

CHAPTER 9

GENERAL POLICIES FOR THE EVALUATION OF PROPOSALS

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9.010 Background

This chapter establishes general policy standards for the evaluation of change of organization or reorganization proposals, the adoption of sphere of influence plans, and the preparation of special studies and reorganization plans. The intent of these standards is to provide guidance to the Commission in their review and evaluation of a proposal, but the standards will also provide a basis and understanding for proponents and the general public of the proposal's relation to the Commission's adopted standards. These standards are adopted to ensure a proposal is consistent with the Commission's overriding goals of encouraging orderly growth and development, promoting the efficient provision of organized community and governmental services through the logical formation and development of local agencies, preserving agricultural and open space lands, and discouraging the proliferation of special districts and the overlapping of special district responsibilities.

All changes of organization or reorganization proposals shall be consistent with these standards. Sphere of influence plans shall be consistent with these standards and should also be written so they promote consistency with these standards when future changes of organization or reorganizations are evaluated.

9.020 General Policy

- A. Based upon local conditions and circumstances, the Commission shall encourage orderly growth and development and promote the efficient provision of organized community and governmental services through the logical formation and development of local agencies and the preservation of agricultural and open space lands. **[REFERENCE: Sec. 56001 CGC]**
- B. The Commission shall discourage the sprawl of development.
- C. In many cases a single, multi-purpose governmental agency is better able to assess and be accountable for community service needs and financial resources than several limited-purpose districts and is the best mechanism for establishing community service priorities. Therefore the Commission shall encourage the formation of single, multi-purpose local agencies and the consolidation and reorganization of limited-purpose districts into a multi-purpose district. The Commission shall discourage the proliferation of special districts and the overlapping of special district responsibilities between two or more districts. **[REFERENCE: Sec. 56001 CGC]**
- D. Community needs are met most efficiently and effectively by governmental agencies which are already in existence, are capable of coordinating service delivery over a relatively large area, and provide more than one type of service to the territory they serve. The Commission shall encourage annexations to existing multi-purpose districts or the creation of zones of benefit within Countywide County Service Area No. 1 that meet the needs of the residents and landowners of the territory. The Commission shall discourage the formation of new districts in those cases where other alternatives are feasible.
- E. The Commission shall encourage the consolidation and reorganization of overlapping and competing agencies or illogical boundaries dividing agency service areas. The Commission shall study, recommend, and encourage implementation of reorganizations, such as consolidations, mergers, and dissolutions, where the result will be better service, reduced costs, and/or more efficient and visible administration of services to the citizens. The Commission shall discourage the formation of new dependent districts where services can be provided by existing districts.
- F. The Commission shall consider favorably proposals that result in the provision of urban-type services in densely developed and populated areas. Densely developed and populated areas include developed residential subdivisions with minimum parcel size sizes less than five (5) acres and parcels developed with industrial and heavy commercial uses.
- G. The Commission shall consider favorably proposals that will provide urban-type services in areas with high-growth potential and shall consider unfavorably proposals

that will provide urban-type services in areas with limited or speculative potential for future growth.

- H. The Commission shall encourage local agencies which are governed by officials directly elected by the affected residents or landowners.
- I. The Commission shall ensure that each separate territory included in the proposal, as well as affected neighboring residents, tenants, and landowners, receive services of an acceptable quality from the most efficient and effective service provider after the reorganization is complete.

9.030 Planning Consistency

- A. All proposals shall be consistent with the goals, objectives, policies, and standards of the Mariposa County General Plan and any applicable area plan. The Commission may find a proposal consistent with the General Plan or area plan as a whole, although the proposal is found to be inconsistent with one or more standards, if the Commission identifies the inconsistencies and finds that:
 - 1. The negative effect in a particular instance is outweighed by the overall positive impact of the proposal on the County;
 - 2. The proposal will not materially detract from the General Plan or area plan as a whole; and
 - 3. The proposal is inconsistent with one or more standards of the General Plan or area plan due to the unique nature of the proposal and/or special or unusual circumstances in the area or the County at the time that could not have been anticipated when the General Plan was developed and that the situation is not likely to occur frequently enough so as to warrant amending the General Plan or area plan.
- B. Amendments to the General Plan or a area plan or land use entitlements and approvals which are required for a project shall be approved by the County prior to formal acceptance of a change of organization or reorganization proposal. In order to reduce the length of time necessary for a project to receive the appropriate government approvals, the Commission encourages the concurrent processing, in so much as possible, of a proposal with an amendment or land use entitlement proposal.
- C. The Commission shall not approve a proposal which will extend urban-type services unless it meets one of the following criteria:
 - 1. The underlying land use classification and/or other land use entitlements approved by the County (e.g. Planned Residential Development) allow for types and density

of uses which require those services. Generally, community wastewater treatment and/or water services are appropriate for residential developments with parcel sizes less than five (5) acres or industrial/heavy commercial developments; OR

2. Community wastewater treatment and/or water services are necessary to correct existing wastewater treatment or water problems associated with existing development provided the extension of these services will not result in growth-inducing impacts which are inconsistent with the General Plan or any applicable specific plan.

9.040 Sphere of Influence Consistency

- A. All proposals shall be consistent with and lie wholly within the adopted sphere of influence of any affected district, including the policies established for the district by the sphere of influence plan. [REFERENCE: Sec. 56377.5 CGC]
- B. The Commission shall not approve a proposal solely because the area falls within the sphere of influence of an agency. The sphere of influence is one factor among several considered in evaluating proposals.
- C. For proposals accepted with a sphere amendment request, the Commission shall act upon the sphere amendment independently of and prior to action on the proposal.

9.050 Boundaries

- A. The Executive Officer shall not accept as complete an application for a proposal unless it includes boundaries that are definite, certain, and fully described.
- B. Boundaries for an agency shall follow established ownership boundaries, political boundaries, and natural or man-made features such as streams, lakes, natural terrain, and road rights-of-way where feasible and include logical service areas.
- C. The Commission shall act favorably on proposals which seek to correct relevant but illogical boundaries within the sphere of influence of the affected district.
- D. The Commission shall not approve a proposal if the proposed boundaries:
 1. Split neighborhoods or divide an existing identifiable community, commercial district, or other area having a social or economic identity;
 2. Result in islands, corridors, or peninsulas of territory or otherwise cause or further the distortion of existing boundaries;

3. Create areas for which it is difficult to provide services; or
 4. Split parcels.
- E. The Commission may make exceptions to the standards of Subsections C and D if the exception meets all of the following criteria:
1. Is rendered necessary due to unique circumstances;
 2. Results in improved quality or lower cost of service available to the affected parties; and
 3. There exists no feasible and logical alternative.
- F. The Commission shall not approve a proposal in which the affected territory is not contiguous with existing boundaries of the district unless the affected territory meets all of the following criteria:
1. Is at least 10 acres in size but does not exceed 1,000 acres.
 2. Does not exceed 50% of the territory within the existing district.
 3. Annexation is necessary for orderly growth and the territory cannot be annexed to another district, be formed as a new district, or be served by a zone of benefit within Countywide County Service Area No. 1.

Territory is not contiguous if its only connection is a strip of land more than 300' long and less than 200' wide.

9.060 Fiscal Impacts/Service Costs

- A. The Commission shall not approve a proposal if the Commission finds the proposal is not revenue neutral at the time the proposal comes before the Commission. A proposal is deemed revenue neutral if:
1. The proposal ensures that the amount of revenue transferred from an agency or agencies currently providing service in the subject territory to the proposed service-providing agency equals the expense which the current service-providing agency bears in providing the services to be transferred.
 2. In the event the expense to the current service-providing agency exceeds the amount of revenue transferred, the current service-providing agency and new service-providing agency 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.

3. Where revenue neutrality is not possible because of the requirements of State law, these policies, procedures, and standards, and/or the characteristics of the proposal, the Commission imposes all feasible conditions available to reduce any revenue imbalance, or the Commission may deny the proposal.
 4. A property tax exchange agreement has been reached pursuant to the Revenue and Taxation Code by the agencies participating in the change of organization or reorganization as required by law.
 5. Chapter 11 contains additional policies and standards that relate to evaluating incorporation proposals.
- B.** The Commission shall distribute and transfer assets and liabilities of districts which are dissolved, consolidated, or merged as follows:
1. If the services provided or authorized to be provided by the former district will be provided by the new agency, the assets (reserve funds, facilities, property both real and personal, and other monies) and liabilities (including outstanding bonds) of the former district shall be distributed and transferred to the new agency except for those funds necessary for the successor agency to complete and finish the affairs of the district and retire any liabilities.
 2. If the services provided or authorized to be provided by the former district will not be provided in the affected territory, the assets (reserve funds, facilities, property both real and personal, and other monies) and liabilities (including outstanding bonds) of the former district shall be distributed and transferred to the Board of Supervisors. As far as may be practicable, the Board of Supervisors shall use these assets, except for those funds necessary to complete and finish the affairs and retire any liabilities of the district, to the benefit of the properties, taxpayers, and residents within the territory of the former district.
 3. If the Commission finds that (a) reserve funds, or portions thereof, consist of monies collected when the district was not providing services, (b) there was no additional assessment, tax rate, charge, or fee collected on the district properties beyond the countywide tax rate, (c) the monies were allocated from revenues collected for the benefit of the residents of the County at large, and (d) all liabilities have been retired, the Commission may distribute and transfer all or a portion of those reserve funds to the Board of Supervisors, and the Board may use those funds for any lawful purpose of the County or use them for general purposes to benefit the properties, taxpayers, and residents within the territory of the former district.

[REFERENCE: Secs. 57450 to 57463 CGC]

9.070 Agricultural and Open Space Lands

- A. Development or use of land for other than agricultural or open space uses shall be guided away from existing agricultural and open space lands toward areas containing non-agricultural or non-open space lands unless that action would not promote the planned, orderly, efficient development of an area.
- B. The Commission shall encourage the development of existing lands, including agricultural and open space lands, within the existing boundaries of a district before any proposal is approved which would allow for or lead to the development of existing agricultural and open space lands for non-agricultural and non-open space uses which are outside the boundaries of the local agency.
- C. The Commission shall not approve a proposal which will result in the development of agricultural or open space lands to other uses unless the proposal will lead to the planned, orderly, and efficient development of an area. For purposes of this section, a proposal leads to the planned, orderly, and efficient development of an area only if all of the following criteria are met:
1. The affected territory is contiguous to either lands developed with an urban use or lands which have received all discretionary approvals for urban development;
 2. The proposed development of the affected territory is consistent with the sphere of influence of the affected districts, including the master service area plan of the affected districts;
 3. The proposed development of the affected territory is likely to occur within five years with the types and density of uses which will require the proposed services. In the case of large developments, annexation should be phased wherever feasible. If phasing is found to be infeasible for specific reasons, the annexation may be approved if all or a substantial portion of the subject territory is likely to develop within a reasonable period of time.
 4. Insufficient vacant non-agricultural or non-open space lands exist within the district that are planned, accessible, and developable for the same general type of use; and
 5. The affected territory is not designated for agricultural or open space uses by the General Plan (e.g. Agricultural Working Landscape land use) or any applicable area plan and is not enrolled in the California Land Conservation (Williamson) Act.
- E. The Commission shall not approve a proposal if the proposal will or may have potentially significant adverse effects on the physical and economic integrity of other

agricultural or open space lands. In making this determination, the Commission shall consider the following factors:

1. The agricultural or open space significance of the affected territory and adjacent areas relative to other agricultural and open space lands in the region.
 2. The use of the affected territory and adjacent areas.
 3. Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion and development of adjacent or nearby agricultural or open space land, or will be extended through or adjacent to any other agricultural or open space lands which lie between the affected territory and existing facilities.
 4. Whether natural or man-made barriers serve to buffer adjacent or nearby agricultural or open space lands from the effects of the proposed development.
 5. Applicable provisions of the General Plan open space/agricultural and land use elements, applicable specific plan policies, applicable growth-management policies, or other statutory provisions designed to protect agricultural and open space lands.
 6. Whether the affected territory or surrounding area is designated for agricultural or open space uses by the General Plan or any applicable specific plan or enrolled in the Land Conservation (Williamson) Act.
- F. The Commission shall not approve the inclusion of agricultural or open space lands which are not proposed to be developed as part of the project in a district providing urban services unless the agricultural or open space lands are an integral part of the development (e.g. Planned Residential Development) and are protected from future development by enforceable restrictions (e.g. open space easement).

[REFERENCE: Sec. 56377 CGC]

9.080 Administration

- A. The Commission shall encourage the formation of new independent districts if the district will be financially feasible, the residents desire local control and accountability, and annexation to an existing independent district is not feasible. For urban-type service proposals inhabited by a small number of residents, the Commission shall encourage the formation of an independent district with the Mariposa County Board of Supervisors acting as the Board of Directors if build out of the development will ultimately result in a substantial number of residents that will be able to administer the district.

- B.** For proposals which approve the formation of an independent district with the Board of Supervisors acting as the Board of Directors, the Commission shall:
1. Require the district and the County to enter into formal agreements or contracts to fully compensate the County for the use of all County personnel, property, and facilities in the administration and operation of the district; and
 2. Require the residents of the district to elect an independent Board of Directors upon reaching a population or registered voter threshold and determine that threshold.
- C.** Because existing districts have an established administrative framework, qualified employees, and existing facilities to provide services, the Commission shall encourage annexations to existing independent districts over the formation of separate independent districts where annexation is feasible and complies with all of the following criteria:
1. The annexation is permitted by the principal district act;
 2. The annexation is not inconsistent with other policies, procedures, and standards;
 3. The annexing district will provide all services necessary for the proposal; and
 4. Adequate representation on the district Board of Directors will be provided for the residents of the annexed territory.
- D.** The Commission shall not approve the formation of new dependent districts if the proposed services may be provided by the creation of a zone of benefit within Countywide County Service Area No. 1.
- E.** The Commission shall not approve the annexation of territory to a dependent district where such territory is equal to or greater than 50% of the territory in the existing district unless it will result in the more efficient delivery of services. The Commission shall encourage the reorganization of the existing district and affected territory into an independent district or a zone of benefit within Countywide County Service Area No. 1.
- F.** Territory should not be served by two or more districts if one district can provide all services. The Commission shall not approve proposals which will result in or will further the overlapping of district jurisdictions and responsibilities.

9.090 Application of CEQA

- A. The Commission shall consider a proposal to have potentially significant effects on the environment if one or more of the following situations exist:
1. Build out of the project may result in the capacity of any public service or facility being exceeded or substantially affected. For purposes of this standard, a public service or facility shall be considered "substantially affected" if the additional demand generated by the project would result in the service or facility exceeding 110% of its design capacity or 120% of the available capacity.
 2. The project would physically divide an existing community or other area having identifiable social and economic homogeneity.
 3. The project would politically, economically, or socially merge an existing identifiable community with another community.
 4. The project has substantial growth inducing potential because it would result in:
 - (a) Extending a major roadway into an undeveloped area.
 - (b) Extending a sewer trunk line into a substantial area not currently served.
 - (c) Extending water service to a substantial area not currently served.
 - (d) Providing any other public service or facility to a substantial area which could not grow without such service.
 - (e) Encouraging or fostering growth in a substantially undeveloped area.
 5. The project, in conjunction with other past, present, or reasonably foreseeable future projects would result in significant cumulative environmental impacts.
 6. The project would result in substantial non-contiguous urban development.
 7. The project would conflict with the agricultural or open space planning goals of the General Plan and any applicable area plan.
- B. The Commission shall incorporate into their approval of a proposal feasible mitigation measures necessary to eliminate or reduce to a non-significant level those environmental effects determined by the Commission to be significant.
- C. The alternatives section of an environmental impact report shall thoroughly discuss alternatives as they relate to the provision of special district services.

9.100 Efficient Services and Orderly Development

- A. The Commission shall encourage proposals which meet community needs for efficient services and result in orderly development. A proposal will meet these criteria if the proposal does one or more of the following:
 - 1. Corrects a threat to the public health and safety.
 - 2. Consolidates services and service providers if such consolidations enhance the efficiency and quality of service.
 - 3. Restructures agency boundaries and service areas to provide more logical, effective, and efficient local government services.
- B. The Commission shall not approve a proposal that would result in significant adverse effects upon other service recipients of the affected district or other agencies serving the affected territory unless the approval is conditioned to eliminate or reduce to non-significant levels such effects.
- C. The service quality, efficiency, and effectiveness available prior to reorganization shall constitute a benchmark for determining significant adverse effects upon an interested party. The Commission may approve a proposal for reorganization which results in significant adverse effects if effective mitigating measures are included in the proposal.

9.110 Need for Services

- A. The Commission shall approve a proposal only if the Commission finds a need for service exists for the affected territory.
- B. A need for service exists if either of the following situations exist:
 - 1. There is an existing unmet service need for the affected territory which will be corrected by the proposal. A determination that an unmet service need presently exists shall be based on, but not be limited to, existing development, previous requests for the unmet service, and projected development and time frames; or
 - 2. The projected growth rate and density pattern and the land use policies of the General Plan or area plan indicate that the affected territory will be developed within five (5) years and will require the proposed services.

