

LOCAL AGENCY FORMATION COMMISSION 575 ADMINISTRATION DRIVE, ROOM 104A, SANTA ROSA, CA 95403 (707) 565-2577 FAX (707) 565-3778 www.sonoma-county.org/lafco

POLICY: Outside Service Area Agreements for Parcels Within a City's Sphere of Influence

Policy

The Commission encourages urban development in cities rather than in unincorporated territory. Additionally, the Commission believes that there are efficiencies of scale and opportunities to encourage well-planned and phased development by permitting interim Outside Service Area Agreements, rather than requiring immediate annexation, when a documented threat to the public health or safety exists.

Where existing urban development is within a city's sphere of influence, and public services, such as water or sewer, are required to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, the Commission will consider approval of an Outside Service Area Agreement (OSAA).

The Commission, or by direction, the Executive Officer, will consider authorization of an OSAA for territory within a city's sphere of influence under the following conditions only:

- 1. There is a documented existing or potential threat to public health or safety;
- 2. The property owner and city have entered into a recordable agreement that runs with the land limiting development to existing levels;
- 3. A covenant is recorded against the property prohibiting the current and future property owners from protesting annexation to the City; and
- 4. The existing use has been determined to be either legal or legally nonconforming by the Sonoma County Planning and Resource Management Department.

Legal Authority

The Government Code §56133 states in part:

- (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the Commission in the affected county.
- (b) The Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

The Government Code authorizes a city to extend its services beyond its boundaries but clearly indicates that such action would be taken in anticipation of a later change of organization (i.e., annexation).

Background and Discussion

The Commission recognizes that cities are the logical service providers for municipallevel services. In those instances where a property has a failed or failing septic or water system, the Commission will permit an OSAA, provided that there is adequate assurance that the extension of services is not for new development. The Commission expects the property to be eventually annexed into the city, and the use of an OSAA is an intermediate step towards annexation.

From a LAFCO perspective, an OSAA can:

- Protect the public from impending threats to health and safety;
- Impose restrictions that limit development to existing intensities,
- Permit a city to plan for future development in an orderly manner though the use of traditional zoning or specific plans, and
- Discourage premature development of fringe properties.

The Commission acknowledges that the annexation of individual parcels within a city sphere and contiguous to city boundaries may be premature and require more resources than a larger annexation of multiple parcels. In these instances, the use of an OSAA would provide services to meet the immediate needs of the property owners while allowing the city sufficient time to develop a more comprehensive and beneficial plan of annexation for the entire territory.

Adoption Date: August 5, 2009