

## **ATTACHMENT A DISCUSSION**

The City of Gonzales has updated its General Plan and will be submitting an application to LAFCO to amend their Sphere of Influence (SOI) to allow future annexations that would accommodate the planned growth outlined in their General Plan. As required by state law, the city and county have met to discuss the effects of growth and development resulting from the proposed Sphere of Influence amendment.

The MOA details agreement reached on a number of topics, including the following specific sections. A summary of the terms of each section is explained following the section title:

### **Section 1            Logical and Orderly Development**

This section describes the adoption of the City's General Plan, that the plan has set the basis for orderly growth and a recognition that urban growth needs to occur in the City, and that the County has a desire to implement its General Plan goals of city centered growth and agricultural preservation. The City General Plan is long-term, designating growth areas beyond the typical 20-year growth period to allow master planning of the growth areas.

### **Section 2            Direction of Future Development**

This section details agreement that the land use plan describes the areas to be developed in the long term. It further describes the City General Plan provisions for compact and sustainable growth patterns, establishing permanent urban edges, demonstrates a commitment for agricultural buffers, and mitigation of converted agricultural land. It also states that the County will work with the City to manage growth, consult with the City on development projects in the nearby unincorporated area, and preserve agricultural land to maintain physical separation between Gonzales and Soledad (and the prison) to the south and Chualar to the north.

### **Section 3            Specific Planning Action**

This section describes areas where the City will pursue amending their General Plan, including appropriate environmental review, to remove industrial areas south of Gloria Road and consider including an area adjacent to their existing industrial area. The parties agree to discuss the matter before the Board of Supervisors if modifications to these land use designations/permanent agricultural edge are proposed.

### **Section 4            Development Phasing and Annexations**

This section describes phasing provisions described in the City General Plan. The City desires to provide planning for large neighborhoods to ensure financial capability for infrastructure and orderly growth. LAFCO will analyze the proposal and ultimately decide how much land to include in the SOI as part of a public hearing process.

### **Section 5            Agricultural Land Compatibility**

This section describes the City's commitment to maintain agricultural land, within its growth boundaries, in production as long as possible, focus long term growth to the east, ensure that adjacent land uses are compatible with agricultural land, and work with the County to separate agricultural truck traffic from local traffic.

### **Section 6            Agricultural Land Conservation Program**

This section states the intention of both parties to preserve agricultural land around the city to ensure viability of the agricultural economy and discusses permanent agricultural easements as a tool to assist in that goal. The section further clarifies City General Plan

goals to mitigate loss of valuable agricultural land, provides guidance on how and when the program will be implemented, and describes a Committee to oversee the use of the mitigation fees. This provision also allows the cessation of the program if permanent agricultural easements are established on the City's North, West and South boundaries.

#### Section 7 Traffic Mitigation Fees

This section states that the County will prepare a Traffic Impact Fee program for this area within 18 months of LAFCO adoption of the Sphere of Influence and require consultation on development projects in the unincorporated area. The City will consider adopting the County's impact fee and charge the appropriate fee to development within the City for impacts to the County road network covered by the fee program. In the interim, both parties agree to fund pro rata fees to fund impacts to County and City roads.

#### Section 8 Tax Sharing

This section describes that the parties agree to discuss the existing Master Tax Sharing Agreement prior to any annexation, except all land within the existing Sphere of Influence. The parties also agree that all local taxes, for any annexation that is not consistent with the MOA, shall not accrue to the benefit of the City, to the extent allowed by law.

#### Section 9 Environmental Review, Public Hearing and Local Decision-Making

This section recognizes the need for California Environmental Quality Act review, public hearings, and public outreach prior to any binding decisions. It recognizes that the MOA is a document that states tentative policy commitments until all legal steps have been completed.

This draft agreement is consistent with the County's General Plan requirements for city centered growth and the preservation of agricultural land. It establishes the policy of the City and County to do all that they can to preserve the agricultural uses surrounding the city and to ensure cooperation in how growth is to occur in the area. Staff recommends that the Board of Supervisors direct the Chair to sign the Memorandum of Agreement on behalf of the County.