION TO CITY OF LAKEPORT



ATTACHMENT D:
Geographic Description of Boundaries

EXHIBIT "A"

LAFCO FILE 2018-0001

SOUTH LAKEPORT ANNEXATION TO THE CITY OF LAKEPORT

ALL THAT CERTAIN REAL PROPERTY, SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF LAKE, STATE OF CALIFORNIA, BEING PORTIONS OF SECTIONS 36, TOWNSHIP 14 NORTH, RANGE 10 WEST AND 31, TOWNSHIP 14 NORTH, RANGE 9 WEST, M.D.B. & M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SECTION CORNER FOR SECTIONS 36 AND 31 OF SAID TOWNSHIP AND RANGE AND SECTIONS 1 AND 6 OF TOWNSHIP 13 NORTH, RANGE 10 WEST AND RANGE 9 WEST, MARKED BY A LAKE COUNTY BRASS CAP, AS SHOWN IN BOOK 20 OF PARCEL MAPS AT PAGE 27, LAKE COUNTY RECORDS;

1) THENCE ALONG THE SOUTH LINE OF SAID SECTION 31 SOUTH 89°11'46" EAST 1014.28 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF PARCEL "B" PER SAID PARCEL MAP TO THE POINT OF BEGINNING, 2) THENCE NORTH 26°53'49" WEST 131.95 FEET MORE OR LESS; 3) THENCE NORTH 17°02'25" WEST 200.27 FEET, MORE OR LESS; 4) THENCE NORTH 27°11'36" WEST 780.74 FEET MORE OR LESS; 5) THENCE NORTH 30°31'53" WEST 270.42 FEET MORE OR LESS; 6) THENCE NORTH 27°27'35" WEST 429.08 FEET MORE OR LESS; 7) THENCE NORTH 20°20'36" WEST 224.37 FEET, MORE OR LESS, TO THE CALIFORNIA STATE HIGHWAY RIGHT-OF-WAY, AS SHOWN ON RECORD OF SURVEY IN BOOK 87 OF RECORD OF SURVEYS AT PAGES 39 THROUGH 63 FILED JUNE 15, 2009, LAKE COUNTY RECORDS; 8) THENCE NORTH 00°58'08" WEST 232.95 FEET MORE OR LESS; 9) THENCE NORTH 28°52'32" WEST 64.75 FEET MORE OR LESS; 10) THENCE NORTH 27°02'55" WEST 80.01 FEET, MORE OR LESS, TO THE INTERSECTION OF THE EXISTING CITY LIMITS AND SAID STATE RIGHT-OF-WAY; 11) THENCE CONTINUING ALONG SAID RIGHT-OF-WAY NORTH 53°41'56" WEST 218.84 FEET MORE OR LESS; 12) THENCE NORTH 31°03'10" WEST 455.54 FEET MORE OR LESS; 13) THENCE NORTH 27°02'55" WEST 2278.22 FEET MORE OR LESS TO THE SOUTHWEST CORNER OF LANDS DELINEATED ON THAT CERTAIN MAP FILED SEPTEMBER 23, 1980 IN BOOK 19 OF PARCEL MAPS AT PAGE 10 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY; 14) THENCE LEAVING SAID STATE RIGHT-OF-WAY AND ALONG THE EXISTING CITY LIMITS, SOUTH 89°11'12" EAST 312.91 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF A PARCEL DESCRIBED BY GRANT DEED FROM THOMAS R. SMITH, TO THOMAS R. SMITH RECORDED ON AUGUST 7, 1992 IN DOCUMENT NUMBER 92-016571, LAKE COUNTY RECORDS; 15) THENCE ALONG THE WEST LINE OF SAID GRANT DEED AND ALSO SAID CITY LIMITS SOUTH 18°52'40" EAST 200.00 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF A PARCEL DESCRIBED BY GRANT DEED FROM DOUGLAS A. MORRIS AND PAMELA J. MORRIS TO DOUGLAS A. MORRIS AND PAMELA J. MORRIS RECORDED OCTOBER 30, 2009 IN DOCUMENT NUMBER 2009018021, LAKE COUNTY RECORDS, 16) THENCE ALONG THE SOUTH LINE OF SAID GRANT DEED SOUTH 88°46'47" EAST 300.00 FEET, MORE OR LESS, TO THE WEST RIGHT-OF-WAY OF SOUTH MAIN STREET; 17) THENCE ALONG SAID RIGHT-OF-WAY AND CITY LIMITS NORTH 18°52'40" EAST 94.58 FEET MORE OR LESS; 18) THENCE NORTH 70°50'00" EAST 60.00 FEET, MORE OR LESS, TO THE EAST RIGHT-OF-WAY OF SOUTH MAIN STREET; 19) THENCE LEAVING SAID CITY LIMITS SOUTH 19°36'46" EAST ALONG THE EAST RIGHT-OF-WAY OF SOUTH MAIN STREET 587.72 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF A PARCEL DESCRIBED BY GRANT DEED FROM AIRPORT AUTO BROKERS L.T.D. TO JOHN D. BROSSARD AND WENDY C. BROSSARD RECORDED JANUARY 24, 2014 IN DOCUMENT NUMBER 2014000939, LAKE COUNTY RECORDS; 20) THENCE ALONG THE NORTH LINE OF SAID GRANT DEED NORTH 70°40'09" EAST 234.00 FEET, MORE OR LESS, TO THE NORTHEAST CORNER THEREOF; 21) THENCE SOUTH 20°21'46" EAST 309.00 FEET, MORE OR LESS, TO THE NORTH LINE OF A PARCEL DESCRIBED BY GRANT DEED FROM JOHN M. HAGAN TO DONALD J. BAKER RECORDED JULY 24, 2015 IN DOCUMENT NUMBER 2015009518, LAKE COUNTY RECORDS; 22) THENCE ALONG THE

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NORTH LINE OF SAID GRANT DEED NORTH 70°23'14" EAST 703.60 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF SAID GRANT DEED; 23) THENCE SOUTH 18°06'46" EAST 1117.92 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF A PARCEL DESCRIBED BY A GRANT DEED FROM JAMES R. KEMP TO JAMES R. KEMP RECORDED APRIL 14, 2011 IN DOCUMENT NUMBER 2011005246, LAKE COUNTY RECORDS; 24) THENCE ALONG THE SOUTH LINE OF SAID GRANT DEED SOUTH 76°53'14" WEST 611.80 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF A PARCEL DESCRIBED BY A GRANT DEED FROM MARION D. HEATH AND AVA D. HEATH TO U.C.C. CORPORATION RECORDED MARCH 31, 1976 IN BOOK 827 OF OFFICIAL RECORDS AT PAGE 5, LAKE COUNTY RECORDS; 25) THENCE ALONG THE EAST LINE OF SAID GRANT DEED SOUTH 19°36'46" WEST 205.55 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER THEREOF; 26) THENCE ALONG THE SOUTH LINE THEREOF SOUTH 76°53'14" WEST 280.41 FEET, MORE OR LESS, TO THE EAST RIGHT-OF-WAY LINE OF SOUTH MAIN STREET; 27) THENCE SOUTH 16°24'10" EAST ALONG SAID RIGHT-OF-WAY 30.05 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF A PARCEL DESCRIBED BY GRANT DEED FROM CHIC ALLEN BECK AND JILLANE SUE BECK RECORDED DECEMBER 30, 2003 IN DOCUMENT NUMBER 2003038035, LAKE COUNTY RECORDS; 28) THENCE ALONG THE NORTH LINE OF SAID GRANT DEED NORTH 76°53'14" EAST 1702.80 FEET MORE OR LESS; 29) THENCE SOUTH 23°53'12" WEST 257.40 FEET MORE OR LESS; 30) THENCE SOUTH 02°23'14" WEST 362.34 FEET, MORE OR LESS, TO THE NORTH LINE OF A PARCEL DESCRIBED BY GRANT DEED FROM BEVERLY B. RABIDOUX TO ALLEN E. THOMAS AND DONNA J. THOMAS RECORDED JULY 27, 2007 IN DOCUMENT NUMBER 2007017734, LAKE COUNTY RECORDS; 31) THENCE ALONG THE NORTH LINE OF SAID GRANT DEED SOUTH 76°53'14" WEST 107.16 FEET MORE OR LESS; 32) THENCE SOUTH 02°55'00" WEST 36.58 FEET MORE OR LESS; 33) THENCE SOUTH 34°51'00" WEST 68.00 FEET MORE OR LESS; 34) THENCE SOUTH 33°00'00" EAST 79.86 FEET MORE OR LESS; 35) THENCE SOUTH 78°00'00" EAST 182.16 FEET MORE OR LESS; 36) THENCE SOUTH 25°00'00" EAST 199.32 FEET MORE OR LESS; 37) THENCE SOUTH 39°00'00" EAST 135.30 FEET MORE OR LESS; 38) THENCE SOUTH 30°00'00" WEST 124.08 FEET MORE OR LESS; 39) THENCE SOUTH 51°10'00" EAST 275.88 FEET MORE OR LESS; 40) THENCE SOUTH 11°00'00" EAST 79.86 FEET MORE OR LESS; 41) THENCE SOUTH 38°30'00" WEST 147.84 FEET MORE OR LESS; 42) THENCE SOUTH 23°00'00" EAST 70.62 FEET, MORE OR LESS, TO A POINT THAT BEARS NORTH 50°19'29" EAST 561.56 FEET FROM THE MOST NORTHWESTERLY CORNER OF PARCEL "D" AS SHOWN IN BOOK 9 OF PARCEL MAPS AT PAGE 33, LAKE COUNTY RECORDS; 43) THENCE ALONG THE NORTH LINE OF SAID PARCEL "D" SOUTH 50°19'29" WEST 561.56 FEET, MORE OR LESS, TO THE MOST WESTERLY CORNER OF SAID PARCEL "D"; 44) THENCE ALONG THE WEST LINE OF SAID PARCEL "D" SOUTH 19°54'49" EAST 923.48 FEET, MORE OR LESS, TO THE SOUTHERLY CORNER OF SAID PARCEL "D", SAID POINT BEING COMMON TO THE MOST EASTERLY CORNER OF PARCEL "A"; 45) THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL "A" SOUTH 54°14'25" WEST 263.11 FEET, MORE OR LESS, TO THE MOST SOUTHERLY CORNER OF PARCEL "A", SAID POINT ALSO BEING A POINT ON THE SOUTH LINE OF SAID SECTION 31; 46) THENCE ALONG SAID SECTION LINE NORTH 89°11'46" WEST 609.57 FEET, MORE OR LESS, TO THE **POINT OF BEGINNING**.

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CONTAINING 136.78 ACRES OF LAND MORE OR LESS

FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.

A.P.N. 005-035-10.

A.P.N. 005-049-08, 11 AND 12.

A.P.N. 005-052-03, 05, 07, 13, 19, 20, 25 AND 27.

A.P.N. 005-053-04, 18, 19, 20, 21 AND 22.

A.P.N. 008-001-01, 02, 03 AND 25.

A.P.N. 008-003-02, 04, 05, 12 AND 13.

A.P.N. 082-092-01, 02, 03, 04, 06, 07, 08, 09, 10, 11, 12, 13 AND 14

A.P.N. 082-093-03, 04, 05, 08, 09, 11, 13, 14, 15 AND 16.



MICHAEL S. CONSER, LS 8383

DATE:

DRAFT

DRAFT

Project: 18-138d1
 Lot Map Check

Thu Nov 08 12:23:00 2018

Lot name: AREA1

North: 13866.7618	East: 9846.2303
Line Course: N 70-23-14 E	Length: 703.60
North: 14102.9333	East: 10509.0093
Line Course: S 18-06-46 E	Length: 1117.92
North: 13040.4103	East: 10856.5577
Line Course: S 76-53-14 W	Length: 611.80
North: 12901.6121	East: 10260.7101
Line Course: S 19-36-46 E	Length: 205.55
North: 12707.9876	East: 10329.7054
Line Course: S 76-53-14 W	Length: 280.41
North: 12644.3714	East: 10056.6069
Line Course: S 16-24-10 E	Length: 30.05
North: 12615.5444	East: 10065.0927
Line Course: N 76-53-14 E	Length: 1702.80
North: 13001.8561	East: 11723.4929
Line Course: S 23-53-12 W	Length: 257.40
North: 12766.5029	East: 11619.2642
Line Course: S 02-23-14 W	Length: 362.34
North: 12404.4774	East: 11604.1717
Line Course: S 76-53-14 W	Length: 107.16
North: 12380.1661	East: 11499.8059
Line Course: S 02-55-00 W	Length: 36.58
North: 12343.6335	East: 11497.9445
Line Course: S 34-51-00 W	Length: 68.00
North: 12287.8293	East: 11459.0873
Line Course: S 33-00-00 E	Length: 79.86
North: 12220.8530	East: 11502.5822
Line Course: S 78-00-00 E	Length: 182.16
North: 12182.9798	East: 11680.7615
Line Course: S 25-30-00 E	Length: 199.32
North: 12003.0765	East: 11766.5710
Line Course: S 39-00-00 E	Length: 135.30
North: 11897.9287	East: 11851.7181
Line Course: S 30-00-00 W	Length: 124.08
North: 11790.4722	East: 11789.6781
Line Course: S 51-00-00 E	Length: 275.88
North: 11616.8553	East: 12004.0771

CLOSURES-11-8-18

Line Course: S 11-00-00 E Length: 79.86
 North: 11538.4626 East: 12019.3151
 Line Course: S 38-30-00 W Length: 147.84
 North: 11422.7618 East: 11927.2825
 Line Course: S 23-00-00 E Length: 70.62
 North: 11357.7557 East: 11954.8760
 Line Course: S 50-19-29 W Length: 561.56
 North: 10999.2358 East: 11522.6572
 Line Course: S 19-54-49 E Length: 923.48
 North: 10130.9732 East: 11837.1972
 Line Course: S 54-14-25 W Length: 263.11
 North: 9977.2150 East: 11623.6901
 Line Course: N 89-11-46 W Length: 609.57
 North: 9985.7673 East: 11014.1801
 Line Course: N 26-53-49 W Length: 131.95
 North: 10103.4432 East: 10954.4876
 Line Course: N 17-02-25 W Length: 200.27

♀

page 2

Project: 18-138d1

Thu Nov 08 12:23:00 2018

 Lot Map Check
 North: 10294.9211 East: 10895.7997
 Line Course: N 27-18-36 W Length: 780.74
 North: 10988.6376 East: 10537.5925
 Line Course: N 30-31-53 W Length: 270.42
 North: 11221.5642 East: 10400.2164
 Line Course: N 27-27-35 W Length: 429.08
 North: 11602.3020 East: 10202.3569
 Line Course: N 20-20-36 W Length: 224.37
 North: 11812.6772 East: 10124.3558
 Line Course: N 00-58-08 E Length: 232.95
 North: 12045.5939 East: 10128.2949
 Line Course: N 28-52-32 W Length: 64.75
 North: 12102.2935 East: 10097.0265
 Line Course: N 27-02-55 W Length: 80.01
 North: 12173.5521 East: 10060.6423
 Line Course: N 53-41-56 W Length: 218.76
 North: 12303.0643 East: 9884.3399
 Line Course: N 31-03-10 W Length: 455.60
 North: 12693.3734 East: 9649.3289
 Line Course: N 27-02-55 W Length: 2278.22
 North: 14722.4041 East: 8613.3168
 Line Course: S 89-11-12 E Length: 313.46
 North: 14717.9546 East: 8926.7453
 Line Course: S 18-52-40 E Length: 200.00
 North: 14528.7124 East: 8991.4554

Page 2

CLOSURES-11-8-18

Line Course: S 88-46-47 E Length: 300.00
North: 14522.3235 East: 9291.3873
Line Course: N 18-52-40 W Length: 94.58
North: 14611.8161 East: 9260.7859
Line Course: N 70-50-00 E Length: 63.35
North: 14632.6150 East: 9320.6243
Line Course: S 19-36-46 E Length: 587.72
North: 14078.9930 East: 9517.8993
Line Course: N 70-40-09 E Length: 234.00
North: 14156.4522 East: 9738.7071
Line Course: S 20-21-46 E Length: 309.00
North: 13866.7622 East: 9846.2277

Perimeter: 16605.48 Area: 5,958,387.77 sq.ft. 136.78 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)

Error Closure: 0.0027 Course: N 82-21-32 W
Error North: 0.00035 East: -0.00264

Precision 1: 6,232,069.31

♀

ATTACHMENT E:
Public Notice List

South Lakeport Annexation—Public Notification List

Annexation Area Property Owners

PARCEL	OWNER	ADDRESS	CITY
008-003-12	TAKESUE LISA Y	2530 S MAIN ST	LKPT
005-049-08	FERRELLGAS LP	2329 S MAIN ST	LKPT
008-003-02	BAYLOR DONALD J	2510 S MAIN ST	LKPT
005-052-19	KOENIG DENNIS M & MARISA TRUSTEE	2447 S MAIN ST	LKPT
005-052-07	LOPEZ JUAN N & ARLENE RENEE	2449 S MAIN ST	LKPT
005-052-13	PICK DEAN & PICK CHERYL	2480 S MAIN ST	LKPT
005-052-25	BROSSARD JOHN D & BROSSARD WENDY C	2440 S MAIN ST	LKPT
005-052-20	LOPEZ JUAN & LOPEZ ARLENE RENEE	2351 S MAIN ST	LKPT
005-052-05	MBKK ENTERPRISES LLC	2345 S MAIN ST	LKPT
005-052-14	MBKK ENTERPRISES, LLC	2405 S MAIN ST	LKPT
005-052-03	BUTRICK GARY S & BUTRICK ROBERTA K TRUSTEE	2335 S MAIN ST	LKPT
082-092-14	TFI PLAZA LLC	93 SODA BAY RD	LKPT
082-093-10	RACINE PAUL E & OLGA E TRUSTEE	100 SODA BAY RD	LKPT
082-092-12	STROHMEIER GUY R & SANDRA M TRUSTEE	87 SODA BAY RD	LKPT
082-092-08	LAKE COUNTY FARM BUREAU	65 SODA BAY RD	LKPT
082-092-10	SABOL CYNTHIA J	75 SODA BAY RD	LKPT
082-092-09	LAKE COUNTY FARM BUREAU	73 SODA BAY RD	LKPT
082-092-11	STROHMEIER GUY R & STROHMEIER SANRA M TRUSTEE	83 SODA BAY RD	LKPT
082-092-07	FERRELL GAS INC	63 SODA BAY RD	LKPT
082-093-16	YOUNG HILARY C TRUSTEE	64 SODA BAY RD	LKPT
082-093-04	PARLEE CYNTHIA R SUCC TRUSTEE	74 SODA BAY RD	LKPT
082-093-03	AMERIGAS PROPANE L P	72 SODA BAY RD	LKPT
082-093-14	MCATEE WILLIAM GARRET & SACCO DEBRA MARIE CO TRUST	90 SODA BAY RD	LKPT
082-093-08	TFI PLAZA LLC	92 SODA BAY RD	LKPT
082-093-09	TFI PLAZA LLC	96 SODA BAY RD	LKPT
082-093-13	TANTI MARK JOHN TRUSTEE	82 SODA BAY RD	LKPT
082-093-05	PETERS ROBERT B	78 SODA BAY RD	LKPT
082-093-11	PETERS ROBERT B	350 SYLVA WY	LKPT
008-001-01	MILLER KATHLEEN	2598 S MAIN ST	LKPT
082-092-06	RACINE PAUL E & OLGA E TRUSTEE	59 SODA BAY RD	LKPT
082-092-02	LAMONICA SAM J & LAMONICA NANCY TRUSTEE	43 SODA BAY RD	LKPT
082-092-04	RATCLIFFE JUSTIN W & RATCLIFF SUFI	53 SODA BAY RD	LKPT
008-001-25	TEGTMEIER ASSOCIATES INC	52 SODA BAY RD	LKPT
082-092-03	NICOSIA LETTISIA	47 SODA BAY RD	LKPT
005-035-10	ROBINSON OIL CORPORATION	2725 S MAIN ST	LKPT
082-092-01	HARLAN STAN & KAREN L	41 SODA BAY RD	LKPT

008-001-02	THOMAS ALLEN E & DONNA J TRUSTEE	2600 S MAIN ST	LKPT
008-001-03	SHAHER DOROTHY J TRUSTEE	32 SODA BAY RD	LKPT
082-093-15	MUSSAT GARY M & DIANE M TRUSTEE	62 SODA BAY RD	LKPT
008-003-05	U C C CORP	2590 S MAIN ST	LKPT
005-053-19	BREUNIG PAUL N & BREUNIG BARBARA J	2585 S MAIN ST	LKPT
005-053-20	EKAL, LLC	2595 S MAIN ST	LKPT
005-053-21	OPP JEANINE SUCC TRUSTEE	2615 S MAIN ST	LKPT
005-053-22	LAKE COUNTY AIR QUALITY MANAGEMENT DISTRICT	2617 S MAIN ST	LKPT
008-003-04	KEMP JAMES R TRUSTEE	2570 S MAIN ST	LKPT
005-053-18	BREUNIG PAUL N & BREUNIG BARBARA J	2575 S MAIN ST	LKPT
008-003-13	HILL THOMAS P TRUSTEE	2550 S MAIN ST	LKPT
005-049-11	FERRELLGAS LP	2305 S MAIN ST	LKPT
005-049-12	BENKELMAN JUNE B TRUSTEE	2325 S MAIN ST	LKPT
005-052-27	MBKK ENTERPRISES LLC	2465 S MAIN ST	LKPT

300 Foot Notification Area Property Owners

PARCEL	OWNER	ADDRESS	CITY
005-048-12	KUECKER DARRYL TRUSTEE	2227 PARALLEL DR	LKPT
008-003-10	KEITHLY MICHAEL D TRUSTEE	980 SODA BAY RD	LKPT
005-052-26	VAN PROYEN DARYL P TRUSTEE	2441 PARALLEL DR	LKPT
005-035-19	STARK ROBERT TIMOTHY	450 LINDA LN	LKPT
005-053-17	MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT	2565 PARALLEL DR	LKPT
005-051-01	KACHAROS SANDRA M TRUSTEE	2375 PARALLEL DR	LKPT
005-052-16	RUZICKA CLIFFORD D & NANCY L TRUSTEE	2495 PARALLEL DR	LKPT
005-051-08	BENEFIELD BEULA & BEULAH	2437 PARALLEL DR	LKPT
008-019-68	THORN KELLY L	99 SODA BAY RD	LKPT
008-019-67	HUEBNER PAMELA A TRUSTEE	97 SODA BAY RD	LKPT
008-001-26	YULUPA INVESTMENTS LLC	230 SODA BAY RD	LKPT
008-019-53	CALL CAROLYN JUNE TRUSTEE	215 SODA BAY RD	LKPT
008-019-70	SODA BAY ROAD STORAGE UNITS LLC	205 SODA BAY RD	LKPT
		3030 STATE HWY	
082-091-01	KOCHER ROGER	175	LKPT
		2910 STATE HWY	
005-035-20	KOCHER ROGER A	175	LKPT
082-093-02	SYLVA PATRICIA L TRUSTEE	450 SYLVA WY	LKPT
008-001-06	JONES WILLIAM TRUSTEE	110 SODA BAY RD	LKPT
008-019-60	TANTI MARK JOHN TRUSTEE	109 SODA BAY RD	LKPT
008-019-71	SCHONS WILLIAM C & MOUNTAIN SALLY A	3115 ACKLEY RD	LKPT
005-052-09	MCQUEEN JONATHAN MICHAEL TRUSTEE	2471 PARALLEL DR	LKPT
005-048-09	MANN EDNLESS CASSETTE IND., A CALIF. CORP.	2293 PARALLEL DR	LKPT
		401 WOODWARD	
005-048-08	STIRTZ DENISE R & STIRTZ MARK D	WY	LKPT

005-051-03	JACOBSON WILLIAM A & PERRY SUSAN Y TRUSTEE	2361 PARALLEL DR	LKPT
005-052-28	MAI SAVANNAH	2357 PARALLEL DR	LKPT
		2870 STATE HWY	
005-035-08	STARK ROBERT T & TERRIE A	175	LKPT
008-003-16	WRIGHT WENDY TRUSTEE & WRIGHT GESFORD DAVID	982 SODA BAY RD	LKPT
008-003-09	KEITHLY ALLEN GLENN	2350 S MAIN ST	LKPT
008-001-08	SCHWARTSMAN ANATOLY & SCHWARTSMAN LIDIA	140 SODA BAY RD	LKPT
008-001-09	SCHWARTSMAN ANATOLY & SCHWARTSMAN LIDIA	270 SODA BAY RD	LKPT
005-049-05	SUBURBAN PROPANE LP	2255 S MAIN ST	LKPT
005-049-06	MORRIS DOUGLAS A & PAMELA J TRUSTEE	2285 S MAIN ST	LKPT
005-049-03	MACKEY KARAN A TRUSTEE	2101 S MAIN ST	LKPT
005-049-09	LAKEPORT NEW HOPE FELLOWSHIP ASSOCIATION	305 PECKHAM CT	LKPT
	SPECHT DONALD DEWAYNE & SPINALI MARYANN		
005-049-13	SUSAN	215 PECKHAM CT	LKPT
005-050-07	KING ALVIN W & PENELOPE TRUSTEE	2210 S MAIN ST	LKPT
005-050-05	CARDINALE JUDITH A	2190 S MAIN ST	LKPT
	SPECHT DONALD DEWAYNE & SPINALI MARYANN		
005-049-14	SUSAN	2225 SPECHT CT	LKPT
005-050-06	PARDINI MARK A	2230 S MAIN ST	LKPT
005-049-04	FIFIELD HEATH	2195 S MAIN ST	LKPT
005-050-03	HU LYDIE XIN	2240 S MAIN ST	LKPT
	SPECHT DONALD DEWAYNE & SPINALI MARYANN		
005-049-15	SUSAN	2232 SPECHT CT	LKPT

Resident Notification List

NAME	ADDRESS	CITY
Linda Parks	2325 S Main St	Lakeport
Linda Ralosky	2325 S Main St	Lakeport
Edward Ralosky	2325 S Main St	Lakeport
Jason Butrick	2335 S Main St	Lakeport
Elisabeth Carter	2335 S Main St Apt D	Lakeport
Patrick McGowan	2335 S Main St	Lakeport
Charles Twilley Jr	2335 S Main St Spc F	Lakeport
Donald Baylor	2510 S Main St	Lakeport
James Childers	2595 S Main St	Lakeport
Robert Clark	2595 S Main St	Lakeport
Gaye Deschamps	2598 S Main St	Lakeport
William Deschamps	2598 S Main St	Lakeport
Kathleen Miller	2598 S Main St	Lakeport
Donald Holmes	43 Soda Bay Rd	Lakeport
Gloria Espinoza	78 Soda Bay Rd	Lakeport

Enrique Hernandez	78 Soda Bay Rd	Lakeport
Claud Ty Hutchison	91 Soda Bay Rd Apt A	Lakeport
Richard Tommila Jr	92 Soda Bay Rd Apt F	Lakeport

Public Agency Notification List

AGENCY NAME	MAILING ADDRESS
Big Valley Band of Pomo Indians	2726 Mission Rancheria Road Lakeport, CA 95453
California Department of Fish & Wildlife, North Coast Region	1701 Nimbus Road, Suite A, Rancho Cordova, CA 95670
Central Valley Regional Water Quality Control Board	11020 Sun Center Drive, #200 Rancho Cordova, 95670-6114
County of Lake, Administration	255 North Forbes Street Lakeport, CA 95453
County of Lake, Assessor's Office	255 North Forbes Street Lakeport, CA 95453
County of Lake, Community Development Department	255 North Forbes Street Lakeport, CA 95453
County of Lake, Public Works Department	255 North Forbes Street Lakeport, CA 95453
County of Lake, Water Resources Department	255 North Forbes Street Lakeport, CA 95453
Lake Area Planning Council	367 N. State Street, Suite #204 Ukiah, CA 95482
Lake County Air Quality Management District	2617 S. Main Street, Lakeport, CA 95453
Lake County Environmental Health Division	922 Bevins Court Lakeport, CA 95453
Lake County Heritage Commission	255 North Forbes Street Lakeport, CA 95453
Lake County Special Districts	230 N. Main Street, Lakeport, CA 95453
Lake LAFCO	14050 Olympic Drive Clealake, CA 95422
Lake Transit	367 N. State Street, Suite #204 Ukiah, CA 95482
Lakeport Fire Protection District	445 N. Main Street Lakeport, CA 95453
Lakeport Unified School District	2508 Howard Ave. Lakeport, CA 95453
PG&E (Ukiah Office)	2641 N. State Street Ukiah, CA 95482
Scotts Valley Band of Pomo Indians	1005 Parallel Drive Lakeport, CA 95453
United States, Army Corps of Engineers, CA North Section	1325 J Street Sacramento CA 95814
Yolo County Flood Control & Water Conservation District	34274 CA-16 Woodland, CA 95695

ATTACHMENT F:
Sphere of Influence Map

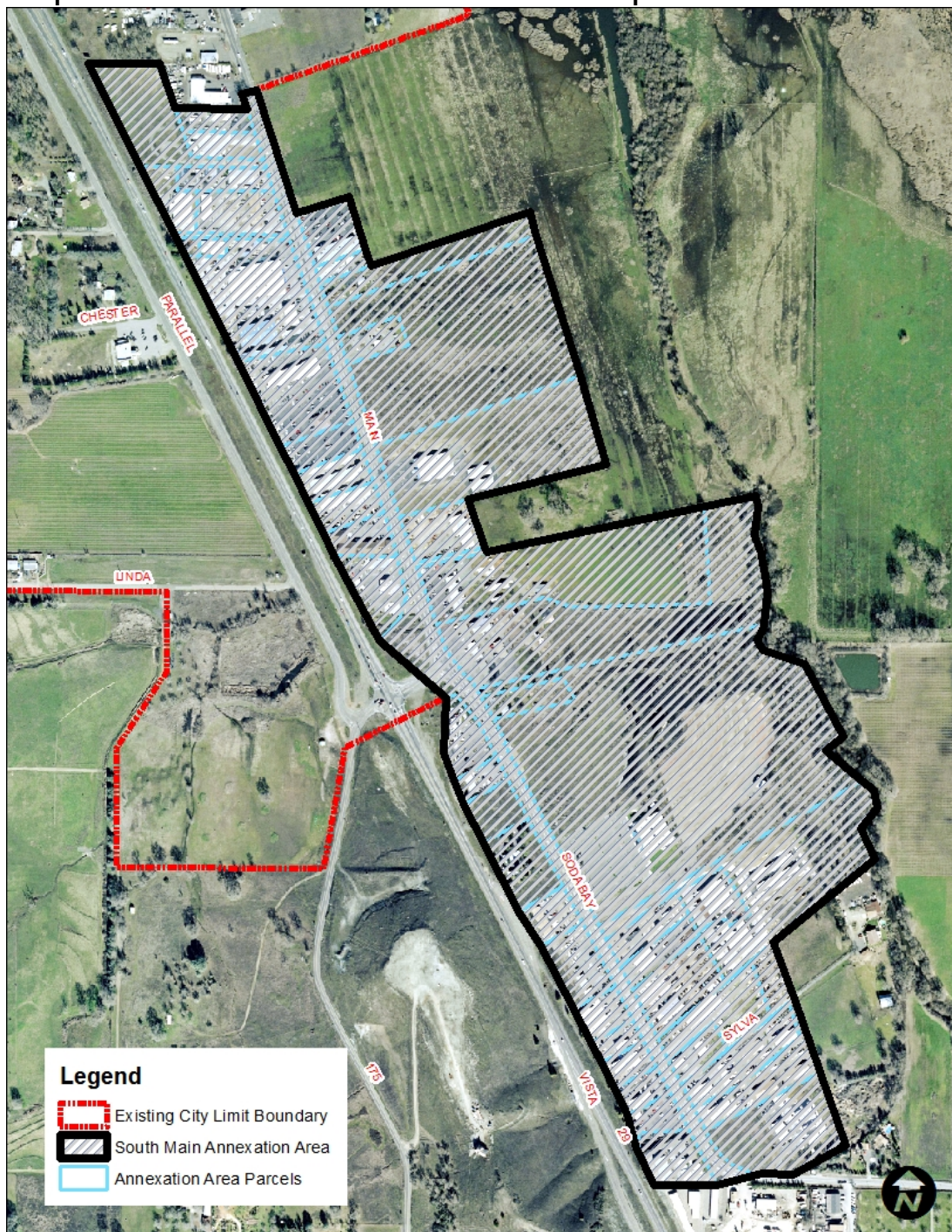
CITY OF LAKEPORT

*Over 100 years of community
pride, progress and service*



ATTACHMENT F

Sphere of Influence Boundaries - South Lakeport Annexation Area



List of Parcels & Addresses within Annexation Area

PARCEL	SITUSNUM	ACRES
008-003-12	2530 South Main Street	0.78
005-049-08	2329 South Main Street	2.91
008-003-02	2510 South Main Street	2.23
005-052-19	2447 South Main Street	0.14
005-052-07	2449 South Main Street	0.20
005-052-13	2480 South Main Street	0.38
005-052-25	2440 South Main Street	1.25
005-052-20	2351 South Main Street	0.89
005-052-05	2345 South Main Street	1.51
005-052-03	2335 South Main Street	0.89
082-092-14	93 Soda Bay Road	1.34
082-092-13	91 Soda Bay Road	0.03
082-093-10	100 Soda Bay Road	3.48
082-092-12	87 Soda Bay Road	0.61
082-092-08	65 Soda Bay Road	0.75
082-092-10	75 Soda Bay Road	0.56
082-092-09	73 Soda Bay Road	0.44
082-092-11	83 Soda Bay Road	0.58
082-092-07	63 Soda Bay Road	1.38
082-093-16	64 Soda Bay Road	6.99
082-093-04	74 Soda Bay Road	0.85
082-093-03	72 Soda Bay Road	0.99
082-093-14	90 Soda Bay Road	0.70
082-093-08	92 Soda Bay Road	1.77
082-093-09	96 Soda Bay Road	1.76
082-093-13	82 Soda Bay Road	1.86
082-093-05	78 Soda Bay Road	1.90
082-093-11	350 Sylva Way	0.67
008-001-01	2598 South Main Street	8.41
082-092-06	59 Soda Bay Road	0.82
082-092-02	43 Soda Bay Road	0.51
082-092-04	53 Soda Bay Road	1.61
008-001-25	52 Soda Bay Road	26.12
082-092-03	47 Soda Bay Road	0.92
005-035-10	2725 South Main Street	1.46
082-092-01	41 Soda Bay Road	1.08
008-001-02	2600 South Main Street	9.10
008-001-03	32 Soda Bay Road	0.85
082-093-15	62 Soda Bay Road	1.08
008-003-05	2590 South Main Street	1.43
005-053-19	2585 South Main Street	0.91
005-053-20	2595 South Main Street	0.96
005-053-21	2615 South Main Street	0.90
005-053-22	2617 South Main Street	0.88
008-003-04	2570 South Main Street	7.41
005-053-18	2575 South Main Street	2.97
008-003-13	2550 South Main Street	12.38
005-049-11	2305 South Main Street	0.70
005-049-12	2325 South Main Street	0.76
005-052-27	2465 South Main Street	4.54

ATTACHMENT G:
Pre-Zoning Map & Sphere of Influence
General Plan Amendment Resolution

ORDINANCE NO. 895 (2015)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKEPORT ADOPTING PREZONING DESIGNATIONS IN THE SOUTH MAIN STREET AND SODA BAY ROAD AREA OF THE LAKEPORT SPHERE OF INFLUENCE AS SET FORTH IN THE LAKEPORT GENERAL PLAN

WHEREAS, the City of Lakeport has in accordance with California Law adopted a Zoning Ordinance and Zoning Map which includes PreZoning of unincorporated areas that are located with the Lakeport General Plan Sphere of Influence Area; and

WHEREAS, On February 17, 2015, the City Council approved a Resolution adopting the October 24, 2014, Addendum to the City of Lakeport General Plan EIR prepared by De Novo Planning Group on behalf of the City of Lakeport and approved several Amendments to the Lakeport General Plan as recommended by the City of Lakeport Planning Commission; and

WHEREAS, the Lakeport Planning Commission has recommended follow up action, that the City of Lakeport PreZoning Map designations for the southern Lakeport General Plan Area and Sphere of Influence Area be amended to be consistent with the Lakeport General Plan Land Use Map designations; and

WHEREAS, California law permits City's to prezone unincorporated lands outside of their corporate limits in the same way as they approve Zoning.

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF LAKEPORT DOES ORDAIN AS FOLLOWS:

Section 1. Map

Pursuant to Section 17.32.010 of the Lakeport Municipal Code, the Official Zoning Map of the City of Lakeport Zoning Ordinance is hereby amended and revised in accordance with the PreZoning Map attached hereto and marked as:

EXHIBIT A:

PREZONING DESIGNATIONS FOR THE SOUTH MAIN STREET AND SODA BAY ROAD AREA WITHIN THE LAKEPORT GENERAL PLAN SPHERE OF INFLUENCE AREA

The City Clerk is hereby directed to cause the Official Zoning Map of the City of Lakeport to be amended to show the number and date of this Ordinance and to reflect the change effected thereby.

Section 2. CEQA.

The environmental impacts of the proposed PreZoning Amendments have been assessed in the Addendum to the City of Lakeport General Plan (CEQA) EIR dated October 24, 2014 (prepared

by De Novo Planning Group on behalf of the City of Lakeport), as approved by the Lakeport City Council on February 17, 2015.

Section 3. Consistency Findings.

Based on all evidence in the record, the City Council finds the proposed amendment is in the public's interest, is consistent with the Lakeport General Plan and is not detrimental to the community's health, safety, convenience and general welfare.

Section 4. Severability.

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

The City Council hereby declares that it would have passed this and each section, subsection, phrase, or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unconstitutional on their face or as applied.

Section 5. Effective Date.

This ordinance shall become effective 30 days after the date of adoption pursuant to Government Code section 36937.

Section 6. Posting.

The City Clerk shall cause this ordinance to be published and/or posted within fifteen days after its adoption.

This ordinance was introduced before the City Council of the City of Lakeport at a regular meeting thereof on the 7th day of April, 2015, by the following vote:

AYES: Council Members Turner, Mattina, Parlet, and Spillman, and Mayor Scheel
NOES: None
ABSENT: None
ABSTAINING: None

This Ordinance was duly enacted by the City Council of the City of Lakeport at a regular meeting thereof on the 21st day of April, 2015, by the following vote:

AYES: Council Members Turner, Mattina, Parlet, and Spillman, and Mayor Scheel
NOES: None
ABSENT: None
ABSTAINING: None



MARTIN SCHEEL, Mayor

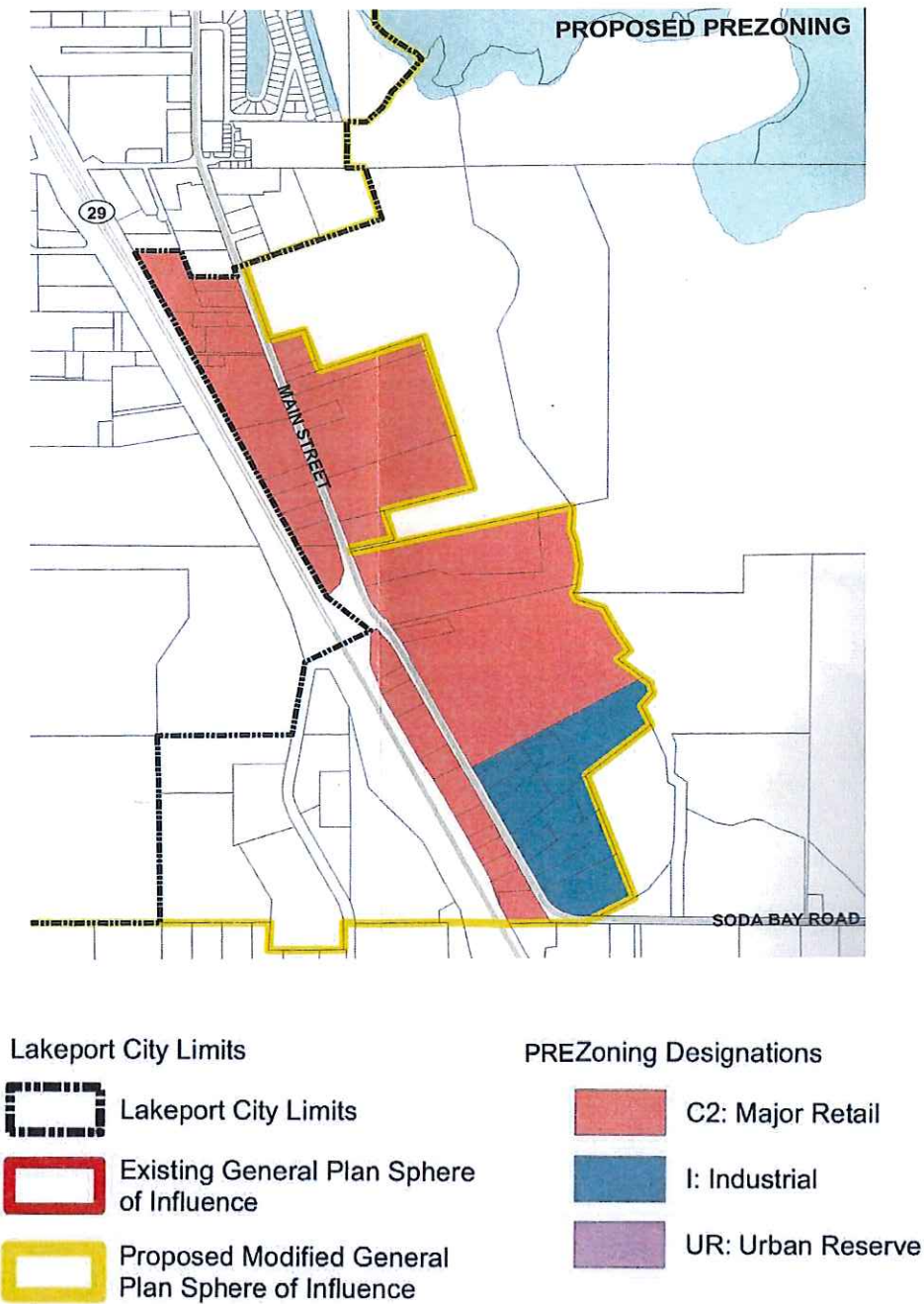
ATTEST:



JANEL M. CHAPMAN, City Clerk

EXHIBIT A

PREZONING DESIGNATIONS FOR THE SOUTH MAIN STREET AND SODA BAY ROAD AREA WITHIN THE LAKEPORT GENERAL PLAN SPHERE OF INFLUENCE AREA



Sources: City of Lakeport GIS; Map date: August 12, 2014

ATTACHMENT H:
Plan for Services

SOUTH LAKEPORT ANNEXATION AREA

PLAN FOR SERVICES



prepared by

CITY OF LAKEPORT

July 2019

**City of Lakeport
South Lakeport Annexation Area
Plan for Services**

Introduction

This Plan for Services has been prepared pursuant to the Local Agency Formation Commission of Lake County (Lake LAFCO) *Policies, Standards, and Procedures* manual. This Plan for Services identifies how urban services will be provided to the South Lakeport area upon annexation into the City of Lakeport. In accordance with the standards and thresholds set forth in the *Policies, Standards, and Procedures* of Lake LAFCO, namely that every proposal address the items identified in Government Code Section 56653, this Plan for Services enumerates and describes the services currently provided or to be extended to the affected territory; describes the level and range of those services; indicates when those services can feasibly be extended to the affected territory if new services are proposed; indicates any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the City of Lakeport would perform, impose or require within the affected territory if the annexation is completed; and provides information with respect to how those services will be financed.

The City of Lakeport proposes to annex approximately 136.78 acres of land located adjacent to and south of the existing city limits of Lakeport including private property and road rights-of-way. The annexation area is generally comprised of the properties bordering South Main Street from the city limits to Soda Bay Road, and along Soda Bay Road to the point where the road curves to the east. The area is developed with a mix of commercial, industrial and residential uses, along with a few vacant properties. It is relatively flat, sloping gently from west to east. Vegetation is primarily ornamental, with some grassland and native shrubs and trees.

Clear Lake lies approximately one-half mile to the east of the annexation area. The area is pre-zoned in the Lakeport General Plan as a mix of Industrial and Major Retail. The site lies within the City's Sphere of Influence.

Services and Organization

The services considered herein are based on the *Policies, Standards, and Procedures* of Lake LAFCO, as well as relevant sections of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, codified in section 65000 of the Government Code. The services discussed and analyzed herein are consistent with the requirement that the City of Lakeport be capable of providing services sufficient to protect the health, safety, and welfare of the residents of the annexation area.

Provided below is description of each service to be provided to the annexation area following its incorporation into the City of Lakeport. The level and range of services is given, along with facility locations and response times when appropriate. The discussion identifies when these services can be extended to the annexation area, any improvements or upgrades the City of Lakeport would perform or impose, and how the services will be financed.

The services described are police, fire and ambulance, water, sanitary sewer, storm drainage, transportation, planning and building, and solid waste. Schools and power are not addressed as properties in the annexation area and will continue to be served by the Lakeport Unified School District and Pacific Gas & Electric Company, respectively.

Police

Description of current and future providers of this service to the annexation area:

The level and range of these services: Policing is currently provided to the South Lakeport annexation area by the Lake County Sheriff's Office. After the annexation, police services will be provided by the City of Lakeport Police Department.

The level and range of these services: The City of Lakeport Police Department maintains an officer to population ratio of 1 officer per 369 residents (or 2.7 officers per 1,000 residents), which is above the State average. Staffing of the Department consists of 13 sworn officers, four additional non-sworn personnel, and volunteers.

The Department provides 24-hour police services which include but are not limited to the following services:

- Uniformed patrol
- Traffic enforcement
- Parking enforcement
- Canine patrol (included in FY 2019-20 budget; not yet implemented),
- Investigation of major crimes and narcotics
- Business and community liaison program (individual officers working directly with the dozen or so Neighborhood Watch Groups and Business Areas.)
- Animal control

Emergency and non-emergency calls are routed through the Lake County central dispatch system and assigned to officers based on availability and location of units at any given time. The City pays a fee to the County for dispatch services. The City has mutual aid agreements with several area law enforcement agencies to provide additional assistance when needed.

The Lakeport Police Department's average response times are three to four minutes for emergency calls, and 10-20 minutes for non-emergency calls. Maximum response times for emergency calls within the City are five minutes. These response times are generally considered fast and are within the internal goals set by the Lakeport Police Department.

Lakeport Police Department Location:

2025 South Main Street

Lakeport, CA 95453

Main Non-Emergency Number: (707) 263-5491

Email: info@lakeportpolice.org

When these services can feasibly be extended to the annexation area: Service to the South Lakeport annexation area will be expanded immediately upon completion of the annexation. Services will be provided in an identical fashion to those provided in the other areas of the City of Lakeport.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: The annexation will not require any immediate improvements or upgrades to the policing capabilities of the City of Lakeport. If, however, future growth resulted in a need to employ additional police officers, the existing police station within the City currently has sufficient space to accommodate additional officers.

How these services will be financed: Funding for the Police Department is provided through the City's General Fund and various grant programs.

Fire and Ambulance

Description of current and future providers of this service to the annexation area: Fire protection and advanced life support (ALS) ambulance service is currently provided to the South Lakeport annexation area by the Lakeport Fire Protection District. After annexation, these services will continue to be provided by the Fire District.

The level and range of these services: Fire District staff currently includes seven full-time career firefighters (1 Chief, 2 Captains, 4 Firefighters) and an administrative assistant. Volunteer staff includes 25 part-time volunteer firefighters (3 Lieutenants, 22 Firefighters). Equipment includes five fire engines, several support vehicles, and four ambulances.

The annexation area would continue to be served by the Fire District's main station (Station 50) located at 445 North Main Street. Response times from the station to the annexation area are approximately four to seven minutes for emergency calls, and ten minutes for non-emergency calls. 9-1-1 calls are routed through a dispatch to the fire station, where fire department personnel respond as appropriate. There is also an unstaffed satellite firehouse north of the City, although it is not anticipated that this station would serve the annexation area.

The Fire District has struggled to keep pace with increasing calls for service (over 3,000 calls in 2018), coupled with outdated equipment and deferred facility maintenance. In May 2019,

voters in the District overwhelmingly approved Measure M, a parcel tax which will raise approximately \$1.2 million in additional annual revenues for the District. The funds will be used to address a current funding deficit and to enhance staffing, upgrade equipment and perform necessary maintenance and repairs to District facilities.

Lakeport Fire Protection District Station Location:

Lakeport Fire Protection District
445 North Main Street
Main phone number: (707) 263-4396
Email: lakeportfire@lakeportfire.com

When these services can feasibly be extended to the annexation area: As there will be no change in the service provider, there will be no service interruption.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: Incorporation of the South Lakeport annexation area into the City of Lakeport will not impact service levels or abilities, nor would requirements for improvements or upgrades be imposed upon property owners or businesses. The annexation will, however, make it possible for the City of Lakeport to extend its water lines down South Main Street and Soda Bay Road to the south end of the annexation area. As part of that project, the City would install fire hydrants which will result in improved fire protection capabilities in the annexation area. The installation of fire hydrants may also help to improve the District's ISO (Insurance Services Office) ratings which can in turn lower insurance rates for property and business owners.

How these services will be financed: These services will continue to be funded largely through property taxes and ambulance fees. No change is expected in costs borne by the city or residents in the annexation area.

Water

Description of current and future providers of this service to the annexation area: There is currently no municipal water service in the South Lakeport annexation area. Residents and business owners obtain their water from private wells and, in some instances, by delivery.

At least six of the properties in the annexation area have on-site water systems which are classified as "transient water systems"¹ and are regulated by the State Water Resources Control Board's Division of Drinking Water. These water systems require a domestic water supply

¹ "Transient water systems" regularly serve 25 or more people daily for at least 60 days out of the year. These include entities such as gas stations, restaurants, theaters, and other commercial enterprises that with more than 25 employees and customers each day.

permit and are required to perform monthly and annual testing. Water Board staff have indicated that none of the permitted systems are in full compliance with State requirements.²

Once the annexation is approved, the City of Lakeport will extend water service to the annexation area and all property owners will have the choice of connecting to the municipal water system or remaining on private wells.

The level and range of these services: The City of Lakeport Utilities Department Water Division is responsible for providing water service to residences and businesses in the City. It provides 24-hour service and support by responding to customer concerns, emergency water breaks/repairs, and ensuring the City has high quality drinking water and an adequate supply for fire-fighting, domestic, and commercial use. The Water Division operates and maintains four wells, a surface water treatment facility, and the water distribution system.

The City's water supply comes from four wells located in a well field at Scott's Creek and a well field on the Green Ranch Property, and from surface water from Clear Lake. A large majority of the City's water production is from the four wells (in recent years ranging from 700-900 acre-feet per year) as they are the most economical source of water for the City. Under ideal conditions the combined pumping capacity of the four wells is about 2,000 gallons per minute (gpm), equivalent to 2.9 million gallons per day (mgd). The wells have limitations such as potential turbidity issues during periods of high runoff and seasonal declines in production in the late summer and fall months. During the peak water demand months of July and August, a reliable capacity of about 1.2 mgd is available, primarily from City Well No. 1 (Scotts Creek pumphouse south well). These wells are continuously monitored and treated to meet or exceed State and Federal requirements.

The City's Water Treatment Plant is fully staffed and was upgraded in 2000 to a state-of-the-art treatment facility with a design capacity of 1.5 million gallons per day. The plant receives surface water from Clear Lake and treats it to standards that enable Lakeport's Water Division to surpass current and future water quality standards established by both the State of California Department of Health Services and the EPA. The City's Water Treatment Plant has the capacity to serve planned growth in the City of Lakeport, including the proposed annexation area.

Department Location:

City of Lakeport Utilities Department, Water Division
225 Park Street
Main phone number: (707) 263-3578
Email: PWinfo@cityoflakeport.com

Water Treatment Facility Location:

590 Konocti Avenue

² Personal communication, Sheri Miller, District Engineer, Regional Water Quality Control Board, June 27, 2019.

When these services can feasibly be extended to the annexation area: Water service can be made available to the annexation area upon the extension of City water mains in the South Main Street and Soda Bay Road right-of-way.

The City has completed the design and engineering for a water main extension that will run south on Soda Bay Road to create a "loop" crossing State Route 29 at State Route 175 and connect to the Parallel Drive water main. This loop will reduce maintenance costs and create redundancy and resiliency in the City's water system. The water main extension is planned to be installed in conjunction with the regionally-funded South Main Street and Soda Bay Road Widening and Bike Lanes Project (anticipated construction in 2020). If the annexation is approved, the City will also extend the water main to the south on Soda Bay Road from State Route 175 to the south boundary of the annexation area. The City has prepared the preliminary engineering for the spur and will proceed with final engineering and construction once the annexation is approved.

If the annexation is approved, property owners will have the option of connecting to the City's water system. To connect to the City's water system, property owners must install service laterals and pay City water connection and capacity fees.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: The only upgrade that the City of Lakeport will need to make if the annexation is approved will be to extend its South Main Street water main to the south end of the annexation area. Once the water main is in place, property owners can decide whether they want to connect to the City's water system. The City's water system has more than adequate capacity to service the annexation area, as the system currently operates at less than half capacity.

How these services will be financed: Extension of water mains to serve the South Lakeport annexation area will be funded by the City of Lakeport, with expenditures offset by grant funds as well as increased revenues and water connection and capacity fees from new customers. Property owners in the annexation area will be responsible for paying fees to hook up to the water system, if they choose to do so.

Sanitary Sewer

Description of current and future providers of this service to the annexation area: Sanitary sewer service is currently provided to the annexation area by the Lake County Sanitation District (LACOSAN). LACOSAN operates the wastewater collection system that serves the "South Lakeport Wastewater Service area." The collection system includes a series of lift stations, including two which are in the annexation area. The wastewater collected in the annexation area is treated at the City of Lakeport Municipal Wastewater Treatment Facility through a

formal agreement whereby costs for treatment are paid by LACOSAN to the City of Lakeport Municipal Sewer District³ (CLMSD) based on metered flow measurements. The agreement was entered into in 1995 and has been amended three times. The second amendment extended its term to June 6, 2026.

If the annexation is approved, the City would prefer that the collection system within the annexation area be transferred to the CLMSD for all maintenance and operation activities. Alternatively, LACOSAN could continue to operate the sanitary sewer collection system.

The level and range of these services: The Sewer Division collects, treats, and disposes of sewage in a manner compliant with the health and safety needs of the public and environment. The Sewer Division provides 24-hour service and support to the public by responding to customer concerns, emergency sewer stoppages, and it ensures sewer system functionality. The Division currently operates and maintains ten sewer lift stations, a secondary treatment and disposal facility, and a collection system consisting of sewer mains and laterals within public rights-of-way.

Sewer Division staff work with developers and customers on sewer service issues during project design, service installation, and ongoing service needs. The Division also inspects the collection system for inflow and infiltration problems that require remediation to restore system capacity. Wastewater collected by the CLMSD's wastewater system is pumped to the City of Lakeport Municipal Wastewater Treatment Facility, located in the southwestern portion of the City. The treatment facility was constructed in the early 1990s and is designed for an average dry weather flow of one million gallons per day.

Department Location:

City of Lakeport Public Works Department, Sewer Division
225 Park Street
Main phone number: (707) 263-3578
Email: PWinfo@cityoflakeport.com

City of Lakeport Municipal Wastewater Treatment Facility Location:

795 Linda Lane

When these services can feasibly be extended to the annexation area: After the annexation is approved, the Sewer Division is prepared to operate and maintain the sewer collection system at any time. There is no need for any extension or alteration to the sewage collection system in the annexation area.

³ Lakeport's sewer system is owned and operated by the City of Lakeport Municipal Sewer District (CLMSD). CLMSD is a "dependent special district" that was created by the City of Lakeport and is governed by a District Board comprised of the Lakeport City Council rather than an independent elected board.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: The CLMSD would not impose or require upgrades to sewer laterals serving private property within the annexation area. Property owners with existing connections to the LACOSAN system would not be required to pay connection or capacity fees to "buy in" to the CLMSD system. Property owners would be required to transfer their sewer accounts from LACOSAN to the CLMSD.

How these services will be financed: The CLMSD's operations are funded by user fees, connection fees and capacity fees.

Storm Drainage

Description of current and future providers of this service to the annexation area: Both the County of Lake (which currently manages storm drainage in the annexation area) and the City of Lakeport participate in the consortium of agencies that make up the Lake County Clean Water Program, which in 2004 jointly submitted a Storm Water Management Plan (SWMP) to the Central Valley Regional Water Quality Control Board. This requires the County's three jurisdictions (the City of Lakeport, the City of Clearlake, and the County of Lake) to maintain, implement, and enforce an effective SWMP. Support and maintenance of the storm drainage services in the annexation area currently lies with the County of Lake. After the annexation, the responsibility to provide storm drainage services will transfer to the City of Lakeport. However, the underlying permit regulating storm water discharge into Clear Lake will continue to be that issued to the Lake County Clean Water Program.

The level and range of these services: Storm drainage is a major service within the City of Lakeport. Storm water is collected through natural and manmade drainage channels, creeks, and rivers, with natural collection points at low-lying areas. All areas within the City of Lakeport naturally drain into Clear Lake, but it is vital that this drainage be managed to prevent erosion and reduce storm water pollution. Storm drainage is accomplished through the use of detention basins and collection facilities, as well as through a regional stormwater collection system. No centralized facilities are required to collect and detain storm water.

Permitting processes within the City of Lakeport Community Development and Public Works Departments require applicants for new development proposals to submit engineered grading and drainage plans that define how storm drainage facilities will function and that ensure the project or projects will not result in an increase in storm water runoff into Clear Lake or the regional drainage system. Storm drainage systems are also required to include provisions to protect storm water runoff from being degraded through erosion and other water quality impacts.

Department Location:
City of Lakeport Public Works Department

225 Park Street
Main phone number: (707) 263-3578
Email: PWinfo@cityoflakeport.com

When these services can feasibly be extended to the annexation area: The City of Lakeport Public Works Department will immediately take over maintenance of public storm drainage system, and together with the City of Lakeport Community Development Department the permitting for drainage systems on private properties in the annexation area.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: No upgrades to the storm drainage system will need to be imposed or required within the annexation area.

How these services will be financed: Maintenance of storm drainage facilities is done on an ongoing basis by the City of Lakeport Public Works Department and individual property owners. Funding for the Public Works Department is provided through the City's General Fund and various grant programs.

Transportation

Description of current and future providers of this service to the annexation area:

Transportation services within the annexation area are currently provided by the County of Lake Department of Public Works (road maintenance) and Lake Transit (bus system). If the annexation is approved, Lake Transit will continue to provide bus service to the annexation area, while responsibility for maintaining public roads (South Main Street and Soda Bay Road) within the annexation area will shift to the City of Lakeport Public Works Department.

The level and range of these services: The City of Lakeport Public Works Department maintains all public roads within the City except for those under the jurisdiction of the California Department of Transportation. The City of Lakeport Public Works Department handles both emergency road repairs and on-going maintenance and improvements.

Department Location:

City of Lakeport Public Works Department, Streets Division
City of Lakeport, Community Development Department, City Engineering Division
225 Park Street
CDD phone number: (707) 263-5615
Email: PWinfo@cityoflakeport.com
Email: CDDinfo@cityoflakeport.com

When these services can feasibly be extended to the annexation area: The City of Lakeport Public Works Department will immediately take over maintenance and improvements to public roadways in the annexation area.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: The City of Lakeport would not require or impose any improvements or upgrades to transportation system in the annexation area other than standard requirements for driveway approaches associated with new development applications.

The South Main Street and Soda Bay Road Widening and Bike Lanes Project, which has been in the planning, design, permitting, and right-of-way acquisition stages for many years, will be constructed regardless of the annexation. Responsibility for overseeing the regional road improvement project will be transferred to the City of Lakeport Public Works Department or the County Department of Transportation will continue to manage it.

How these services will be financed: Funding for the Public Works Department is already provided through the City's General Fund and various grant programs.

Funding for the South Main Street and Soda Bay Road Widening and Bike Lanes Project is provided by various grants. The County has been funding the local share for the project using its Highway User Tax Account funds. The City has a sufficient fund balance and revenue stream in its Highway User Tax Account and other funds to cover the local share.

Planning & Building

Description of current and future providers of this service to the annexation area: Planning and building services in unincorporated areas of Lake County are provided by the Lake County Community Development Department. Once annexed, these services would be provided by the City of Lakeport Community Development Department.

The level and range of these services: Both agencies provide similar services in terms of planning and building permits and code enforcement. The Lake County Planning and Building Division is open to the public Monday through Thursday 8 AM-5 PM. Lakeport's Community Development Department is open Monday through Thursday 8 AM- 5:30 PM. Lakeport also offers same day or next day building inspections services. This is possible due to the smaller geographic area covered by its building inspectors.

Department Location:

City of Lakeport, Community Development Department
225 Park Street
CDD phone number: (707) 263-5615
Email: CDDinfo@cityoflakeport.com

When these services can feasibly be extended to the annexation area: Services to the annexation area will be available immediately following final approval of the annexation.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: There are no improvements or upgrades that would be imposed or required once the annexation is approved. Following annexation, new development would be required to comply with the City of Lakeport's general plan and zoning ordinance instead of Lake County's. The Building Divisions of both agencies implement the same set of State regulations for building, plumbing, mechanical, electrical, energy conservation, etc. Each business in the annexation area would be required to obtain and annually renew a business license from the City of Lakeport rather than Lake County.

How these services will be financed: Planning and building services are funded by permit fees and the City's General Fund.

Solid Waste

Description of current and future providers of this service to the annexation area: Solid waste services, including curbside garbage, recycling and green waste collection, in unincorporated areas of Lake County are currently provided by Lake County Waste Solutions, a division of C&S Waste Solutions. The City of Lakeport has a franchise agreement with Lakeport Disposal, Inc. for solid waste, recycling and green waste collection, processing and disposal services. The HazMobile is a countywide service that is available to all Lake County residents at rotating locations one weekend each month. Upon annexation, the South Lakeport area would be transferred to the service area of Lakeport Disposal, Inc.

The level and range of these services: Both Lake County Waste Solutions and Lakeport Disposal, Inc. offer a similar level of service to residents and businesses. Lake County Waste Solutions bills residential customers quarterly and commercial customers monthly. Fees for weekly waste collection are billed by the City as part of the monthly utility billing process.

Office Location:

Lakeport Disposal Co
501 North Main Street
Main number: (707) 263-5615
Email: lakeportdisposal.com

When these services can feasibly be extended to the annexation area: Upon annexation, the South Lakeport area would be transferred to the service area of Lakeport Disposal, Inc. The City would work closely with the two solid waste service providers to ensure a smooth transition.

Improvements or upgrades that the City of Lakeport would impose or require if the annexation is approved: No improvements or upgrades would be imposed or required, however, property owners in the annexation area will be required to switch their solid waste accounts from Lake County Waste Solutions to Lakeport Disposal, Inc. The City of Lakeport's Utilities Division provides billing services for Lakeport Disposal.

How these services will be financed: No new services are proposed.

ATTACHMENT I:
Fiscal Impact Study

ATTACHMENT I

May 3, 2019

Fiscal Analysis of the Proposed South Lakeport Annexation

Prepared for:

City of Lakeport

Prepared by:

Applied Development Economics, Inc.
1756 Lacassie Avenue, #100, Walnut Creek, CA 94596 ■ 925.934.8712
www.adeusa.com



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EXECUTIVE SUMMARY

The proposed South Lakeport Annexation includes 123.64 acres adjacent to the southern boundary of the City of Lakeport along South Main Blvd. and Soda Bay Road. The area is mostly developed in retail, service commercial and light industrial uses and currently supports an estimated 569 jobs. The area is within the City of Lakeport Sphere of Influence and City pre-zoning for the area includes both C3 - Service Commercial and I-Industrial designations. The area also includes developed residential parcels. Four of the parcels are vacant and City estimates the maximum buildout potential of these parcels under City zoning standards is about 257,000 sq. ft. Other expansions of building space on underutilized parcels and additions to existing development could potentially add another 471,000 sq. ft. If full buildout of the area is achieved, it could result in more than 1,900 additional jobs.

The City of Lakeport and the County of Lake adopted a tax sharing agreement ("Agreement") in 1997 for annexation of the South Lakeport area. Under the terms of that Agreement, the County would retain existing property tax revenues from the area and would receive a share of future tax increments equal to the share it receives for the adjacent tax rate area within the current boundaries of Lakeport, which is approximately 19.6 percent of the base property tax (after ERAF Adjustment). The County would also continue to receive property tax in lieu of vehicle license fees (VLF) based on growth in assessed value from the annexation area. The City of Lakeport would receive property tax revenues that are currently allocated to the City Road Fund, which is approximately 1.4 percent of the base property tax. As future tax increments occur, the City would receive the County Road Fund share plus its normal share of the adjacent tax rate area within the City limits, which is about 10.4 percent of the base property tax revenue.

The tax sharing agreement also addresses sales tax, since the area is largely commercial. The Agreement stipulates that the City shall pay the County a cumulative total of \$210,000 in sales tax revenues over a six-year amortization period. The City shall keep all sales tax revenues received above that amount.

Upon annexation, the City would assume service responsibilities for police protection, street maintenance and planning as well as other municipal services. The County would continue to provide countywide services such as criminal justice, health and social services, property assessment and recordation, and other services it provides to all residents of the County.

This fiscal impact analysis estimates that upon annexation, the County would receive approximately \$80,200 per year in property tax revenues and incidental service charges. This does not include the sales tax payments of \$120,000 over six years from the City under the Agreement. County service costs after annexation for the existing land uses in the area are estimated to cost the County about \$88,700 per year. This small fiscal deficit would be mitigated by the extra sales tax payments from the City. As future growth occurs, property tax revenues would grow as well. By 2030, projected development in the annexation area would generate an estimated \$117,200 in additional annual property tax and other revenues for the County, against \$65,400 in additional costs. Full buildout of the area would generate an additional \$433,900 per year (2019 dollars) in property tax and other

revenues for the County and result in additional annual service costs of about \$234,800. Existing land uses would generate sufficient revenue to cover County costs in the short term with the City sales tax payments to the County, and future development would have an even more beneficial fiscal effect on the County.

The City is projected to receive \$1.15 million in annual property and sales tax revenues upon annexation (most of which would come from the City's voter-approved sales tax Measures I and Z, which are not available to the County). City service costs for existing land uses in the annexation area are estimated at about \$235,500 annually. Future development of the annexation area is projected to include a lower proportion of sales tax generating uses and incremental growth in services costs is projected to reduce the City's net gain from the annexation from \$950,200 initially to \$864,900 by 2030 and \$686,840 at maximum development of the area. However, long-term growth projections for Lake County and the City of Lakeport suggest that buildout of the annexation area would most likely extend beyond 2050, except under extraordinary accelerated growth assumptions.

In conclusion, the 1997 tax sharing agreement between the City and the County would result in a fair distribution of tax revenues reflecting the service responsibilities of both jurisdictions after annexation. The terms of the Agreement therefore meet the standards of the Lake LAFCo Revenue Neutrality policy that require annexations to provide sufficient revenues to both jurisdictions to fund necessary governmental services.

ANNEXATION AREA

The proposed annexation area extends from the current City boundary on South Main St. to the point at which Soda Bay Rd. turns from a southeast direction to due east (Figure 1). The area contains 50 parcels which total 123.64 acres (Table 1). The existing assessed value of these properties is \$23.8 million.

Using data provided by InfoUSA, ADE estimates this area supports 569 jobs in retail, service commercial and industrial businesses. The area has approximately ten residences and three of the parcels are currently vacant. City of Lakeport staff has estimated the buildout potential of the vacant parcels as well as those that are currently underutilized under City zoning allowances. Those estimates are provided in the next section of the report, Growth Projections.

Figure 1: South Lakeport Annexation Area

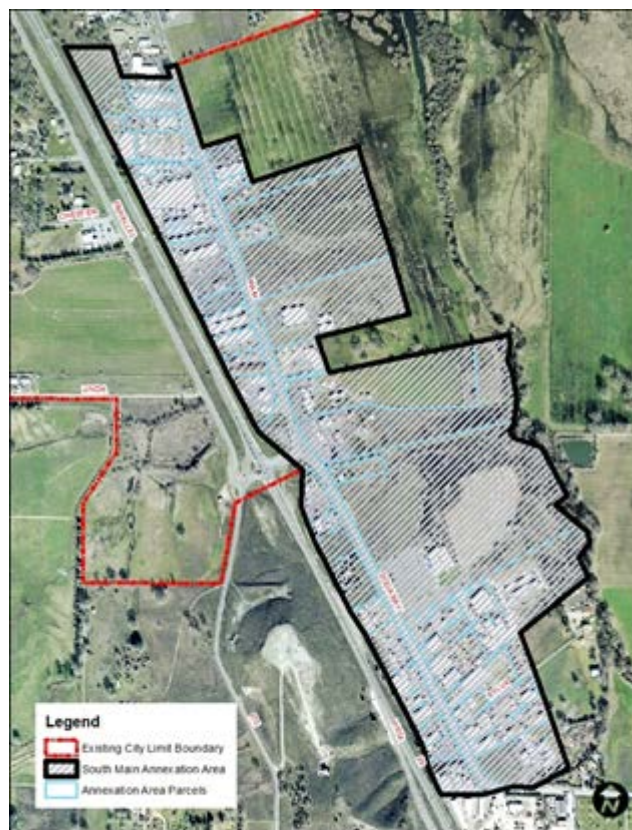


Figure 1 - Proposed Annexation Area

Source: City of Lakeport

TABLE 1: SOUTH LAKEPORT ANNEXATION PARCELS AND ASSESSED VALUE

APN	Site Address	Street	Use Type	Total Land and Improvement	Acres
8-003-120-000	2530	S Main St	Office	\$769,660	0.78
8-003-020-000	2510	S Main St	Resid Single Family	\$280,908	2.23
5-052-130-000	2480	S Main St	Office	\$180,455	0.38
5-052-250-000	2440	S Main St	Automotive Uses	\$484,813	1.25
82-092-140-000	93	Soda Bay Rd	Retail Sales	\$582,083	1.34
82-092-130-000	91	Soda Bay Rd	Vacant	\$6,121	0.03
82-092-100-000	75	Soda Bay Rd	Retail Sales	\$306,257	0.56
82-093-100-000	100	Soda Bay Rd	Commercial	\$517,264	3.48
82-092-120-000	87	Soda Bay Rd	Commercial	\$195,986	0.61
82-092-080-000	65	Soda Bay Rd	Retail Sales	\$128,262	0.75
82-092-090-000	73	Soda Bay Rd	Commercial	\$70,411	0.44
82-092-110-000	83	Soda Bay Rd	Retail Sales	\$271,821	0.58
82-092-070-000	63	Soda Bay Rd	Commercial	\$181,018	1.38
82-093-160-000	64	Soda Bay Rd	Retail Sales	\$1,130,008	6.99
82-093-040-000	74	Soda Bay Rd	Retail Sales	\$182,921	0.85
82-093-030-000	72	Soda Bay Rd	Commercial	\$386,745	0.99
82-093-140-000	90	Soda Bay Rd	Retail Sales	\$94,368	0.70
82-093-080-000	92	Soda Bay Rd	Commercial	\$1,010,920	1.77
82-093-090-000	96	Soda Bay Rd	Retail Sales	\$790,280	1.76
82-093-130-000	82	Soda Bay Rd	Industrial	\$799,999	1.86
82-093-050-000	78	Soda Bay Rd	Automotive Uses	\$399,078	1.90
82-093-110-000	350	Sylva Way	Vacant	\$67,029	0.67
8-001-010-000	2598	S Main St	Retail Sales	\$376,500	8.41
82-092-060-000	59	Soda Bay Rd	Retail Sales	\$204,621	0.82
82-092-020-000	43	Soda Bay Rd	Retail Sales	\$195,000	0.51
82-092-040-000	53	Soda Bay Rd	Commercial	\$163,200	1.61
8-001-250-000	52	Soda Bay Rd	Commercial	\$2,550,000	26.12
82-092-030-000	47	Soda Bay Rd	Vacant	\$11,262	0.92
82-092-010-000	41	Soda Bay Rd	Restaurant	\$109,266	1.08
8-001-020-000	2600	S Main St	Retail Sales	\$1,592,978	9.10
8-001-030-000	32	Soda Bay Rd	Resid Single Family	\$38,277	0.85
82-093-150-000	62	Soda Bay Rd	Industrial	\$449,167	1.08
8-003-050-000	2590	S Main St	Retail Sales	\$334,412	1.43
8-003-040-000	2570	S Main St	Retail Sales	\$1,390,540	7.41
5-049-080-000	2329	S Main St	Vacant	\$114,804	2.91
5-052-190-000	2447	S Main St	Commercial	\$130,590	0.14
5-052-070-000	2449	S Main St	Retail Sales	\$235,684	0.20
5-052-200-000	2351	S Main St	Automotive Uses	\$209,064	0.89
5-052-050-000	2345	S Main St	Retail Sales	\$374,544	1.51
5-052-030-000	2335	S Main St	Retail Sales	\$347,590	0.89
5-035-100-000	2725	S Main St	Automotive Uses	\$1,533,605	1.46
5-053-190-000	2585	S Main St	Commercial	\$176,868	0.91
5-053-200-000	2595	S Main St	Commercial	\$499,784	0.96
5-053-210-000	2615	S Main St	Retail Sales	\$179,735	0.90
5-053-220-000	2617	S Main St	Retail Sales	NA	0.88
5-053-180-000	2575	S Main St	Automotive Uses	\$811,512	2.97
8-003-130-000	2550	S Main St	Vacant	\$10,772	12.38
5-049-110-000	2305	S Main St	Retail Sales	\$381,946	0.70
5-049-120-000	2325	S Main St	Commercial	\$292,116	0.76
5-052-270-000	2465	S Main St	Retail Sales	\$2,254,902	4.54
Total				\$23,805,146	123.64

Source: City of Lakeport, Lake County Assessor

GROWTH PROJECTIONS

BUILDOUT POTENTIAL

The properties included in the South Lakeport Annexation are pre-zoned “C3” – Service Commercial and “I” – Industrial. The C3 district allows a maximum floor area ratio (FAR) of 0.45 while the Industrial zone allows a 0.35 FAR. City of Lakeport staff has reviewed each parcel and estimated the remaining development potential based on city zoning standards. The analysis also identified some of the constraints to development on the site, particularly areas within flood and riparian zones. In addition, some sites will be constrained due to the presence of cultural artifacts, but these are not identified in Table 2.

The analysis indicates that approximately 728,000 sq. ft. of additional building space could be accommodated on the parcels. Most of this is in the C3 zone, with about 74,800 sq. ft. in the Industrial zone. ADE estimates this additional development could support approximately 820 to 1,595 new jobs. The lower end of the range reflects the current employee density in the project area, which is estimated at about 890 bldg. sq. ft. per job. The higher range is based on national market standards which range from 362 sq. ft. per retail job to 658 sq. ft. per industrial job. The section below discusses the projected pace of development in Lake County and the project area and estimates the likely length of time needed to absorb the additional development potential in the project area.

FUTURE GROWTH SCENARIOS

The projected employment growth and future square footage demand estimate uses three different sets of assumptions: a baseline scenario, a moderate growth scenario, and an accelerated growth scenario. All three scenarios use countywide job growth projections for Lake County and scale the employment down to the City of Lakeport using the local share of countywide employment by individual industry.¹ According to this data, Lakeport accounts for nearly 23 percent of the overall employment in Lake County. The largest employers in the city are public administration, educational services, health care/social assistance, and retail trade. Within public administration, Lakeport makes up over half of the countywide jobs.

For purposes of the analysis, the projected jobs and square footage demand were allocated into the following broad land use categories: industrial, office, commercial, and institutional. Industrial uses include manufacturing, construction, utilities, wholesale distribution, and transportation/warehousing. Office uses include professional and business services, information, and financial services. Commercial uses include retail trade, leisure, and miscellaneous services. Institutional uses include government, health care, and education.

¹ The employment data used for estimating the share of countywide employment for the City of Lakeport comes from the Longitudinal Household-Employer Dynamics (LEHD) program, with the latest LEHD data dating back to 2015. The countywide baseline data comes from the Labor Market Information Division (LMID) of the California Employment Development Department (EDD). The analysis is based around the 2017 Lake County employment estimates, which are considered the “official” job numbers within the State of California.

TABLE 2: ESTIMATED REMAINING DEVELOPMENT POTENTIAL ON SOUTH LAKEPORT ANNEXATION PARCELS

PARCEL	SITE ADDRESS	ACRES	Development (Vacant, Developed, Underutilized)	% Developed*	Pre- zoning	Pre-zoning Conformance	Maximum Allowed Development	Existing Development Constraints**	Estimated New Bldg. Sq. Ft.
008-003-12	2530 S MAIN ST	0.782	Developed	60%	C-3	Vet Bus/Commercial	40% to B/O	N/A	6,135
005-049-08	2329 S MAIN ST	2.906	Vacant	0%	C-3	N/A	100% to B/O	N/A	56,961
008-003-02	2510 S MAIN ST	2.235	Underutilized	30%	C-3	SFR	70% to B/O	40% in Flood	17,523
005-052-19	2447 S MAIN ST	0.141	Developed	100%	C-3	Storage/Serv. Comm.	Comp B/O	N/A	0
005-052-07	2449 S MAIN ST	0.205	Developed	40%	C-3	Retail/Music Store	60% to B/O	N/A	2,409
005-052-13	2480 S MAIN ST	0.383	Developed	100%	C-3	Contractor Office	Comp B/O	N/A	0
005-052-25	2440 S MAIN ST	1.254	Developed	100%	C-3	Retail/Auto Parts	Comp B/O	N/A	0
005-052-20	2351 S MAIN ST	0.893	Developed	100%	C-3	Retail	Comp B/O	N/A	0
005-052-05	2345 S MAIN ST	1.513	Developed	80%	C-3	Retail	20%to B/O	N/A	5,932
005-052-14	2405 S MAIN ST	0.196	Road	N/A	C-3	N/A	N/A	N/A	
005-052-03	2335 S MAIN ST	0.893	Developed	95%	C-3	Retail/Tire Store	5% to B/O	N/A	875
082-092-14	93 SODA BAY RD	1.235	Developed	100%	C-3	Retail/ Various	Comp B/O	N/A	0
082-092-13	91 SODA BAY RD	0.029	Developed	100%	C-3	Retail/Various	Comp B/O	N/A	0
082-093-10	100 SODA BAY RD	3.483	Underutilized	70%	I	Indus/Retail	30% to B/O	5% Flood/Riparian	15,136
082-092-12	87 SODA BAY RD	0.614	Developed	70%	C-3	Retail/ Auto Dealer	30% to B/O	N/A	3,608
082-092-08	65 SODA BAY RD	0.734	Developed	100%	C-3	Serv. Comm/Office	Comp B/O	N/A	0
082-092-10	75 SODA BAY RD	0.565	Developed	100%	C-3	Serv. Comm/Retail	Comp B/O	N/A	0
082-092-09	73 SODA BAY RD	0.425	Developed	100%	C-3	Serv. Comm/Office	Comp B/O	N/A	0
082-092-11	SODA BAY RD	0.581	Developed	70%	C-3	Retail/ Auto Dealer	30% to B/O	N/A	3,416
082-092-07	SODA BAY RD	1.379	Developed	70%	C-3	Serv. Comm/Propane	30% to B/O	N/A	8,112
082-093-16	SODA BAY RD	6.989	Developed	50%	I	Serv. Comm	50% to B/O	60% Flood	21,310
082-093-04	SODA BAY RD	0.855	Developed	80%	I	Serv. Comm/ Roofing	20% to B/O	N/A	2,607

PARCEL	SITE ADDRESS	ACRES	Development (Vacant, Developed, Underutilized)	% Developed*	Pre- zoning	Pre-zoning Conformance	Maximum Allowed Development	Existing Development Constraints**	Estimated New Bldg. Sq. Ft.
082-093-03	SODA BAY RD	0.993	Developed	80%	I	Serv. Comm/Propane	20% to B/O	N/A	3,027
082-093-14	SODA BAY RD	0.701	Developed	100%	I	Serv. Comm/Boatshop	Comp B/O	N/A	0
082-093-08	SODA BAY RD	1.772	Developed	80%	I	Serv. Comm/Retail	20% to B/O	2% Flood/Riparian	5,295
082-093-09	SODA BAY RD	1.764	Developed	80%	I	Serv. Comm	20% to B/O	3% Flood/Riparian	5,218
082-093-13	SODA BAY RD	1.864	Underutilized	40%	I	Serv. Comm	60% to B/O	N/A	17,049
082-093-05	SODA BAY RD	1.896	Developed	100%	I	Serv. Comm	Comp B/O	N/A	0
082-093-11	SYLVA WY	0.675	Vacant/Equip.	0%	I	Heavy equip. storage	100% to B/O	50% Flood/Riparian	5,143
008-001-01	S MAIN ST	8.409	Developed	30%	C-3	Retail/Comm./SF R	70% to B/O	90% Flood/2% Ripar.	9,231
082-092-06	SODA BAY RD	0.821	Developed	95%	C-3	Serv. Comm	5% to B/O	N/A	805
082-092-02	SODA BAY RD	0.511	Developed	80%	C-3	Serv. Comm	20% to B/O	N/A	2,002
082-092-04	SODA BAY RD	1.615	Vacant	0%	C-3	N/A	100% to B/O	N/A	31,657
008-001-25	SODA BAY RD	26.119	Underutilized	25%	C-3	Retail/Theater	75% to B/O	40% Flood	230,396
082-092-03	SODA BAY RD	0.916	Vacant	0%	C-3	N/A	100% to B/O	N/A	17,951
005-035-10	S MAIN ST	1.463	Developed	100%	C-3	Retail/Gas Station	Comp B/O	N/A	0
082-092-01	SODA BAY RD	1.082	Developed	90%	C-3	Retail/Rest. Fast Food	10% to B/O	N/A	2,121
008-001-02	S MAIN ST	9.104	Underutilized	25%	C-3	Serv. Comm/Retail	75% to B/O	60% Flood/25% Rip	20,076
008-001-03	SODA BAY RD	0.850	Underutilized	25%	C-3	SFR	75% to B/O	N/A	12,494
082-093-15	SODA BAY RD	1.079	Developed	100%	I	Serv. Comm	Comp B/O	10% Flood	0
008-003-05	S MAIN ST	1.431	Developed	100%	C-3	Serv. Comm/Rental	Comp B/O	5% Flood	0
005-053-19	S MAIN ST	0.905	Developed	100%	C-3	Retail/Boat Sales	Comp B/O	N/A	0
005-053-20	S MAIN ST	0.963	Developed	100%	C-3	Serv. Comm/Storage	Comp B/O	N/A	0
005-053-21	S MAIN ST	0.902	Developed	90%	C-3	Serv. Comm	10% to B/O	N/A	1,769
005-053-22	S MAIN ST	0.885	Developed	100%	C-3	Serv. Comm/Storage	Comp B/O	N/A	0
008-003-04	S MAIN ST	7.412	Developed	20%	C-3	Retail/ Sears	80% to B/O	50% Flood	58,119
005-053-18	S MAIN ST	2.973	Developed	100%	C-3	Retail/Boat Sales	Comp B/O	N/A	0
008-003-13	S MAIN ST	12.376	Vacant	0%	C-3	N/A	100% to B/O	40% Flood	145,560

PARCEL	SITE ADDRESS	ACRES	Development (Vacant, Developed, Underutilized)	% Developed*	Pre- zoning	Pre-zoning Conformance	Maximum Allowed Development	Existing Development Constraints**	Estimated New Bldg. Sq. Ft.
005-049-11	S MAIN ST	0.702	Developed	60%	C-3	Serv. Comm/Propane	40% to B/O	N/A	5,506
005-049-12	S MAIN ST	0.764	Developed	30%	C-3	Retail/Music Store	70% to B/O	N/A	10,490
005-052-27	S MAIN ST	4.545	Developed	100%	C-3	Retail/Lumber Yard	Comp B/O	N/A	0
Total C3									653,144
Total Industrial									74,785
Grand Total									727,929

*Areas containing buildings, parking and/or storage areas considered as developed area

**Should be noted that several properties within this area have development constraints based on the presence of Native American cultural resources.

B/O = Build-Out

Serv./Comm= Service Commercial

Source: City of Lakeport, ADE, Inc.

BASELINE SCENARIO

The Baseline scenario is based on the projected job counts from the California Department of Transportation (Caltrans) Long-Term Socio-Economic Forecast for 2018. Under this scenario, the projected employment growth in Lakeport between 2017 and 2050 totals over 1,300 jobs (Table 3). This is about a 0.7 percent annual rate over the whole period compared to a 2.5 percent growth rate between 2010 and 2017.

These projected long-term jobs are highly concentrated in institutional uses, with nearly 1,200 projected new jobs in this category through 2050. Caltrans forecasts that industrial uses will have no net change in the total jobs through 2050, even though the cumulative projected jobs will show modest growth over the short- and medium-term through 2030. Beyond 2030, Caltrans projects a decline in industrial jobs. The projected demand for business space totals about 592,000 sq. ft. through 2050, with over 528,000 sq. ft. coming from institutional uses. It should be noted that over the near-term between 2017 and 2020, the Caltrans forecasts show higher projected employment and square footage demand than the high and moderate growth scenarios, reflecting a longer expansion period coming out of the recession. However, Caltrans expects long-term job growth to be constrained by lack of labor force as population is projected to grow at a slower rate.

TABLE 3: LAKEPORT BASELINE GROWTH SCENARIO JOB AND SQUARE FOOTAGE DEMAND PROJECTIONS, 2017 TO 2050

JOB GROWTH	2017 TO 2020 GROWTH	2017 TO 2025 GROWTH	2017 TO 2030 GROWTH	2017 TO 2040 GROWTH	2017 TO 2050 GROWTH
Industrial	21	19	19	9	0
Office	8	20	28	46	60
Commercial	19	40	63	95	114
Institutional	300	587	778	978	1,153
Total	348	666	888	1,128	1,327
SQUARE FOOTAGE	2017 TO 2020 GROWTH	2017 TO 2025 GROWTH	2017 TO 2030 GROWTH	2017 TO 2040 GROWTH	2017 TO 2050 GROWTH
Industrial	13,872	12,587	12,190	5,890	225
Office	3,141	7,367	10,549	17,287	22,143
Commercial	6,903	14,434	22,872	34,414	41,108
Institutional	137,201	268,765	356,238	447,715	528,231
Total	161,117	303,153	401,850	505,305	591,706

Source: ADE, Inc.; data from US Bureau of Labor Statistics, US Census LEHD, California EDD, Caltrans, and the International Facility Management Association.

MODERATE GROWTH SCENARIO

The moderate growth scenario is based on projected growth rates for Lake County from Woods & Poole, an independent company of economists specializing in long-term economic forecasting. Under this scenario, the projected job growth for Lakeport between 2017 and 2050 totals about 2,200 new positions, an annual growth rate of 1.1 percent (Table 4). Nearly 1,800 of these projected jobs occur in institutional uses. Less than 100 new jobs are projected for industrial and office uses under this scenario. Altogether, the moderate growth scenario projects around 993,000 sq. ft. of new demand for business space, with nearly 811,000 sq. ft. coming from institutional uses.

TABLE 4: LAKEPORT MODERATE GROWTH SCENARIO JOB AND SQUARE FOOTAGE DEMAND PROJECTIONS, 2017 TO 2050

JOB GROWTH	2017 TO 2020 GROWTH	2017 TO 2025 GROWTH	2017 TO 2030 GROWTH	2017 TO 2040 GROWTH	2017 TO 2050 GROWTH
Industrial	6	18	27	43	59
Office	9	20	34	55	73
Commercial	36	85	130	224	321
Institutional	222	571	893	1,406	1,770
Total	272	694	1,083	1,728	2,223
SQUARE FOOTAGE	2017 TO 2020 GROWTH	2017 TO 2025 GROWTH	2017 TO 2030 GROWTH	2017 TO 2040 GROWTH	2017 TO 2050 GROWTH
Industrial	3,888	11,992	17,691	27,997	38,711
Office	3,194	7,471	12,522	20,474	27,118
Commercial	12,907	30,841	47,163	81,219	116,152
Institutional	101,456	261,391	408,765	644,057	810,660
Total	121,445	311,695	486,141	773,747	992,640

Source: ADE, Inc.; data from US Bureau of Labor Statistics, US Census LEHD, California EDD, Woods & Poole, and the International Facility Management Association.

HIGH GROWTH SCENARIO

The high growth scenario is based on the compounded annual growth rates (CAGR) that occurred in Lake County between 2010 and 2017.² Because this represented the recovery period after the Great Recession in which employment grew over an extended period of time, the growth assumptions should be considered a maximum growth scenario.

TABLE 5: LAKEPORT HIGH GROWTH SCENARIO JOB AND SQUARE FOOTAGE DEMAND PROJECTIONS, 2017 TO 2050

JOB GROWTH	2017 TO 2020 GROWTH	2017 TO 2025 GROWTH	2017 TO 2030 GROWTH	2017 TO 2040 GROWTH	2017 TO 2050 GROWTH
Industrial	30	105	223	421	1,239
Office	1	7	18	47	210
Commercial	40	114	197	281	521
Institutional	233	683	1,227	1,851	3,803
Total	305	909	1,665	2,600	5,773
SQUARE FOOTAGE	2017 to 2020 Growth	2017 to 2025 Growth	2017 to 2030 Growth	2017 to 2040 Growth	2017 to 2050 Growth
Industrial	19,874	68,992	146,654	277,144	815,044
Office	485	2,501	6,832	17,302	78,047
Commercial	14,656	41,384	71,369	101,789	188,538
Institutional	106,697	312,684	561,734	847,665	1,741,638
Total	141,713	425,562	786,589	1,243,900	2,823,267

Source: ADE, Inc.; data from US Bureau of Labor Statistics, US Census LEHD, California EDD, and the International Facility Management Association.

Using these assumptions, the analysis found total growth of nearly 5,800 jobs between 2017 and 2050, with most of the projected growth occurring in institutional uses (Table 5). This creates a

² The growth rates by industry were derived from the Quarterly Census of Employment and Wages (QCEW) by the U.S. Bureau of Labor Statistics (BLS). The most recent available annual dataset dates back to 2017.

potential square footage demand of about 2.8 million sq. ft.³ Most of the projected demand comes from institutional uses with 1.7 million sq. ft., while industrial uses have potential demand for about 815,000 sq. ft. of space. It should be noted that most of the projected employment growth for industrial uses comes from the construction industry, which has had unusually strong recent growth. If this trajectory cannot be maintained, then the actual demand for industrial space will be substantially less.

ANALYSIS

Table 2 above indicates that the South Lakeport Annexation Area could support a maximum of about 728,000 sq. ft. of non-residential development. The City General Plan identifies 60 acres of vacant non-residential land within the current boundaries.⁴ Under similar assumptions as the buildout analysis in Table 2, this land would be expected to support a maximum of 1.04 million sq. ft. The annexation area would represent about 41 percent of the City's future development potential. In estimating the timing of development in the annexation area, we have assumed that it would absorb about 41 percent of projected growth under the various scenarios described above.

The buildout estimates indicate that an additional 653,000 sq. ft. of commercial uses could be built in the C3 zone in the project area, of which 252,100 would be on properties that are currently vacant, 280,500 sq. ft. on properties deemed to be underutilized, and 120,500 through intensification of developed parcels. The C3 zone allows a wide range of commercial uses, including medical offices with a zoning permit and residential care facilities with a use permit. Therefore, some of the strong projected growth in institutional uses described above could occur in the South Lakeport area.

Under the baseline scenario, just the vacant C3 properties in South Lakeport alone could take until 2050 to develop, depending on how much non-residential development occurs elsewhere in Lakeport. Under the moderate growth scenario, the vacant commercial properties in the annexation area could develop before 2040 but full buildout would not occur until after 2050. In the high growth scenario, full buildout could occur by about 2045.

The buildout analysis also identifies potential for nearly 75,000 sq. ft. of additional industrial uses. If the construction industry continues to expand in the Lakeport area, it could lead to full development of the industrial properties before 2030, which is reflected in the high growth scenario. However, if that does not occur, the baseline and moderate projections above suggest that the industrial properties would not achieve full buildout until well after 2050.

For purposes of the fiscal analysis below, we have included a 2030 projection based on the moderate growth scenario as well as full buildout scenario of 728,000 sq. ft. The projected mix of uses is shown below in Table 6 for both alternatives.

³ The employment density (square feet per job) benchmarks come from the International Facility Management Association's *Space and Project Management Benchmarks* research report.

⁴ City of Lakeport, General Plan 2025. August 2009. p. III-4.

TABLE 6: DEVELOPMENT ABSORPTION PROJECTIONS
FOR SOUTH LAKEPORT ANNEXATION AREA: 2030 AND BUILDOUT

Land Use	2030	Buildout
Industrial	7,253	74,785
Office	5,134	18,567
Commercial	19,337	79,528
Institutional	167,594	555,049
Total	199,318	727,929

Source: ADE, Inc.

FISCAL ANALYSIS

INTRODUCTION

The Lake County Local Agency Formation Commission (LAFCo) has authority to approve the proposed South Lakeport annexation. LAFCo has adopted a Revenue Neutrality policy to outline the fiscal conditions under which an annexation may be approved:

Lake LAFCo Policies, Standards and Procedures (excerpt pp. 13-14)

May 20, 2009 Resolution 2009-0007

Amended May 21, 2014; Resolution 2014-0003

2.13. Revenue Neutrality

a) Revenue Neutrality Applicable to All Proposals. LAFCO will approve a proposal for a change of organization or reorganization only if the Commission finds that the proposal will result in a similar exchange of both revenues and service responsibilities among all affected agencies. A proposal is deemed to have met this standard if the amount of revenue that will be transferred from an agency or agencies currently providing service in the subject territory to the proposed service-providing agency is substantially equal to the expense the current service provider bears in providing the services to be transferred.

b) Adjustment to Create Revenue Neutrality. In the event the expense to the new service provider is substantially greater than or less than that amount of revenue transferred from the current service provider, the current service provider and new service providing agency must agree to revenue transfer provisions to compensate for the imbalance. Such provisions may include, but are not limited to, tax-sharing, lumpsum payments, and payments over a fixed period of time.

c) Failure to Achieve Revenue Neutrality. Where achieving substantial revenue neutrality is not possible because of the limitations of state law, the Commission shall impose all feasible conditions available to reduce any revenue imbalance, or it may deny the proposal. The Commission recognizes that strict compliance with the revenue neutrality standard may be infeasible for certain proposals and that the need for service may sometimes outweigh the requirement for complete revenue neutrality. Where the failure to achieve revenue neutrality is primarily due to the disagreement of the affected agencies, the Commission shall normally deny the application.

d) Revenue Sharing Agreements. Paragraphs a, b, and c of this section will be considered to be complied with if:

i) The affected agencies have agreed to a specific revenue split for the proposal and have filed a copy of that agreement with the Executive Officer with a statement that the agreement adequately provides for revenue neutrality, or

ii) A master tax exchange agreement or agreed-upon formula is in effect between the affected agencies and the agencies confirm in writing that such agreement is applicable to this proposal and that it provides for a balanced exchange of service costs and revenue.

On February 18, 1997, the City of Lakeport and the County of Lake entered into an agreement for revenue redistribution pertaining to the City of Lakeport South Lakeport Reorganization – Phase I. Subsequent agreements were adopted in 2001 and 2002 related to the timing of the road improvement and utility undergrounding project on South Main Street and Soda Bay Rd. Design and environmental review for that project are complete, funding is being assembled, and construction is anticipated to commence in 2021.

The 1997 Agreement laid out a redistribution of property tax and sales tax in the event of annexation of the area to the City. The subsequent agreements did not alter these tax sharing formulas.

The purpose of the fiscal analysis is to describe the quantitative distribution of tax revenues resulting from the annexation and to evaluate the remaining service responsibilities of the City and the County in compliance with LAFCo's Revenue Neutrality policy. This chapter begins with discussion of the property tax and sales tax distribution provisions and then addresses the service cost responsibilities of the City and the County.

PROPERTY TAX

The Agreement addresses the distribution of property taxes for the County General Fund, the County Road Fund and the Lakeport County Fire Protection District. At the time of the Agreement, the Fire District served only the unincorporated area around Lakeport. In 2000, the Fire District merged with the City Fire Department and now provides fire protection services both within Lakeport and in the surrounding County area, including the South Lakeport Annexation Area.⁵ Given this situation, we expect there will be no property tax redistribution between the Fire District and the City as a result of the proposed annexation. We focus therefore only on the redistribution between the City and the County General Fund and Road Fund. The Agreement specifies that no other taxing agency or County Fund is to be affected by the annexation.

The Agreement property tax provisions are summarized as follows:

- The base property tax currently allocated to the County General Fund shall not be changed as a result of the annexation.
- The base property tax currently allocated to the County Road Fund will be transferred to the City. In addition, all future tax increments that would otherwise have been allocated to the County Road Fund shall instead be transferred to the City.
- The portion of future tax increment in the annexed area which would otherwise be allocated to the County General Fund, shall be divided between the County General Fund and the City of Lakeport based on the same proportionate share each of the two entities receives in tax rate area (TRA) 001-001, which is a contiguous tax rate area within the present boundaries of the City of Lakeport.

⁵ Lake LAFCo, City of Lakeport Municipal Services Review, July 18, 2012. p. 21.

Since the time of the Agreement, TRA 001-001 has been retired, but we have obtained the tax allocation factors for TRA 001-002, which is within the City of Lakeport, from the County Auditor.⁶ Table 7 shows the tax allocation factors for the two TRA's currently in the annexation area and TRA 001-002. The gross AB8 factors were supplied by the County Auditor. ADE adjusted the factors to reflect the state mandated shift to the Education Revenue Augmentation Fund (ERAF) to obtain the net factors shown in the right-hand column of Table 7.⁷

The current assessed value of the annexation area is \$23.8 million, of which \$16.25 million is in TRA 057-032 and \$7.55 million is in TRA 057-042. The total base property tax paid by property owners in the annexation area is currently \$238,051 per year, of which the County General Fund receives \$57,896 and the County Road Fund receives \$3,415. Under the provisions of the Agreement, after the annexation the County General Fund would continue to receive a share of property taxes, but the County Road Fund share would be transferred to the City.

The projected incremental growth to 2030 would increase assessed values in the annexation area by about \$39 million in 2019 dollars. This is based on recent retail and service commercial property sales in Lake County, which have averaged between \$150 and \$250 per sq. ft., and does not include annual assessed value escalations on existing property. Under Proposition 13, assessed values may be increased up to two percent per year, or up to current market value when properties are sold. For illustrative purposes, however, the \$39 million in assessed value related to new construction would generate \$390,000 per year in property tax increment. Based on the tax allocation factors for TRA 001-002 in Table 6, the County General Fund would receive approximately 19.6 percent of this tax revenue, or \$76,400 per year. The City of Lakeport would receive about 11.9 percent, or \$46,250 per year.

If the proposed annexation area achieves maximum buildout as estimated in Table 2 above, ADE estimates the assessed value of the area would increase by \$144.4 million in 2019 dollars. The County's annual base property tax allocation would be \$282,900 and the City's annual share would be \$171,260.

⁶ Amanda Johnson, Property Tax Coordinator, County of Lake, Auditor-Controller/County Clerk's Office, email communication, January 31, 2019.

⁷ Lake County Auditor-Controller/County Clerk's Office, Allocated Amounts & Apportionment Factors Net ERAF, Fiscal Year Ending June 30, 2019. Downloaded January 21, 2019.

TABLE 7: TAX ALLOCATION FACTORS FOR SOUTH LAKEPORT ANNEXATION AREA TRAs (057-032 AND 057-042) AND TRA 001-002 WITHIN THE CITY OF LAKEPORT

TRA	Tax Code	Agency	Gross AB8 Increment Factor	ERAF	Net AB8 Increment Factor
001-002	10000	General County	0.2855350	0.6860465	0.1958903
001-002	12500	Co. Library	0.0117940	0.8716060	0.0102797
001-002	13100	Fish & Game	0.0012420	0.8839694	0.0010979
001-002	20000	Flood - General	0.0086900	0.8794328	0.0076423
001-002	30100	Hartley Cemetery	0.0105530	0.8452356	0.0089198
001-002	35400	Lakeport Fire	0.1559350	0.8522658	0.1328980
001-002	37100	Lake Co. Vector Control	0.0173810	0.8982442	0.0156124
001-002	42300	Lakeport City	0.1277400	0.8160213	0.1042386
001-002	45000	Co Office of Ed.	0.0260710	1.0000000	0.0260710
001-002	45300	Lakeport Unified	0.2973310	1.0000000	0.2973310
001-002	46100	Mendocino College	0.0577280	1.0000000	0.0577280
		ERAF			0.1422910
Total			1.0000000		1.0000000
057-032	10000	General County	0.3542370	0.6860465	0.2430231
057-032	10300	Road	0.0232060	0.6177081	0.0143345
057-032	12500	Co. Library	0.0142490	0.8716060	0.0124195
057-032	13100	Fish & Game	0.0011860	0.8839694	0.0010484
057-032	20000	Flood - General	0.0103190	0.8794328	0.0090749
057-032	20500	Flood Zone 5	0.0023360	0.5967941	0.0013941
057-032	30100	Hartley Cemetery	0.0132750	0.8452356	0.0112205
057-032	35400	Lakeport Fire	0.0913010	0.8522658	0.0778127
057-032	37100	Lake Co. Vector Control	0.0217010	0.8982442	0.0194928
057-032	45000	Co Office of Ed.	0.0315960	1.0000000	0.0315960
057-032	45300	Lakeport Unified	0.3654900	1.0000000	0.3654900
057-032	46100	Mendocino College	0.0711040	1.0000000	0.0711040
		ERAF			0.3850126
Total			1.0000000		1.0000000
057-042	10000	General County	0.3550780	0.6860465	0.2436000
057-042	10300	Road	0.0232570	0.6177081	0.0143660
057-042	12500	Co. Library	0.0142700	0.8716060	0.0124378
057-042	13100	Fish & Game	0.0011830	0.8839694	0.0010457
057-042	20000	Flood - General	0.0103530	0.8794328	0.0091048
057-042	30100	Hartley Cemetery	0.0133200	0.8452356	0.0112585
057-042	35400	Lakeport Fire	0.0915100	0.8522658	0.0779908
057-042	37100	Lake Co. Vector Control	0.0217560	0.8982442	0.0195422
057-042	45000	Co Office of Ed.	0.0316590	1.0000000	0.0316590
057-042	45300	Lakeport Unified	0.3663430	1.0000000	0.3663430
057-042	46100	Mendocino College	0.0712710	1.0000000	0.0712710
		ERAF			0.1413810
Total			1.0000000		1.0000000

Source: Lake County Auditor-Controller/County Clerk's Office, ADE, Inc.

SALES TAX

The Agreement also specifies the distribution of sales tax from the annexation area. At the time of the Agreement, it was estimated that the area generated about \$60,000 per year in sales taxes for the County. Upon annexation, sales tax revenue would transfer to the City. However, the Agreement outlines the following amortization schedule for the City to reimburse the County in order to reduce the impact of the loss of sales tax revenues:

<u>Year</u>	<u>Amount to be Paid by City to County</u>
-------------	--------------------------------------------

1	\$52,500
2	\$45,000
3	\$37,500
4	\$30,000
5	\$22,500
6	\$15,000
7	\$0

Thus, over six years, the County would receive \$210,000. The Agreement stipulates that if actual sales tax revenues are higher at the time of annexation, this amortization schedule nevertheless remains in effect.

The County CAO has disclosed that the actual sales tax receipts for the County from the South Lakeport Annexation area were \$463,953 for FY 2016-2017.⁸ It is likely that as of this writing in FY 2018-2019, sales tax receipts would have grown by five percent or more, and now total about \$490,000 per year.

The voters of the City of Lakeport have adopted two sales tax augmentation measures. Measure I adds a one-half percent tax and Measure Z adds an additional one percent tax. Combined with the base sales tax, ADE estimates the City would receive a total of about \$1.15 million per year in sales tax from the annexation area, less the amounts paid to the County over the six-year amortization period.⁹

Projected incremental growth by 2030 would add an estimated 19,337 sq. ft. of commercial development, which could increase total sales tax revenues to the City by about \$56,600 per year. If the annexation area achieves maximum buildout as estimated in Table 2 above and the new retail development generates sales tax at the same rate as the existing retail stores, such future development could add another \$93,000 in 2019 dollars to the City's base sales tax receipts after annexation, resulting in a total increase of \$236,600 per year including Measure I and Z.

⁸ Carol J. Hutchinson, Lake County Administrative Officer, email communication, February 6, 2019.

⁹ Note that car and boat sales to non-City residents would not pay the additional Measure Z or I tax rates.

The sections below discuss the municipal service cost obligations of the City and the County after annexation and evaluate the balance between the revenue allocations described above and the level of future service cost obligation for each jurisdiction.

CITY SERVICE COSTS AND OTHER REVENUES

In order to evaluate the fiscal impact of the annexation on City of Lakeport service costs, ADE prepared an analysis of the City budget and per capita cost and revenue factors. In the current General Fund budget (FY 2018-2019), the City projects \$5.76 million in revenues and \$5.97 million in expenditures (Table 8). The budget is structurally balanced and the small deficit shown in the Table is due to General Fund support of capital improvement projects using prior revenues.

TABLE 8: CITY OF LAKEPORT GENERAL FUND BUDGET FISCAL YEAR 2018-2019

Budget Category	Budget Amount
Revenues	
Taxes	\$4,749,040
Franchise Fees	\$206,000
Permits	\$72,500
Licenses	\$1,550
Fines/ Forfeitures/Penalties	\$15,500
Intergovernmental	\$244,000
Charges for Services	\$54,510
Use of Money & Property	\$52,000
Other Revenues	\$163,060
Interfund Transfers	\$198,500
General Funds Subtotal	\$5,756,660
Expenditures	
General Administration	\$796,065
Police	\$2,117,915
Public Works Admin/Eng	\$274,577
Street Maintenance	\$1,275,439
Park/Bldg. Maintenance	\$595,535
Community Development	\$440,975
Non-Departmental	\$474,722
General Fund Subtotal	\$5,975,227
Net Revenue/(Cost)	(\$218,567)

Source: City of Lakeport Annual Budget FY 2018-19

The Taxes category in Table 8 includes property, sales, and transient occupancy taxes. For other revenues that may be affected by the businesses in the annexation area, as well as costs for services, ADE used a per capita estimating approach. The service population for Lakeport includes the resident population, the jobs located in town and visitors to the City. It is a standard metric in fiscal impact analysis that businesses, as represented by the jobs they provide, require one-half the level of municipal services as do full time residents of the City. The State Department of Finance reports that the City population is 5,134 as of January 2018. ADE estimates there are 3,835 jobs located in the City based on data from the Local Employer-Household Dynamics (LEHD) data set and State

Employment Development Department (EDD). We estimate the service population for Lakeport is 5,134 persons plus one half 3,835 for a total of 7,051. Residential uses account for about 73 percent of the demand for City services. We also estimate residents account for a similar percentage of incidental revenues such as franchise fees, fines and forfeitures and City charges for service.

ADE made certain adjustments to City revenues and costs prior to calculating the per capita factors. Since the analysis is intended to analyze ongoing impacts of existing development, we have removed the permit fees associated with new construction and the development entitlement process, and we have reduced the Community Development cost budget accordingly. In addition, we have excluded intergovernmental revenues, which typically are more affected by residents than businesses, which mainly occupy the proposed annexation area. Finally, we excluded \$169,000 in interfund service revenue and a similar amount for General Administration services. It should be noted as well that while the City of Lakeport would provide sewer and water services to the annexation area, the costs of providing those services are covered by user fees and thus, there is no associated net cost.

With these adjustments, ADE calculated the per capita revenue and cost factors shown in Table 9 below. Most of the revenues and cost follow the 73%/27% split discussed above, with the exception of Licenses, which are mainly business licenses. Two budget categories not shown in Table 9 are Use of Money and Property, which is essentially interest on the City's bank accounts plus rental fees of City facilities. This revenue is calculated as one percent of the other revenues, based on figures from the City budget. Also, the General Administration category is charged as a percent overhead on other City service costs. The City General Fund budget indicates that General Administration costs represent about 12.9 percent of total General Fund costs. General Administration costs include the administration department, city council costs, city attorney costs and the finance and IT department.

TABLE 9: PER CAPITA REVENUE AND COST FACTORS, CITY OF LAKEPORT

Budget Category	Residential		Business	
	Share	Per Resident	Share	Per Employee
Revenues				
Franchise Fees	73%	\$29.21	27%	\$14.61
Licenses	10%	\$0.03	90%	\$0.36
Fines/ Forfeitures/Penalties	73%	\$2.20	27%	\$1.10
Charges for Services	73%	\$7.73	27%	\$3.87
Other Revenues	73%	\$23.12	27%	\$11.56
Costs				
General Administration	73%	\$88.93	27%	\$44.46
Police	73%	\$265.75	27%	\$132.88
Public Works Admin/Eng	73%	\$38.94	27%	\$19.47
Roads and Infrastructure	73%	\$180.88	27%	\$90.44
Park/Bldg. Maintenance	73%	\$84.46	27%	\$42.23
Community Development	73%	\$52.26	27%	\$26.13
Non-Departmental	73%	\$67.32	27%	\$33.66

Source: ADE, Inc.

NET FISCAL IMPACT ON THE CITY OF LAKEPORT

Combining the property and sales tax analysis above with the per capita revenue and cost analysis, ADE estimates that the proposed annexation will generate a net positive fiscal impact for the City of about \$950,200 per year (Table 10). This is mainly due to the voter approved sales tax measures that Lakeport has in place, which increase the base sales taxes by 150% over what the County currently receives from the same businesses. The residential and industrial uses actually would create a small negative impact due to their low assessed values. However, over time if these properties are sold and their assessed values are brought up to market value, this negative fiscal impact would likely be mitigated.

TABLE 10: ANNUAL NET FISCAL IMPACT FOR THE CITY OF LAKEPORT OF EXISTING LAND USES IN SOUTH LAKEPORT ANNEXATION AREA

Budget Category	Total	Vacant	Residential	Retail	Light Industrial
REVENUES					
Property Tax	\$3,415	\$30	\$46	\$2,543	\$796
Sales Tax	\$490,000	\$0	\$0	\$490,000	\$0
Measure I	\$220,500	\$0		\$220,500	\$0
Measure Z	\$441,000	\$0		\$441,000	\$0
Franchise Fees	\$8,837	\$0	\$526	\$4,674	\$3,637
Licenses	\$208	\$0	\$1	\$116	\$91
Fines/ Forfeitures/Penalties	\$665	\$0	\$40	\$352	\$274
Charges for Services	\$2,338	\$0	\$139	\$1,237	\$962
Use of Money & Property	\$11,763	\$0	\$12	\$11,664	\$87
Other Revenues	\$6,995	\$0	\$416	\$3,700	\$2,879
Total Revenue	\$1,185,721	\$30	\$1,179	\$1,175,786	\$8,726
EXPENDITURES					
General Administration	\$26,901	\$0	\$1,601	\$14,229	\$11,072
Police	\$80,391	\$0	\$4,784	\$42,521	\$33,086
Public Works Admin/Eng	\$11,779	\$0	\$701	\$6,230	\$4,848
Roads and Infrastructure	\$54,716	\$0	\$3,256	\$28,941	\$22,519
Park/Bldg. Maintenance	\$25,548	\$0	\$1,520	\$13,513	\$10,515
Community Development	\$15,807	\$0	\$941	\$8,361	\$6,506
Non-Departmental	\$20,365	\$0	\$1,212	\$10,772	\$8,382
Total Expenditures	\$235,508	\$0	\$14,014	\$124,566	\$96,928
NET SURPLUS/(DEFICIT)	\$950,213	\$30	(\$12,835)	\$1,051,220	(\$88,203)

Source: ADE, Inc.

ADE has also estimated the potential fiscal impact of future growth to 2030 in the annexation area for the City of Lakeport (Table 11). Projected future growth includes a much lower proportion of commercial development than is currently located in the annexation area. The prevalence of institutional uses reduces the fiscal benefit of future growth due to the lower levels of taxable retail

sales. ADE estimates the 2030 growth increment would generate a net cost to the City of about \$85,400 per year. If buildout occurs as estimated in Table 2 above, this deficit would increase to about \$263,400 (Table 12). However, combined with the initial net gain upon annexation, the City would still realize net positive revenues of about \$686,840 per year at maximum buildout.

TABLE 11: ANNUAL NET FISCAL IMPACT FOR THE CITY OF LAKEPORT OF PROJECTED 2019-2030 GROWTH IN SOUTH LAKEPORT ANNEXATION AREA

Budget Category	Total	Light Industrial	Office	Commercial	Institutional
REVENUES					
Property Tax	\$46,251	\$2,150	\$913	\$3,440	\$39,748
Sales Tax	\$22,624	\$0	\$0	\$22,624	\$0
Measure I	\$11,312			\$11,312	
Measure Z	\$22,624			\$22,624	
Franchise Fees	\$6,488	\$161	\$202	\$780	\$5,345
Licenses	\$162	\$4	\$5	\$19	\$133
Fines/ Forfeitures/Penalties	\$488	\$12	\$15	\$59	\$402
Charges for Services	\$1,717	\$43	\$53	\$206	\$1,414
Use of Money & Property	\$1,170	\$25	\$14	\$618	\$514
Other Revenues	\$5,136	\$127	\$160	\$618	\$4,231
Total Revenue	\$117,972	\$2,522	\$1,361	\$62,301	\$51,787
EXPENDITURES					
General Administration	\$23,225	\$490	\$740	\$2,375	\$19,620
Police	\$59,020	\$1,465	\$1,834	\$7,098	\$48,623
Public Works Admin/Eng	\$35,597	\$215	\$1,248	\$1,040	\$33,094
Roads and Infrastructure	\$40,170	\$997	\$1,248	\$4,831	\$33,094
Park/Bldg. Maintenance	\$18,757	\$465	\$583	\$2,256	\$15,453
Community Development	\$11,605	\$288	\$361	\$1,396	\$9,561
Non-Departmental	\$14,951	\$371	\$465	\$1,798	\$12,318
Total Expenditures	\$203,325	\$4,291	\$6,478	\$20,794	\$171,762
NET SURPLUS/(DEFICIT)	(\$85,353)	(\$1,768)	(\$5,117)	\$41,507	(\$119,975)

Source: ADE, Inc.

Table 12: ANNUAL NET FISCAL IMPACT FOR THE CITY OF LAKEPORT OF MAXIMUM BUILDOUT IN SOUTH LAKEPORT ANNEXATION AREA

Budget Category	Total	Light Industrial	Office	Commercial	Institutional
REVENUES					
Property Tax	\$171,258	\$22,171	\$3,303	\$14,146	\$131,639
Sales Tax	\$93,048	\$0	\$0	\$93,048	\$0
Measure I	\$46,524			\$46,524	
Measure Z	\$93,048			\$93,048	
Franchise Fees	\$23,301	\$1,660	\$729	\$3,209	\$17,702
Licenses	\$580	\$41	\$18	\$80	\$441
Fines/ Forfeitures/Penalties	\$1,753	\$125	\$55	\$241	\$1,332
Charges for Services	\$6,166	\$439	\$193	\$849	\$4,684
Use of Money & Property	\$4,550	\$258	\$49	\$2,542	\$1,701

Budget Category	Total	Light Industrial	Office	Commercial	Institutional
Other Revenues	\$18,444	\$1,314	\$577	\$2,540	\$14,012
General Funds Subtotal	\$458,671	\$26,008	\$4,924	\$256,227	\$171,512
EXPENDITURES	\$0				
General Administration	\$82,476	\$5,054	\$2,676	\$9,768	\$64,977
Police	\$211,959	\$15,102	\$6,632	\$29,192	\$161,033
Public Works Admin/Eng	\$120,608	\$2,213	\$4,514	\$4,277	\$109,604
Roads and Infrastructure	\$144,265	\$10,279	\$4,514	\$19,869	\$109,604
Park/Bldg. Maintenance	\$67,361	\$4,799	\$2,108	\$9,277	\$51,177
Community Development	\$41,678	\$2,970	\$1,304	\$5,740	\$31,665
Non-Departmental	\$53,696	\$3,826	\$1,680	\$7,395	\$40,795
General Fund Subtotal	\$722,043	\$44,242	\$23,428	\$85,519	\$568,854
NET SURPLUS/(DEFICIT)	(\$263,372)	(\$18,234)	(\$18,504)	\$170,708	(\$397,342)

Source: ADE, Inc

FISCAL IMPACT FOR LAKE COUNTY

Upon annexation, the County of Lake would no longer be responsible for police protection, street maintenance, or planning services for the annexation area. The County would continue to provide certain services for which it has countywide responsibility, such as property assessment and recording, criminal justice, public protection functions such as environmental health and public health, as well as County health care and public assistance programs. Since the City of Lakeport would take over the sewer collection system in the annexation area, the costs associated with its operation, maintenance and repair would be transferred from the County (Lake County Sanitation District, "LACOSAN") to the City. However, since those costs are covered by user fees, there would be no net fiscal effect.

The County's total estimated appropriations for Fiscal Year 2018-2019 are \$242,986,990. Significant portions of the County budget are supported by state and federal funds earmarked for specific programs or purposes. This is especially true for health care and criminal justice services. However, a portion of most County services is funded through local tax revenues, which is referred to as the Net County Cost for services. Table 13 summarizes the Net County Cost by major function for the Fiscal Year 2018-2019 budget. The detailed programs or services that comprise the major function categories are provided in the Appendix.

Similar to the approach for the City cost above, ADE estimated per capita cost factors for countywide services applicable to the proposed annexation area (Table 14). The factors are calculated on the basis of a total county population of 65,081 from the State Department of Finance and a count of 16,840 jobs in the county from the State EDD. In addition to the services listed in the table, the analysis includes costs for General County Administration. The Net County Cost for Administration of \$11.2 million is 4.6 percent of the total County budget of \$243.0 million. This factor is applied to direct costs estimated for the annexation area.

TABLE 13: COUNTY OF LAKE NET COUNTY COST BY MAJOR FUNCTION, FY 2018-2019

Major County Function	Net County Cost
General Administration	\$11,178,020
Police Protection	\$10,059,116
Capital Projects	\$3,545,248
Roads	\$2,996,540
Library	\$108,000
Criminal Justice	\$16,614,915
Other Public Protection	\$5,715,616
Parks & Rec	1385349
Health Services	\$854,400
Social Services	\$5,902,291
Total	\$58,359,495

Source: County of Lake, Final Recommended Budget, FY 2018-2019

TABLE 14: PER CAPITA COSTS FOR COUNTYWIDE SERVICES

Budget Category	Residential		Business	
	Share	Per Resident	Share	Per Employee
Library Fund	89%	\$1.47	11%	\$0.73
Criminal Justice	89%	\$226.05	11%	\$113.03
Other Public Protection	89%	\$77.76	11%	\$38.88
Parks & Rec	100%	\$21.29	0%	\$0.00
Health Services	100%	\$13.13	0%	\$0.00
Social Services	100%	\$90.69	0%	\$0.00

Source: ADE, Inc.

The County Budget Units included under Other Public Protection are limited to those functions that apply to the land uses in the annexation area after it is incorporated into the City. As mentioned above, these functions include environmental health, public health, the County airport and the Air Pollution Control District, among others. These functions are listed by Budget Unit in Table 15.

TABLE 15: COUNTY "OTHER PROTECTION" FUNCTIONS PROVIDED TO SOUTH LAKEPORT AREA AFTER ANNEXATION

Budget Unit No.	Function	Net County Cost
1672	Lakebed Control	\$37,432
1920	Disaster Response	\$0
2703	Animal Control	\$828,459
3122	Airport	\$20,497
4010	Environmental Health	\$27,754
4011	Public Health	\$466,791
4121	Integrated Waste Mgmt	\$2,465,521
8799	Air Pollution Control Dist.	\$44,978

Source: ADE, Inc.

The results of the fiscal analysis for existing land uses in the annexation area are shown in Table 16. The property tax revenue calculations were described in the section above. The base property tax includes both the General Fund allocation and the Library Fund. Counties and cities also receive an additional property tax allotment from the state in lieu of vehicle license fees (PTILVLF). This is separate from the local AB8 tax allocation process and was instituted in 2004 as part of the State budget legislation at that time. Local jurisdictions receive increases in PTIVLF based on annual increases in assessed value and County allocations are based on total assessed value in the County, not just in the unincorporated area. Therefore, the County should continue to receive a portion of these revenues based on growth in assessed value in the South Lakeport Annexation Area. Based on the existing assessed value in the project area, we estimate it has grown at least \$6.1 million since 2004 based on the allowable two percent increases under Proposition 13. On this basis, the area is generating about \$17,200 per year in PTILVF for the County currently, as shown in the table.

The charges for service shown in Table 16 are mainly revenues related to the Assessor's function. The use of money and property is based on county bank interest receipts, which equate to about one percent of annual Non-Departmental revenues. In total, it is estimated the County will continue to receive about \$80,200 per year generated from properties in the South Lakeport Annexation Area.

TABLE 16: ANNUAL COST/REVENUE BALANCE FOR LAKE COUNTY AFTER ANNEXATION OF THE SOUTH LAKEPORT AREA

Budget Category	Total	Vacant	Residential	Retail	Light Industrial
REVENUES					
Base Property Tax	\$60,853	\$537	\$816	\$45,314	\$14,187
VLF Prop Tax	\$17,219	\$152	\$231	\$12,822	\$4,014
Charges for Services	\$682	\$0	\$41	\$361	\$281
Use of Money & Property	\$1,446	\$13	\$20	\$1,074	\$339
Total Revenue	\$80,201	\$701	\$1,107	\$59,571	\$18,821
EXPENDITURES					
General Administration	\$3,903	\$0	\$232	\$2,064	\$1,606
Library Fund	\$444	\$0	\$26	\$235	\$183
Criminal Justice	\$68,380	\$0	\$4,069	\$36,168	\$28,143
Other Public Protection	\$16,016	\$0	\$953	\$8,471	\$6,592
Health Services	\$236	\$0	\$236	\$0	\$0
Social Services	\$1,632	\$0	\$1,632	\$0	\$0
Total Expenditures	\$88,743	\$0	\$5,281	\$46,938	\$36,524
NET SURPLUS/(DEFICIT)	(\$8,542)	\$701	(\$4,173)	\$12,633	(\$17,703)

Source: ADE, Inc.

The major cost obligation of the County would be in Criminal Justice. Although the City of Lakeport Police Department will provide patrol and police protection services, the County funds operation of the court system and the jail and related detention services. The residential uses may have some potential need for health services and social services from the County. Both the residential uses and the

industrial uses are projected to create fiscal deficits for the County due to their relatively low assessed values. While the retail properties would generate a surplus, the County is estimated to incur a small annual deficit of about \$8,500 per year after annexation. This would be mitigated for many years by the \$210,000 in sales tax payments the City would make to the County. The deficit would also likely be short-lived, as discussed below, as new development would produce a positive fiscal benefit for the County.

New development in the annexation area would have higher average assessed values than do the current properties in the area. ADE estimates the incremental growth out to 2030 would generate a net positive fiscal benefit for the County of nearly \$51,800 per year (Table_17). This is also partially due to the additional property tax in lieu of VLF, which is driven by growth in assessed value.

If the South Lakeport Annexation Area is built out according to the estimates in Table 2 above, the additional development would generate a more significant budget surplus for the County, estimated at more than \$199,000 per year (Table 18). In addition, the buildout estimates assume redevelopment of the residential properties, as they are non-conforming with City zoning. If that occurs, it would eliminate the small fiscal deficit estimated from those properties in Table 16 above.

Table 17: ANNUAL COST/REVENUE BALANCE FOR LAKE COUNTY GENERATED
BY INCREMENTAL GROWTH BY 2030
OF THE SOUTH LAKEPORT AREA

Budget Category	Total	Light Industrial	Office	Commercial	Institutional
REVENUES					
Base Property Tax	\$76,403	\$3,552	\$1,509	\$5,682	\$65,660
VLF Prop Tax	\$38,176	\$1,775	\$754	\$2,839	\$32,809
Charges for Services	\$500	\$12	\$15	\$60	\$412
Use of Money & Property	\$2,114	\$98	\$42	\$158	\$1,816
Total Revenue	\$117,193	\$5,437	\$2,319	\$8,739	\$100,697
EXPENDITURES					
General Administration	\$2,877	\$71	\$88	\$345	\$2,373
Road Fund	\$279	\$0	\$10	\$0	\$269
Library Fund	\$326	\$8	\$10	\$39	\$269
Criminal Justice	\$50,177	\$1,246	\$1,535	\$6,037	\$41,359
Other Public Protection	\$11,752	\$292	\$360	\$1,414	\$9,687
Total Expenditures	\$65,411	\$1,617	\$2,003	\$7,835	\$53,956
NET SURPLUS/(DEFICIT)	\$51,782	\$3,820	\$317	\$903	\$46,741

Source: ADE, Inc.

TABLE 18: ANNUAL COST/REVENUE BALANCE FOR LAKE COUNTY GENERATED BY INCREMENTAL BUILDOUT OF THE SOUTH LAKEPORT AREA

Budget Category	Total	Light Industrial	Office	Commercial	Institutional
REVENUES					
Base Property Tax	\$282,905	\$36,624	\$5,456	\$23,368	\$217,457
VLF Prop Tax	\$141,361	\$18,300	\$2,726	\$11,676	\$108,658
Charges for Services	\$1,797	\$128	\$55	\$248	\$1,366
Use of Money & Property	\$7,825	\$1,011	\$151	\$648	\$6,015
Total Revenue	\$433,888	\$56,064	\$8,388	\$35,940	\$333,496
EXPENDITURES					
General Administration	\$10,328	\$733	\$319	\$1,417	\$7,859
Road Fund	\$926	\$0	\$36	\$0	\$890
Library Fund	\$1,171	\$84	\$36	\$161	\$890
Criminal Justice	\$180,203	\$12,846	\$5,552	\$24,831	\$136,975
Other Public Protection	\$42,206	\$3,009	\$1,300	\$5,816	\$32,081
Total Expenditures	\$234,834	\$16,671	\$7,243	\$32,225	\$178,696
NET SURPLUS/(DEFICIT)	\$199,054	\$39,392	\$1,146	\$3,716	\$154,800

Source: ADE, Inc.

CONCLUSION

The revenue sharing agreement in place between the City of Lakeport and the County of Lake provides sufficient revenue for both jurisdictions to meet their service obligations post annexation. The terms of the Agreement therefore meet the standards of the Lake LAFCo Revenue Neutrality policy that require annexations to provide sufficient revenues to both jurisdictions to fund necessary governmental services.

Future development in the project area would be expected to produce a better cost revenue outcome for the County than do the existing land uses due to higher assessed values. The City would see higher service costs in relation to revenues for future development, but the initial sales tax gain would mitigate this fiscal impact for the City. Long-term growth projections for Lake County and the City of Lakeport suggest that buildout of the annexation area would most likely extend beyond 2050, except under extraordinary accelerated growth assumptions.

APPENDIX: NET COUNTY COSTS

Budget Unit No.	Description	Net County Cost
General Administration		
1011	Bd. Of Supervisors	\$434,631
1012	County Administrator Office	\$919,568
1014	Clerk of the Board	\$95,733
1120	Non-Departmental	\$0
1121	Auditor/Controller	\$755,252
1122	Treasurer/Tax Collector	\$465,718
1123	Assessor	\$1,133,612
1124	Central Services	\$98,117
1231	County Counsel	\$710,789
1341	Human Resources	\$718,592
1451	Registrar of Voters	\$611,910
1671	Buildings and Grounds	\$1,447,774
1892	Marketing and ED	\$0
1904	IT	\$1,073,113
2707	Recorder	\$0
2708	Assessor micrographics	\$107,713
9917	Dental Vision	\$53,884
9918	UE	\$20,661
9919	Public Liability	\$1,804,510
9920	Workers Comp	\$726,443
Police Protection		
2201	Sheriff Coroner	\$8,842,422
2202	Sheriff Central Dispatch	\$1,130,094
2207	Sheriff Civil	\$86,600
Capital Projects		
1674	Flood Corridor	\$130,976
1778	Capital Projects	\$377,000
1781	Special Projects	\$1,698,475
1785	Public Safety Facilities	\$1,163,793
1903	PW Admin	\$0
1908	PW Eng and Insp	\$175,004
Roads		
3011	Road Fund	\$2,996,540
Library		
6022	Library Fund	\$108,000
Criminal Justice		
2101	Trial Courts	\$0
2106	Grand Jurors	\$65,000
2110	District Atty	\$3,132,025
2111	Public Defender	\$1,497,633
2112	Child Support	\$61,000
2113	Victim Witness Div.	\$46,618
2115	Domestic Violence	\$2,360

Budget Unit No.	Description	Net County Cost
2116	DA Asset Forfeits	\$120,875
2204	Sheriff Court Sec	\$0
2215	Sheriff Inmate welfare	\$362,400
2301	Jail	\$7,539,303
2302	Probation	\$2,174,187
2304	Jail Medical	\$1,613,514
Other Public Protection		
1072	Cannabis	\$385,000
1672	Lakebed Control	\$37,432
1918	Geothermal	\$552,000
1920	Disaster Response	\$0
2601	Ag Commissioner	\$262,849
2602	Bldg. & Safety	\$0
2701	Fish & Game	\$16,200
2702	Planning	\$400,549
2703	Animal Control	\$828,459
3122	Airport	\$20,497
4010	Environmental Health	\$27,754
4011	Public Health	\$466,791
4121	Integrated Waste Mgmt.	\$2,465,521
6131	UC Extension	\$207,586
8799	Air Pollution Dist.	\$44,978
Parks and Recreation		
7011	Parks & Rec	\$1,385,349
Health Services		
4012	Health Services Admin	\$0
4014	Behavioral Health	\$750,000
4016	Tobacco	\$104,400
4015	Alcohol	\$0
Social Services		
1794	CDBG Program Income	\$0
1796	CDBG Capital Projects	\$1,232
5011	Social Services	\$2,572,911
5115	OJT	\$0
5121	General Welfare	\$2,706,248
5164	Housing Admin	\$0
5168	Senior Citizen Prog	\$75,739
5165	HOME Housing Services	\$546,161
TOTAL		\$58,359,495

ATTACHMENT J:
Public Agency Notification List

South Lakeport Annexation—Public Agency Notification List

Agency Name	Contact Name	Mailing Address	Phone Number	Email
Big Valley Band of Pomo Indians	Sarah Ryan, Deputy Tribal Administrator/Environmental Director	2726 Mission Rancheria Road Lakeport, CA 95453	(707) 263-3924 x132	sryan@big-valley.net
California Department of Fish & Wildlife, North Central Region	Kelsey Vella, Environmental Scientist	1701 Nimbus Road, Suite A, Rancho Cordova, CA 95670	(916) 358-2900	Kelsey.vella@wildlife.ca.gov
Central Valley Regional Water Quality Control Board		11020 Sun Center Drive, #200 Rancho Cordova, 95670-6114	(916) 464-3291	
County of Lake, Administration	Carol Hutchinson, County Administrative Officer	255 North Forbes Street Lakeport, CA 95453	(707) 263-2580	Carol.Huchingson@lakecountyca.gov
County of Lake, Assessor's Office	Richard A. Ford, Assessor-Recorder	255 North Forbes Street Lakeport, CA 95453	(707) 263-2302	Richard.Ford@lakecountyca.gov
County of Lake, Community Development Department	Michalyn DelValle, Director	255 North Forbes Street Lakeport, CA 95453	(707) 263-2221	Michalyn.DelValle@lakecountyca.gov
County of Lake, Public Works Department	Scott DeLeon, Director	255 North Forbes Street Lakeport, CA 95453	(707) 263-2341	Scott.DeLeon@lakecountyca.gov
County of Lake, Water Resources Department	David Cowan, Director	255 North Forbes Street Lakeport, CA 95453	(707) 263-2213	David.Cowan@lakecountyca.gov
Lake Area Planning Council	Lisa Davey-Bates, Executive Director	367 N. State Street, Suite #204 Ukiah, CA 95482	(707) 263-7799	ldaveybates@dbcteam.net
Lake County Air Quality Management District	Doug Gerhart, Executive Director	2617 S. Main Street, Lakeport, CA 95453	(707) 263-7000	dougg@lcaqmd.net
Lake County Environmental Health Division		922 Bevins Court Lakeport, CA 95453	(707) 263-1164	
Lake County Heritage Commission	Clerk of the Board, County of Lake (Carol Hutchinson)	255 North Forbes Street Lakeport, CA 95453	(707) 263-2580	Carol.Huchingson@lakecountyca.gov
Lake County Special Districts	Jan Coppinger, Director	230 N. Main Street, Lakeport, CA 95453	(707) 263-0119	Janet.Coppinger@lakecountyca.gov
Lake LAFCO	John Benoit, Executive Director	14050 Olympic Drive Clealake, CA 95422	(707) 592-7528	johnbenoit@surewest.net
Lake Transit	Lisa Davey-Bates, Executive Director	367 N. State Street, Suite #204 Ukiah, CA 95482	(707) 263-7799	ldaveybates@dbcteam.net
Lakeport Fire Protection District	Rick Bergem, Chief	445 N. Main Street	(707) 263-4396	chief500@lakeportfire.com
Lakeport Unified School District	Pat Iacino, Interim Superintendent	2508 Howard Ave. Lakeport, CA 95453	(707) 262-3000	Tami Carley (best contact) tcarley@lakeport.k12.ca.us
PG&E (Ukiah Office)		2641 N. State Street Ukiah, CA 95482	(800) 743-5000	
Scotts Valley Band of Pomo Indians	Terre Logsdon, Environmental Coordinator	1005 Parallel Drive Lakeport, CA 95453	(707) 263-3348	terre.logsdon@sv-nsn.gov
United States, Army Corps of Engineers, CA North Section	Melissa France, Project Manager	1325 J Street Sacramento CA 95814	(916) 557-7759	Melissa.M.France@usace.army.mil
Yolo County Flood Control & Water Conservation District	Kristin Sicke, Asst. General Manager	34274 CA-16 Woodland, CA 95695	(530) 662-0265	ksicke@ycfcwcd.org

ATTACHMENT K:
Tax Exchange Agreement &
Agreements for Cost-Sharing

1 AGREEMENT BETWEEN THE COUNTY OF LAKE AND CITY OF LAKEPORT
2 FOR REVENUE REDISTRIBUTION PERTAINING TO THE CITY OF LAKEPORT
3 SOUTH LAKEPORT REORGANIZATION - PHASE I

4 THIS AGREEMENT is made and entered into the 18th day of
5 February, 1997, by and between the COUNTY OF LAKE, a
6 political subdivision of the State of California, (hereinafter
7 referred to as "County"), and the CITY OF LAKEPORT, a municipal
8 corporation of the State of California, (hereinafter referred to as
9 "City") regarding the City of Lakeport South Lakeport
10 Reorganization - Phase I (hereafter referred to as "Annexation").

11 W I T N E S E T H
12

13 WHEREAS, County and City wish to work together to develop a
14 fair and equitable approach to tax sharing; and

15 WHEREAS, in order to develop environmentally sound land use
16 planning, it is important that any tax sharing between County and
17 City be determined in advance and that such arrangements not be
18 fiscally detrimental to either County or City; and

19 WHEREAS, County and City recognize the importance of County
20 and City services and are prepared to cooperate in an effort to
21 address County's and City's fiscal problems; and

22 WHEREAS, close cooperation between County and City is
23 necessary to maintain the quality of life throughout Lake County
24 and deliver needed services in the most cost-efficient manner to
25 all City and County residents; and

26 WHEREAS, City and County recognize that development within
27 City limits may also have the effect of concentrating revenue-
28

1 generating activities within City rather than in unincorporated
2 areas and that, as a result of Proposition 13 and its implementing
3 legislation, annexation by City of unincorporated territory can
4 result in a loss of revenue sources for County when there is
5 significant new development activity as a result of annexation;

6 NOW, THEREFORE, COUNTY AND CITY hereby agree as follows:

7 ARTICLE I

8 DEFINITIONS

9 Unless the particular provisions or context otherwise
10 requires, the definitions contained in this article and in the
11 Revenue and Taxation Code shall govern the construction, meaning,
12 and application of words used in this Agreement.

13 1.1 "Base property tax revenue" means property tax revenues
14 allocated by tax rate equivalents to all taxing jurisdictions as to
15 the geographic area comprising a given tax rate area annexed in the
16 fiscal year immediately preceding the tax year in which property
17 tax revenues are apportioned pursuant to this Agreement, including
18 the amount of State reimbursement for the homeowners' and business
19 inventory exemptions.

20 1.2 "Property tax increment" means revenue from the annual
21 tax increment, as "annual tax increment" is defined in Section 98
22 of the Revenue and Taxation Code, attributable to the tax rate area
23 for the respective tax year.

24 1.3 "Property tax revenue" means base property tax revenue,
25 plus the property tax increment for a given tax rate area.

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1 be allocated to the Lakeport County Fire Protection
2 District and the County Road Fund shall be
3 permanently reallocated to the City of Lakeport;

4 b. the portion of the future tax increment in the
5 annexed area which would otherwise be allocated to
6 the County General Fund, shall be divided between
7 the County General Fund and the City of Lakeport
8 based on the same proportionate share each of the
9 two entities receive in tax rate area 001-001,
10 which is a contiguous tax rate area within the
11 present boundaries of the City of Lakeport;

12 c. With the exception of those entities specifically
13 addressed above there shall be no exchange of
14 incremental property tax revenues between any of
15 the other local taxing entities and the City of
16 Lakeport as a result of this annexation.

17 ARTICLE III

18 SHARING OF SALES TAX REVENUES

19 3.1 Sales tax revenues generated from within the annexation area
20 after the effective date of the annexation will be allocated by the
21 State Board of Equalization to the City rather than to the County.
22 Annual sales tax revenues generated within the annexation area are
23 currently estimated to be \$60,000. In recognition of the negative
24 financial impact this revenue loss will have on the County, the
25 City agrees to reimburse the County for sales tax loss pursuant to
26 the schedule below:
27
28

1	<u>Year</u>	<u>Amount to Be Paid by City to County</u>
2		
3	1	\$52,500
4	2	45,000
5	3	37,500
6	4	30,000
7	5	22,500
8	6	15,000
9	7	7,500
10	8	-0-

11 Year 1, above, shall be defined as the twelve month period
 12 immediately following the effective date of the reallocation of the
 13 sales tax from the County to the City by the State Board of
 14 Equalization. Each twelve month period thereafter shall constitute
 15 the subsequent years 2 though 7. Payments to the County shall be
 16 made on a quarterly basis, with each quarterly payment being
 17 equivalent to one-fourth of the amount indicated above for the
 18 applicable year. Quarterly payments shall be payable at the end of
 19 each quarter following the effective date of the annexation.

20
 21 If it is determined and verified by the State Board of Equalization
 22 that the annual amount of local sales tax revenue generated from
 23 within the annexed area falls below \$60,000, the amount of payment
 24 owed by the City to the County for that year shall be reduced
 25 proportionately (for example, if sales tax revenue during the first
 26 year is 10% less than the estimated \$60,000, the first year payment
 27 of \$52,500 shall be reduced by 10%). If sales tax revenues exceed

1 \$60,000 per year, all revenue in excess of \$60,000 shall be
2 retained by the city and shall not obligate the City to increase
3 the amount owed to the County over and above those amounts
4 specified above for each applicable year.

5
6 ARTICLE IV

7 GENERAL PROVISIONS

8 4.1 Term of Agreement

9 This Agreement shall commence as of the date of execution by
10 County and City and shall remain in effect, unless terminated by
11 mutual agreement of the parties or by an uncured breach by one of
12 the parties pursuant to Section 4.7 herein below.

13 4.1.1 Should all or any portion of this Agreement be declared
14 invalid or inoperative by a court of competent jurisdiction, or
15 should any party to this Agreement fail to perform any of its
16 obligation hereunder, or should any party to this Agreement take
17 any action to frustrate the intentions of the parties as expressed
18 in this Agreement, then in such event, such offending party shall
19 be liable for any and all costs, arising out of such action,
20 including any legal costs.

21 4.1.2 In order to facilitate the development of future
22 revenue sharing agreements related to future annexations, County
23 and City will use this Agreement as a model.

24 4.2 Termination Due to Change In Law.

25 The purpose of this Agreement is to alleviate in part the
26 revenue shortfall experienced by County which will result from
27 City's annexation of revenue-producing properties located within

1 the unincorporated area of County. The purpose of this Agreement
2 is also to enable City to proceed with territorial expansion and
3 economic growth consistent with the terms of existing law as
4 mutually understood by the parties as well as to maximize each
5 party's ability to deliver essential governmental services. In
6 entering into this Agreement, the parties mutually assume the
7 continuation of the existing statutory formula for the distribution
8 of available tax revenues to local government and that assumption
9 is a basic tenet of this Agreement. Accordingly, it is mutually
10 understood and agreed that this Agreement may, by mutual agreement,
11 be modified or terminated should changes occur in statutory law,
12 court decisions or state administrative interpretations which
13 change or negate the basic tenets of this Agreement.

14 4.3 Modification.

15 This Agreement and all of the covenants and conditions set
16 forth herein may be modified or amended only by written amendment
17 duly authorized and executed by County and City.

18 4.4 Enforcement.

19 County and City each acknowledge that this instrument cannot
20 bind or limit themselves or each other or their future governing
21 bodies in the exercise of their discretionary legislative power,
22 not in conflict with the provisions herein. However, each binds
23 itself that it will insofar as is legally possible fully carry out
24 the intent and purposes hereof, if necessary by administrative
25 action independent of ordinances, and that this Agreement may be
26 enforced in any manner and to the extent allowed by law.

27

28

1 4.5 Entire Agreement; Supersession.

2 With respect to the subject matter hereof, this Agreement
3 supersedes any and all previous negotiations, proposals,
4 commitments, writings, and understandings of any nature whatsoever
5 between County and City except as otherwise provided herein.

6 4.6 Notice.

7 All notices, requests, certifications or other correspondence
8 required to be provided by the parties to this Agreement shall be
9 in writing and shall be delivered by first class mail or an equal
10 or better form of delivery to the respective parties at the
11 following addresses:

12	<u>COUNTY</u>	<u>CITY</u>
13	County Administrative Director	City Finance Director
13	County of Lake	City of Lakeport
14	255 N. Forbes Street	225 Park Street
14	Lakeport, CA 95453	Lakeport, CA 95453

15 4.7 Notice of Breach

16 Prior to this Agreement being terminated for a breach thereof
17 as expressly provided hereinabove, the non-breaching party shall
18 provide notice to the other of the grounds of the claimed breach,
19 and the allegedly breaching party shall comply with the terms and
20 conditions of this Agreement within thirty (30) days of receipt of
21 notice. If the allegedly breaching party fails to comply in a
22 timely manner, the non-breaching party shall be entitled to
23 terminate this Agreement and to recover all costs and expenses
24 resulting from said breach.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the County of Lake, State of California, on the dates set forth above.

COUNTY OF LAKE

CITY OF LAKEPORT

Carl M. Larson
Chair, Board of Supervisors

Harold Van Lente
Mayor

ATTEST: KELLY F. COX
Clerk of the Board
of Supervisors

ATTEST: Janel M. Chapman
City Clerk

By: [Signature]
Deputy

APPROVED AS TO FORM:
[Signature]
County Counsel

APPROVED AS TO FORM:
[Signature]
City Attorney



**PRE-ANNEXATION AGREEMENT REGARDING PROPOSED UNDERGROUND
UTILITY DISTRICT AND POSSIBLE ROAD IMPROVEMENTS IN THE
SOUTH LAKEPORT AREA OF THE COUNTY OF LAKE**

This Agreement is made and entered into this 17th day of April, 2001 by and between the County of Lake (hereinafter referred to as "County") and the City of Lakeport (hereinafter referred to as "City").

RECITALS

WHEREAS, County has initiated the formation of an underground utility district for South Main Street-Soda Bay Road in the unincorporated area south of the present city limits of City; and

WHEREAS, should said district be formed and the utilities undergrounded, County may, if funding is available, construct road improvements in said area contemporaneous with the undergrounding of the utilities; and

WHEREAS, said area is within the sphere of influence of City and City has previously indicated the possible annexation of all or a portion of said area in the future; and

WHEREAS, County, prior to taking final action to form said district and to plan future road improvements, desires that City agree to negotiate a future agreement for sharing in the costs of said project, to include any possible road improvements, or the sharing of future tax revenues similar to the February 18, 1997 Agreement between County and City for Revenue Redistribution should City annex all or portion of said area within a certain timeframe set forth below; and

WHEREAS, County and City desire to set forth hereinbelow their Agreement in this regard.

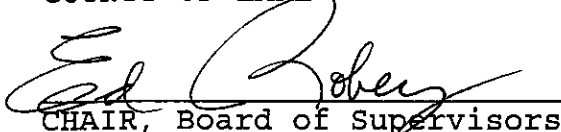
NOW, THEREFORE, based upon the foregoing recitals, the parties hereto agree as follows:

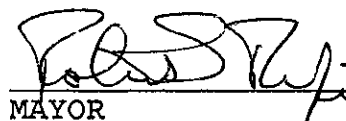
1. In the event City files an application to annex any portion of the above-referenced area along South Main Street-Soda Bay Road adjacent to its present southerly boundary within six (6) years of the date of this Agreement, City agrees to enter into negotiations with County and after conducting good faith negotiations, enter into an agreement with County for sharing the costs and expenses of any undergrounding of utilities and road improvements that have been or will be constructed in said area by County, said sharing to be through either a partial reimbursement of said costs and expenses from appropriate funding sources or an agreement for future tax revenue sharing after any such annexation, said sharing to be on a reasonably apportioned basis depending upon the date of annexation and the date of this Agreement similar to the February 18, 1997 Agreement between County and City for Revenue Redistribution.

2. In the event that County and City are unable to reach an agreement as required in Paragraph 1 above after a reasonable period of good faith negotiations, both parties agree to submit the matter to mediation in an effort to resolve remaining disputes over the terms of said Agreement.
3. In the event City files an application for such annexation during the time period set forth above, City agrees that LAFCO may impose as a condition of said annexation the consummation of the Agreement set forth in paragraph 1 above.
4. County intends that no significant road repairs and/or improvements, i.e. paving, curb and gutter, sidewalk, and the installation of turn lanes will be made by County within the unincorporated area of South Main Street-Soda Bay Road until the completion of each phase of the utility under-grounding project, contingent upon the availability of Rule 20A funding.
5. This Agreement shall continue in full force and effect until the parties hereto have performed their obligations hereunder.
6. This Agreement may only be modified by a written amendment hereto, executed by both parties.
7. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.
8. This Agreement shall be governed by the laws of the State of California. It constitutes the entire Agreement between the parties regarding its subject matter. This Agreement supercedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

COUNTY OF LAKE

CITY OF LAKEPORT


CHAIR, Board of Supervisors


MAYOR

APPROVED AS TO FORM

The within instrument is a correct
copy of the Document on file in
this office.

APPROVED AS TO FORM:

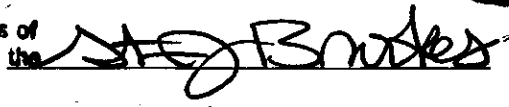
CAMERON L. REEVES
County Counsel

ATTEST:

STEVEN J. BROOKES
City Attorney


KELLY F. COX
Clerk of the Board of Supervisors of
the State of California in and for the
County of Lake.

ATTEST: KELLY F. COX
Clerk of the Board
of Supervisors


ATTEST: City Clerk



**PRE-ANNEXATION AGREEMENT
REGARDING SALES TAX ALLOCATIONS IN THE SOUTH
LAKEPORT AREA OF THE COUNTY OF LAKE**

This Agreement is made and entered into this 26th day of February 2002, by and between the County of Lake (hereinafter referred to as "County") and the City of Lakeport (hereinafter referred to as "City")

RECITALS

WHEREAS, County and City entered into an agreement on April 17, 2001, entitled "Pre-Annexation Agreement Regarding Proposed Underground Utility District And Possible Road Improvements in The South Lakeport Area Of The County of Lake", and

WHEREAS, County is currently planning to proceed with reconstruction of South Main Street and undergrounding of adjacent wire utilities, and has programmed funding for this purpose; and

WHEREAS, it is in the public's interest and therefore in the interest of both County and City to have said road reconstructed and utilities undergrounded and both parties wish to take advantage of the funding now available to County to finance this project with County funding; and

WHEREAS, said area is within the sphere of influence of City and City indicates in its General Plan that all or a portion of said area is priority for annexation during the General Plan planning period; and

WHEREAS, if the subject area is annexed by City prior to said utility and road improvements being made, City would not have the financial ability to fund the above-described project absent establishing an assessment district or otherwise increasing tax revenues from the properties in the project area; and

WHEREAS, County, prior to allocating funding for the project and taking final action to authorize construction of such project desires that City agree to a sales tax sharing agreement in exchange for the County undertaking the construction of said road reconstruction and undergrounding of utilities in the project area; and

WHEREAS, it is fair, reasonable and advantageous to both parties to so agree.

NOW, THEREFORE, based upon the foregoing recitals, the parties hereto agree as follows:

1. County agrees to proceed with a project for the reconstruction of South Main Street-Soda Bay Road from the southerly boundaries of the existing city limits of City to the bridge over Manning Creek on Soda Bay Road, including undergrounding of utilities in the project area at the earliest possible date.

2. City does not presently have any intention to file an application for, or otherwise cause to be initiated or support an application for, annexation of any portion of the above-referenced area along South Main Street-Soda Bay Road adjacent to its present southerly city limit boundaries, which would take effect within ten years of the date of this Agreement. This does not preclude City from taking steps to file for or support an annexation application filed during said ten-year period if conditions warrant consideration of such an annexation proposal.

3. In the event that current circumstances change and all or any portion of the subject area are annexed to the City earlier than ten years from the date of this Agreement, County and City agree to enter into a sales tax sharing agreement similar to the agreement entered into between County and City on February 18, 1997, for the South Lakeport Reorganization Phase I, or other sales tax sharing agreement to be agreed upon by both City and County. The obligation to enter into a sales tax sharing agreement is conditioned upon the following:

- i) That County has completed the South Main Street-Soda Bay Road reconstruction project that includes at least two twelve foot travel lanes with a continuous center turn lane and the undergrounding of existing utilities in the project area, or has committed irrevocably to such project; and
- ii) City and County agreeing to a property tax exchange for the South Main Street project area that provides City with an agreed to average share of taxes as received by City in other tax rate areas within it's City limits.

4. In the event that a developer proposes to construct a project within the subject area where said project is dependent upon the availability of City services which can only be provided if the property on which the project is located is annexed to the City, and in the event said project would promote County and City goals for local economic development, City and County will work together to facilitate a timely annexation of the subject property in a manner which will not result in an unreasonable financial burden to either entity.

5. It is mutually understood that the current condition of the road is very poor and continuously deteriorating and as a result thereof it may become necessary for interim repair measures to be undertaken prior to the time the full reconstruction project commences. In recognition of this condition County may, if deemed necessary by the County Board of Supervisors as an interim measure until full road reconstruction can be performed, install a pavement overlay or chip seal to the South Main Street/Soda Bay

Road roadway. Such interim repair measures will in no way diminish County's obligation to perform full roadway reconstruction and undergrounding of utilities at the earliest possible date.

6. All provisions of the April 17, 2001 Agreement shall remain in full force and effect except as modified by the terms of paragraph 5 above.

COUNTY OF LAKE


Chairman, Board of Supervisors

CITY OF LAKEPORT


Mayor

APPROVED AS TO FORM:

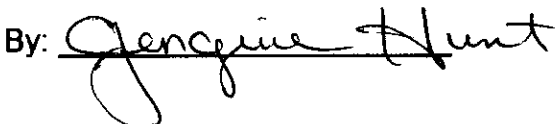

CAMERON L. REEVES
County Counsel

APPROVED AS TO FORM:


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ATTACHMENT L:
Initial Study / CEQA
Environmental Checklist

Initial Study & Environmental Checklist

South Lakeport Annexation Project



City of Lakeport

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Section 1: INTRODUCTION

The proposed South Lakeport Annexation Project (“Annexation Project”) consists of the annexation of approximately 123.64 acres located along the South Main Street and Soda Bay Road corridor just south of the current city limits of the City of Lakeport. The land lies within the approved Sphere of Influence (“SOI”) for the City of Lakeport. An SOI is a planning boundary that is outside of an agency’s legal boundary (i.e., the city limit line) that defines the agency’s probable future boundary and service area. In order for lands to be considered for annexation to a city, the land must be within the city’s designated SOI.

To incorporate the South Lakeport Annexation Project area into the City of Lakeport, the City must apply to the Local Agency Formation Commission of Lake County (“Lake LAFCO”) for approval of the annexation. Under State law, LAFCO is responsible for coordinating and overseeing logical and timely changes to local government agency boundaries. LAFCO is authorized to approve, with or without amendments, or to disapprove proposals for annexation.

Under the California Environmental Quality Act (“CEQA”), the City Council will act as lead agency and must make an environmental determination prior to taking action on a Resolution of Application for LAFCO approval of the Annexation Project. Lake LAFCO is a responsible agency under CEQA and must also make an environmental determination. This Initial Study/Environmental Checklist was prepared to assist the City Council and Lake LAFCO in determining whether two previous environmental documents which evaluate the impacts associated with development in the City of Lakeport and the Lakeport

SOI are sufficient to serve as the environmental documents for the Annexation Project. These two documents are:

- The Environmental Impact Report prepared for the City of Lakeport General Plan 2025 (“2009 EIR”), State Clearinghouse Number 2005102104; and
- The Addendum to the Lakeport General Plan 2025 EIR which was prepared for a General Plan amendment updating the Lakeport SOI (“2014 EIR Addendum”).

1.1 South Lakeport Annexation Project Background

The City of Lakeport’s long-range planning documents include policies and maps pertaining to the future expansion of the City’s boundaries to accommodate growth in a logical and orderly manner. The City of Lakeport General Plan 2025 was adopted by the Lakeport City Council on April 21, 2009 (Resolution No. 2347). The 2009 EIR was prepared for the General Plan pursuant to CEQA and certified by the Lakeport City Council on April 21, 2009 (Resolution No. 2346). The General Plan addresses future growth and development in the City and in the Lakeport SOI.

On February 17, 2015, the Lakeport City Council adopted Resolution No. 2531 certifying the 2014 EIR Addendum and approving a General Plan amendment for the Focused General Plan Update and Pre-zoning Project (“2015 Revised General Plan”). This action was undertaken in support of the South Lakeport Annexation Project. It substantially reduced the area within the Lakeport SOI, changed the pre-zoning of some of the lands within the SOI, and added General Plan policies relating to resource protection, conservation and urban growth. The 2014 EIR Addendum specifically considered the environmental effects associated with modifications to the boundary of the Lakeport SOI along the South Main Street–Soda Bay Road corridor and pre-zoning of

land in the Lakeport SOI for Industrial and Major Retail uses. The modifications to the Lakeport SOI were subsequently approved by Lake LAFCO on October 14, 2015 (Resolution No. 2015-009).

The 2009 EIR for the City of Lakeport General Plan 2025 and the 2014 EIR Addendum for the Revised General Plan are cited extensively in this Initial Study/Environmental Checklist and are incorporated by reference herein. These documents are available for review during business hours at the City of Lakeport Community Development Department (225 Park Street, Lakeport, CA 95453) and also may be reviewed on the City of Lakeport website at:

https://www.cityoflakeport.com/community_development/annexation_document_center.php

1.2 Purpose of this Initial Study/Environmental Checklist

This Initial Study/Environmental Checklist assesses whether the EIR prepared for the City of Lakeport General Plan 2025 and the EIR Addendum prepared for the 2015 Revised General Plan are sufficient for use as the CEQA documents for the South Lakeport Annexation Project per CEQA Guidelines 15153(a) which states:

The Lead Agency may employ a single EIR to describe more than one project, if such projects are essentially the same in terms of environmental impact. Further, the Lead Agency may use an earlier EIR prepared in connection with an earlier project to apply to a later project, if the circumstances of the projects are essentially the same.

CEQA Guidelines Section 15153(b)(1) provides further guidance as follows:

When a Lead Agency proposes to use an EIR from an earlier project as the EIR for a separate, later project, the Lead Agency shall use the following procedures:

1. *The Lead Agency shall review the proposed project with an initial study, using incorporation by reference if necessary, to determine whether the EIR would adequately describe:*
 - A. *The general environmental setting of the project;*
 - B. *The significant environmental impacts of the project;*
and
 - C. *Alternatives and mitigation measures related to each significant effect.*

The following Initial Study/Environmental Checklist evaluates each of the determinations cited in CEQA Guidelines Section 15153(b)(1). It also addresses the determinations established by CEQA Guidelines Section 15162(a) which confirm whether a subsequent EIR is needed. CEQA Guidelines Section 15162(a) requires preparation of a subsequent EIR if, after certification of an EIR, there are substantial changes in the project or the circumstances under which it is undertaken that would result in new or more severe significant effects, or if there are mitigation measures or alternatives not previously considered that would substantially reduce one or more significant effects.

1.3 Summary of Findings of Initial Study

The Initial Study finds that the 2009 EIR for the City of Lakeport General Plan 2025 and the 2014 EIR Addendum for the Revised General Plan adequately describe the general environmental setting for the South Lakeport Annexation Project. In particular, the 2014 EIR Addendum specifically identifies revisions to the boundaries of the Lakeport SOI that are consistent with the boundaries of the Annexation Project. The 2009 EIR and the 2014 EIR Addendum provide sufficient environmental analysis to identify the impacts associated with the

Annexation Project and mitigation measures were adopted which reduced significant environmental impacts to a level of insignificance. The Initial Study further finds that none of the conditions exist which would necessitate preparation of a subsequent EIR.

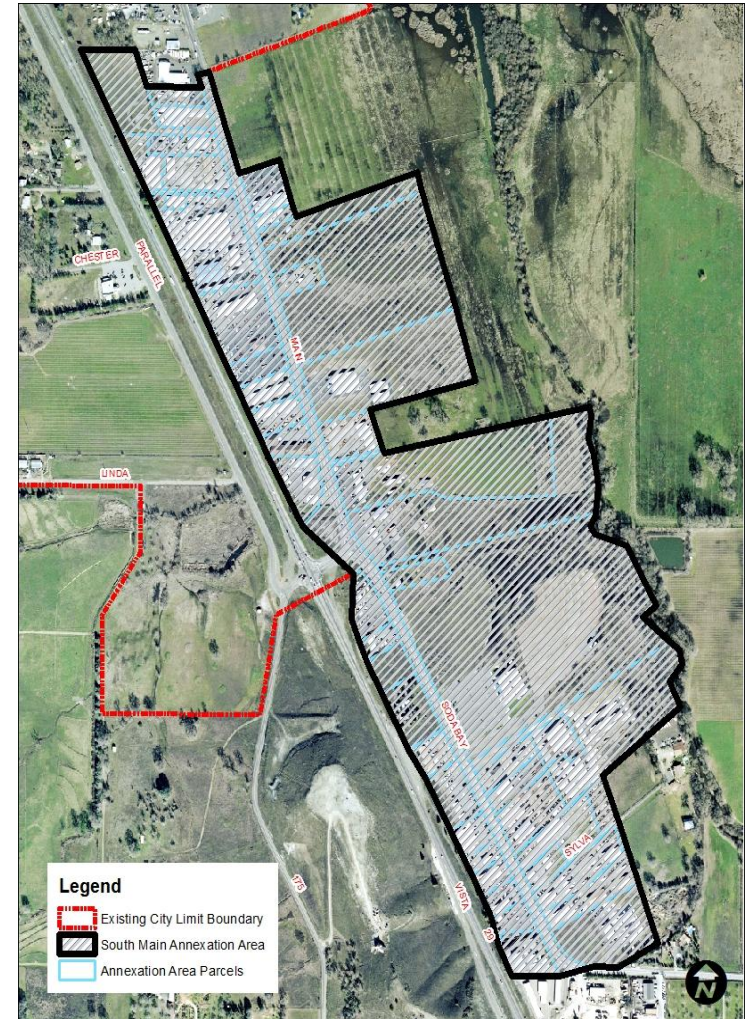
In conclusion, the Initial Study supports a determination that the 2009 EIR for the City of Lakeport General Plan 2025 and the 2014 EIR Addendum for the Revised General Plan can be used as the CEQA documents for the proposed Annexation Project.

Section 2: PROJECT DESCRIPTION

2.1 Location and Setting

The proposed South Lakeport Annexation Project would alter the boundaries of the City of Lakeport to incorporate 123.64 acres of land that is currently within the unincorporated territory of Lake County into the city limits (Exhibit 1). The Annexation Project area is located directly south of the City of Lakeport and is comprised of 50 parcels that are accessed from either South Main Street or Soda Bay Road (Exhibit 2). The Annexation Project area is presently developed primarily with commercial and industrial uses. It includes several vacant and under-utilized properties as well as a handful of residences (Exhibit 3). The City of Lakeport has modified its SOI to include the Annexation Project area and it has pre-zoned the Annexation Project area to be consistent with its planned and probable use (Exhibit 4).

Exhibit 1: Map Showing Proposed South Lakeport Annexation Area



**Exhibit 2: List of Parcels & Addresses Within South
Lakeport Annexation Area**

PARCEL NO.	ADDRESS	ACRES
8-003-120-000	2530 S Main St	0.78
8-003-020-000	2510 S Main St	2.23
5-052-130-000	2480 S Main St	0.38
5-052-250-000	2440 S Main St	1.25
82-092-140-000	93 Soda Bay Rd	1.34
82-092-130-000	91 Soda Bay Rd	0.03
82-092-100-000	75 Soda Bay Rd	0.56
82-093-100-000	100 Soda Bay Rd	3.48
82-092-120-000	87 Soda Bay Rd	0.61
82-092-080-000	65 Soda Bay Rd	0.75
82-092-090-000	73 Soda Bay Rd	0.44
82-092-110-000	83 Soda Bay Rd	0.58
82-092-070-000	63 Soda Bay Rd	1.38
82-093-160-000	64 Soda Bay Rd	6.99
82-093-040-000	74 Soda Bay Rd	0.85
82-093-030-000	72 Soda Bay Rd	0.99
82-093-140-000	90 Soda Bay Rd	0.70
82-093-080-000	92 Soda Bay Rd	1.77
82-093-090-000	96 Soda Bay Rd	1.76
82-093-130-000	82 Soda Bay Rd	1.86
82-093-050-000	78 Soda Bay Rd	1.90
82-093-110-000	350 Sylva Way	0.67
8-001-010-000	2598 S Main St	8.41
82-092-060-000	59 Soda Bay Rd	0.82
82-092-020-000	43 Soda Bay Rd	0.51
82-092-040-000	53 Soda Bay Rd	1.61
8-001-250-000	52 Soda Bay Rd	26.12
82-092-030-000	47 Soda Bay Rd	0.92
82-092-010-000	41 Soda Bay Rd	1.08

PARCEL NO.	ADDRESS	ACRES
8-001-020-000	2600 S Main St	9.10
8-001-030-000	32 Soda Bay Rd	0.85
82-093-150-000	62 Soda Bay Rd	1.08
8-003-050-000	2590 S Main St	1.43
8-003-040-000	2570 S Main St	7.41
5-049-080-000	2329 S Main St	2.91
5-052-190-000	2447 S Main St	0.14
5-052-070-000	2449 S Main St	0.20
5-052-200-000	2351 S Main St	0.89
5-052-050-000	2345 S Main St	1.51
5-052-030-000	2335 S Main St	0.89
5-035-100-000	2725 S Main St	1.46
5-053-190-000	2585 S Main St	0.91
5-053-200-000	2595 S Main St	0.96
5-053-210-000	2615 S Main St	0.90
5-053-220-000	2617 S Main St	0.88
5-053-180-000	2575 S Main St	2.97
8-003-130-000	2550 S Main St	12.38
5-049-110-000	2305 S Main St	0.70
5-049-120-000	2325 S Main St	0.76
5-052-270-000	2465 S Main St	4.54
	Total:	123.64

**South Lakeport Annexation Area
Business Map
(November 2018)**

- Economy Propane
- Ferrelgas (office)
- Bandbox
- Cooper Tires
- Lake County Woodcrafters
- Residence
- Residence
- a) Street Machines
b) Dog House Grooming
c) Smith & Assoc.
- Napa Auto Parts
- DKI First Pick Builders
- Residence
- Main St Veterinary Clinic
- Vacant
- a) Sears
b) Primer Flooring
c) Miller's Lakeport Jewelry
d) Lakeside Self-Storage
- Fossa's Backhoe
- Koenig Self-Storage
- The Finishing Touch
- Mendo Mill
- Hillside Honda
- DFM Car Stereo
- Rent-A-Space Affordable Storage
- Dunken Pumps
- Residence
- LCAQMD
- Rotten Robbie
- a) Lake Motor Sales
b) Fastop
c) Magic Interiors
d) Smokers Hardware
e) Howling Dog Cafe
- Jack in the Box
- Residence
- Vacant
- Vacant
- Fun Time Slot Car Raceway
- Ferrelgas (tank yard)
- a) Lake County Farm Bureau
b) Gayaldo Insurance
c) Lake County Electric
- Detail Plus
- Residence
- Strohmeier's Auto Center
- Lakeport Dance Center
- b) Highway Electrical Construction, Inc.
c) RB Pest Control
- a) Clear Lake Outdoors
c) Keep It Keen
- Lakeport Cinema
- a) Young's Storage
b) Quality Doors & Trim
- AmeriGas
- Gary's Cabinets
- Lucerne Roofing & Supply
- a) R B Peters
b) Wooden Creations
- Residence
- a) Mendo Lake Garage Doors
b) Clear Lake Auto Glass
c) Real Estate (82 Soda Bay Rd.)
- Residence
- McAfee Marine
- a) DeChamps Automotive
b) Clearlake Storage
c) Under the Sun Garden Supply
- d) Dock Factory
b) Shawn Rodgers Industries

PREZONING

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MAIN STREET

SODA BAY ROAD

Legend:

	Lakeport City Limits		C2: Major Retail
	Modified General Plan Sphere of Influence		I: Industrial
			UR: Urban Reserve

0 250 500 1,000
Feet

N

2.2 Purpose of the South Lakeport Annexation Project

Annexations are intended to facilitate the logical and orderly provision of public services to accommodate urban development. The City of Lakeport is pursuing the South Lakeport Annexation Project for the following reasons:

- The City of Lakeport will construct a water main in South Main Street in conjunction with the upcoming South Main Street and Soda Bay Road Widening and Bike Lanes Project. The new water main will extend from the city limits to State Route 175 and will connect to the City's water system on Parallel Drive. The water main is necessary to create a closed loop in the City's water system that will increase reliability and resilience and reduce overall maintenance costs. In addition, if the annexation is approved, the City will construct a spur line to the south end of the annexation area. Annexation will make it possible for properties along South Main Street and Soda Bay Road within the annexation area to tie in to this new water main and connect to the City's water system. Property owners may choose whether or not to connect to the City water system.
- Extension of the water main on South Main Street and annexation to the City will make it possible for fire hydrants to be installed along the South Main Street corridor thereby improving fire suppression capabilities in the area.
- The City of Lakeport provides wastewater treatment services to properties in the South Lakeport annexation area in accordance with an agreement with the Lake County Sanitation District (LACOSAN). The current agreement expires in 2026. If the annexation occurs, the City anticipates that it will continue to

provide wastewater treatment services and assume responsibility for operation and maintenance of the collection system within the South Lakeport annexation area.

Once annexed, properties within the South Lakeport Annexation Area will be able to use City of Lakeport services and residents will be eligible to vote in City elections. Services currently performed by Lake County Public Works, Planning & Building, and the Sheriff's office will be replaced with services provided by the City of Lakeport.

2.3 Relevant Planning Documents

City of Lakeport General Plan 2025 (adopted 2009)

In 2009, the Lakeport City Council certified the Environmental Impact Report for the City of Lakeport General Plan 2025 (2009 EIR). The General Plan established an Urban Boundary and policies to govern expansion of the city limits over time. The General Plan that was adopted in 2009 is referred to as the "2009 General Plan" in the following checklist.

2015 General Plan Update and Pre-zoning

In 2015, the Lakeport City Council approved a General Plan amendment that modified City of Lakeport General Plan policies in the Land Use, Urban Boundary and Conservation Elements and modified the Land Use Map. The amendment included a number of actions related to the South Lakeport Annexation Project area, including:

- The Lakeport Sphere of Influence (SOI) boundary was revised to remove agricultural lands under Williamson Act contract and some of the riparian area adjacent to Manning Creek. The lands that were removed from the SOI were primarily undeveloped

agricultural lands located west of Main Street, and undeveloped and rural residential lands located south of the City.

- The pre-zoning designation for approximately 27 acres of land in the South Lakeport Annexation Project area was changed from Industrial to Major Retail.
- Approximately 11.4 acres was removed from the SOI in the South Main Street/Soda Bay Road area to protect natural resources and agricultural lands.
- Conservation Element policies were amended to include additional programs to protect biological resources, including special habitat areas and environmentally sensitive wildlife and plant life.

The South Lakeport Annexation Project boundaries are coterminous with those described in the update to the Lakeport SOI that was approved by the City in the 2015 General Plan amendment. This is referred to as the “Modified Project” in the following Environmental Checklist.

The City adopted an Addendum to the 2009 General Plan EIR (“2014 EIR Addendum”) as the CEQA document for the 2015 General Plan amendment. The 2014 EIR Addendum found that the General Plan amendment would result in a reduction in total potential development as well as a reduction in the total land area that could be developed. Consequently, the amended General Plan would have less of a contribution than the 2009 General Plan to cumulative aesthetic, agricultural, biological, cultural, geology/soils, hydrology/water quality, land use/planning, public services, recreation, and utilities/service system impacts, a lesser a cumulative impact associated with population and housing growth, and would not result in any new or increased cumulative impacts.

Sphere of Influence Update (adopted 2015)

Lake LAFCO approved the City’s modified SOI as adopted by the City Council in the 2015 General Plan amendment. The Commission relied upon the 2009 EIR and the 2014 EIR Addendum as the CEQA document for its approval of the modified SOI.

2.4 Annexation Approval Process

This Initial Study/Environmental Checklist has been prepared in order for the Lakeport City Council, acting as the lead agency under CEQA, to make an environmental determination prior to action on a Resolution of Application to Lake LAFCO seeking to incorporate the South Lakeport Annexation Project area into the boundaries of the City of Lakeport.

Prior to action by the City Council, the City will provide public notice and there will be a public review period to allow agencies and members of the public to comment on the proposed use of the 2009 EIR and 2014 EIR Addendum as the CEQA documents for the Annexation Project. In accordance with Section 15096 of the CEQA Guidelines, the City will consult with Lake LAFCO which will serve as a responsible agency under CEQA prior to making an environmental determination. Responses will be prepared for comments received during the review period, after which the City Council will conduct a public hearing and consider action on the CEQA determination and the Resolution of Application for the South Lakeport Annexation Project. If the City Council certifies that all potentially significant effects associated with the annexation have been analyzed adequately in the 2009 EIR and 2014 EIR Addendum and have either been avoided or mitigated pursuant to those documents (as determined in this Initial Study/Environmental Checklist), it may then take action on the Resolution of Application.

If the City submits an annexation application to LAFCO for processing, LAFCO must consider a number of factors in its review of the application such as current and future population and density, current and proposed land uses and potential incompatibilities with adjacent properties, current and future needs for public services and the adequacy and cost of those services currently, timely availability of water supplies, conformity with the Commission's policies and standards, and other provisions of law. In addition, LAFCO must consider comments and information from affected local agencies, landowners, voters and/or residents.

Once the application is determined to be complete, the LAFCO Commission will conduct a duly noticed public hearing. If the annexation is approved by LAFCO, there is a formal process for protesting the annexation. Following a second public hearing (the “protest hearing”), the LAFCO Commission may take one of the following actions:

1. Order the annexation if less than 25% of the registered voters or if less than 25% of the landowners owning less than 25% of the assessed value of land within the annexation area file written protests.
2. Order the annexation subject to an election if at least 25% but less than 50% of the registered voters in the annexation area file a written protest or if at least 25% of the number of owners of land who also own at least 25% of the assessed value of the land within the annexation area file a written protest.
3. Terminate the proceeding if written protests are received from 50% or more of the registered voters residing in the annexation area.

When an election is required, registered voters residing within the affected territory are entitled to vote on the issue of annexation. An annexation is considered complete once LAFCO has recorded it with the County Recorder and it has been recorded with the State Board of Equalization.

2.5 Scope of the Environmental Checklist

This document determines whether the proposed South Lakeport Annexation Project could have any significant effects on the environment that were not already accounted for by the previous environmental analysis in the 2009 EIR and the 2014 EIR Addendum. For purposes of this evaluation, and consistent with Appendix G of the CEQA Guidelines, the proposed South Lakeport Annexation Project’s potential environmental effects are grouped into the following categories:

- | | |
|------------------------------------------------|--------------------------------------|
| • Aesthetics | • Land Use |
| • Agriculture | • Mineral Resources |
| • Air Quality | • Noise |
| • Biological Resources | • Population and Housing |
| • Cultural Resources/Tribal Cultural Resources | • Public Services |
| • Geology and Soils | • Recreation |
| • Energy/GHG Emissions | • Transportation |
| • Hazards/Hazardous Materials/ Wildland Fires | • Utilities/Service Systems |
| • Hydrology/Water Quality | • Mandatory Findings of Significance |

Section 3: ENVIRONMENTAL CHECKLIST & ANALYSIS

The purpose of this Environmental Checklist is to evaluate the categories of potential environmental impacts in terms of any changed condition (e.g., changed circumstances, project changes, or new information of substantial importance) that may result in a changed environmental result (e.g., a new significant impact or substantial increase in the severity of a previously identified significant effect).

The Environmental Checklist identifies the environmental topics addressed in the 2009 EIR and 2014 EIR Addendum, provides a summary of impacts associated with the General Plan and Revised General Plan, as described in the respective environmental document, and includes an analysis of the potential impacts associated with the Annexation Project when compared to the Revised General Plan.

The questions posed in the checklist come from Appendix G of the CEQA Guidelines. A “no” answer does not necessarily mean that there are no potential impacts relative to the environmental category, but that there is no change in the condition or status of the impact since it was analyzed and addressed with mitigation measures in the previous EIR and EIR Addendum prepared for the project. These environmental categories might be answered with a “no” in the checklist, since the proposed project does not introduce changes that would result in a modification to the conclusion of the certified EIR and EIR Addendum.

3.1 - Explanation of Checklist Evaluation Categories

(1) Conclusion in Prior EIR and Related Documents

This column provides a cross-reference to the pages of the EIR where the conclusion may be found relative to the environmental issue listed under each topic. This column refers to the 2014 EIR Addendum

which updated the 2009 EIR analysis with regard to the City of Lakeport SOI.

(2) Does EIR Adequately Describe Setting, Impacts, Alternatives and Mitigations?

Pursuant to CEQA Guidelines Section 15153(b)(1), this column indicates whether the previous environmental document adequately describes the environmental setting, significant environmental impacts, and alternatives and mitigations related to significant impacts.

(3) New Significant Environmental Impacts?

Pursuant to CEQA Guidelines Section 15162(a)(1), this column indicates whether the project will result in new significant environmental impacts not previously identified or mitigated by the EIR or will result in a substantial increase in the severity of a previously identified significant impact.

(4) New Circumstances Involving New Impacts?

Pursuant to CEQA Guidelines Section 15162(a)(2), this column indicates whether there have been substantial changes with respect to the circumstances under which the project is undertaken that will require major revisions to the EIR, due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

(5) New Information Requiring New Analysis or Verification?

Pursuant to CEQA Guidelines Section 15162(a)(3)(A-D), this column indicates whether new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, shows any of the following:

- (A) The project will have one or more significant effects not discussed in the previous EIR;
- (B) Significant effects previously examined will be substantially more severe than show in the previous EIR or;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerable different from those analyzed in the previous EIR would substantially reduce one or more significant effect of the environment, but the project proponents decline to adopt the mitigation measure or alternative.

If the additional analysis completed as part of this environmental review were to find that the conclusions of the EIR remain the same and no new significant impacts are identified, or identified impacts are not found to be substantially more severe, or additional mitigation is not necessary, then the question would be answered “no”, and no additional environmental document would be required.

(6) EIR Mitigation Measures to be Implemented to Address Impacts

This column indicates whether the EIR provides mitigation measures to address effects in the related impact category. A “yes” response indicates that these mitigation measures will be implemented with the completion of the Annexation Project. If “NA” is indicated, the EIR and this Initial Study conclude that the impact would not occur with the Annexation Project or is not significant; therefore, no additional mitigation measures are needed.

3.2 - Discussion and Mitigation Sections

(1) Discussion

A discussion of the elements of the checklist is provided under each environmental category to clarify the answers. The discussion provides information about the particular environmental issue, how the project relates to the issue, and the status of any mitigation that may be required or that has already been implemented.

(2) EIR Mitigation Measures

To the extent that mitigation measures are recommended in the 2009 EIR and the 2014 EIR Addendum, applicable mitigation measures that apply to the project are listed under each environmental category. Accordingly, only the mitigation measures that are applicable to the proposed project are included in the analysis below.

(3) Conclusions

A discussion of the conclusion relating to the analysis is contained in each section.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
I. Aesthetics									
Would the project:									
a) Have a substantial adverse effect on a scenic vista?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	Less than significant impact after mitigation.	Yes, MM 3.1-1 (2009 General Plan EIR, pp. ES-4 and ES-5)	Yes	Yes	Yes	Yes	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion - Aesthetics

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze aesthetic impacts related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 17-18 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Aesthetics:

The General Plan EIR identified that future development associated with the Approved Project, particularly development associated with changes in land use designations and expansion of the SOI, has the potential to substantially degrade visual character. The policies included in the General Plan would protect scenic views and visual character but would not reduce potential impacts to a less than significant level. Mitigation measure 3.1-1 identified Policy C-1.4 (Hillside Protection) to be included in the General Plan to ensure

views of the hillsides are maintained in order to reduce potential aesthetic impacts to less than significant (Impact 3.1-1, General Plan Draft EIR pp. 3-6 and 3-7).

The General Plan EIR identified that the Approved Project includes adequate policies that would ensure there would be a less than significant impact associated with the potential to have an adverse effect on a scenic vista, substantially damage scenic resources, and create a new source of substantial light or glare which would adversely affect views in the area (General Plan Draft EIR p. 3-6).

The EIR found that the Approved Project would result in less than significant impacts to visual character with implementation of Mitigation Measure 3.1-1 and would have a less than significant impact associated with scenic vistas, scenic resources, and the introduction of light and glare.

The 2014 EIR Addendum provided the following analysis of Aesthetic impacts related to the Modified Project. (Note: The Modified Project

reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Modified Project would be subject to the policies and actions of the General Plan identified to reduce potential impacts associated with visual character, scenic resources and vistas, and light and glare as discussed under Impact 3.1-1 in the General Plan EIR (General Plan Draft EIR pp. 3-6 through 3-7) and would also be subject to Mitigation Measure 3.3-1, which protects hillside views. The Modified Project would revise the General Plan Conservation Element to include additional measures related to the protection of biologic and riparian resources, including measures to encourage planting of native plants and trees for visual conservation and to include buffers between development and watercourses, riparian vegetation, and wetlands. In addition to protection biological resources, the buffers would provide a visual buffer from areas with visual character, such as wetlands and waterways. Further, the Modified Project revises the Land Use Element and Land Use Map to reduce the potential extent of the City and SOI by removing land use designations placed on undeveloped open space, agricultural, and riparian lands and reducing the size of the Proposed Modified SOI. The reduction in the size of the proposed SOI of 719.1 acres would reduce the future urban development area by approximately 631.9 acres, reducing potential impacts on visual resources, scenic vistas and resources, and light and glare that would have been associated with the future development. This reduction in the Modified SOI would also result in a more compact development pattern, focusing on in-fill development and locating new development adjacent existing uses rather than in outlying areas. The Modified Project provides for additional protection of visual resources through changes to the policy language of the Conservation Element, as described in 2.0 (Project Description) and reduces the extent of land that could be urbanized and result in aesthetic impacts.

Therefore, the Modified Project would reduce the potential to degrade existing visual character, impact scenic resources and vistas, and cause light and glare impacts. There would be no new significant impacts or increase in the

significance of impacts associated with aesthetic resources. (2014 EIR Addendum, pp. 17-18)

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to aesthetics. The 2009 General Plan EIR includes one mitigation measure related to hillside protection (Mitigation Measure 3.1-1). Further, given the relatively gentle slopes in the South Lakeport Annexation Project area, it is unlikely that this mitigation measure would be triggered by future development.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum and the conclusion of "no significant impacts" in the environmental documents continues to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on scenic vistas, scenic resources, visual character, and the introduction of light and glare would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to aesthetic resources that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to aesthetic resources requiring new aesthetic impact analysis or verification.

There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures - Aesthetics

Mitigation Measure 3.1-1 Hillside Protection. Development in areas with a 25% slope or greater shall be subject to the following criteria:

- *Limit grading and retain the natural terrain to the extent possible.*
- *A minimum area of twenty-five percent of the lot area should remain in its natural state*
- *No development should be allowed within 100 vertical feet of the ridgeline unless there are no site development alternatives*
- *Development located in hillside areas shall avoid removal of oak trees that are six inches in diameter. In the event that removal of oak trees is necessary, three trees shall be planted for every significant tree removed.*
- *Oak trees shall be further protected during construction through the use of orange fencing placed a minimum of 8 feet from the dripline of the trees.*

(2009 General Plan EIR, pp. ES-4 and ES-5)

Conclusion - Aesthetics

With regard to aesthetics, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to aesthetics would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
II. Agriculture									
Would the project:									
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	Significant and unavoidable impact. This is a less than significant impact for the Annexation Project as no agricultural lands are in Project Area.	Yes, MM 3.2-1a, 3.2-1b (2009 General Plan EIR, pg. ES-5)	Yes	Yes	Yes	Yes	No	No	No
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
d) Result in the loss of forest land or conversion of forest land to non-forest use?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Agriculture

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on agricultural resources related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 18-19 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Agricultural Resources:

The General Plan EIR identified that future development associated with the Approved Project would convert agricultural resources, including Farmland to non-agricultural and developed uses. While policies in the General Plan would minimize impacts associated with the conversion of agricultural land, the impact would remain potentially significant. Mitigation measure 3.2-1a encourages maintenance and preservation of agricultural lands as well as infill and sequential development in order to preserve agricultural lands. Mitigation measure 3.2-1b requires development that would impact prime farmland, unique farmland, or farmland of statewide importance to permanently preserve comparable or better agricultural lands at a minimum ratio of 1:1. The General Plan EIR concluded that even with implementation of MM 3.2-1a and 3.2-1b the impact of conversion of farmland to non-agricultural uses is significant and unavoidable (Impact 3.2-1, General Plan Draft EIR pp. 3-12 and 3-13).

The General Plan EIR identified that the Approved Project would result in development of lands zoned for agricultural use and that the potential impact associated with conflicts with existing zoning for agricultural use would be less than significant and no mitigation was required (Impact 3.2-2, General Plan Draft EIR p. 3-13 and 3-14).

The General Plan EIR identified that the Approved Project would have no impact related to potential conflicts with an existing Williamson Act contract (General Plan Draft EIR p. 3-12).

The 2014 EIR Addendum provided the following analysis of impacts on agricultural resources related to the Modified Project, on pages 18-20. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the Approved Project would result in significant and unavoidable impacts associated with the conversion of Farmland to non-agricultural uses. Implementation of the policies and actions included in the General Plan and the mitigation measures identified in the EIR would not reduce this impact to a less than significant level, given that the loss of agricultural land is a permanent condition. However, the potential for conversion of agricultural lands to non-agricultural uses and conflicting with agricultural zoning was determined to be less than significant and no mitigation was required. There was no impact associated with the potential to conflict with Williamson Act contracts.

The Modified Project would not designate any additional Farmland (Prime Farmland, Unique Farmland, or Farmland of Statewide Importance) for development. There would be no change in acreage of potential impacts to Farmland conversion for the Modified Project in comparison to the Approved Project (see Appendix A, Table A-1). As shown in Table A-1 in Appendix A and Figure 3-1, the Modified Project would remove 551.5 acres of Farmland of Local Importance and Grazing Land from the Proposed Modified SOI, resulting in fewer impacts to agricultural lands. Impacts associated with conversion of Farmland would remain significant and unavoidable and the Modified Project would not result in any change in the significance.

The Approved Project would result in conflicts with existing zoning for agricultural use due to the County's zoning of 65 acres within the Specific

Plan Area as Agricultural Preserve District. The Modified Project would remove this land from the Proposed Modified SOI and would remove General Plan land use designations from the land, anticipating that the land would remain under County control and zoning. This change to the Modified Project would remove the potential conflict with agricultural zoning. There would be no impact associated with conflicts with existing zoning for agricultural use.

The Modified Project would remove lands under Williamson Act contracts from the Modified SOI. There would not be any development of land under Williamson Act contracts under the Modified Project.

Future development would be required to comply with General Plan policies and programs related to potential agricultural conflicts which would continue to ensure that there would be no impact associated with conflicts with an existing Williamson Act Contract.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to agricultural resources except for impacts associated with the conversion of farmland, which remain significant and unavoidable but unchanged. The 2009 General Plan EIR includes two mitigation measure related to agricultural resources (Mitigation Measures 3.2-1a and 3.2-1b). It should be noted that, given that the South Lakeport Annexation project area does not include any agricultural lands, it is unlikely that these mitigation measures would be triggered by future development.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum. The findings in the environmental documents that there are “significant and unavoidable” impacts related to the conversion of farmland applies elsewhere in the City and the SOI, but do not apply to the South Lakeport Annexation project as there are no agricultural lands within the project area. The remaining findings of "no significant impacts" continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on conversion of farmland, conflict with existing zoning for agricultural use or a Williamson Act contract, conflict with zoning of forest land, the loss of forest land, and other changes that could result in conversion of farmland to non-farmland use would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to agricultural resources that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to agricultural resources requiring new agricultural impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Agriculture

Mitigation Measure 3.2-1a *The City will encourage property owners outside the City limits but within the SOI to maintain their land in agricultural production until the land is converted to urban uses. The City will also work cooperatively with land trusts and other non-profit organizations to preserve agricultural land in the region. This may include the use of conservation easements. Infill development will be preferred and encouraged over fringe development. Sequential and contiguous development is also preferred and encouraged over leap-frog development.*

Mitigation Measure 3.2-1b *Prior to recording final maps for any development project, any project impacting Prime Farmland, Unique Farmland or Farmland of Statewide importance shall preserve land of equal or better quality in terms of agricultural value at a minimum ratio of 1:1 and shall protect the land for agricultural use through permanent land use restrictions such as an agricultural conservation easements. An organization such as the Lake County Land Trust shall be used to facilitate the establishment of the conservation easement. The purpose of the conservation easement shall be to assure that the land remains available for farming. The land shall be available as closely as possible to the plan area, to the satisfaction of the City of Lakeport Community Development Department. The proposed conservation easement for the property shall be submitted to the city or county for review and approval.*

(2009 General Plan EIR, pg. ES-5)

Conclusion - Agriculture

With regard to agricultural resources, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to agricultural resources would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. It is also noted that the updated SOI removed approximately 11.4 acres of agricultural land from the SOI in the South Main Street/Soda Bay Road area and thus, impacts associated with the Annexation Project are less than those identified in the 2009 EIR. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
III. Air Quality									
Would the project:									
a) Conflict with or obstruct implementation of the applicable air quality plan?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
thresholds for ozone precursors)?									
d) Expose sensitive receptors to substantial pollutant concentrations?	Less than significant impact after mitigation.	Yes, MM 3.3-6 (2009 General Plan EIR, pg. ES-9)	Yes	Yes	Yes	Yes	No	No	No
e) Create objectionable odors affecting a substantial number of people?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Air Quality

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on air quality related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 20-22 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Air Quality:

The Approved Project was determined to have a less than significant impact associated with construction emissions of reactive organic gases, nitrous oxides, and particulate matter. General Plan Programs C 3.1a and 3.1-b require development proposals to be reviewed to identify potential impacts.

The General Plan EIR concluded that the policies and programs in the General Plan would mitigate construction emissions to a less than significant level and no mitigation was required (Impact 3.3-1, General Plan Draft EIR p. 3-33).

The Approved Project was determined to have a less than significant impact associated with operational emissions of reactive organic gases, nitrous oxides, and particulate matter. General Plan Programs C 3.1a and 3.1-b require development proposals to be reviewed to identify potential impacts. The General Plan EIR concluded that the policies and programs in the General Plan would mitigate operational emissions to a less than significant level and no mitigation was required (Impact 3.3-2, General Plan Draft EIR pp. 3-33 and 3-34).

The Approved Project was determined to have a less than significant impact associated with toxic air emissions. General Plan Program C 3.1- c and Policy C 3.2 and associated programs would address potential air pollutant sources and exposure of sensitive receptors. The General Plan EIR concluded that the policies and programs in the General Plan would mitigate toxic air emissions to a less than significant level and no mitigation was required (Impact 3.3-3, General Plan Draft EIR p. 3-34).

The Approved Project was determined to have a less than significant impact associated with odorous emissions with implementation of applicable General Plan policies and programs and no mitigation was required (Impact 3.3-5, General Plan Draft EIR p. 3-37).

The Approved Project was determined to have a potentially significant impact associated with disturbance of naturally occurring asbestos during construction activities. General Plan Programs C 3.1-a and C 3.1-b would ensure that development proposals are reviewed for potential air quality impacts prior to approval. However, the General Plan policies and programs were not adequate to reduce the impact to a level of less than significant so Mitigation Measure 3.3-6 required the General Plan to include Policy C 3.3 and Program C 3.3-a to require dust and emission control measures during

construction in order to reduce impacts to a less than significant level (Impact 3.3-6, General Plan Draft EIR pp. 3-37 and 3-38).

The General Plan EIR identified that the Approved Project would have no impact related to conflicts with or obstruction of implementation of the applicable air quality plan (General Plan Draft EIR p. 3-32).

The 2014 EIR Addendum (pages 20-22) provided the following analysis of impacts on air quality related to the Modified Project. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Approved Project was determined to have less than significant air quality impacts associated with construction-related emissions, operational emissions, toxic air emissions, and odorous emissions. No mitigation was required for these impacts.

Impacts associated with construction-related and operational emissions discussed under Impact 3.3-1 and 3.3-2 of the General Plan EIR were primarily associated with the Specific Plan Area, which is removed by the Modified Project. The Modified Project would reduce the extent of future development within the City and Proposed Modified SOI by removing lands from the Proposed Modified SOI and removing land use designations that would allow for future urbanization (see Figures 1-2 and 1-3). The Modified Project would designate 54.7 acres of land for use as Major Retail, which includes both developed and undeveloped lands. As shown in Table B-1 (see Appendix B), the Modified Project would result in approximately 58,080 average daily vehicle trips (ADT) at buildout, a reduction of 7,029 ADT compared to the Approved Project, based on the ITE Trip Generation Handbook rates used for the General Plan EIR. Future development under the Modified Project would be subject to the regulations and General Plan policies and programs identified under Impacts 3.3-1, 3.3-2, 3.3-3, 3.3-5, and 3.3-6 (General Plan Draft EIR pp. 3-33 through 3-34 and p. 3- 37). The

Modified Project would result in a net reduction in potential construction, operational, toxic air contaminants, and odorous emissions by reducing future development potential by 631.9 acres that had been designated for Industrial, Rural Residential, Specific Plan Area, and Urban Reserve uses by the General Plan, and by reducing vehicle trip generation at buildout by 7,029 ADT daily. The Modified Project would not result in any new or increased impacts associated with construction, operational, toxic air contaminants, and odorous emissions.

The Approved Project was determined to have potentially significant impacts associated with disturbance of naturally occurring asbestos during construction activities. Mitigation measure 3.3-6 was identified to reduce potential impacts to less than significant. The Modified Project would revise land use designations to accommodate 54.7 acres of Major Retail development. Future development on these Major Retail lands would be required to comply with the asbestos controls created by Mitigation Measure 3.3-6, which would ensure potential hazards associated with asbestos exposure would be reduced to less than significant, as described under Impact 3.3-6 (General Plan Draft EIR pp. 3-37 and 3-38). Further, the Modified Project would decrease the extent of future urbanization, including potential disturbance of naturally-occurring asbestos, by approximately 631.9 acres by removing Industrial, Specific Plan Area, and Urban Reserve land use designations from these lands and removing the lands from the Proposed Modified SOI (see Figure 1-2). Therefore, the Modified Project would not result in any new or increased impacts associated with exposure to naturally occurring asbestos.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both

documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to air quality. The 2009 General Plan EIR includes one mitigation measure related to air quality (Mitigation Measure 3.3-6).

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the findings in the environmental documents that there are “no significant impacts” related to air quality continues to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on implementation of the applicable air quality plan, compliance with air quality standards, the cumulatively considerable net increase of any criteria pollutants, exposure of sensitive receptors to substantial pollutant concentrations, and creation of objectionable odors would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to air quality that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to air quality requiring new agricultural impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Air Quality

Mitigation Measure 3.3-6 *The following policy and program shall be added to the updated Lakeport General Plan Conservation Element:*

Policy C 3.3: Naturally Occurring Asbestos. *The City shall protect public health from naturally occurring asbestos by requiring mitigation measures to control dust and emissions during construction, grading, quarrying or surface mining operations.*

Program C 3.3-a: Adopt a Naturally Occurring Asbestos Ordinance. *The City should adopt an ordinance that regulates construction activities in areas that may contain serpentine soils.*

(2009 General Plan EIR, pg. ES-9)

Conclusion – Air Quality

With regard to air quality, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to air quality would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
IV. Biological Resources									
Would the project:									
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or US Fish and Wildlife Service?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Biological Resources

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on biological resources related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 22-23 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Biological Resources:

The General Plan EIR identified that the Approved Project included policies and programs, including Policies C 1.1, C 1.2, and C 8.1 and associated programs, to minimize potential impacts to biological resources and would have a less than significant impact associated with substantial adverse impacts on candidate, special-status, or sensitive species. No mitigation was required (Impact 3.4-1, General Plan Draft EIR p. 3-52).

The Approved Project would result in a less than significant impact associated with riparian habitat and other sensitive natural communities with implementation of General Plan policies, including Policies C 1.2 and 1.3 that establish standards to protect riparian areas from development. No mitigation was required (Impact 3.4-2, General Plan Draft EIR pp. 3-52 and 3-53).

The Approved Project would have a less than significant impact related to the movement of native resident or migratory fish or wildlife species, wildlife corridors, and native wildlife nursery sites. General Plan Policy OS 2.2 would ensure adequate open space to permit effective wildlife corridors. No mitigation was required (Impact 3.4-3, General Plan Draft EIR p. 3-53).

The Approved Project would have a less than significant impact related to conflicts with local policies or ordinances protecting biological resources. Policies and programs provided in the General Plan would ensure consistency with applicable policies. Therefore, no mitigation was required (Impact 3.4-4, General Plan Draft EIR p. 3-53).

The General Plan EIR identified that the Approved Project would have a less than significant or no impact related to substantial adverse effects on federally protected wetlands and conflicts with an adopted habitat or natural community conservation plan. No mitigation was required. (General Plan Draft EIR p. 3-52).

The 2014 EIR Addendum provided the following analysis of impacts on biological resources related to the Modified Project, on pages 22-24. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the approved project would result in less than significant impacts on biological resources. No mitigation measures were required.

The Modified Project would designate 54.7 acres for Major Retail use that are currently designated for Industrial, Rural Residential, and Open Space uses and would remove 719.1 acres from the Proposed Modified SOI, including 631.9 acres that had been designated for Industrial, Rural Residential, Specific Plan Area, and Urban Reserve uses by the General Plan. Overall, the Modified Project would result in a decreased area of impact to biological resources.

Further, the Conservation Element includes modifications to policies and programs that provide for increased protection of biological resources, including special-status species and sensitive habitats. Specifically, Policy C 1.1 would be revised to ensure protection of biological resources including special habitat areas and environmentally sensitive wildlife and plant life. Program C 1.2-d would be added to the General Plan to limit the extent of development in areas with a moderate to high potential for sensitive habitat. Program C 1.2-e would be added to require buffer areas between development projects and significant watercourses, riparian vegetation, and wetlands. Programs C 1.2-f and C 1.2-g would reduce impacts to biological resources by requiring a biological study prior to approval of a development project and implementation of appropriate mitigation, consistent with adopted standards and protocols, to address any identified impacts to sensitive habitats or

special-status species. Programs C 8.1-c through C 8.1-e would ensure protection of creeks, wetlands, and other riparian areas by requiring setbacks from riparian areas and requiring creek management plans to include measures for the protection and maintenance of riparian areas.

The Modified Project would result in a reduction of open space, agricultural, riparian, and wetland areas that would be disturbed by development allowed under the General Plan. The policies and programs identified in the General Plan EIR under Impacts 3.4-1 through 3.4-4 to address biological impacts (General Plan Draft EIR pp. 3-52 and 3-53) would continue to apply to future projects, including development of the land proposed for Major Retail, and would be augmented by the additional policies and programs identified previously. Future development would be required to comply with all applicable adopted policies, programs, and regulations associated with biological resources. The Modified Project would result in a reduction of potential biological impacts, including effects on special-status species, sensitive habitat, wetlands, and wildlife movement corridors, when compared to the Approved Project. There would be no new significant impacts and no increase in the significance of any impacts to biological resources.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to biological resources.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to biological resources continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on the habit of protected species, riparian and other sensitive habitats and sensitive natural communities, federally protected wetlands, the free movement of native resident and migratory fish and wildlife, wildlife corridors, policies and ordinances protecting biological resources, and provisions of an adopted habitat conservation plan would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to biological resources that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to biological resources requiring new biological impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Biological Resources

There are no relevant EIR mitigation measures.

Conclusion – Biological Resources

With regard to biological resources, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to biological resources would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
V. Cultural Resources / Tribal Cultural Resources									
Would the project:									
a) Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5?	Less than significant impact after mitigation.	Yes, MM 3.5-1 (2009 General Plan EIR, pg. ES-10)	Yes	Yes	Yes	Yes	No	No	No
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?	Less than significant impact after mitigation.	Yes, MM 3.5-1 (2009 General Plan EIR, pg. ES-10)	Yes	Yes	Yes	Yes	No	No	No
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
d) Disturb any human remains, including those interred outside of formal cemeteries?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
<i>Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:</i>									
e) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k), or	N/A	No	Yes	Yes	N/A	N/A	No	No	No
f) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource	Less than significant impact after mitigation.	Yes, MM 3.5-1 (2009 General Plan EIR, pg. ES-10)	Yes	Yes	Yes	Yes	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.									

Discussion – Cultural Resources / Tribal Cultural Resources

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on cultural resources and tribal cultural resources related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 24 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Cultural Resources and Tribal Cultural Resources:

The General Plan EIR identified that future development associated with the Approved Project could disturb or destroy cultural resources. While applicable General Plan policies and programs would reduce the potential impact, the impact would remain potentially significant. Mitigation measure 3.5-1 identified Program PR 1.10-b, which requires alterations of historically

significant structures to be compliant with General Plan policies, and Program 1.10-c, which identifies measures to be taken to protect archaeological resources and human remains encountered during development activities, to reduce the potential impact to less than significant (Impact 3.5-1, General Plan Draft EIR pp. 3-60 and 3-61).

The 2014 EIR Addendum provided the following analysis of impacts on cultural resources and tribal cultural resources related to the Modified Project, on pages 24-25. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the Approved Project would result in less-than significant Cultural Resources impacts when mitigation measures are implemented.

The proposed Modified Project would substantially reduce the land area that would be disturbed by future development under the General Plan, as previously described, which would reduce the potential to disturb cultural

resources. The requirements of Mitigation Measure 3.5-1 as well as the policies and programs identified under Impact 3.5-1 of the General Plan (General Plan Draft EIR pp. 3-60 and 3.61) would be applied to future development, including the proposed Major Retail lands, allowed under the Modified Project and would continue to ensure that potential impacts are less than significant. The Modified Project also includes a new measure to require setbacks between development and riparian areas, which would further reduce potential impacts to cultural resources by avoiding development on or adjacent to streambanks, which can be sensitive for archaeological resources. The Modified Project would not result in new impacts to cultural resources, including historical, archaeological, paleontologic, and geologic resources, or human remains and there would be no increase in the significance of impacts to cultural resources identified in the General Plan EIR.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI, and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to cultural resources and tribal cultural resources. The 2009 General Plan EIR includes one mitigation measure related to cultural resources and tribal cultural resources (Mitigation Measures 3.5-1).

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to cultural resources and tribal cultural resources continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on the significance of a historical resource, the significance of an archaeological resource, unique paleontological resources or sites of unique geology, the significance of a tribal cultural resource listed or eligible for listing in the California Register of Historical Resources or local register, and other tribal resources would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to cultural resources and tribal cultural resources that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to cultural resources and tribal cultural resources requiring new cultural resource and tribal cultural resource impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Cultural Resources / Tribal Cultural Resources

Mitigation Measure 3.5-1 Program PR 1.10-b: Prior to altering any structure with historical significance within the City of Lakeport, the General Plan shall be consulted and any alterations shall be in compliance with General Plan policies. For structures over 45 years old, an architectural historian should conduct archival and/or field research to determine the structure's historical value. Relocation of historic structures (if necessary) should be implemented where practical.

Program PR 1.10-c: In the event that archaeological resources are encountered during subsurface construction for land development projects, land alteration work in the general vicinity of the find shall be halted and a qualified archaeologist shall be consulted. Prompt evaluations could then be made regarding the finds and course of action acceptable to all concerned parties could then be adopted. Local Native American organizations shall be consulted if human remains are encountered. (2009 General Plan EIR, pg. ES-10)

Conclusion – Cultural Resources / Tribal Cultural Resources

With regard to cultural resources and tribal cultural resources, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to cultural resources and tribal cultural resources would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
VI. Geology and Soils									
Would the project:									
a) Expose people or structures to potential substantial adverse effects, including risk of loss, injury, or death involving:	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
ii) Strong seismic ground shaking?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
iii) Seismic-related ground failure, including liquefaction?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
iv) Landslides?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Result in substantial soil erosion or the loss of topsoil?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water.	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Geology and Soils

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on geology and soils related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 25 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Geology and Soils:

The Approved Project would have a less than significant impact associated with substantial adverse effects from fault rupture and seismic- related ground failure with implementation of General Plan policies and programs that address seismic hazards (Impact 3.6-1, General Plan Draft EIR pp. 3-72 and 3-73).

The Approved Project would have a less than significant impact associated with substantial soil erosion or soil instability. Applicable General Plan policies and local regulations would address potential impacts. No mitigation was required (Impact 3.6-2, General Plan Draft EIR p. 3-73).

The Approved Project would have a less than significant impact associated with potential structural damage due to expansive soils. The General Plan includes policies that address expansive soils. No mitigation was required (Impact 3.6-3, General Plan Draft EIR pp. 3-73 and 3-74).

The 2014 EIR Addendum provided the following analysis of impacts on geology and soils related to the Modified Project, on page 25. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the approved project would result in less than significant impacts associated with geology and soils. No mitigation measures were required.

The Modified Project would substantially reduce the land area that would be disturbed by future development, as previously described. As a result, there would be a reduction in development that could be exposed to potential adverse geologic and soils impacts. Future developed allowed under the Modified Project would be required to comply with the General Plan policies and programs discussed under Impacts 3.6-1 through 3.6-3 in the General Plan EIR that were adopted to reduce potential impacts associated with geologic and soils hazards (General Plan Draft EIR pp. 3-73 and 3-74). Therefore, the Modified Project would not result in any new significant impacts or increase the significance of impacts associated with seismicity, geologic instability, soil instability, including erosion or loss, expansive soil, or septic or alternative wastewater disposal systems.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to geology and soils. No mitigation measures were required.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to geology and soils continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project associated with seismicity, geologic instability, soil instability, including erosion or loss, expansive soil, or septic or alternative wastewater disposal systems would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to geology and soils that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to geology and soils requiring new geology or soil impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Geology and Soils

There are no relevant EIR mitigation measures.

Conclusion – Geology and Soils

With regard to geology and soils, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to geology and soils would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
VII. Energy / Greenhouse Gas Emissions									
Would the project:									
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	Less than significant impact after mitigation.	Yes, MM 3.3-4 (2009 General Plan EIR, pp. ES-6 – ES-8)	Yes	Yes	Yes	Yes	No	No	No
b) Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Energy / Greenhouse Gas Emissions

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on greenhouse gas emissions related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 25-26 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Greenhouse Gas Emissions:

The General Plan EIR identified that the Approved Project would result in an increase in vehicle miles traveled that would contribute to greenhouse gas emissions. The General Plan EIR identified mitigating factors associated with the project, including smart growth factors, traffic factors, electricity factors, and other steps taken that would reduce potential greenhouse gas emissions. Mitigation measure 3.3-4 was identified to reduce the potential impact to less than significant through adding specific objectives, policies, and programs to the General Plan to reduce greenhouse gas emissions through energy audits, tree planting, energy saving measures beyond Title 24 requirements, and vehicle trip reduction measures, to reduce greenhouse gas emissions (Impact 3.3-4, General Plan Draft EIR pp. 3-34 through 3-37).

The 2014 EIR Addendum provided the following analysis of impacts on greenhouse gas emissions related to the Modified Project, on pages 25-26. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the Approved Project would result in less than significant impacts related to greenhouse gases with implementation of Mitigation Measure 3.3-4.

The Modified Project would result in a reduction in potential development by removing 719.1 acres from the Proposed Modified SOI, including 631.9 acres that were designated for urbanization (Industrial, Specific Plan Area, and Urban Reserve) from the General Plan Land Use Map and the Proposed Modified Sphere of Influence. This would result in a significant reduction of 7,029 ADT (see Appendix B, Table B-1) that would result in an associated reduction in overall vehicle miles travelled (VMT) when compared to the Approved Project. This reduction in VMT would reduce emissions of greenhouse gases associated with the Modified Project. Future development accommodated by the Modified Project would be required to comply the policies and programs associated with Mitigation Measure 3.3-4. As the Modified Project would result in a reduction in greenhouse gas emissions, the Modified Project would not result in an increase in GHG emissions that would have a significant impact on the environment or conflict with an applicable plan, policy, or regulation adopted to reduce greenhouse gas emissions. Therefore, there would be no new or increased impacts associated with greenhouse gases.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to greenhouse gas emissions. The 2009 General Plan EIR includes one mitigation measure related to greenhouse gas emissions (Mitigation Measures 3.3-4).

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there

are "no significant impacts" related to greenhouse gas emissions continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on the direct or indirect generation of greenhouse gas emission and on possible conflicts with any applicable plans, policies, or regulations pertaining to the reduction of greenhouse gas emissions would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to greenhouse gas emissions that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to greenhouse gas emissions requiring new greenhouse gas impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Energy / Greenhouse Gas Emissions

Mitigation Measure 3.3-4 *To reduce greenhouse gas emissions and thus reduce air quality impacts, the following objectives, policies, and programs shall be added into the General Plan Update:*

Land Use Element:

- *Encourage public and private construction of LEED (Leadership in Energy and Environmental Design) certified (or equivalent) buildings.*

Conservation Element:

- *Continue to maintain and update energy conservation programs and information provided to the public.*

- *Work with utility providers to provide free energy audits for the public.*
- *The project level applicants and City shall jointly develop a tree planting informational packet to help project area residents understand their options for planting trees that can absorb carbon dioxide.*
- *Preserve and replace onsite trees (that are removed due to development) as a means of providing carbon storage.*
- *Recognize and promote energy saving measures beyond Title 24 requirements for residential and commercial projects.*

Transportation Element:

- *Require vehicle-reduction measures through carpooling, public transit incentives, and linkages of electric shuttle service to public transit as well as local and regional pedestrian and bike trails during the project review stages.*
- *Prioritized parking within commercial and retail areas shall be given to electric vehicles, hybrid vehicles, and alternative fuel vehicles.*
- *All non-residential projects shall provide bicycle lockers and/or racks.*
- *Create conditions of approval for projects to limit idling time for commercial vehicles, including delivery and construction vehicles.*

Other mitigation measures:

- *Where feasible, include in new buildings facilities to support the use of low/zero carbon fueled vehicles, such as the charging of electric vehicles from green electricity sources*
- *Incorporate energy efficient bulbs and appliances for traffic lights, street lights, and other electrical uses.*

- *Encourage large businesses to develop commute trip reduction plans that encourage employees who commute alone to consider alternative transportation modes.*

(2009 General Plan EIR, pp. ES-6 – ES-8)

Conclusion – Energy / Greenhouse Gas Emissions

With regard to energy/greenhouse gas emissions, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to energy/greenhouse gas emissions would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
VIII. Hazards / Hazardous Materials/Wildland Fires									
Would the project:									
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Be located within two miles of a public airport or private use airport and result in a safety hazard for people residing or working in the project area?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
h) Be located in an area designated as having a high, extreme, or severe fire hazard, or otherwise expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Hazards / Hazardous Materials / Wildland Fires

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts associated with hazards (including wildland fires) and hazardous materials related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 26 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts associated with Hazards and Hazardous Materials:

The General Plan EIR identified that future development associated with the Approved Project would be guided by the policies and programs contained in the General Plan, including requirements related to hazardous materials, airport safety, and fire risk. No significant or potentially significant impacts were identified, and no mitigation was required (General Plan Draft EIR p. 5-2).

The 2014 EIR Addendum provided the following analysis of impacts associated with hazards, hazardous materials, and wildland fires related to the Modified Project, on pages 26-27. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the approved project would result in less than significant impacts associated with hazards and hazardous materials. No mitigation measures were required.

As previously described, the Modified Project would reduce the Proposed Modified SOI by 719.1 acres, including 631.9 acres that were designated for urbanization under the Approved Project. There would be a reduction in

potential development that could result in hazardous conditions, as well as a reduction in the potential to expose development to existing or future hazards. Future development, including the 54.7 acres designated for Major Retail use, would be required to comply with the policies and programs in the General Plan that address potential impacts associated with hazardous materials. Therefore, the Modified Project would not result in changes to development patterns or potential development that would create significant hazards associated with hazardous materials, wildland fires, airplane-related impacts, or conflicts with emergency response plans. The Modified Project would not result in any new potential impacts associated with hazardous materials and would not increase the significance of any impacts associated with hazardous materials.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts associated with hazards, hazardous materials, and wildland fires.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to hazards, hazardous materials, and wildland fires continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on public hazards related to hazardous materials, wildland fires, and release of hazardous

materials into the environment, handling of hazardous materials within one quarter-mile of an existing or proposed school, being located on a hazardous materials site, being located within two miles of an airport, creating a safety hazard for neighbors, impairment of an emergency plan, and being located in an area designated as having a high, extreme, or severe fire hazard would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts associated with hazards, hazardous materials, and wildland fires that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information associated with hazards, hazardous materials and wildland fires requiring new impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Hazards / Hazardous Materials and Wildfire

There are no relevant EIR mitigation measures.

Conclusion – Hazards / Hazardous Materials / Wildfire

With regard to hazards, hazardous materials, and wildland fires, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to hazards, hazardous materials, and wildland fires would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
IX. Hydrology / Water Quality									
Would the project:									
a) Violate any water quality standards or waste discharge requirements?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
drainage systems or provide substantial additional sources of polluted runoff?									
f) Otherwise substantially degrade water quality?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
h) Place within a 100-year flood hazard structures which would impede or redirect flood flows?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
i) Expose people or structures to significant risk or loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
j) Inundation of by seiche, tsunami, or mudflow?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Hydrology / Water Quality

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on hydrology and water quality related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 27-28 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Hydrology and Water Quality:

The Approved Project would have a less than significant impact associated with depletion of groundwater or interference with recharge. Future development would be guided by General Plan policies and programs and no mitigation was required (Impact 3.7-1, General Plan Draft EIR p. 3-83).

The Approved Project would have a less than significant impact associated with alteration of drainage patterns that could result in flooding. Future development would be required to comply with General Plan policies which address flooding and stormwater management. No mitigation was required (Impact 3.7-2, General Plan Draft EIR pp. 3-83 and 3-84).

The Approved Project would have a less than significant impact associated with the demand for storm drainage facilities. Future development would be required to comply with General Plan policies that address stormwater management. No mitigation was required (Impact 3.7-3, General Plan Draft EIR pp. 3-83 and 3-84).

The Approved Project would not have a significant impact associated with the placement of people and/or structures in 100- year flood zones or possible flood hazard areas. The General Plan includes policies to address flooding and development will be subject to the Flood Damage Prevention Ordinance. No mitigation was required (Impact 3.7-4, General Plan Draft EIR pp. 3-84 and 3-85).

The Approved Project would have a less than significant impact associated with inundation or risk of seiche and no mitigation was required (Impact 3.7-5, General Plan Draft EIR pp. 3-85).

The General Plan EIR identified that impacts associated with violation of water quality standards or waste discharge requirements and the potential to result in erosion or siltation due to alteration of existing drainage patterns was less than significant (General Plan Draft EIR p. 3-83).

The 2014 EIR Addendum provided the following analysis of impacts on hydrology and water quality related to the Modified Project, on pages 27-29. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the approved project would result in less than significant impacts associated with hydrology and water quality. No mitigation measures were required.

As previously described, the Modified Project would designate 54.7 acres Major Retail and would reduce the Modified SOI by 719.1 acres, reducing potential urbanization by 631.9 acres. The Modified Project includes policies and programs that would provide additional protection to hydrological features and water quality. Program C 1.2-e and C 8.1-c would require buffer areas and setbacks between development projects and significant watercourses, riparian vegetation, and wetlands, reducing impacts to water quality, runoff, and drainage patterns. Program C 8.1-e would support the management of wetland and riparian plan communities for a variety of uses, including groundwater recharge, which would decrease potential impacts to groundwater supplies.

While the Modified Project would designate 54.7 acres currently designated Industrial, Resort Residential, and Open Space for development as Major Retail, development of Major Retail lands would be required to comply with

the proposed buffer and setback requirements of Programs C 1.2-e and C 8.1-c as well as the hydrology and water quality related policies discussed under Impacts 3.7-1 through 3.7-5 in the General Plan EIR; conformance with these policies and programs would reduce potential impacts associated with future development to less than significant as described in the General Plan EIR (General Plan EIR pp. 3-83 through 3-85).

The changes associated with the Modified Project would significantly decrease the amount of land that could be disturbed and developed, resulting in a decrease in future impervious surfaces, a decrease in potential storm water runoff during both construction and operation of development projects, a decrease in potential changes to drainage patterns, and a decrease in pollutants generated by construction and operation of future development that could enter the surface water or groundwater supply. The decrease in potential development would result in a reduction in demand for both surface water and groundwater supplies compared to the Approved Project.

The Modified Project would result in a reduced amount of land designated for development located within the 100-year floodplain as well as areas identified as having possible flood hazards. Programs and policies identified in the General Plan to address potential flood risks would continue to be applied to future development under the Modified Project to ensure that potential flooding impacts are reduced to less than significant as discussed under Impact 3.7-4 (General Plan Draft EIR pp. 3-84 and 3-85). The Modified Project would not result in any new impacts or the increase in severity of impacts associated with flood hazards.

The Modified Project would result in no change to lands that could be affected by a seiche associated with Clear Lake. There would be no new impacts, nor would there be an increase in the severity of impacts in comparison to the Modified Project.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along

the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to hydrology and water quality. There are no mitigation measures required related to hydrology and water quality.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to hydrology and water quality continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on violation of water quality standards and waste discharge requirements, substantial depletion or interference with recharge of groundwater, alteration of existing drainage patterns that would result in erosion or siltation, alteration of existing drainage patterns that would result in flooding, creation or contribution to runoff water that would exceed the capacity of the stormwater drainage system, substantial degradation of water quality, the placement of housing within a 100-year flood hazard area, the placement of structures that would impede or redirect flood flows within a 100-year flood zone, exposure of people or structures to significant risk related to flooding, and possible inundation by seiche, tsunami, or mudflow would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to hydrology and water quality that were not considered in the

2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to hydrology and water quality requiring new hydrological or water-quality impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Hydrology / Water Quality

There are no relevant EIR mitigation measures.

Conclusion – Hydrology / Water Quality

With regard to hydrology and water quality, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to hydrology and water quality would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
X. Land Use									
Would the project:									
a) Physically divide an established community?	No impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	No impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Land Use

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on land use and planning related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 29 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Land Use and Planning:

The Approved Project would have a less than significant impact associated with conflicts with policies and regulations intended to avoid or mitigate an environmental effect. Future projects would be subject to the policies of the

General Plan as well as other local, state, and federal regulations intended to avoid or minimize environmental effects. No mitigation was required (Impact 3.8-1, General Plan Draft EIR pp. 3-96).

The General Plan EIR identified that impacts associated with physical division of an established community and conflicts with any habitat or natural community plans were less than significant (General Plan Draft EIR p. 3-95).

The 2014 EIR Addendum provided the following analysis of impacts on land use and planning related to the Modified Project, on pages 29-30. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the Approved Project would result in less than significant impacts associated with land use and planning and no mitigation measures were required.

The Modified Project would reduce the extent of the City's Proposed Modified SOI, as previously described. Lands currently designated Specific Plan Area, Industrial, Open Space, and Urban Reserve would be removed from the General Plan land use map and the Proposed Modified Sphere of Influence. The Modified Project would revise land use designations within the Proposed Modified SOI to be similar to those depicted on the Lake County General Plan Land Use Map. Lands currently designated Open Space (8.6 acres), Industrial (27.0 acres), and Resort Residential (19.2 acres) would be designated Major Retail, which is similar to the County's Service Commercial designation in the area along SR 29 south of the City's borders. The Conservation Element would be revised to ensure that adequate policies and programs are in place to protect natural resources and environmentally sensitive lands. It is noted that the Conservation Element policies regarding creek and stream biology and riparian/wetland areas have been modified to be more similar to the Lake County General Plan policies. Future development accommodated by the Modified Project would be required to comply with the land use-related policies and programs discussed under Impact 3.8-1 (General Plan Draft EIR pp. 3-96), which would avoid or minimize environmental effects and ensure compliance with applicable local, state, and federal regulations. Compliance with the General Plan policies and programs would ensure that potential impacts remain less than significant. The Modified Project would not result in a significant increase in any environmental impacts associated with land use and planning and would not result in any new impacts.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to land use and planning. The 2009 General Plan EIR does not require any mitigation measure related to land use and planning.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to land use and planning continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on the possible division of an established community, conflict with any applicable plans, policies, or regulations already adopted for the purpose of avoiding or mitigating an environmental effect, and conflict with a conservation plan would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to land use and planning that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to land use and planning requiring new impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Land Use

There are no relevant EIR mitigation measures.

Conclusion – Land Use

With regard to land use and planning, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to land use and planning would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
III. Mineral Resources									
Would the project:									
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Mineral Resources

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on mineral resources related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 30 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Mineral Resources:

The General Plan EIR identified that impacts associated with mineral resources would not be significant (General Plan Draft EIR p. 5-3).

The 2014 EIR Addendum provided the following analysis of impacts on mineral resources related to the Modified Project, on page 30. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Modified Project would reduce the overall extent of development by removing approximately 719.1 acres from the City's Modified SOI. The Modified Project would not result in the loss or availability of a known mineral resource or recovery site. There would be no increase in significance to mineral resource impacts and there would be no new impacts.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both

documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to mineral resources. The 2009 General Plan EIR does not require any mitigation measure related to mineral resources.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to mineral resources continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on loss of availability of a known mineral resource and loss of availability of a locally important mineral resource recovery site would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to mineral resources that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to mineral resources requiring new mineral impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Mineral Resources

There are no relevant EIR mitigation measures.

Conclusion – Mineral Resources

With regard to mineral resources, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to mineral resources would occur, nor

are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XII. Noise									
Would the project:									
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
d) Result in the loss of forest land or conversion of forest land to non-forest use?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Noise

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on noise related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 30-31 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Noise:

The Approved Project would have a less than significant impact associated with exposure of noise-sensitive uses to construction noise, excessive ground-borne vibration, and ground-borne noise. Future development projects would be subject to the Noise and Land Use Compatibility Standards established by the General Plan, as well as applicable policies designed to maintain or reduce noise levels. No mitigation was required (Impact 3.9-1, General Plan Draft EIR pp. 3-103 and 3.104).

The Approved Project would have a less than significant impact associated with exposure of noise-sensitive land uses to a substantial temporary, periodic, or permanent increase in ambient noise levels. Future development projects would be subject to the Noise and Land Use Compatibility Standards established by the General Plan, as well as applicable policies designed to maintain or reduce noise levels. No mitigation was required (Impact 3.9-2, General Plan Draft EIR p. 3-103).

The Approved Project would have no impact regarding noise associated with a private airstrip (Impact 3.9-3, General Plan Draft EIR p. 3-103).

The 2014 EIR Addendum provided the following analysis of impacts on noise related to the Modified Project, on pages 30-32. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries

are coterminous with the proposed South Lakeport Annexation project area boundaries):

The EIR found that the Approved Project would result in less than significant noise impacts and no mitigation measures were required.

As previously described, the Modified Project would result in designating 54.7 acres of land in the Proposed Modified SOI as Major Retail and removing approximately 719.1 acres from the Proposed Modified SOI, including 631.9 acres identified for future development with Industrial, Specific Plan Area, and Urban Reserve uses. The Modified Project would result in a decrease in potential construction activities and associated noise and ground-borne vibration, as there would be less land disturbance. The Modified Project would not result in any new impacts or an increase in the severity of impacts associated with construction noise, ground-borne vibration, and ground-borne noise.

The Modified Project would result in a reduction of 7,029 ADT in comparison to the Approved Project, as shown in Table B-1 (see Appendix B). This reduction in vehicle trips would result in a reduction in traffic-generated noise. Future development that would result in increased noise levels, such as potential uses associated with the Major Retail designation, would be required to comply with the noise-related policies and programs in the General Plan and potential impacts would be reduced to less than significant, as discussed under Impact 3.9-2 (see General Plan Draft EIR p. 3-103), and there would be no new impacts or significant increase in impacts associated with a substantial temporary, periodic, or permanent increase in ambient noise levels.

The Modified Project would not result in any changes in noise exposure relative to airstrips or airports, so there would be no new impacts or increase in significance of impacts in relation to this topic.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to noise. The 2009 General Plan EIR did not require any mitigation measure related to noise.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to noise continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on exposure of persons to noise levels in excess of adopted standards, exposure of persons to excessive groundborne vibration or groundborne noise, permanent increase in ambient noise levels, substantial temporary or periodic increase in ambient noise levels, and excessive noise associated with an airport would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to noise that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to noise requiring new noise impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Noise

There are no relevant EIR mitigation measures.

Conclusion – Noise

With regard to noise, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to noise would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XIII. Population and Housing									
Would the project:									
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)?	Significant and unavoidable with mitigation measures.	Yes, MM 3.10-1 (2009 General Plan EIR, pg. ES-12)	Yes	Yes	Yes	Yes	No	No	No
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Population and Housing

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on population and housing related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on page 32 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Population and Housing:

The General Plan EIR determined that impacts associated with population growth would be growth-inducing. Mitigation Measure 3.10-1 was identified to address potential growth impacts to utilities and circulation facilities. However, the General Plan EIR determined that while the mitigation measure would reduce the impact, the impact would remain significant and unavoidable (Impact 3.10-1, General Plan Draft EIR pp. 3-110 and 3-111).

Impacts associated with displacement of existing housing and people were determined to be less than significant and no mitigation was required (General Plan Draft EIR, p. 3-109).

The 2014 EIR Addendum provided the following analysis of impacts on population and housing related to the Modified Project, on page 32. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Approved Project would result in significant and unavoidable impacts associated with population growth and related growth inducement, with implementation of Mitigation Measure 3.10-1.

The General Plan EIR identified that the Approved Project would result in potential residential growth of 3,237 to 3,516 dwelling units on 692.06 acres under buildout conditions. Of the potential residential growth, 2,400 units were attributed to the Specific Plan Area. The Modified Project would remove

the Specific Plan Area from the General Plan and Proposed Modified SOI, resulting in 837 to 1,116 new dwelling units at buildout. As the Modified Project would result in a decrease in residential growth and the associated population increase, there would be no new impacts associated with population growth and there would not be an increase in the significance of any impacts associated with population growth.

Impacts associated with potential displacement of existing housing and people would remain less than significant; the Modified Project would have no effect on the significance of this impact.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to population and housing except for impacts associated with the direct or indirect induction of substantial growth, which remains significant and unavoidable. The 2009 General Plan EIR includes one mitigation measure related to population and housing (Mitigation Measures 3.10-1).

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the findings in the environmental documents that there are "significant and unavoidable" impacts related to the direct or indirect induction of substantial growth continues to apply, as do the findings that in the other areas there are "no significant impacts."

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on direct or indirect induction of substantial population growth, displacement of substantial numbers of existing housing necessitating construction of replacement housing elsewhere, and displacement of substantial numbers of people necessitating construction of replacement housing elsewhere would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to population and housing that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to population and housing requiring new population and housing impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Population and Housing

Mitigation Measure 3.10-1 *A specific plan shall be prepared for the 600 acre site designated as a specific plan area. This specific plan shall be completed in accordance with the provisions Section 65450 through 65457 of the California Government Code. The specific plan will identify the location of all utilities and circulation systems and be prepared in accordance with the Lakeport General Plan. Prior to adoption of the specific plan, an environmental review shall be required pursuant to the California Environmental Quality Act. (2009 General Plan EIR, pp. ES-12)*

Conclusion – Population and Housing

With regard to population and housing, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation

Project. No new significant impacts related to population and housing would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XIV. Public Services									
Would the project impact:									
a) Fire protection?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Police protection?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Schools?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
d) Parks?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Other public facilities?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Public Services

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on public services related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 32-33 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Public Services:

The General Plan EIR determined that the Approved Project would have a less than significant impact on law enforcement services and no mitigation was necessary (Impact 3.11-1, General Plan Draft EIR p. 3-121).

The General Plan EIR determined that the Approved Project would have a less than significant impact on fire protection services and no mitigation was necessary (Impact 3.11-2, General Plan Draft EIR p. 3-121).

The General Plan EIR determined that the Approved Project would have a less than significant impact on law enforcement services and no mitigation was necessary (Impact 3.11-3, General Plan Draft EIR pp. 3-121 and 3-122).

The General Plan EIR determined that the Approved Project would have a less than significant impact on parks and recreation facilities resulting from increased population and use of facilities and no mitigation was necessary (Impact 3.11-4, General Plan Draft EIR pp. 3-122).

The 2014 EIR Addendum provided the following analysis of impacts on public services related to the Modified Project, on pages 32-33. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The General Plan EIR determined that the Approved Project would have a less than significant impact on law enforcement, fire protection, schools, and parks services and facilities and that no mitigation was necessary.

The Modified Project would result in a reduction in the potential developed area of the City as a result of reducing the Proposed Modified SOI by 719.1 acres, including 631.9 acres planned for urbanization. The Modified Project would 54.7 acres currently planned for Industrial, Resort Residential, and Open Space uses for Major Retail. The Modified Project would result in a reduction in potential population and housing growth of 1,213 units to 2,400 units compared to the Approved Project. The reduction in future service areas as well as the reduction in population and housing growth would ensure that the Modified Project would result in a reduced demand for law enforcement, fire protection, schools, and parks services and facilities in comparison to the Approved Project. Future development accommodated by the Modified Project would be required to comply with General Plan policies and programs related to the provisions of public services and facilities as well as payment of all applicable impact fees for public services and facilities, as described in the General Plan EIR under Impacts 3.11-1 through 3.11-4 (General Plan Draft EIR pp. 3-121 through 3-122). The Modified Project would not result in an increase in the significance or any new environmental impacts associated with the provision of public services.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to public services. The 2009 General Plan EIR does not include any mitigation measures related to public services.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to public services continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on provision of fire protection, police protection, schools, parks, and other public facilities would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to public services that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to public services requiring new analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Public Services

There are no relevant mitigation measures.

Conclusion – Public Services

With regard to public services, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to public services would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XV. Recreation									
Would the project:									
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Recreation

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on recreation related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 33-34 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Recreation:

The General Plan EIR determined that the Approved Project would have a less than significant impact on parks and recreation facilities resulting from increased population and use of facilities and no mitigation was necessary (Impact 3.11-4, General Plan Draft EIR pp. 3-122).

The 2014 EIR Addendum provided the following analysis of impacts on recreation related to the Modified Project, on pages 33-34. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Approved Project was determined to have a less than significant impact associated with use of and provision of parks and recreation facilities and no mitigation measures were required.

The Modified Project would result in a net decrease in development as previously described. There would be a reduction in housing growth by approximately 1,213 to 2,400 dwelling units compared to the Approved Project. The reduction in future population and housing growth would result in a reduced demand for existing and new recreational facilities. Provision of new facilities would proceed as anticipated under the Approved Project. Future development would be required to comply with policies and programs

related to the provision of parks and recreation facilities. There would be no new impact or increase in the significance of an impact associated with the provision or use of parks and recreational facilities.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to recreation. The 2009 General Plan EIR does not include any mitigation measures related to recreation.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to recreation continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on accelerated physical deterioration of the facilities of neighborhood and regional parks or other recreational facilities and the construction or expansion of recreational facilities that might have an adverse physical effect on the environment would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to recreation that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to recreation requiring new impact analysis or verification. There

would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Recreation

There are no relevant mitigation measures.

Conclusion – Recreation

With regard to recreation, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to recreation would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XIV. Transportation									
Would the project:									
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
b) Conflict with an applicable congestion management program, including but not limited to, level of service standards and travel demand measures, or other standards established by the county congestion management agency for the designated roads or highways?	Less than significant impact after mitigation.	Yes, MM 3.12-5 (2009 General Plan EIR, pg. ES-14)	Yes	Yes	Yes	Yes	No	No	No
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
e) Result in inadequate emergency access?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities.	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Transportation

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on transportation related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 34-36 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Transportation:

The Approved Project would increase traffic volume on SR 29 and result in levels of service that exceed the City's level of service (LOS) D standard. General Plan policies will ensure that necessary improvements are planned and that the City coordinated with appropriate agencies. This impact is less than significant, and no mitigation was required (Impact 3.12-1, General Plan Draft EIR p. 3-147).

The Approved Project would increase traffic on SR 29 interchanges and result in the need to upgrade facilities. General Plan policies and programs ensure that new development pay its fair share of planned roadway improvements, encourage coordination of the fair share payment, and ensure that necessary improvements become a part of the City's Five-Year Roadway Capital Improvement Program (Roadway CIP). The impact was determined to be less than significant, and no mitigation was required (Impact 3.12-2, General Plan Draft EIR pp. 3-147 and 3-148).

Under buildout conditions, the Approved Project would result in LOS D or worse conditions on various City streets. While General Plan policies and programs ensure that new development pay its fair share of planned roadway improvements, encourage coordination of the fair share payment, and ensure that necessary improvements become a part of the City's Roadway CIP, improvements to High Street to mitigate the impact are not considered feasible. Therefore, the impact was determined to be significant and unavoidable and no feasible mitigation was available (Impact 3.12-3, General Plan Draft EIR pp. 3-148 and 3-149).

Under buildout conditions, the Approved Project would add traffic to the inter-regional roadway system including facilities outside the City's SOI. The General Plan includes policies to require new development to pay its fair share of planned roadway improvements and to encourage cooperation with other jurisdictions to develop and implement regional solutions to traffic problems. The impact was determined to be less than significant, and no mitigation was required (Impact 3.12-4, General Plan Draft EIR pp. 3-149 and 3-150).

Under buildout conditions, the Approved Project could result in peak hour LOS conditions in excess of LOS C at intersections in Lakeport. The General Plan identified intersections recommended for signalization and included policies to ensure the improvements would be addressed through the City's Roadway CIP. However, improvements were not identified for seven of the affected intersections, therefore the impact was potentially significant. Mitigation Measure 3.12-5 was identified to ensure that signalization of

impacted intersections would be addressed through the Roadway CIP and reduced the impact to less than significant (Impact 3.12-5, General Plan Draft EIR pp. 3-149 and 3-150).

Implementation of the Approved Project could result in inadequate bicycle and pedestrian facilities. Policies in the General Plan require dedication of land for necessary bicycle and pedestrian facilities as well as completion, improvement, and maintenance of existing facilities. The impact is less than significant, and no mitigation was required (Impact 3.12-6, General Plan Draft EIR p. 3-150).

The 2014 EIR Addendum provided the following analysis of impacts on transportation related to the Modified Project, on pages 34-36. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Approved Project would result in less than significant impacts associated with changes in level of service (LOS) associated with traffic on SR 29, need for improvements to SR 29 interchanges, increased traffic on interregional roadways, and demand for bicycle and pedestrian facilities. No mitigation was required for these impacts. The Approved Project would result in a significant and unavoidable impact associated with increased traffic on City roadway segments because while impacts to most facilities would be reduced to less than significant with implementation of General Plan policies, no feasible mitigation was available for impacts to High Street. The Approved Project was determined to have a potentially significant impact on local intersections and mitigation was required to reduce the impact to less than significant.

The Modified Project would result in a decrease in traffic volumes in comparison to the Approved Project. As shown in Table B-1, located in Appendix B, the Approved Project would result in 65,109 ADT under buildout conditions. The Modified Project would result in 58,080 ADT under buildout conditions, a decrease of 7,029 ADT. The reduction in trips would primarily

come from the removal of the Specific Plan Area from the Modified SOI, which would reduce associated residential and golf course trips. The Modified Project would designate lands as Major Retail that have been designated for Industrial, Resort Residential, and Open Space uses. While there would be an increase in retail- oriented trips in south Lakeport, the reduction in the Urban Reserve and Industrial designations in the vicinity, as well as removal of the Specific Plan Area, would result in a net decrease in trips generated in south Lakeport. No significant reduction in future LOS is anticipated. Future development under the Modified Project would be required to comply with General Plan policies and programs that require development projects to identify potential traffic impacts and to pay their fair-share of improvements necessary to address both local and regional impacts. General Plan policies would continue to ensure that necessary improvements are addressed by the Roadway CIP (Policy T 1.1), by new development providing necessary off-site improvements (Policy T 4.1), by requiring strip commercial uses to be designed to reduce impacts and demonstrate that significant traffic impacts will be mitigated (Program T 12.1-c), and by requiring new developments to pay for their fair share of planned roadway improvements (Policy T 18.1). Continued implementation of General Plan policies and programs and Mitigation Measure 3.12-5 would ensure that the Modified Project continues to be consistent with adopted plans, regulations, and policies associated with the performance of the circulation system and does not result in any new impacts or the increase in significance of impacts relative to this topic.

The Modified Project would result in a decrease in potential development and does not include any plans that would introduce roadway or other transportation hazards. There would be no impact associated with roadway or transportation hazards.

The Modified Project would reduce the potential overall footprint and extent of new development and would continue to focus development within the existing City and Proposed Modified SOI. There would be no change in the potential for changes in air traffic patterns or air traffic hazards.

The Modified Project would result in a decrease in demand for bicycle and pedestrian facilities associated with population growth. However, future development associated with the Modified Project would be required to comply with applicable adopted policies and programs supporting alternative transportation. The Modified Project would not result in any new or increased impacts associated with alternative transportation.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to transportation. The 2009 General Plan EIR includes one mitigation measure related to transportation (Mitigation Measure 3.12-5).

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to transportation continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on conflicts with applicable plans, ordinances, and policies regulating the performance of all modes of transportation, conflicts with an applicable congestion management program, changes in air traffic patterns, substantial increases of hazards due to design features or incompatible uses, inadequate emergency access, and conflicts with adopted policies, plans, and programs regarding public transit, bicycle, and pedestrian facilities would

be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to transportation that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to transportation requiring new impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Transportation

Mitigation Measure 3.12-5 *Signalization of the following five intersections shall be included as improvement projects in the City's Five-Year Roadway Capital Improvement Program:*

- *Lakeshore Blvd. / 20th Street*
- *Martin Street / Russell Street*
- *Todd Road / Sandy Lane*
- *SR 29/SR 175/Main Street*
- *Lakeport Blvd. /Main Street*
- *11th Street / Main Street*
- *11th Street / Forbes Street*

Alternatives to signalization that result in a LOS "C," such as the installation of roundabouts shall be considered and shall constitute adequate mitigation for this impact.

(2009 General Plan EIR, pg. ES-14)

Conclusion – Transportation

With regard to transportation, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to transportation would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XVII. Utilities / Service Systems									
Would the project:									
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
environmental effects?									
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
e) Result in inadequate wastewater treatment capacity to serve the project's projected demand in addition to the provider's existing commitments?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
g) Comply with federal, state, and local statutes and regulations related to solid waste?	Less than significant impact.	No	Yes	Yes	N/A	N/A	No	No	No

Discussion – Utilities / Service Systems

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze impacts on utilities and service systems related to future development within the City of Lakeport and areas within its Sphere of Influence (SOI).

As summarized on pages 36-38 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following impacts related to Utilities and Service Systems:

The Approved Project would result in increased demand for wastewater treatment. Future development would pay sewer expansion fees and monthly service charges and wastewater infrastructure needed by new projects would be funded by project developers/owners. The impact would be less than significant, and no mitigation was required (Impact 3.13-1, General Plan Draft EIR, p.3-165).

The Approved Project would result in increased demand for storm drainage facilities. New development would be required to install necessary storm drainage facilities that meet City and State requirements. The impact would be less than significant, and no mitigation was required (Impact 3.13-2, General Plan Draft EIR pp. 3-165 and 3-166).

The Approved Project would result in increased demand for solid waste disposal. The impact would be less than significant, and no mitigation measures were required (Impact 3.13-3, General Plan Draft EIR p. 3-166).

The Approved Project would result in increased demand for water supplies and treatment facilities. The City's conservation programs combined with

General Plan policies would ensure that water supply impacts are less than significant. No mitigation was required (Impact 3.13-4, General Plan Draft EIR pp. 3-166 and 3-167).

The 2014 EIR Addendum provided the following analysis of impacts on utilities and service systems related to the Modified Project, on pages 36-38. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

The Approved Project would result in less than significant impacts associated with wastewater treatment and conveyance facilities, storm drainage facilities, solid waste disposal, and water supply and treatment facilities. No mitigation was necessary to address these impacts.

The Modified Project would reduce the potential extent of the wastewater, stormwater, solid waste, and water supply service areas by reducing the boundary of the Modified SOI. This would result in a decrease in potential impacts associated with extending utility and service facilities into the Specific Plan Area and other areas removed from the Modified SOI. See Figures 1-2 and 1-3. The Modified Project would reduce the extent of development that would require wastewater, stormwater, solid waste, and water supply services. While the Modified Project would increase the potential for non-residential uses by a net increase of 143,574 square feet, there would be a significant decrease in other uses. There would be a reduction in future growth of 1,213 to 2,413 residential units, 130 hotel rooms, 193 RV spaces, and 1 golf course, including 18 holes and a restaurant.

Future development accommodated by the Modified Project would continue to be subject to General Plan policies, development impact fees, ordinances, and requirements identified in the General Plan EIR to reduce potential impacts associated with an increased demand for wastewater, stormwater, solid waste,

and water supply services and facilities to a less than significant level. There would be no increase in the severity of impacts and there would be no new impacts associated with utilities and service systems.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate policies to ensure less than significant impacts related to utilities and service systems. The 2009 General Plan EIR does not include any mitigation measures relevant to utilities and service systems.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant impacts" related to utilities and service systems continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project related to exceedance of wastewater treatment conditions requiring or resulting in the construction of new water or wastewater treatment facilities or expansion of existing facilities; conditions requiring or resulting in the need for new storm water drainage facilities or expansion of existing facilities; the sufficiency of water supplies available from existing entitlements and resources to serve the project; wastewater treatment capacity to serve the projected demand, availability of service by a landfill with sufficient permitted capacity to accommodate the project's solid

waste disposal needs, and compliance with federal, state, and local statutes and regulations related to solid waste would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new impacts relating to utilities and service systems that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to utilities and service systems requiring new impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Relevant EIR Mitigation Measures – Utilities / Service Systems

There are no relevant mitigation measures.

Conclusion – Utilities / Service Systems

With regard to utilities and service systems, the 2009 General Plan EIR and the 2014 EIR Addendum adequately describe the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts related to utilities and service systems would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

			CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
XVIII. Mandatory Findings of Significance									
Would the project:									
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	Less than significant impact after mitigation.	See Items IV and V, above.	Yes	Yes	Yes	Yes	No	No	No

Environmental Issue	Conclusion of Applicable Sections of 2009 EIR & 2014 EIR Addendum	Are There Applicable EIR and/or Addendum Mitigation Measures?	CEQA Guidelines Section 15153 - Can an EIR From an Earlier Project be Used?				CEQA Guidelines Section 15162 - Is a Subsequent EIR Needed?		
			Do EIR and EIR Addendum Adequately Describe Setting?	Do EIR and EIR Addendum Adequately Describe Impacts?	For Significant Impacts, Does EIR Adequately Describe Alternatives?	For Significant Impacts, Does EIR Adequately Describe Mitigations?	Do the Proposed Changes Involve New Impacts?	Are There New Circumstances Involving New Impacts?	Is There New Information Requiring New Analysis or Verification?
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	Less than significant impacts; except for significant unavoidable cumulative impact relating to population and housing	No	Yes	Yes	N/A	N/A	No	No	No
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	Less than significant impact after mitigation.	See Items I-XVII, above	Yes	Yes	Yes	Yes	No	No	No

Discussion – Mandatory Findings of Significance

Section 15153 Analysis:

The 2009 General Plan EIR and the 2014 EIR Addendum discuss and analyze the various topics identified in CEQA's mandatory findings of significance as shown on the table. With regard to finding (a), the 2009 EIR and 2014 EIR Addendum address biological resources as well as cultural resources and tribal resources (as summarized in Items IV and V of this Environmental Checklist) and both documents conclude that impacts to these resources would be less than significant after mitigation. Similarly, as discussed in Items I-XVII of the Checklist, the 2009 EIR and 2014 EIR Addendum address a full range of environmental impacts and conclude that there will be no substantial adverse effects on human beings. With regard to cumulative impacts, as summarized on pages 38 of the 2014 EIR Addendum, the 2009 General Plan EIR identified the following cumulative impacts:

The Approved Project would not result in significant cumulative impacts related to aesthetics, agricultural resources, air quality, biological resources, cultural resources, geology and soils, hydrology and water quality, land use and planning, noise, public services and recreation, and utilities and service systems (General Plan Draft EIR pp. 5-10 through 5-13).

The Approved Project could result in significant cumulative impact to population and housing related to development within the City, within the Specific Plan Area, and the entire SOI. No mitigation was identified (General Plan Draft EIR, p. 5-12).

The Approved Project combined with development outside of the City's SOI could result in LOS D or worse on roadways until the Roadway CIP is

implemented, resulting in a significant cumulative impact (General Plan Draft EIR p. 5-13).

The 2014 EIR Addendum (page 38) provided the following analysis of cumulative impacts related to the Modified Project. (Note: The Modified Project reduced the area within the City's SOI and the modified boundaries are coterminous with the proposed South Lakeport Annexation project area boundaries):

As the Modified Project would result in a reduction in total development as well as a reduction in the total land area that could be developed, the Modified Project would have less of a contribution to cumulative aesthetic, agricultural, biological, cultural, geology/soils, hydrology/water quality, land use/planning, public services, recreation, and utilities/service system impacts than the Approved Project. The Modified Project would result in a reduction in total vehicle trips and an associated reduction in traffic, air quality, and noise impacts, resulting in a reduction in cumulative transportation, air quality, and noise impacts compared to the Approved Project. The Modified Project would result in a reduction in population and housing growth, as previously described, and would have less of cumulative impact associated with population and housing growth than the Approved Project. The Modified Project would not result in any new or increased cumulative impacts.

The 2014 EIR Addendum adequately describes the setting of the proposed South Lakeport Annexation Project, as the modified SOI boundaries along the South Main Street corridor are identical to those of the South Lakeport Annexation Project (2014 EIR Addendum; Figure 1.3; p. 13).

Both the 2009 General Plan EIR and the 2014 EIR Addendum considered the cumulative impacts of future development within the City's SOI and both documents concluded that the General Plan provides adequate

policies to ensure less than significant cumulative impacts except related to population and housing growth which is significant and unavoidable.

Annexation of the South Lakeport Annexation project area was contemplated in both the 2009 General Plan EIR and the 2014 EIR Addendum, and the conclusions in the environmental documents that there are "no significant cumulative impacts" continue to apply.

Section 15162 Analysis:

The impacts of the South Lakeport Annexation Project on potential degradation of the quality of the environment, impacts that are individually limited but cumulatively considerable, and environmental effects which will cause substantial adverse effects on human beings would be identical to those evaluated in the 2014 EIR Addendum. The South Lakeport Annexation Project would not involve new cumulative impacts that were not considered in the 2009 General Plan EIR and the 2014 EIR Addendum. There are no new circumstances that involve new impacts, and there is no new information related to cumulative impacts requiring new impact analysis or verification. There would be no new impacts or increase in significance of impacts in relation to this topic.

Conclusion – Mandatory Findings of Significance

With regard to mandatory findings of significance, the 2009 General Plan EIR and the 2014 EIR Addendum provide an adequate description of the setting, impacts, alternatives, and mitigation measures relevant to the South Lakeport Annexation Project. No new significant impacts would occur, nor are there new circumstances involving new impacts or new information requiring new analysis or verification. The conclusions from the 2009 EIR and the 2014 EIR Addendum remain unchanged.

Section 4: CONCLUSIONS OF INITIAL STUDY

CEQA Guidelines Section 15153(a) states that “The Lead Agency may employ a single EIR to describe more than one project, if such projects are essentially the same in terms of environmental impact. Further, the Lead Agency may use an earlier EIR prepared in connection with an earlier project to apply to a later project, if the circumstances of the projects are essentially the same.” The use of the 2009 EIR and the 2014 EIR Addendum is appropriate here because, as explained below, none of the conditions calling for preparation of a new environmental document have occurred.

The analysis provided in this Initial Study/Environmental Checklist supports the City’s determination that the 2009 EIR and 2014 EIR Addendum adequately describe the general environmental setting of the proposed South Lakeport Annexation Project, the significant environmental effects of the project, and alternatives and mitigation measures related to each significant effect in accordance with CEQA Guidelines Section 15153(b)(1).

The analysis cites substantial evidence that supports the City’s determination that the proposed South Lakeport Annexation Project is consistent with the City of Lakeport General Plan 2025 as updated and the adopted Sphere of Influence and does not meet the criteria for preparing an addendum, subsequent or supplemental EIR under CEQA Guidelines Section 15162 as follows:

- Per CEQA Guidelines Section 15162(a)(1), the proposed South Lakeport Annexation Project would not cause a new significant impact or substantially increase the severity of a previously

identified significant impact from the 2009 EIR and 2014 EIR Addendum that would require major revisions to the EIR. All impacts would be nearly equivalent to or reduced from the impacts previously analyzed in the 2009 EIR and 2014 EIR Addendum.

- Per CEQA Guidelines Section 15162[(a)(2), the proposed South Lakeport Annexation Project would not cause a new significant impact or substantially increase the severity of a previously identified significant impact, and there have been no other changes in the circumstances that meet this criterion. There have been no significant changes in the environmental conditions not contemplated and analyzed in the 2009 EIR and 2014 EIR Addendum that would result in new or substantially more severe environmental impacts.
- Per CEQA Guidelines Section 15162(a)(3), there is no new information of substantial importance (which was not known or could not have been known at the time of the application, that identifies: a new significant impact; a substantial increase in the severity of a previously identified significant impact; mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects; or mitigation measures or alternatives which are considerably different from those analyzed in the EIR which would substantially reduce one or more significant effects on the environment.

As identified in the Environmental Checklist, all impacts identified under the 2009 EIR for General Plan and the 2014 EIR Addendum for the Revised General Plan have been determined to be less than significant,

less than significant with mitigation, or significant and unavoidable. As described in the Checklist, the South Lakeport Annexation Project would not result in the increase in significance of environmental impacts or in new environmental impacts.

In addition to the effects of the project changes discussed in the above Environmental Checklist, Section 15162 of the CEQA Guidelines states that a subsequent EIR would be required if substantial changes occur with respect to the circumstances under which the project is undertaken which would require major revisions of a previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. To address the potential for other changed circumstances that may result in new or substantially more severe cumulative impacts, a review was completed of plans, policies, and regulations that would apply to the South Lakeport Annexation Project. No new plans, policies, or regulations that would result in new significant environmental impacts or an increase in the severity of environmental impacts were identified. There have been no significant changes in circumstances since the 2014 EIR Addendum was certified that would involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

**DRAFT AND FINAL ENVIRONMENTAL IMPACT REPORT FOR CITY OF LAKEPORT GENERAL PLAN 2025
("2009 EIR")**

State Clearinghouse Number 2005102104

and

**EIR ADDENDUM FOR THE 2014 FOCUSED GENERAL PLAN UPDATE AND PREZONING PROJECT
("2014 EIR Addendum")**

are available on the Lake LAFCO website at:

<https://www.lakelafco.org/lakeport-sphere-and-environmental-documents.html>

These documents are also available for review during business hours at:

City of Lakeport
Community Development Department
225 Park Street
Lakeport, CA 95453



NOTICE OF AVAILABILITY

Initial Study & Environmental Checklist Evaluating Use of Previously Certified Environmental Documents for City of Lakeport - South Lakeport Annexation Project (SCH# 2005102104)

NOTICE IS HEREBY GIVEN that the City of Lakeport ("Lead Agency") has prepared an Initial Study & Environmental Checklist for the proposed South Lakeport Annexation Project. The South Lakeport Annexation Project would alter the boundaries of the City of Lakeport to incorporate 123.64 acres of land that is currently within the unincorporated territory of Lake County into the Lakeport city limits. The South Lakeport Annexation Area includes 50 parcels located along South Main Street and Soda Bay Road just south of the current city limits.

The California Environmental Quality Act ("CEQA") Guidelines Section 15153 allows a lead agency to use an EIR prepared in connection with an earlier project to apply to a later project, if the circumstances of the projects are essentially the same. The Initial Study for the South Lakeport Annexation Project concludes that the 2009 Environmental Impact Report for the Lakeport General Plan 2025 ("2009 EIR") and the Addendum to the Lakeport General Plan 2025 Environmental Impact Report for the Revised General Plan ("2014 EIR Addendum") adequately evaluate the impacts associated with the proposed annexation and are sufficient to serve as the environmental documents for the South Lakeport Annexation Project.

45-DAY PUBLIC COMMENT PERIOD: Pursuant to Section 15086 and 15087 of the State CEQA Guidelines, the City of Lakeport is soliciting comments regarding the adequacy of the 2009 EIR and 2014 EIR Addendum from members of the public and all interested parties requesting notice, responsible agencies, agencies with jurisdiction by law, trustee agencies, and involved agencies. In accordance with the time limits established by CEQA, the public review period will begin on May 20, 2019, and end on July 5, 2019. Please send your written/typed comments (including name, affiliation, telephone number, and contact information) by 5:00 p.m. on or before July 5, 2019 to:

City of Lakeport
Kevin Ingram, Community Development Director
225 Park Street
Lakeport, CA 95453
Email: kingram@cityoflakeport.com

FUTURE PUBLIC HEARINGS: Following the close of the Public Comment period, a Response to Comments document will be prepared, after which the Lakeport City Council will conduct a public hearing to make an environmental determination and consider action on a Resolution of Application to the Lake County Local Agency Formation Commission ("Lake LAFCO") for approval of the South Lakeport Annexation Project. Public notice of the date, time and place of the Council public hearing(s) and future hearings by the Lake LAFCO Board will be provided at a future date.

PROJECT-RELATED DOCUMENTS: The 2009 EIR for the City of Lakeport General Plan 2025 and the 2014 EIR Addendum for the Revised General Plan are available for review during business hours at the City of Lakeport Community Development Department (225 Park Street, Lakeport, CA 95453) and also may be reviewed on the City of Lakeport website at:

https://www.cityoflakeport.com/community_development/annexation_document_center.php

Kevin Ingram, Lakeport Community Development Director

05/20/2019

Posted MAY 20 2019 — June 24, 2019

Summary Form for Electronic Document Submittal

Form F

Lead agencies may include 15 hardcopies of this document when submitting electronic copies of Environmental Impact Reports, Negative Declarations, Mitigated Negative Declarations, or Notices of Preparation to the State Clearinghouse (SCH). The SCH also accepts other summaries, such as EIR Executive Summaries prepared pursuant to CEQA Guidelines Section 15123. Please include one copy of the Notice of Completion Form (NOC) with your submission and attach the summary to each electronic copy of the document.

SCH #: 2005102104

Project Title: South Lakeport Annexation Project

Lead Agency: City of Lakeport

Contact Name: Kevin Ingram, Community Development Director

Email: kingram@cityoflakeport.com

Phone Number: (707)263-5615 x201

Project Location: Lakeport

Lake County

City

County

Project Description (Proposed actions, location, and/or consequences).

The proposed South Lakeport Annexation Project consists of the annexation of approximately 123.64 acres located along the South Main Street and Soda Bay Road corridor just south of the current city limits of the City of Lakeport. The land lies within the approved Sphere of Influence for the City of Lakeport. The Annexation Project area is presently developed primarily with commercial and industrial uses. It includes several vacant and under-utilized properties as well as a handful of residences. The City of Lakeport has modified its SOI to include the Annexation Project area and it has pre-zoned the Annexation Project area to be consistent with its planned and probable use (Major Retail and Industrial).

The annexation is intended to facilitate the logical and orderly provision of public services to accommodate existing and potential future development in the annexation area. The City will extend City water service to the annexation area and will allow existing development to choose whether or not to connect to the Lakeport water system. The water system will allow for installation of fire hydrants. If annexed, Lakeport would assume responsibility for operation and maintenance of the wastewater collection system and continue to provide wastewater treatment services to the annexation area. The current contract between Lakeport and Lake County for the City to treat wastewater from the area expires in 2026.

Identify the project's significant or potentially significant effects and briefly describe any proposed mitigation measures that would reduce or avoid that effect.

The Initial Study finds that the 2009 EIR for the City of Lakeport General Plan 2025 and the 2014 EIR Addendum for the Revised General Plan adequately describe the general environmental setting for the South Lakeport Annexation Project. In particular, the 2014 EIR Addendum specifically identifies revisions to the boundaries of the Lakeport SOI that are consistent with the boundaries of the Annexation Project. The 2009 EIR and the 2014 EIR Addendum provide sufficient environmental analysis to identify the impacts associated with the Annexation Project and mitigation measures were adopted for potentially significant impacts as follows:

- Potential effects on visual quality; MM 3.1-1 in 2009 EIR provides for protection of scenic resources.
- Expose sensitive receptors to naturally occurring asbestos; MM 3.3-6 in 2009 EIR establishes regulations for construction activities in areas with serpentine soils.
- Potential to disturb archaeological or cultural resources during construction activities; MM 3.5-1 and PR 1.10-c provide for surveys for historic structures and protocols if archaeological resources are encountered.
- Increase in GHG emissions due to vehicle trips. MM 3.3-4 includes measures to reduce GHG emissions.
- Buildout under the General Plan will result in adverse impacts on City street system. Mitigations include intersection and road improvements, fair share payments, etc.

The General Plan concluded that population growth is significant and unavoidable impact.

Revised September 2011

If applicable, describe any of the project's areas of controversy known to the Lead Agency, including issues raised by agencies and the public.

There are no known areas of environmental controversy. The City of Lakeport and the County of Lake have a tax-sharing agreement that will apportion sales tax revenues for 10 years following annexation. The City and County are discussing possible modifications to the agreement.

Provide a list of the responsible or trustee agencies for the project.

Lake County Local Agency Formation Commission (Lake LAFCO)
County of Lake

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
 For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH # 2005102104

Project Title: South Lakeport Annexation ProjectLead Agency: City of LakeportContact Person: Kevin IngramMailing Address: 225 Park StreetPhone: 707- 263-5615City: LakeportZip: 95453County: Lake**Project Location:** County: Lake City/Nearest Community: LakeportCross Streets: South Main Street; Soda Bay RoadZip Code: 95453Longitude/Latitude (degrees, minutes and seconds): 39 ° 04 ' " N / 122 ° 92 ' " W Total Acres: 123.64 acresAssessor's Parcel No.: 50 parcels (see document)

Section: _____ Twp.: _____ Range: _____ Base: _____

Within 2 Miles: State Hwy #: 29, 175Waterways: Clear Lake, Manning CreekAirports: Lake Co AirportRailways: _____ Schools: Lakeport USD**Document Type:**CEQA: ☐ NOP☐ Draft EIRNEPA: ☐ NOIOther: ☐ Joint Document☐ Early Cons☐ Supplement/Subsequent EIR☐ EA☐ Final Document☐ Neg Dec(Prior SCH No.) 2005102104☐ Draft EIS☐ Other: _____☐ Mit Neg DecOther: Tier off EIR & Addendum☐ FONSI**Local Action Type:**☐ General Plan Update☐ Specific Plan☐ Rezone☒ Annexation☐ General Plan Amendment☐ Master Plan☐ Prezone☐ Redevelopment☐ General Plan Element☐ Planned Unit Development☐ Use Permit☐ Coastal Permit☐ Community Plan☐ Site Plan☐ Land Division (Subdivision, etc.)☐ Other: _____**Development Type:**☐ Residential: Units _____ Acres _____☐ Office: Sq.ft. _____ Acres _____ Employees _____☐ Commercial: Sq.ft. _____ Acres _____ Employees _____☐ Industrial: Sq.ft. _____ Acres _____ Employees _____☐ Educational: _____☐ Recreational: _____☐ Water Facilities: Type _____ MGD _____☐ Transportation: Type _____☐ Mining: Mineral _____☐ Power: Type _____ MW _____☐ Waste Treatment: Type _____ MGD _____☐ Hazardous Waste: Type _____☐ Other: _____**Project Issues Discussed in Document:**☒ Aesthetic/Visual☐ Fiscal☒ Recreation/Parks☒ Vegetation☒ Agricultural Land☒ Flood Plain/Flooding☐ Schools/Universities☒ Water Quality☒ Air Quality☒ Forest Land/Fire Hazard☐ Septic Systems☒ Water Supply/Groundwater☒ Archeological/Historical☒ Geologic/Seismic☒ Sewer Capacity☒ Wetland/Riparian☒ Biological Resources☐ Minerals☒ Soil Erosion/Compaction/Grading☒ Growth Inducement☐ Coastal Zone☒ Noise☒ Solid Waste☒ Land Use☒ Drainage/Absorption☒ Population/Housing Balance☒ Toxic/Hazardous☒ Cumulative Effects☐ Economic/Jobs☒ Public Services/Facilities☒ Traffic/Circulation☒ Other: Energy/GHG**Present Land Use/Zoning/General Plan Designation:**Commercial, Industrial and residential uses. General Plan/Zoning: "C3" Service Commercial; "MP" Industrial Park**Project Description:** *(please use a separate page if necessary)*

The City of Lakeport has prepared an Initial Study which concludes that the EIR for the City of Lakeport General Plan (2009) and an EIR Addendum (2014) are sufficient CEQA documents for the South Lakeport Annexation Project. The Project area is comprised of 50 parcels (123.64 acres) directly south of the City, adjacent to South Main Street and Soda Bay Road. The annexation area is within Lakeport's approved Sphere of Influence and is prezoned for Major Retail ("C2") and Industrial ("I") uses. The area is developed with commercial, industrial and residential uses. It is not presently served by a municipal water system. Sewage treatment is provided by Lakeport under an agreement with Lake Co. Sanitation District that expires in 2026.

Note: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice of Preparation or previous draft document) please fill in.

Revised 2010

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with an "X".
If you have already sent your document to the agency please denote that with an "S".

<input type="checkbox"/> Air Resources Board	<input type="checkbox"/> Office of Historic Preservation
<input type="checkbox"/> Boating & Waterways, Department of	<input type="checkbox"/> Office of Public School Construction
<input type="checkbox"/> California Emergency Management Agency	<input type="checkbox"/> Parks & Recreation, Department of
<input type="checkbox"/> California Highway Patrol	<input type="checkbox"/> Pesticide Regulation, Department of
X <input checked="" type="checkbox"/> Caltrans District # 1	<input type="checkbox"/> Public Utilities Commission
<input type="checkbox"/> Caltrans Division of Aeronautics	X <input checked="" type="checkbox"/> Regional WQCB # 5
<input type="checkbox"/> Caltrans Planning	<input type="checkbox"/> Resources Agency
<input type="checkbox"/> Central Valley Flood Protection Board	<input type="checkbox"/> Resources Recycling and Recovery, Department of
<input type="checkbox"/> Coachella Valley Mtns. Conservancy	<input type="checkbox"/> S.F. Bay Conservation & Development Comm.
<input type="checkbox"/> Coastal Commission	<input type="checkbox"/> San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
<input type="checkbox"/> Colorado River Board	<input type="checkbox"/> San Joaquin River Conservancy
<input type="checkbox"/> Conservation, Department of	<input type="checkbox"/> Santa Monica Mtns. Conservancy
<input type="checkbox"/> Corrections, Department of	<input type="checkbox"/> State Lands Commission
<input type="checkbox"/> Delta Protection Commission	<input type="checkbox"/> SWRCB: Clean Water Grants
<input type="checkbox"/> Education, Department of	<input type="checkbox"/> SWRCB: Water Quality
<input type="checkbox"/> Energy Commission	<input type="checkbox"/> SWRCB: Water Rights
X <input checked="" type="checkbox"/> Fish & Game Region # 2	<input type="checkbox"/> Tahoe Regional Planning Agency
<input type="checkbox"/> Food & Agriculture, Department of	<input type="checkbox"/> Toxic Substances Control, Department of
<input type="checkbox"/> Forestry and Fire Protection, Department of	<input type="checkbox"/> Water Resources, Department of
<input type="checkbox"/> General Services, Department of	
<input type="checkbox"/> Health Services, Department of	Other: _____
<input type="checkbox"/> Housing & Community Development	Other: _____
<input type="checkbox"/> Native American Heritage Commission	

Local Public Review Period (to be filled in by lead agency)

Starting Date May 20, 2019 Ending Date July 5, 2019

Lead Agency (Complete if applicable):

Consulting Firm: _____	Applicant: <u>City of Lakeport</u>
Address: _____	Address: <u>225 Park Street</u>
City/State/Zip: _____	City/State/Zip: <u>Lakeport, CA 95453</u>
Contact: _____	Phone: <u>(707-263-5615, Kevin Ingram, Comm Dev'pmt Director</u>
Phone: _____	

Signature of Lead Agency Representative:  Date: 5/15/2019

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

RESPONSES TO COMMENTS
CEQA DOCUMENTATION FOR SOUTH LAKEPORT ANNEXATION PROJECT
August 2, 2019

OVERVIEW. The City of Lakeport prepared an Initial Study/Environmental Checklist to assist in the determination of whether two previous environmental documents which evaluate the impacts associated with development in the City of Lakeport and the Lakeport Sphere of Influence ("Lakeport SOI") are sufficient to serve as the environmental documents for the South Lakeport Annexation Project. These two documents are:

- Environmental Impact Report for the City of Lakeport General Plan 2025 ("2009 EIR"), State Clearinghouse Number 2005102104; and
- Addendum to General Plan EIR which was prepared for the focused General Plan amendment and rezoning project ("2014 EIR Addendum") which updated the Lakeport SOI for the South Lakeport Annexation Project.

As explained in the Initial Study/Environmental Checklist (see LAFCo Application, Attachment L(1)), the 2009 EIR addresses the environmental impacts associated with projected growth and development in the City and in the Lakeport SOI. The 2014 EIR Addendum specifically considered the environmental effects associated with modifications to the boundary of the Lakeport SOI along the South Main Street–Soda Bay Road corridor and pre-zoning of land in the Lakeport SOI for Industrial and Major Retail uses.

The Initial Study/Environmental Checklist was prepared in accordance with CEQA Guidelines section 15153 which allows use of an EIR prepared in connection with an earlier project if the circumstances of the projects are essentially the same. The Initial Study found that the 2009 EIR and the 2014 EIR Addendum adequately describe the general environment of the South Lakeport Annexation project and provide sufficient environmental analysis to identify impacts as well as mitigation measures to reduce such impacts to a level of insignificance. The Initial Study supports a determination that the 2009 EIR and the 2014 EIR Addendum can be used as the CEQA documents for the proposed South Lakeport Annexation Project.

PUBLIC COMMENT PERIOD. In compliance with CEQA Guidelines section 15087, the City prepared a Notice of Completion ("NOC") and filed the NOC and the environmental documents with the State Clearinghouse at the Governor's Office of Planning and Research and the Office of the Lake County Clerk to begin the 45-day public review period. Concurrently, a Notice of Availability was published in a newspaper of general circulation and distributed to responsible and trustee agencies, other affected agencies, and interested parties. The public review period for the CEQA documents ran from May 20, 2019, to July 5, 2019. (See LAFCO Application, Attachment L(3) for the NOC and NOA.) Responses were received from two entities during the public review period:

- 1) Lake Local Agency Formation Commission (Lake LAFCo) submitted a letter from Executive Officer John Benoit dated June 21, 2019.
- 2) County of Lake Administrative Office submitted a letter from County Administrative Officer Carol Huchingson dated July 3, 2019.

In addition, a letter was received from Scott Morgan, the Director of the State Clearinghouse on July 8, 2019, indicating that no state agencies submitted comments in response to the CEQA documentation. The three letters referenced above are included in Exhibit 1 to this Response to Comments.

The letter from Lake LAFCo reiterates the basis for the City's use of the 2019 EIR and the 2014 EIR Addendum as the CEQA documents for the South Lakeport Annexation Project. The letter supports the finding that there are no significant changes in circumstances or impacts since the 2014 EIR addendum was certified by the City. There are no questions or comments in the letter which warrant a response.

RESPONSES TO COMMENTS. The following is a summary of topics raised in the letter from the Lake County Administrative Office and the City's responses:

Lake Co Administrative Office - Comment 1: The commenter states that "The County finds that some of the parcels proposed to be annexed were vacant at the time these reviews were completed, and have since been approved for development; most recently, a commercial business at 53 Soda Bay Rd. Consideration of the sufficiency of existing EIR document, and any final tax-sharing Agreement to ensure revenue neutrality, must consider known, approved uses that are not yet fully constructed."

Response to Lake Co Administrative Office - Comment 1: The fact that new development has been approved on a parcel within the annexation area boundaries would not alter the conclusions of the environmental analysis in the 2009 EIR and 2014 EIR Addendum as both of these documents evaluate environmental impacts based on a full buildout scenario.

The City does not agree that speculation regarding potential sales tax revenues from approved but not constructed development is necessary to achieve revenue neutrality. Lake LAFCo's Revenue Neutrality policy (per Resolution 2014-0003) states that revenue neutrality "will be considered complied with if: (i) The affected agencies have agreed to a specific revenue split for the proposal and have filed a copy of that agreement with the Executive Officer with a statement that the agreement adequately provides for revenue neutrality." The "Agreement Between the County of Lake and City of Lakeport for Revenue Redistribution Pertaining to the City of Lakeport South Lakeport Reorganization-Phase I" (see LAFCO Application, Attachment K(1)) is a valid tax-sharing agreement that includes a partial reimbursement to the County for sales tax loss over a period of seven years.

Lake Co Administrative Office - Comment 2: The commenter states that "the County's Department of Public Works (DPW) has indicated the proposed annexation area is subject to right-of-way acquisitions for the new South Main/Soda Bay DPW Road Widening Project. Therefore, property frontages along Soda Bay Road are subject to change at this time."

Lake Co Administrative Office - Response to Comment 2: Modifications to the public right-of-way related to the South Main/Soda Bay DPW Road Widening Project will not affect the boundaries of the South Lakeport Annexation area or the environmental analysis as presented in the 2009 EIR and 2014 EIR Addendum.

Lake Co Administrative Office - Comment 3: The commenter states that "While the County does not dispute the City's assertion, "The 2014 EIR Addendum specifically identifies revisions to the boundaries of the Lakeport SOI that are consistent with the boundaries of the Annexation project," significant subsequent and pending changes challenge the sufficiency of the existing EIR documents."

Lake Co Administrative Office - Response to Comment 3: Comment noted. As explained in the responses to Comments 1 and 2, pending development proposals and right-of-way acquisitions do not affect the sufficiency of the 2009 EIR and the 2014 EIR Addendum as they relate to the South Lakeport Annexation Project.

Exhibit 1:

- Letter from Lake Local Agency Formation Commission Executive Officer John Benoit (June 21, 2019)
- Letter from County of Lake Administrative Officer Carol Huchingson (July 3, 2019)
- Letter from State Clearinghouse Director Scott Morgan (July 8, 2019)



Gavin Newsom
Governor

STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Kate Gordon
Director

July 8, 2019

Kevin Ingram
Lakeport, City of
225 Park Street
Lakeport, CA 95453

Subject: South Lakeport Annexation Project
SCH#: 2005102104

Dear Kevin Ingram:

The State Clearinghouse submitted the above named EIR to selected state agencies for review. The review period closed on 7/5/2019, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act, please visit: <https://ceqanet.opr.ca.gov/2005102104/3> for full details about your project.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

1400 TENTH STREET P.O. BOX 3044 SACRAMENTO, CALIFORNIA 95812-3044
TEL 1-916-445-0613 state.clearinghouse@opr.ca.gov www.opr.ca.gov

LAKE LOCAL AGENCY FORMATION COMMISSION

June 21, 2019

City of Lakeport
Kevin Ingram, Community Development Director
225 Park Street
Lakeport, CA 95453

Subject: South Lakeport Annexation Project

Dear Mr. Ingram:

The Lake Local Agency Formation Commission (LAFCo) staff has reviewed the environmental documentation prepared for the South Lakeport Annexation Project. It is our understanding the City of Lakeport prepared a new initial study and environmental checklist in 2019 and concluded the previous environmental review including the City's 2009 GPEIR and a 2014 EIR addendum are sufficient for use for this project.

This annexation is consistent with the Adopted Lakeport Sphere of Influence adopted by LAFCo on October 14, 2015. At that time, LAFCo's concerns focused upon prime agricultural lands. The City modified its proposal and LAFCo adopted a sphere of influence that excluded agricultural lands northwest of the City (Scotts Valley) and lands located west of the South Lakeport Annexation project. In addition, agricultural preserve lands were removed. Nevertheless, agricultural land mitigation measures are attached to this project (Mitigation Measures 3.2-1a & 3.2-1b). City General Plan policies remain applicable to this project as well as existing incorporated areas within the City.

The City previously addressed recent changes to CEQA related to Greenhouse Gas Emissions in the 2009 GPEIR and 2014 Addendum and adopted mitigation measure 3.3.4.

Having reviewed the 2019 Initial Study and environment checklist LAFCo staff believes there have been no significant changes or could have had changes in circumstances since the 2009 EIR including the 2014 addendum was certified by the City.

Please email LAFCo a copy of the final EIR, the filed Notice of Determination and backup documentation.

Thank you for referring the environmental documentation to LAFCo. Please do not hesitate to contact me with any questions or clarification you may have.

Sincerely,



John Benoit
Executive Officer, Lake LAFCo

C/O John Benoit, Executive Officer P.O.Box 2694 Granite Bay, California 95746 - ph. (707)
592-7528 email: j.benoit4@icloud.com



COUNTY OF LAKE

Administrative Office

Courthouse - 255 North Forbes Street
Lakeport, California 95453
Telephone: (707) 263-2580
Fax: (707) 263-1012
E-mail: Carol.Huchingson@lakecountyca.gov

CAROL J. HUCHINGSON
County Administrative Officer

July 3, 2019

City of Lakeport
Kevin Ingram, Community Development Director
225 Park Street
Lakeport, CA 95453
kingram@cityoflakeport.com

RE: Adequacy of the 2009 EIR and 2014 EIR Addendum

Dear Kevin,

Thank you for your efforts to consider the ongoing adequacy of the 2009 Environmental Impact Report for Lakeport General Plan 2025 and the 2014 Addendum, as pertinent to the proposed South Lakeport Annexation Project. The County of Lake appreciates the opportunity to review and comment on the City of Lakeport's findings.

Your Initial Study concludes that the EIR documents herein referenced sufficiently evaluate and consider environmental impacts associated with the proposed annexation.

The County finds that some of the parcels proposed to be annexed were vacant at the time these reviews were completed, and have since been approved for development; most recently, a commercial business at 53 Soda Bay Rd. Consideration of the sufficiency of existing EIR documents, and any final tax-sharing Agreement to ensure revenue neutrality, must consider known, approved uses that are not yet fully constructed.

Additional detail regarding approved development in the proposed annexation area is available, upon request, from the County's Community Development Department (CDD).

Further, the County's Department of Public Works (DPW) has indicated the proposed annexation area is subject to right-of-way acquisitions for the new South Main/Soda Bay DPW Road Widening Project. Therefore, property frontages along Soda Bay Road are subject to change, at this time.

While the County does not dispute the City's assertion, "The 2014 EIR Addendum specifically identifies revisions to the boundaries of the Lakeport SOI that are consistent with the boundaries of the Annexation Project," significant subsequent and pending changes challenge the sufficiency of the existing EIR documents.

If you have any questions regarding this correspondence, please contact Susan Parker, of my office, at (707)263-2580, or Susan.Parker@lakecountyca.gov.

Sincerely,



Carol J. Huchingson
County Administrative Officer

Notice of Determination

FILED
COUNTY OF LAKE
CATHY SADERLUND

To:

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

County Clerk

☒ County of: Lake
Address: 255 North Forbes Street
Lakeport, CA 95453

From:

Public Agency: City of Lakeport
Address: 225 Park Street BY
Lakeport, CA 95453
Contact: Kevin Ingram, Comm. Development Director
Phone: 707-263-5615

COUNTY CLERK

DEPUTY CLERK

AUG 15 2019

Lead Agency (if different from above):

Address: _____

Contact: _____

Phone: _____

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): 2005102104

Project Title: South Lakeport Annexation Project

Project Applicant: City of Lakeport

Project Location (include county): 136.78 acres of land located south of the existing Lakeport city limits, adjacent to South Main Street and Soda Bay Rd., east of State Route 29

Project Description:

The proposed South Lakeport Annexation Project consists of the annexation of 136.78 acres located along the South Main Street and Soda Bay Road corridor just south of the current city limits of the City of Lakeport. The land lies with the approved Sphere of Influence (SOI) for the City of Lakeport and is pre-zoned to be consistent with its planned and probable use (Major Retail and Industrial). The City plans to extend water service to the annexation area which will allow for installation of fire hydrants. If annexed, the City would assume responsibility for operation and maintenance of wastewater collection system and continue to provide wastewater treatment services to the annexation area.

The City prepared an Initial Study/Environmental Checklist for the South Lakeport Annexation Project which concluded that, per CEQA Guidelines Section 15153(b)(1) and Section 15162(a), the Environmental Impact Report that was prepared for the City of Lakeport General Plan 2025 (SCH # 2005102104) and the Addendum to the Lakeport General Plan EIR that was prepared for the 2015 General Plan amendment updating the Lakeport Sphere of Influence are sufficient to serve as the environmental documents for the South Lakeport Annexation Project.

This is to advise that the Lakeport City Council has approved the above
(☒ Lead Agency or ☐ Responsible Agency)

described project on August 13, 2019 and has made the following determinations regarding the above
(date)
described project.

1. The project [☒ will ☐ will not] have a significant effect on the environment.
2. ☒ An Environmental Impact Report for the City of Lakeport General Plan 2025 was prepared pursuant to the provisions of CEQA and certified by the Lakeport City Council on April 21, 2009. An EIR Addendum for the Focused General Plan Update and Pre-zoning Project was prepared pursuant to the provisions of CEQA and certified by the Lakeport City Council on February 17, 2015. On August 13, 2019, the Lakeport City Council determined that these documents are sufficient to serve as the environmental documents for the South Lakeport Annexation Project.

☐ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.

Posted AUG 15 2019 - Sep 19, 2019

FILED
COUNTY OF LAKE
CATHY SAGER, JUD

COUNTY CLERK

3. Mitigation measures ☒ were ☐ were not] made a condition of the approval of the General Plan and General Plan Update and Pre-zoning Projects.
4. A mitigation reporting or monitoring plan ☒ was ☐ was not] adopted.
5. A statement of Overriding Considerations ☒ was ☐ was not] adopted.
6. Findings ☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the Final EIR, the EIR Addendum, the Initial Study/Environmental Checklist together with comments and responses and the record of project approval are available to the General Public at:

City of Lakeport, Community Development Department, 225 Park Street, Lakeport, CA 95453

Signature (Public Agency):  Title: Community Development Director

Date: 8/14/2019 Date Received for filing at OPR: _____

AUDITOR-CONTROLLER
COUNTY CLERK

2019 AUG 15 A 9:27



State of California - Department of Fish and Wildlife
2019 ENVIRONMENTAL FILING FEE CASH RECEIPT
DFW 753.5a (REV. 12/01/18) Previously DFG 753.5a

Print

StartOver

Finalize&Email

RECEIPT NUMBER:

17 — 08/15/19 — 099

STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY

City of Lakeport - Office of Planning and Research

LEAD AGENCY EMAIL

DATE

08/15/19

COUNTY/STATE AGENCY OF FILING

Lake

DOCUMENT NUMBER

PROJECT TITLE

South Lakeport Annexation Project

PROJECT APPLICANT NAME

City of Lakeport

PROJECT APPLICANT EMAIL

PHONE NUMBER

(707) 263-5615

PROJECT APPLICANT ADDRESS

136.78 acres/South Lakeport/adjacent to S. Main and SBR

CITY

Lakeport

STATE

CA

ZIP CODE

95453

PROJECT APPLICANT (Check appropriate box)

☒ Local Public Agency

☐ School District

☐ Other Special District

☐ State Agency

☐ Private Entity

CHECK APPLICABLE FEES:

☐ Environmental Impact Report (EIR)

\$3,271.00

\$

0.00

☐ Mitigated/Negative Declaration (MND)(ND)

\$2,354.75

\$

0.00

☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW

\$1,112.00

\$

0.00

☐ Exempt from fee

☐ Notice of Exemption (attach)

☐ CDFW No Effect Determination (attach)

☒ Fee previously paid (attach previously issued cash receipt copy) *See attached*

☐ Water Right Application or Petition Fee (State Water Resources Control Board only)

\$850.00

\$

0.00

☐ County documentary handling fee

\$

0.00

☐ Other

\$

PAYMENT METHOD:

☐ Cash

☐ Credit

☐ Check

☒ Other

TOTAL RECEIVED

\$

0.00

SIGNATURE

X

AGENCY OF FILING PRINTED NAME AND TITLE

Rick Ensley - Deputy County Clerk



State of California - Department of Fish and Wildlife
2019 ENVIRONMENTAL FILING FEE CASH RECEIPT
 DFW 753.5a (REV. 12/01/18) Previously DFG 753.5a

NOTICE

Each project applicant shall remit to the county clerk the environmental filing fee before or at the time of filing a Notice of Determination (Pub. Resources Code, § 21152; Fish & G. Code, § 711.4, subdivision (d); Cal. Code Regs., tit. 14, § 753.5). Without the appropriate fee, statutory or categorical exemption, or a valid No Effect Determination issued by the California Department of Fish and Wildlife (CDFW), the Notice of Determination is not operative, vested, or final, and shall not be accepted by the county clerk.

COUNTY DOCUMENTARY HANDLING FEE

The county clerk may charge a documentary handling fee of fifty dollars (\$50) per filing in addition to the environmental filing fee (Fish & G. Code, § 711.4, subd. (e); Cal. Code Regs., tit. 14, § 753.5, subd. (g)(1)). A county board of supervisors shall have the authority to increase or decrease the fee or charge, that is otherwise authorized to be levied by another provision of law, in the amount reasonably necessary to recover the cost of providing any product or service or the cost of enforcing any regulation for which the fee or charge is levied (Gov. Code, § 54985, subd. (a)).

COLLECTION PROCEDURES FOR COUNTY GOVERNMENTS

Filing Notice of Determination (NOD):

- ☐ Collect environmental filing fee or copy of previously issued cash receipt. *(Do not collect fee if project applicant presents a No Effect Determination signed by CDFW. An additional fee is required for each separate environmental document. An addendum is not considered a separate environmental document. Checks should be made payable to the county.)*
- ☐ Issue cash receipt to project applicant.
- ☐ Attach copy of cash receipt and, if applicable, previously issued cash receipt, to NOD.
- ☐ Mail filing fees for **CRP** document to CDFW prior to filing the NOD or equivalent final approval (Cal. Code Regs. Tit. 14, § 753.5 (b)(5)). The CRP should request receipt from CDFW to show proof of payment for filing the NOD or equivalent approval. Please mail payment to address below made attention to the Cash Receipts Unit of the Accounting Services Branch.

If the project applicant presents a **No Effect Determination** signed by CDFW, also:

- ☐ Attach No Effect Determination to NOD *(no environmental filing fee is due)*.

Filing Notice of Exemption (NOE) *(Statutorily or categorically exempt project (Cal. Code Regs., tit. 14, §§ 15260-15285, 15300-15333))*

- ☐ Issue cash receipt to project applicant.
- ☐ Attach copy of cash receipt to NOE *(no environmental filing fee is due)*.

Within 30 days after the end of each month in which the environmental filing fees are collected, each county shall summarize and record the amount collected on the monthly State of California Form No. CA25 (TC31) and remit the amount collected to the State Treasurer. Identify the remittance on Form No. CA25 as "Environmental Document Filing Fees" per Fish and Game Code section 711.4.

The county clerk shall mail the following documents to CDFW on a monthly basis:

- ✓ A photocopy of the monthly State of California Form No. CA25 (TC31)
- ✓ CDFW/ASB copies of all cash receipts (including all voided receipts)
- ✓ A copy of all CDFW No Effect Determinations filed in lieu of fee payment
- ✓ A copy of all NODs filed with the county during the preceding month
- ✓ A list of the name, address and telephone number of all project applicants for which an NOD has been filed. If this information is contained on the cash receipt filed with CDFW under California Code of Regulations, title 14, section 753.5, subdivision (e)(6), no additional information is required.

DOCUMENT RETENTION

The county shall retain two copies of the cash receipt (for lead agency and county clerk) and a copy of all documents described above for at least 12 months.

RECEIPT NUMBER

- # The first two digits automatically populate by making the appropriate selection in the County/State Agency of Filing drop down menu.
- # The next eight digits automatically populate when a date is entered.
- # The last three digits correspond with the sequential order of issuance for each calendar year. For example, the first receipt number issued on January 1 should end in 001. If a county issued 252 receipts for the year ending on December 31, the last receipt number should end in 252. CDFW recommends that counties and state agencies 1) save a local copy of this form, and 2) track receipt numbers on a spreadsheet tabbed by month to ensure accuracy.

DO NOT COMBINE THE ENVIRONMENTAL FEES WITH THE STATE SHARE OF FISH AND WILDLIFE FEES.

Mail to:

California Department of Fish and Wildlife
 Accounting Services Branch
 P.O. Box 944209
 Sacramento, California 94244-2090



State of California—The Resources Agency
DEPARTMENT OF FISH AND GAME
2009 ENVIRONMENTAL FILING FEE CASH RECEIPT

REPORT# 389546
STATE CLEARING HOUSE # (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY

LEAD AGENCY CITY OF LAKESPORT		DATE 4/23/09	
COUNTY/STATE AGENCY OF FILING LAKE, CA		DOCUMENT NUMBER	
PROJECT TITLE GENERAL PLAN UPDATE, CITY OF LAKESPORT			
PROJECT APPLICANT NAME CITY OF LAKESPORT		PHONE NUMBER ()	
PROJECT APPLICANT ADDRESS 225 PARK STREET	CITY LAKESPORT	STATE CA	ZIP CODE 95453

PROJECT APPLICANT (Check appropriate box):

☒ Local Public Agency ☐ School District ☐ Other Special District ☐ State Agency ☐ Private Entity

CHECK APPLICABLE FEES:

<input checked="" type="checkbox"/> Environmental Impact Report	\$2,768.25	\$ 2768.25
<input type="checkbox"/> Negative Declaration	\$1,993.00	\$
<input type="checkbox"/> Application Fee Water Diversion (State Water Resources Control Board Only)	\$850.00	\$
<input type="checkbox"/> Projects Subject to Certified Regulatory Programs	\$941.25	\$
<input checked="" type="checkbox"/> County Administrative Fee	\$50.00	\$ 50.00
<input type="checkbox"/> Project that is exempt from fees		
<input type="checkbox"/> Notice of Exemption		
<input type="checkbox"/> DFG No. Effect Determination (Form Attached)		
<input type="checkbox"/> Other		\$

PAYMENT METHOD: #35360

☐ Cash ☒ Credit ☐ Check ☐ Other

TOTAL RECEIVED \$ 2818.25

SIGNATURE

x [Signature]

TITLE

ACCT. CLERK II

WHITE - PROJECT APPLICANT

YELLOW - DFG/ASB

PINK - LEAD AGENCY

GOLDEN ROD - COUNTY CLERK

FG 753.5a (Rev. 7/08)

Pre Paid 4/23/2009

PAID

AUDITOR-CONTROLLER
COUNTY CLERK

2019 AUG 15 A 9:28

APR 23 2009

Notice of Determination

COUNTY CLERK

Appendix D

To:

☐ Office of Planning and Research

For U.S. Mail:

P.O. Box 3044

Sacramento, CA 95812-3044

Street Address:

1400 Tenth St.

Sacramento, CA 95814

☒ County Clerk

County of: Lake

Address: 255 North Forbes Street

Lakeport, CA 95453

From:

Public Agency: City of Lakeport Community Development Dept.

Address: 225 Park Street

Lakeport, CA 95453

Contact: Mark Brannigan, Director

Phone: (707) 263-5613

Lead Agency (if different from above):

Address:

Contact:

Phone:

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): 2005102104

Project Title: General Plan Update, City of Lakeport

Project Location (include county): City of Lakeport, County of Lake

Project Description:

The proposed project is to update the General Plan for the City of Lakeport, and includes the following: (1) Changes to current General Plan designations, (2) proposed expansion of the City of Lakeport's Sphere of Influence, and (3) changes to and the reorganization of the General Plan Elements. The City is proposing amendments to the existing General Plan that would increase the City's Sphere of Influence. In addition, the land-use designation for certain areas within the city limits would be amended to allow a broader mix of uses than currently allowed. Implementation of the proposed General Plan including the buildout of the Specific Plan Area would result in a variety of potential uses including: increased residential development, commercial development, and open space.

This is to advise that the City of Lakeport Community Development Department has approved the above described project on

☒ Lead Agency or ☐ Responsible Agency4/21/2009
(Date)

and has made the following determinations regarding the above described project:

1. The project [☒ will ☐ will not] have a significant effect on the environment.
2. ☒ 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 [☐ were ☒ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [☒ was ☐ was not] adopted for this project.
5. A statement of Overriding Considerations [☒ was ☐ was not] adopted for this project.
6. Findings [☒ 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: City of Lakeport Community Development Department, 225 Park Street, Lakeport, CA 95453

Signature (Public Agency) Mark Brannigan Title DirectorDate 4/22/2009

Date Received for filing at OPR

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

Revised 2005

APR 23 2009

MAY 22, 2009

POSTED

ATTACHMENT M:
LAFCO Comments &
Lead Agency Responses

Kevin Ingram

From: John Benoit <j.benoit4@icloud.com>
Sent: Friday, March 29, 2019 11:00 AM
To: Kevin Ingram
Subject: Response to the Request for Review Lakeport Annx 3.7.19

Kevin,

LAFCo has been working with city staff and at this time wishes to offer a few comments at this time. As stated in the request for review LAFCo is providing these comments via email only as follows:

1. LAFCo would like to receive the complete annexation package at one time, which will help expedite the process.
2. On page 2 of the request for review there is a definition of a "Sphere of Influence" Government Code Section 56076 defines a "Sphere of Influence" . A Sphere of Influence means a plan for the probable physical boundaries and services area of a local agency, as determined by the Commission. The word "ultimate" has been removed in the definition.
3. LAFCo is a responsible agency for annexations per CEQA. I did not see mention of "Rezoning or General Plan Amendment" in the Request for Review. Nevertheless, at this time I continue to assume the City is the Lead CEQA Agency. Please review CEQA Guideline section 15096 regarding the process for a Responsible Agency. LAFCo would like the opportunity to review the complete environmental review package per the CEQA guidelines prior to the City taking action on the resolution of initiation for the annexation.
4. This project is being considered an annexation by the City. Are there any other agencies that will be required to be detached as part of this application?
5. LAFCo will have comments after the application is submitted and would like to offer CEQA comments as a responsible agency.

Thank you for the opportunity to review the request for review.

John Benoit
Executive Officer

ATTACHMENT N:
LAFCO Agreement to Pay

LAKE LOCAL AGENCY FORMATION COMMISSION
Agreement to Pay for Time and Materials and Indemnification Form

Agreement to Pay for Time and Materials and Indemnification Form

Charges and Deposits

LAFCo charges are based upon actual staff time and other expenses attributable to processing applications, reviewing project proposals and researching matters as requested. Such charges may be incurred prior to or without the filing of an application with LAFCo. Individuals and agencies who request services, research, or review must provide a deposit toward project expenses, as listed on the attached current fee schedule, along with a signed copy of this agreement. All deposits are subject to increase, should the Executive Officer determine that the magnitude of the project justifies the increase. The amount of staff time necessary to process any individual application cannot be easily predicted in advance. Therefore, applicants should be aware that LAFCo charges may exceed the applicable deposit. (Unexpended deposits will be refunded.)

Staff Assignments

The Executive Officer shall assign LAFCo staff members to projects as appropriate. Should the scope of a project require that outside consulting or other needed services be obtained, applicants will be responsible for the entire cost of recruitment, source selection, and payment for such outside services. Applicants are responsible for paying actual costs for any services obtained through contract, even if such costs exceed the charge-out rate of a regular staff member providing similar services.

Billing Procedure

LAFCo invoices will detail tasks, hours, staff charge-out rates, staff members responsible for work, and/or costs of contracted services. Invoices will also reflect the remaining balance of the initial deposit. Should the deposit be depleted, all staff work will cease until the deposit on file has been replenished. Projects with delinquent balances will not be scheduled for hearing, and the Commission will consider applicants to have waived any and all statutory deadlines.

This form must be signed by the person responsible for payment and must be filed with LAFCo along with the applicable deposit when an application is filed or a request for staff services is submitted.

Questions regarding specific billing procedures should be directed to the LAFCo Executive Officer at (707) 592-7528.

Agreement


I certify that I have reviewed the above information, the attached LAFCo fee schedule, and the attached State Board of Equalization fee schedule. I agree, as project applicant or authorized representative, to pay Lake LAFCo for all staff services, materials, and other charges attributable to my application or request for services. I understand that services may be required before LAFCo receives a formal application if extensive staff assistance is required prior to receipt of an application, and I agree to pay for such services whenever incurred and regardless of whether a formal application is submitted to LAFCo. I also understand and agree that LAFCo's charges are payable regardless of whether the application is withdrawn, denied, or otherwise terminated prior to completion.

I understand that if the cost of services exceeds the deposit on file, staff work on my project will cease, and my project will not be scheduled for hearing until additional funds are provided. I agree to remit the applicable State Board of Equalization filing fee when required. I agree to pay all charges within 30 days of receipt of invoice or in any case prior to the filing of the Certificate of Completion for the project.

Indemnity

Applicant agrees to indemnify, save harmless, defend, and reimburse LAFCo for all reasonable expenses and attorney fees in connection with the defense of LAFCo and for any damages, penalties, fines or other costs imposed upon or incurred by LAFCo should LAFCo be named as a party in any litigation or administrative proceeding in connection with his/her/its application. Applicant agrees that LAFCo shall have the right to appoint its own counsel to defend it and conduct its own defense in the manner it deems in its best interest, and that LAFCo's taking such actions shall not limit Applicant's obligations to indemnify and reimburse defense costs or relieve Applicant of such obligations.

Applicant may request modification of the terms of this agreement in writing, with supporting reasons. Such modification can be approved only by the full Commission.

Date	Signature of Property Owner/Applicant or Authorized Representative	Printed Name	Title
8/15/19		Margaret Silveira	Lakeport City Manager

ATTACHMENT O:
Correspondence Relating
to Fiscal Analysis



COUNTY OF LAKE

Administrative Office

Courthouse - 255 North Forbes Street

Lakeport, California 95453

Telephone: (707) 263-2580

Fax: (707) 263-1012

E-mail: Carol.Huchingson@lakecountyca.gov

CAROL J. HUCHINGSON

County Administrative Officer

July 25, 2019

Margaret Silveira, City Manager
City of Lakeport
225 Park Street
Lakeport, CA 95453

Dear Margaret:

Thank you for providing Lake County with a copy of the fiscal impacts analysis dated May 2, 2019 which was prepared by Applied Development Economics (ADE) on behalf of the City of Lakeport for the proposed South Lakeport Annexation. County staff have reviewed the analysis and have retained BAE Urban Economics (BAE) to conduct a peer review of the ADE study, which is provided as Attachment A.

We look forward to our upcoming meeting with you next week and we are receptive to hearing about any new tax sharing proposal the City of Lakeport wishes to present based on the information shared below.

Based on our review, as well as the peer review prepared by BAE, we believe that the results of the ADE analysis do not support its core conclusion. More specifically, the analysis states that application of "the 1997 tax sharing agreement between the City and the County would result in a fair distribution of tax revenues reflecting the service responsibilities of both jurisdictions after annexation." This conclusion directly contradicts the findings of the ADE analysis, which found that application of the 1997 tax sharing agreement would result in a significant ongoing revenue surplus to the City of Lakeport, but a fiscal deficit to Lake County that would be sustained through at least 2050. Therefore, the division of service costs and revenues upon annexation, assuming that the 1997 tax sharing agreement is applicable, is not in fact fair and would not meet the standard established under the Lake LAFCo Revenue Neutrality Policy.

It is important to acknowledge that the ADE analysis is predicated on the applicability of the 1997 tax sharing agreement between the City of Lakeport and Lake County, as well as its subsequent amendments. It is the position of Lake County that the 1997 agreement and its amendments are void and unenforceable. As a result, the net fiscal impacts to both the City of Lakeport and Lake County cannot be accurately estimated until a new tax sharing agreement is established and a new applicable tax rate area (TRA) specified.

In addition to the key issues identified above, the peer review conducted by BAE also identified a number of methodological deficiencies in the ADE analysis. Even if the 1997 tax sharing agreement was applicable, the analysis likely underestimates the

revenue that would accrue to the City of Lakeport upon annexation, while simultaneously overestimating the revenue and underestimating the costs that would accrue to Lake County over the same period. The analysis also fails to fully document the information used as the basis for the analysis and instead presents only the net results. This means that the calculations presented in the ADE report cannot be readily verified. Where supporting data is provided, the analysis relies on information that is widely known for its lack of reliability (e.g., data from the U.S. Census Bureau's Longitudinal Employer-Household Dynamics, or LEHD, dataset).

Given the information presented in the aforementioned paragraphs related to the peer analysis of the ADE fiscal impact analysis, economic changes in the area, and the change in the revenue distribution between the State and local jurisdictions that has occurred since the execution of the 1997 tax sharing agreement, these circumstances collectively necessitate a reexamination of the assumptions and the development of a new tax sharing agreement.

Again, we look forward to our meeting next week to discuss next steps.

Sincerely,



Carol J. Huchingson
County Administrative Officer

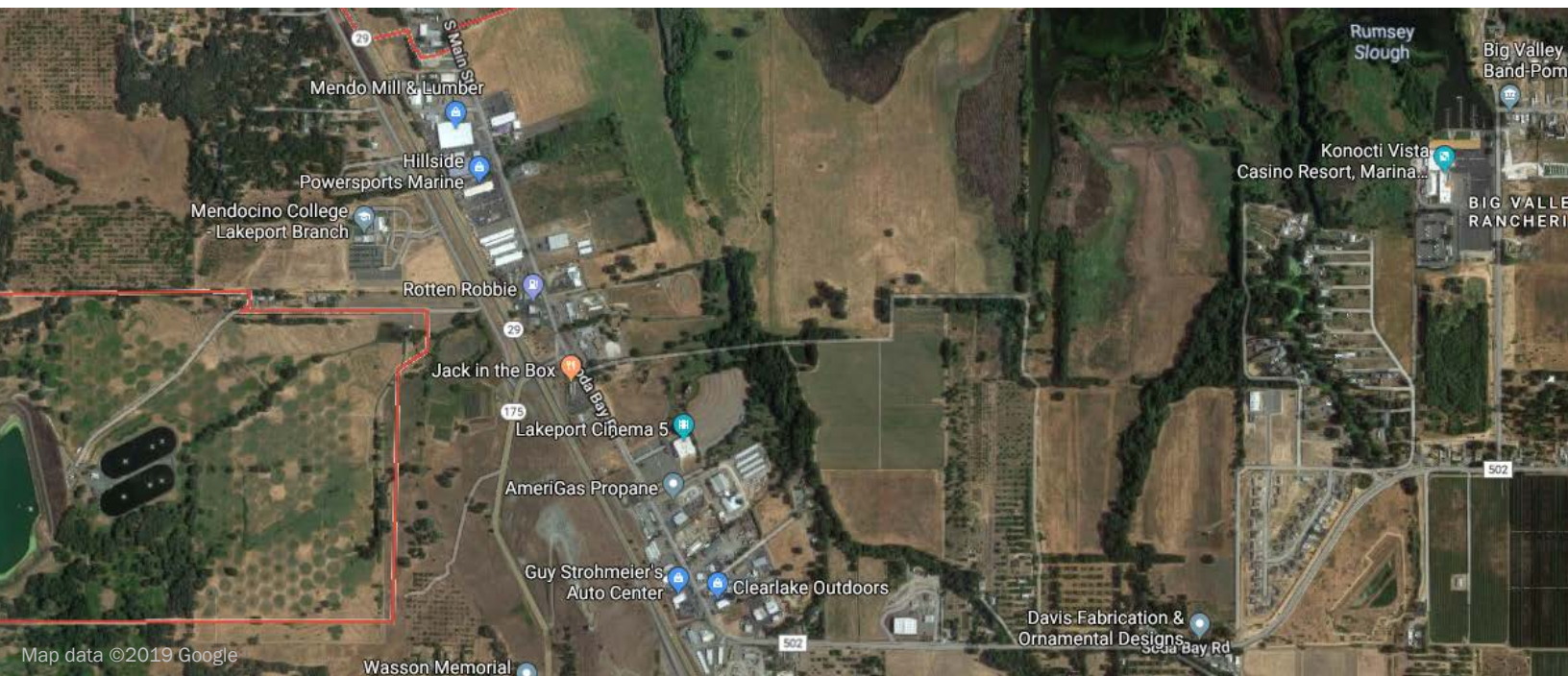
Cc: Tina Scott, District 4 Supervisor
Moke Simon, District 1 Supervisor
Scott DeLeon, Public Works Director
Jan Coppinger, Special Districts Administrator
Susan Parker, Assistant County Administrative Officer

bae urban economics

Fiscal Impacts Analysis Peer Review for the Proposed South Lakeport Annexation

Prepared for the County of Lake

July 17, 2019



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bae urban economics

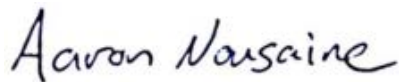
July 17, 2019

Susan Parker
Assistant Administrative Officer
County of Lake
255 N. Forbes Street
Lakeport, CA 95453

Dear Ms. Parker:

BAE is pleased to provide the attached report summarizing the results of our peer review of the fiscal impacts analysis prepared by Applied Development Economics (ADE) on behalf of the City of Lakeport for the South Lakeport Annexation. If you have any questions or concerns regarding our analysis, please do not hesitate to contact me at (530) 750-2195.

Sincerely,



Aaron Nousaine, MCRP
Vice President

San Francisco

2600 10th St., Suite 300
Berkeley, CA 94710
510.547.9380

Sacramento

803 2nd St., Suite A
Davis, CA 95616
530.750.2195

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448 South Hill St., Suite 701
Los Angeles, CA 90013
213.471.2666

Washington DC

700 Pennsylvania Ave. SE, 2nd Floor
Washington, DC 20003
202.588.8945

New York City

234 6th Avenue
New York, NY 10001
212.683.4486

www.bae1.com

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[Confidential legal opinion dated 04/20/18 from Deputy Counsel Shanda Harry - in support of County's position that three (3) prior agreements between the County and City are not enforceable - not provided]

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INTRODUCTION

Lake County retained BAE Urban Economics (BAE) to conduct a peer review of a fiscal impacts analysis prepared by Applied Development Economics (ADE) on behalf of the City of Lakeport for the South Lakeport Annexation. The draft fiscal analysis report provided to BAE by Lake County staff is dated May 3rd, 2019. This memorandum summarizes the key findings of the peer review, along with recommendations for improvement of the analysis. To develop these findings and recommendations, the peer review included a thorough review of the analysis, and interviews with key County staff knowledgeable regarding the likely impacts of the proposed annexation on service costs and General Fund revenues. BAE also conducted limited data collection and independent analysis to confirm many of the assumptions used by ADE as part of the analysis.

This analysis is being done during an important time in Lake County history. According to the Los Angeles Times, the County has experienced more wildfire activity than any other county in California, with more than 50 percent of the total land area of Lake County impacted,¹ though County officials have confirmed that the total land area impacted by wildfire since 2015 is closer to 60 percent. As a result of the fires, as well as the County's primarily rural economy, the County of Lake is under extreme fiscal strain. For example, the County's largest General Fund department is the Lake County Sheriff's Office. According to Sheriff Brian Martin, the Sheriff's Office is currently understaffed by a factor of one-third, with only 37 of the 55 sworn officers that are needed to properly serve the County's needs. Additional staffing cuts are anticipated in the coming fiscal year. In response to this urgent fiscal need, the Lake County Board of Supervisors adopted a Fiscal Crisis Management Plan on December 4th, 2018 (provided in Appendix A). The purpose of this fiscal impacts analysis peer review is to help the County understand if the fiscal impacts associated with the South Lakeport Annexation, as reported by the City of Lakeport and their consultant, are reasonable and appropriate, and whether said annexation will likely worsen or improve the County's overall fiscal health.

¹ Reyes-Velarde, A., & Krishnakumar, P. (August 14, 2018). *More than 50% of this California county has burned since 2012. Some residents say they've had enough.* Los Angeles Times. Available at: <https://www.latimes.com/local/lanow/la-me-lake-county-fire-epicenter-20180814-story.html>

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OVERVIEW OF THE PROPOSED ANNEXATION

The following summarizes BAE's current understanding of the proposed annexation.

Description of the Annexation Area

The City of Lakeport is proposing to annex an area covering 123.64 acres that is adjacent to the southern boundary of the City of Lakeport. The area extends along South Main Boulevard and Soda Bay Road. The area is largely built out, with only four vacant parcels out of a total of 50 parcels located within the proposed annexation area. Nonetheless, the ADE analysis cites a significant potential for intensification of development in the annexation area to accommodate future employment growth, some of which would require redevelopment of existing properties.

Public Service Provision

Lake County currently provides all public services to the proposed annexation area, with the exception of services provided by the local fire, water, and sewer districts. Upon annexation, the City proposes that it will assume responsibility for police, street maintenance, and planning services. Following annexation, Lake County would remain responsible for criminal justice services (e.g., operating the County Courthouse, operating the County coroner office, providing civil service activities like eviction noticing, etc.), health and social services (e.g., providing countywide public health services, etc.), property assessment and recordation (i.e., operating the County Assessor-Recorder's and Auditor's offices), in addition to providing a wide variety of other countywide services. The ADE fiscal impacts analysis indicates that the City does not anticipate assuming responsibility for fire protection, as the Lakeport Fire Protection District already provides service within the City of Lakeport and surrounding areas. The fiscal analysis does not indicate whether the City anticipates assuming responsibility for providing water and sewer service within the proposed annexation area.

Current Revenue Generation

The following summarizes the current revenue generation landscape in the annexation area.

Property Tax Revenue

According to the ADE analysis, the current assessed value of properties located in the proposed annexation area is \$23.8 million. This includes \$16.25 million in assessed value that is located in TRA 057-032 and \$7.55 million in assessed value that is located in TRA 057-042. Based on these valuations, annexation area property owners currently pay approximately \$238,051 in property taxes annually, of which \$57,896 is allocated to the Lake County General Fund. Upon annexation, the County would retain its current share of the existing property tax base, while any future property tax increment would be split between the City and the County.

Road Fund Revenue

The ADE analysis asserts that the annexation area also generates around \$3,415 per year in annual County Road Funds, which are apportioned from the broader property tax base. It is not clear how ADE estimated the amount of road funds generated from the area, as this is not a value that the County is able to provide.^{2 3} It is likely that the ADE analysis underestimates the amount of revenue generated to the Road Fund, though a more thorough explanation of the methods used to arrive at the estimate above is needed. Upon annexation, revenue that currently accrues to the County Road Fund would be transferred to the City of Lakeport.

Sales Tax Revenue

Data provided to ADE by the County Administrative Officer, and later confirmed by BAE, indicate that the South Lakeport Annexation Area generated approximately \$463,953 in sales tax revenue during the 2016-2017 Fiscal Year (FY) from the one percent Bradley-Burns local sales tax allocation. ADE asserts that sales tax receipts have likely grown by approximately five percent or more since the 2016-2017 FY, resulting in an increase in sales tax revenue to around \$490,000 in the 2018-2019 FY, though no justification for that estimate is provided. Upon annexation, the City anticipates that all of the one percent local sales tax revenue generated in the annexation area would accrue to the City instead of to the County.

Transient Occupancy Tax (TOT) Revenue

The ADE analysis does not address Transient Occupancy Tax (TOT) revenue generation. Based on a review of the area by BAE and conversations with County staff, there currently are no tourist accommodations located within the annexation area that would generate TOT revenue.

Cannabis Tax Revenue

According to County staff, the annexation area represents one of the only parts of the unincorporated County that could allow the establishment of cannabis-based businesses due to requirements for buffers between such businesses and schools, parks, and daycare facilities. Lake County voters approved Measure K in November of 2018. The measure will go into effect on January 1st, 2021. The measure imposes a four percent gross receipts tax on cannabis dispensaries, micro-businesses, and delivery businesses, as well as a 2.5 percent gross receipts tax on cannabis-based manufacturing, processing, transportation, and distribution businesses. Revenue generated by Measure K would accrue to the County General Fund. The intent of Measure K is to generate revenue intended to help offset the

² Carter, Stephen. Deputy County Administrative Officer. Personal Communication. June 24, 2019.

³ Lake County staff only have information on the amount of revenue that accrues to the Road Fund for the County as a whole and are not able to provide an estimate of the Road Fund revenues, both property tax and sales tax based, that are generated by properties and sales in the annexation area.

costs associated with regulation of the cannabis industry in conjunction with another County tax on cultivation that is levied on a square footage basis.

The City of Lakeport has likewise established zoning in the Service Commercial (C3) and Industrial (I) zones to allow cannabis retail, distribution, and manufacturing businesses. It is not clear at this time whether the City also plans to establish a similar cannabis tax. If such a tax were to be established, it could significantly increase the amount of local tax revenue that accrues to the City following annexation. ADE provides no discussion of the cannabis tax revenue generating potential of the annexation area.

LAFCo Revenue Neutrality Policy

Applications for annexation, otherwise known as changes of organization or reorganization, are managed and approved by the Lake Local Agency Formation Commission (LAFCo). Lake LAFCo decisions regarding applications for reorganization are guided by the adopted *Policies, Standards, and Procedures* (adopted in May 2009; amended in May of 2014).⁴

Item 2.13 of the *Policies, Standards, and Procedures* outlines the LAFCo's Revenue Neutrality policy, which allows for approval of a proposal for reorganization (i.e., annexation) only if "the proposal will result in a similar exchange of both revenues and service responsibilities among all affected agencies."⁵ The policy goes on to state that "in the event the expense of the new service provider is substantially greater than or less than the amount of revenue transferred from the current service provider, the current service provider and new service-providing agency must agree to revenue transfer provisions to compensate for the imbalance." Although the LAFCo policy speaks primarily to impacts to the new service-providing agency, it is the County's position that similar conditions would apply to the current service- providing agency.⁶

In the event that annexation would result in a fiscal deficit to at least one of the affected parties, the policy requires that both agencies enter into a mutually acceptable revenue sharing agreement. In the event that revenue neutrality is not possible due to limitations imposed by State and Federal law, the LAFCo is required to apply all feasible conditions to reduce the imbalance or it may simply deny the application. The policy is deemed satisfied if the agencies have agreed to a tax exchange agreement and the agencies confirm in writing that such an agreement is applicable to the proposal and "provides for a balanced exchange of service costs and revenues."

⁴ Lake Local Agency Formation Commission (LAFCo). (May 21, 2014). *Policies, Standards, and Procedures*. Resolution #2013-0003. Available at: https://www.lakelafco.org/uploads/1/1/4/5/11454087/adoptedupdated_lake_lafco_policies_may_2014.pdf

⁵ For a full excerpt of the LAFCo Revenue Neutrality policy, please refer to Appendix B.

⁶ Harry, Shanda. Deputy County Counsel. Personal Communication. June 26, 2019.

Tax Sharing Agreement

The ADE analysis is predicated on the terms of a tax sharing agreement executed between the City of Lakeport and the County of Lake in 1997, which was subsequently amended in both 2001 and 2002. Per the City's interpretation of the agreement, the analysis assumes that the County would retain the existing property tax revenues generated in the annexation area. The County would receive a share of future property tax increment based on the post-ERAF allocation factors associated with Tax Rate Area (TRA) 001-001, which was located within the existing City limits adjacent to the annexation area, but which has since been retired. The City would pay to the County a total of \$210,000 in six installments over six years in exchange for the transfer of all post-annexation Bradley-Burns sales tax revenues from the annexation area to the City's General Fund.

It is the position of the County of Lake that the 1997 tax sharing agreement, including the two subsequent amendments, are void and unenforceable. Please note that the following reflects BAE's understanding of the County's position regarding the 1997 tax sharing agreement and subsequent amendments and shall not be construed under any circumstances to represent the legal opinion of BAE or its officers. For more information regarding the County's position regarding the 1997 tax sharing agreement, please refer to the memorandum provided by the Lake County Deputy County Counsel regarding the agreements with the City of Lakeport, included as Appendix C.

KEY FINDINGS FROM THE ADE ANALYSIS

The following is a brief summary of the key findings from the analysis conducted by ADE.

Impacts to City of Lakeport

The ADE analysis concludes that the City of Lakeport would receive approximately \$1.15 million per year in property and sales tax revenues upon annexation, including additional sales tax revenue generated above and beyond the amount that currently accrues to the County based on application of the City's supplemental sales tax add-ons, including Measure I and Measure Z. The analysis anticipates that the City's service costs following annexation would equal only \$235,500 per year. This would net the City approximately \$914,500 per year in surplus revenue. However, the analysis also concludes that future development may increase the City's incremental service cost; therefore, reducing the net surplus to \$864,900 by 2030. While ADE estimates that the net surplus would be reduced even further upon buildout of the area, full buildout is not likely to occur until some point beyond the year 2050.

Impacts to the County of Lake

ADE estimates that County service costs to the area following annexation would equal approximately \$88,700 per year. They likewise estimate that the County would continue to receive approximately \$80,200 per year in property tax revenue and other incidental charges. According to the ADE analysis, annexation would result in a net fiscal deficit to Lake County, beginning on day one of the annexation and extending into the future until such time as future development generates sufficient offsetting revenue. The analysis assumes, based on a series of three separate projection scenarios, that robust (re)development in the annexation area would increase the amount of property tax revenue that accrues to the County to approximately \$117,200 by 2030. ADE likewise estimates that County service costs would increase by another \$65,400, to a total of \$154,100 per year. The result is a continued net fiscal deficit to Lake County of \$36,900 per year through 2030. While the analysis concludes that full buildout of the annexation area would eventually generate a net positive fiscal impact to the County, it also acknowledges that full buildout "would most likely extend beyond 2050, except under extraordinary accelerated growth assumptions." Therefore, the ADE analysis concludes that Lake County would experience a significant net fiscal deficit resulting from annexation that would likely be sustained over the next thirty years or more, if not indefinitely.

ADE's Final Determination

As summarized on page 2 of the report, ADE concluded that application of "the 1997 tax sharing agreement between the City and the County would result in a fair distribution of tax revenues reflecting the service responsibilities of both jurisdictions after annexation." ADE also concluded that "the terms of the agreement therefore meet the standards of the Lake

LAFCo Review Neutrality policy that require annexations to provide sufficient revenues to both jurisdictions to fund necessary governmental services.”

KEY FINDINGS FROM THE BAE PEER REVIEW

BAE's review of the *Fiscal Analysis of the Proposed South Lakeport Annexation* determined that the primary conclusion reached by ADE is incorrect.

The ADE analysis determined that the distribution of revenues based on the 1997 tax sharing agreement is fair based on the conclusion that it met the standard set by the Lake LAFCo Revenue Neutrality Policy. However, as outlined above, the Revenue Neutrality Policy of Lake LAFCo requires that service costs and revenues should be balanced (i.e., revenues being equal to or greater to costs) for both affected agencies. Based on ADE's own analysis, the impact of implementing the provisions of the 1997 tax sharing agreement would result in a significant ongoing revenue surplus to the City of Lakeport, but a long-term sustained fiscal deficit for Lake County. ADE also clearly acknowledges that the growth and development necessary for revenues to eventually offset service costs to the County is unlikely to occur until after 2050, if at all. There is also reason to believe that ADE's growth projections are overly aggressive. Therefore, the division of service costs and revenues upon annexation, assuming that the 1997 tax sharing agreement is applied, is not in fact fair and likely would not meet the test required by LAFCo for revenue neutrality. Furthermore, it is the position of Lake County that the 1997 agreement and its two subsequent amendments are void and unenforceable. Therefore, the ADE analysis does not accurately reflect the revenue and service cost impacts associated with annexation, which cannot be determined until a new revenue sharing agreement is established between the City and the County.

In addition, there are a number of significant methodological deficiencies in the ADE analysis that likely result in the underestimation of the revenues that would accrue to the City of Lakeport upon annexation, while simultaneously overestimating the revenues and underestimating the service costs that would accrue to Lake County. The remainder of this memorandum identifies these deficiencies and recommends ways to improve the analysis so that it may be used as the basis for negotiation of an updated tax sharing agreement between the City and County.

Recommendations for Improvement of the ADE Analysis

Conclusion that Development Will Offset Costs

The primary conclusion of the ADE report that the revenue sharing agreement is fair is predicated on ADE's finding that future development will generate County revenue sufficient to offset the County's ongoing cost of providing services to the annexation area. However, ADE's own analysis indicates that adequate development will not likely occur until after 2050, even under relatively aggressive growth assumptions, as discussed below. ADE should revise the analysis to clearly acknowledge that annexation of the South Lakeport area would result in a

significant and sustained fiscal deficit to Lake County. The ADE report should also more clearly articulate how the firm determined that such a condition equated to a “fair” and equitable division of resources and responsibilities between the two affected agencies, given that ADE projects substantial fiscal surpluses for the City during the same time period that it projects fiscal deficits for the County.

Projections of Future Growth

The ADE projections of future employment growth in Lakeport are based on a combination of data sources, including the Longitudinal Employer-Household Dynamics (LEHD) dataset published by the U.S. Census Bureau, as well as the California Employment Development Department (EDD), the California Department of Transportation (Caltrans), and Woods and Poole, a private data vendor. Based on a review of the information provided in the ADE report, we believe that the growth projections significantly overstate the employment growth potential of the City of Lakeport and the annexation area. It is BAE’s understanding that the ADE projections do not address anticipated population growth, which is appropriate if the area is not anticipated to accommodate residential or hotel development in the future.

The first issue is that all three projection scenarios use 2017 as the base year. It appears that no effort was made to adjust the base year to 2018 or 2019, which would reduce the total future growth potential, acknowledging growth that occurred during the intervening years. This could reasonably be done by calculating the average annual growth rate over the projection period, then benchmarking to the most recent jobs estimates provided by the EDD. In the event that the most recent available estimates are not for the current year, ADE can estimate a current year value based on the projected average annual growth rate for the first five years or so of the projection period.

The second issue is the reliance on LEHD data to establish the share of countywide employment that is based in the City of Lakeport. Although the LEHD dataset is one of the few free data sources that publish place-level employment estimates, the dataset is known to be very inaccurate, particularly when used to identify characteristics within very small geographic areas. The errors are also often compounded when utilizing industry level data, due to small sample size. For example, the LEHD dataset reports that the number of jobs in the City of Lakeport in 2015 was 3,138, compared to the 2011-2015 American Community Survey (ACS) that shows an estimate that is 589 jobs higher at 3,727.⁷ In addition, the most recent data available from the LEHD is for 2015, which is outdated. BAE recommends purchasing place-

⁷ For the purposes of this peer review, BAE collected data from the 2013-2017 ACS, which provides five-year place-level estimates where the mid-point of the survey period is 2015, which coincides with the time period associated with the LEHD data referenced by ADE. While not exact, this data provides the most reasonable comparison possible based on no-cost publicly available data.

level data from the Quarterly Census of Employment and Wages (QCEW) dataset, which are available for 2017, as a custom tabulation through the California EDD. The QCEW data used for the custom tabulation is the same as what the EDD uses to generate the publicly available county-level dataset.

The third issue is that the projections fail to recognize is that employment in the City of Lakeport has decreased since 2010, both in real terms and as a share of countywide employment. For example, the ADE report identifies an annual average employment growth rate for the City of Lakeport of 2.5 percent from 2010 to 2017, but provides no data to substantiate that figure. According to estimates from the 2006-2010 and 2013-2017 ACS, which represent the most reliable cost-free source for place-level employment data, employment in the City of Lakeport decreased from 4,698 jobs on average between 2006 and 2010 to 4,022 jobs on average between 2013 and 2017. This indicates an effective average rate of change of -3.1 percent per year, equaling a loss of 676 jobs. By comparison, the EDD reports that total employment countywide grew by approximately 2.0 percent from 2010 to 2017. This means that if the ACS jobs estimates are correct, employment in the City of Lakeport represents a smaller share of countywide employment in 2017 than it did in 2010. It should also be noted that the LEHD data indicate a similar trend, though with a smaller rate of change. This trend should be substantiated based on an evaluation of QCEW data purchased from the EDD. The resulting trend should then be incorporated into ADE's growth projections.

Estimation of Development Capacity

The study does not fully explain or document the method used to convert from acreage to additional new supportable building square footage. The study should document all assumptions used to allow the reader to follow each calculation when necessary. For example, the ADE report should identify how the "percent developed" figures were developed, as reported in Table 2, as well as the Floor Area Ratios (FARs) used to convert site acreage into maximum buildout capacity expressed in square feet. The analysis should also more thoroughly explain how the "existing development constraints" are applied. For example, Table 2 indicates that for parcel number 008-001-01 there are two types of development constraints, flood and riparian habitat. For the flood constraint, the table identifies a value of 90 percent. It is not clear how the 90 percent figure is then applied. Does this mean that 90 percent of the site area is undevelopable due to flood constraints?

Estimation of Road Fund Revenue

The study should more clearly identify how ADE estimated the amount of revenue that accrues to the County Road Fund based on property and sales taxes paid. ADE estimates that the County Road Fund receives approximately \$3,415 per year in Road Fund revenue from the proposed annexation area, but does not clearly identify how that value was estimated. Interviews with County staff indicate that they are unable to clearly identify the amount of revenue generated to the Road Fund from the annexation area. County staff only have access

to information on Road Fund revenue by source for the County as a whole.⁸ Depending on the method used to apportion the countywide Road Fund revenue, the amount of money that accrues to the Road Fund based on property and sales taxes paid within the annexation area could be significantly higher than currently estimated. For example, this area represents one of only a small number of developed commercial areas in the unincorporated County. Thus, the area represents an above average concentration of assessed value and taxable sales, which generate above average Road Fund revenues compared to the rest of Lake County. If total countywide Road Fund revenues were apportioned based on acreage, then ADE would have significantly underestimated the amount of Road Fund revenue that would be transferred from the County Road Fund to the City Road Fund upon annexation. To allow the County and other interested parties to determine whether the method used to apportion Road Fund revenues is appropriate, ADE must first provide a thorough description of how the estimate was calculated. A more reasonable alternative method may be to apportion Road Fund dollars based on the distribution of assessed value and taxable sales within the County; though such an estimate may need to be normalized based on differing tax rates/shares.

Projected Future Assessed Value

The analysis estimates projected incremental growth in assessed value based on per square foot average real estate sale prices of \$150 and \$250 for retail and service commercial uses, respectively. Based on a review of comparable sales in Lake County for properties built within the last ten years, as reported by ListSource, BAE estimates that the weighted average sale price for recently constructed retail space is likely closer \$162 per square foot, while the weighted average sale price for recently constructed general commercial space is around \$185 per square foot. Recognizing that ADE anticipates that buildout of the annexation area will feature more general commercial space than retail, the difference in values likely lead to an overestimation of the property tax revenue likely to accrue to the County due to new development within the annexation area, to the extent that such development occurs.

In addition to retail and general commercial uses, the analysis also projects future land use demand for industrial, office, and institutional uses. It appears that no valuation figure was provided for industrial uses, nor did ADE clearly indicate which valuation figure was applied to which of the other uses. Also, it is not clear whether ADE assumed that institutional uses would be exempt from property taxes. These details need to be more clearly described in the report to allow the reader to assess the accuracy and appropriateness of the calculations.

⁸ Carter, Stephen. Deputy County Administrative Officer. Personal Communication. June 24, 2019.

Selection of Substitute Tax Rate Area

As noted earlier, the 1997 tax sharing agreement indicates that the South Lakeport area would be moved into TRA 001-001 upon annexation, assuming that the tax sharing agreement is applicable. However, TRA 001-001 was retired following execution of that agreement. The ADE analysis assumes the South Lakeport area will be annexed into TRA 001-002, but provides no justification for the selection of this TRA. A review of TRAs in the Lakeport area indicates that TRA 001-002 is not adjacent to the annexation area, but is separated by some distance. ADE and the City of Lakeport should provide justification for the selection of this TRA; although selection of a replacement TRA will likely require further negotiation between the City and the County. Further, assuming the existing revenue sharing agreement is no longer valid, there is no requirement that a new revenue sharing agreement replicate a property tax allocation scheme that is identical to an existing TRA; rather the parties can negotiate a tax sharing agreement with specific allocations between the City and the County that meet the LAFCo revenue neutrality requirements while maintaining the existing property tax increment allocation factors for other tax-receiving entities whose service responsibilities are not affected by the proposed annexation.

Missed Sales Tax Payment

On page 17 of the report, ADE reports the payment schedule associated with the \$210,000 that is to be paid by the City to the County over what is reported to be a six-year period, as per the 1997 agreement. However, the payment schedule provided as part of the 1997 agreement involves payments equaling a total of \$210,000 over a seven-year period. the payment schedule provided in the ADE report is missing one payment of \$7,500 to be paid in year seven. When summed, the payments listed in the ADE report total only \$202,500. ADE should confirm that the figures used to calculate the net fiscal impacts reflect the correct total.

Calculation of Service Costs and Revenues

There are two main issues with the way that ADE reports estimated service costs and revenues. The following apply to the analysis of impacts to both the City and County.

The first is that all values are reported as net estimates. Therefore, it is not possible to evaluate the validity of the ADE calculations, as only the final values are provided. ADE should revise the report, outlining the method used for calculating each major cost and revenue line item. Costs and revenues should be calculated and reported separately. This typically includes reporting the values upon which the cost and revenue multipliers are based, which are typically taken directly from the City and County budget documents. This allows the reader to confirm for themselves that the correct values were used and to track exactly how the calculations were prepared. The analysis should then show exactly what service population estimates are applied in each case and what the resulting cost or revenue multipliers are.

The second methodological issue present in this portion of the analysis is that it is never clear which of the three projection scenarios is being applied as part of the impact calculations. None of the tables indicate which projection scenario is being used. While the narrative provides some limited discussion of how impacts differ between scenarios, the analysis is difficult to follow. ADE should revise both the tables and the analysis to clearly identify which projection scenario is being applied in each case and how the likely impacts differ as a result.

Impacts to the Lake County Sheriff's Department

The ADE report uses a commonly applied method for estimating changes in municipal revenues and service costs known as a cost/revenue multiplier approach. This essentially means that ADE takes the current revenue or cost line item from the municipal budget and normalizes it based on the current service population to create an average cost or revenue figure per service population, which is also known as a multiplier. The service population typically equals the resident population plus one-half of the jobs; though in some cases it may differ. The cost or revenue multiplier is then applied to the future incremental growth in service population to estimate the future cost or revenue impacts, respectively. In many cases, this is the preferred approach as it is both efficient and reasonably accurate. However, in this case, BAE recommends using an alternative method for estimating impacts to key City and County departments, particularly for law enforcement services. This is because this service category accounts for a disproportionate share of the General Fund budget; thus, a small miscalculation can result in significant errors in the analysis.

Responsibility for law enforcement is expected to change from the Lake County Sheriff's Office to the City of Lakeport Police Department. BAE recommends that ADE conduct additional research to better understand the impacts of annexation on both of these agencies using a case study methodology. To apply a case study method, BAE recommends conducting interviews with representatives of each agency to better understand the likely impacts and when those impacts are likely to occur. For example, incremental changes in calls for service do not always result in matching changes in staffing; for example, a ten percent decrease in calls for service may not warrant the elimination of a sworn officer position, where a 20 percent decrease may. Some changes in demand can be addressed through reorganization of staffing and beat areas, where others cannot. Also, certain changes in calls for service may warrant significant changes in the department's needs for facilities and equipment.

According to the Lake County Sheriff's Office, the annexation of the South Lakeport area would not significantly reduce the need for Sheriff's Office staffing due to the need to maintain service levels in the surrounding area. It would, however, likely result in the loss of at least one Sheriff's Deputy due to the anticipated reduction in County revenue. While this could be

fiscally positive in some sense, it is not a desirable outcome, because this would deteriorate service quality in the surrounding area. In other words, the Sheriff's Office would lose an officer, not because of a lack of demand, but because of a lack of funding.⁹ The Sheriff's Office is already understaffed by a significant margin due to lack of funding, which contributes to ongoing challenges with the recruitment of new deputies. Therefore, while annexation would transfer responsibility for law enforcement services, annexation would also result in a disproportionate transfer of revenue that would further exacerbate existing deficiencies in service provision throughout the remainder of the unincorporated area.

Impact of Annexation on Special Districts

Although a fiscal impact analysis of this nature typically does not evaluate the anticipated impacts to special districts, a representative from the water and sewer district that currently serves the proposed annexation area has expressed concerns regarding the annexation. In particular, the concern is that if the City assumes water and sewer service within the annexation area, the service population remaining within the special district would be too small to justify the continuation of service. This would potentially leave existing residents and businesses in the remainder of the district that is not annexed to the City without water and sewer service, or if service is continued, the service charges may have to increase to unsustainable levels due to the need to spread the district's fixed costs over a smaller base of ratepayers. As part of this analysis, the City of Lakeport should confirm whether or not it is the City's intent to assume responsibility to provide water and sewer service within the annexation area. If the City intends to do so, then the analysis should be amended to include an analysis of impacts to the special district.

⁹ Martin. Brian. Lake County Sheriff. Personal Communication. June 19, 2019.

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APPENDIX A: FISCAL CRISIS MANAGEMENT PLAN

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FISCAL CRISIS MANAGEMENT PLAN



A collaborative effort of Lake County Department Heads

ADOPTED BY THE LAKE COUNTY BOARD OF SUPERVISORS DECEMBER 4, 2018

I. Evaluate and act on all available means for achieving cost savings and/or improving upon efficiencies

Priorities:

- Continually evaluate our capacity to sustain non-mandatory functions
- Research best practices for service delivery models
- Implement acceptance of credit card payments for all fees, County-wide
- Consolidate facilities where feasible
- Reorganize programs and regionalize caseloads requiring travel in self-funded departments
- Improve upon our ability to effectively manage the high cost of employee turnover
- Convert to paperless check issuance
- Consider options for privatization
- Collaborate with community partners
- Bring energy efficiencies to fruition

II. Focus on generation of additional revenues and claiming of essential reimbursements

Priorities:

- Explore alternatives to our current A87 administrative cost allocation plan
- Fill our new Tax Administrator position
- Develop best practices and conduct annual sales of tax defaulted properties

Develop and implement best practices for debt collection

Fully staff disaster claiming functions to enable critical reimbursements

Strengthen and efficiently staff offices that drive revenue generation

Identify, surplus and sell County-owned properties not required for public use

In coordination with the local AB 109 Commission, revisit allocation methodology for AB 109 funds for local law enforcement

Pave the way for future revenues through local Economic Development efforts

Evaluate existing Williamson Act contracts

Adhere to periodic Master Fee Schedule updates

III. Enhance use of technology to better meet workload demands

Priorities:

Expand use of modern customer service tools, including chat, email and self-service telephone systems

Implement electronic document and workflow management tools

Research best options for digitization of records

Identify processes utilized by multiple departments that can be automated, to include County-wide implementation of credit card payments for services

Broaden access to automated legal research tools

Simplify internal processes causing duplication of work, such as tracking of work hours with both paper and Executime

Utilize webinars and online training opportunities

IV. Reduce permanent position allocations* in the General Fund by an estimated

-5% in FY 19/20

-6% in FY 20/21

-7% in FY 21/22

-18% cumulative

Where necessary, reallocate staffing to meet business needs

**In recent months, an average of 20% of permanent position allocations in the General Fund have been vacant. The intent is to eliminate vacant positions.*

V. Partner with your Board for success

Priorities:

Provide direction as a full Board and collaborate on areas of common interest

Evaluate the expenditure of staff time

Implement necessary policy changes

Be prepared to make unusually difficult budget decisions

Support Department Heads and staff when service reductions are unavoidable

Reaffirm your commitment to Vision 2028

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APPENDIX B: LAFCO REVENUE NEUTRALITY POLICY

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**Lake Local Agency
Formation Commission
(LAFCO)**

**Policies,
Standards, and Procedures**

**Adopted
May 20, 2009
Resolution 2009-0006**

Amended May 21, 2014 Resolution #2013-0003

**LAKE LOCAL AGENCY FORMATION COMMISSION
POLICIES, STANDARDS, AND PROCEDURES**

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Appendix A – LAFCO Fee Deposit Schedule

**LAKE LOCAL AGENCY FORMATION COMMISSION
POLICIES, STANDARDS, AND PROCEDURES**

- e) Pre-zoning or Planning. All territory proposed for annexation must be specifically planned and/or pre-zoned by the planning agency. Pre-zoning or zoning of the territory must be consistent with its general plan and sufficiently specific to determine the likely intended use of the property.-No subsequent change to the zoning by a city is permitted by state law for a period of two years under most circumstances.

2.12. Boundaries

- a) Definite Boundaries Required. LAFCO will not accept as complete any application for a proposal unless it includes boundaries that are definite, certain, and fully described.
- b) Boundary Criteria. LAFCO will normally favor applications with boundaries that do the following:
 - i) Create logical boundaries within the affected agency's Sphere of Influence, and where possible, eliminate previously existing islands or other illogical boundaries.
 - ii) Follow natural or man-made features and include logical service areas, where appropriate.
- c) Boundary Adjustments. LAFCO will normally amend applications with boundaries which:
 - i) Split neighborhoods or divide an existing identifiable community, commercial district, or other area having a social or economic identity.
 - ii) Result in islands, corridors, or peninsulas of incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries.
 - iii) Are drawn for the primary purpose of encompassing revenue-producing territories.
 - iv) Create areas where it is difficult to provide services.
- d) Boundary Disapprovals. If LAFCO cannot suitably adjust the boundaries of a proposal to meet the criteria established in item 2.12 (b) above, it will normally deny the proposal.

2.13. Revenue Neutrality

- a) Revenue Neutrality Applicable to All Proposals. LAFCO will approve a proposal for a change of organization or reorganization only if the Commission finds that the proposal will result in a

**LAKE LOCAL AGENCY FORMATION COMMISSION
POLICIES, STANDARDS, AND PROCEDURES**

similar exchange of both revenues and service responsibilities among all affected agencies. A proposal is deemed to have met this standard if the amount of revenue that will be transferred from an agency or agencies currently providing service in the subject territory to the proposed service-providing agency is substantially equal to the expense the current service provider bears in providing the services to be transferred.

- b) Adjustment to Create Revenue Neutrality. In the event the expense to the new service provider is substantially greater than or less than that amount of revenue transferred from the current service provider, the current service provider and new service-providing agency must agree to revenue transfer provisions to compensate for the imbalance. Such provisions may include, but are not limited to, tax-sharing, lump-sum payments, and payments over a fixed period of time.
- c) Failure to Achieve Revenue Neutrality. Where achieving substantial revenue neutrality is not possible because of the limitations of state law, the Commission shall impose all feasible conditions available to reduce any revenue imbalance, or it may deny the proposal. The Commission recognizes that strict compliance with the revenue neutrality standard may be infeasible for certain proposals and that the need for service may sometimes outweigh the requirement for complete revenue neutrality. Where the failure to achieve revenue neutrality is primarily due to the disagreement of the affected agencies, the Commission shall normally deny the application.
- d) Revenue Sharing Agreements. Paragraphs a, b, and c of this section will be considered to be complied with if:
 - i) The affected agencies have agreed to a specific revenue split for the proposal and have filed a copy of that agreement with the Executive Officer with a statement that the agreement adequately provides for revenue neutrality, or
 - ii) A master tax exchange agreement or agreed-upon formula is in effect between the affected agencies and the agencies confirm in writing that such agreement is applicable to this proposal and that it provides for a balanced exchange of service costs and revenues.

2.14. Agricultural and Open Space Land Conservation

Among LAFCO's core purposes is preservation of open space and prime agricultural lands. The Commission will exercise its powers to conserve prime agricultural ("ag") land as defined in Government Code Section 56064, and open space land as defined in Government Code Section



MEMO

TO: Margaret Silveira, City Manager
Kevin Ingram, Community Development Director
Linda Ruffing, North Coast Planning

FROM: Doug Svensson, AICP

DATE: July 29, 2019

SUBJECT: BAE Peer Review of South Lakeport Annexation Fiscal Analysis

In reviewing the BAE document dated July 17, 2019, many of the comments amount to requests for clarification of our analysis rather than providing evidence that the analysis is flawed. In the few cases where BAE offers an independent analysis, they have made fundamental mistakes that render the comments meaningless. We see no cause from their comments to change the fundamental conclusion of our report that the 1997 agreement produces a fair and equitable distribution of revenues and service cost obligations between the City and the County. Our specific responses to the main BAE points, which begin on page 9 of their report, are provided below.

Page 9. BAE: ADE analysis shows County will not receive sufficient revenue to offset costs until well after 2050.

This is incorrect as Table 17 on p. 25 of our report shows that by 2030 the County will receive \$117,193 in annual revenues against \$65,411 in annual cost, for a net surplus of \$51,782. The initial deficit of about \$8,500 per year would be offset for 24 years by the \$210,000 sales tax payments, but we estimate County will be net fiscally positive without those payments within two years of annexation under the moderate growth scenario, and within three years under the slower baseline scenario.

The fact that the City would receive higher revenue surpluses than the County is due to the fact that the City has adopted local sales tax measures which the County voters have failed to do.

Page 10. BAE: ADE failed to update the base year from 2017, the magnifying the amount of potential future growth.

At the time we did the analysis, we used the most current data available including the countywide EDD jobs numbers. However, the buildout estimates for the annexation area are based on current land

use information and are not affected by the base year. Furthermore, the procedure suggested by BAE to update the base year is simply an estimating technique no different than the projection methodology and would not add any more certainty to the analysis since 2019 data are not available.

Page 10. *BAE: ADE relied on LEHD rather than ACS to analyze the share of employment in Lakeport compared to the County.*

BAE has made a fundamental mistake here in that the ACS does not measure jobs in place in a jurisdiction but rather the characteristics of the labor force in the jurisdiction. What BAE interprets as industry jobs in Lakeport from ACS is in fact the industry of employment of the workers living in Lakeport. This is not the same as the job base physically located in Lakeport, which is what the LEHD measures. Furthermore, we calibrated the LEHD numbers to the countywide EDD job figures to eliminate any undercounting error that may occur in the LEHD data set.

This error by BAE leads to their assertion that jobs in Lakeport are declining when in fact they have been increasing. We have seen labor force decline in many cities where job opportunities were reduced by the recession. Jobs come back more quickly than labor force, which results in a reduction in unemployment rates until the labor market reaches equilibrium again.

Page 11. *BAE: The study does not document the assumptions used to calculate development capacity in the annexation area.*

These assumptions are described on p. 5 under Buildout Potential, indicating the FARs used for each land use designation. Table 2 shows the calculations. The percentages in the column entitled Maximum Allowed Development indicate the proportion of full buildout potential remaining on each parcel. The level of constraint was determined by City staff using current site information.

Page 11: *BAE: Estimation of Road Fund revenue is not explained.*

Table 7 on p. 16 indicates the property tax share for the County Road Fund right underneath the County General Fund factor for the two tax rate areas in the annexation area.

Page 12: *BAE: ADE used the wrong development values to project future assessed value of new development.*

The following development values per sq. ft. were used in our analysis, based on ListSource data for existing development in Lake County. All institutional uses are assumed to be taxable.

Retail	\$150
Office	\$150
Light Industrial	\$250
Institutional	\$200

Page 13. *BAE: No justification is given for the use of TRA 001-002 as a model for post annexation property tax distribution.*

This TRA was provided by the County Auditor when it was determined that TRA 001-001 no longer exists. Our analysis does not assume that the annexation area would be annexed into TRA 001-002 but rather that it reflects typical property tax shares for the City and the County given existing service obligations within the City limits.

Page 13. *BAE: The City sales tax payments to the County on page 17 of the report is missing the year 7 payment.*

BAE is correct that the table should show \$7,500 in Year 7 and \$0 in Year 8. However, the text and the analysis reflect the full \$210,000 that would accrue with this correction.

Page 13. *BAE: More detail is needed to evaluate ADE's service cost estimates, particularly the service populations and any revenues netted out of the cost calculations.*

For the City calculations, the City budget is provided on p. 18 of the report, the service population is clearly stated at the top of p. 19, and the service cost adjustments are spelled out in the first full paragraph of page 19.

For the County analysis, the service population is provided in the last paragraph of p. 22 and all the relevant County budget figures are provided in Tables 13-15 plus the Appendix.

The fiscal projections use the moderate growth projection, as stated at the bottom of p. 11.

Page 14. *BAE: ADE should use a case study methodology for estimating County Sheriff impacts.*

The fiscal analysis is focused on changing service responsibilities within the annexation area, not with County services outside the area after annexation. Therefore, it is not clear that a case study approach would change the outcome of the analysis. The County would have many options in making budget decisions to balance costs and revenues in future years and it cannot be assumed that changes in revenue would affect the County Sheriff's Department disproportionately compared to other services the County provides.

Page 15: *BAE: The report is unclear whether the City intends to provide water and sewer service to the annexation area.*

The report states in both the City and County fiscal impact sections that the City does intend to provide water and sewer service (see pp. 19 and 22). The report does not evaluate residual impacts on the Lake County Sanitation District.