



Municipal Services Agency

Planning and Community
Development

Robert Sherry, Director

Terry Schutten, County Executive
Paul Hahn, Agency Administrator

County of Sacramento

SEP 11 2007

Mr. Greg Chew
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

Dear Mr. Chew:

Thank you for continuing to coordinate with the staff of the Sacramento County Planning and Community Development Department regarding SACOG's pending Regional Housing Needs Allocation (RHNA) plan. We appreciate your setting a meeting between the County and the City of Rancho Cordova on how the RHNA addresses the Rancho Cordova's SOI area within Sacramento County. We appreciate your efforts to be proactive regarding the issue of the loss of land in unincorporated counties that is relied upon to meet RHNA requirements to new cities or annexed areas.

At our recent meeting, SACOG staff and Counsel clarified that it would not be in the County or Rancho Cordova's best interest to request a higher unit count in the area under the current methodology because SACOG would simply take those units from the regional total and allocate them to this geographic location.

However, under the current draft RHNA, Sacramento County does not anticipate that the County will be able to meet the adequate sites' test for multiple family zoned land. So, while the RHNA may presume that the County has the potential to accommodate the projected growth amounts through 2013, the County's analysis indicates that the County will need to rezone new lands to multiple family and mixed-use zones to meet the RHNA. In addition, presumably both Sacramento County and the City of Rancho Cordova are among the jurisdictions that have an increased RHNA allocation due to the 30% cap component of the methodology from other jurisdictions. Therefore, the number of units assigned to each jurisdiction is not entirely based on SACOG's analysis of where growth is most likely to occur during the Housing Element planning period.

Therefore, the geographic area identified by the City of Rancho Cordova for their SOI may become an important location for Sacramento County to meet the RHNA, in great part due to the existence of high quality transit service along the light rail line. In addition to the fact that the County has rezoned the Sunrise light-rail station as part of our recently completed Housing Element rezone program, there are several other locations that are targeted under the County's transit master planning efforts for the creation of transit-oriented developments. In fact, private applications have been submitted for close to 1,500 dwelling units at existing and a newly proposed light rail station in this proposed SOI area.

Letter to Greg Chew, SACOG

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The City of Rancho Cordova has not yet initiated negotiations with the County regarding issues surrounding annexation. The County is, therefore, unclear as to the length of time that it may take to conclude the annexation process.

Staff has discussed the issue of assumed units in the SOI area subsequent to the meeting arranged by SACOG and was unable to negotiate a compromise. However, the County cannot agree to a 53-unit allocation particularly if that allocation will be used later by SACOG and LAFCO as a basis for distributing a change in a RHNA plan allocation between the unincorporated County and the City of Rancho Cordova. Given that the County may meet a component of our sites' requirement in this area, given that the timing of annexation is unknown, and given that we are unable to reach an agreement, Sacramento County requests that the RHNA not call out the Rancho Cordova SOI area and that the 53 units be folded back into the unincorporated County allocation. At the time that annexation is imminent, the two jurisdictions can then revisit this issue based on what is known at the time of actual annexation.

We sincerely appreciate your willingness to work with us on these issues.

Sincerely,



Robert Sherry
Director, Planning and Community Development

cc: Supervisor Don Nottoli, Chair, Board of Supervisors
Supervisor Roger Dickinson, District 1
Supervisor Jimmie Yee, District 2
Supervisor Susan Peters, District 3
Supervisor Roberta MacGlashan, District 4
Terry Schutten, County Executive
Paul Hahn, Municipal Services Agency
Rob Leonard, Economic Development
Paul Junker, City of Rancho Cordova Planning



SEP 16 2007

David Sander
*Mayor***Linda Budge**
*Vice Mayor***Ken Cooley**
*Councilmember***Robert McGarvey**
*Councilmember***Dan Skoglund**
Councilmember

September 16, 2007

Mr. Greg Chew
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

RE: RHNA Allocations with City Sphere of Influence

Dear Mr. Chew:

Thank you for taking time to meet with staff members of the City of Rancho Cordova and Sacramento County on August 13, 2007. Your input during that meeting clarified numerous issues on the RHNA process, including guidelines related to the transfer of RHNA obligations in the event of an annexation. Recognizing the RHNA process is inherently challenging, particularly given the total obligation assigned to the SACOG region, the City would like to offer all possible support to conclude this effort and proceed with updating our Housing Element.

This letter is provided in response to the proposal of County Planning Director Robert Sherry to eliminate the current RHNA allocation within the Rancho Cordova Sphere of Influence (SOI), thus requiring this issue to be negotiated within the City's annexation process that is currently underway. While sympathetic to the County's concerns, the City cannot support this request and urges SACOG to proceed with its established regional methodology for allocating RHNA obligations.

During our meeting, Jennifer Gore provided a review of pending and recently adopted legislation related to RHNA and Housing Element updates. Based upon Ms. Gore's review, it seems clear the State has recognized the confusion over RHNA transfers that can occur when annexations are approved. Specifically, approval of AB 1019 established clear procedures for RHNA transfers in the event of an annexation of land from a county to an incorporated city.

Based upon our discussions, SACOG has established a policy of assigning RHNA obligation to city SOI's that are likely to be annexed within the next seven years. This policy is consistent with the State's intent, enacted through AB 1019, to facilitate RHNA transfers when annexations occur.

In the case of Rancho Cordova's SOI, the land area at issue was fully within the City's SOI well prior to the current RHNA effort and the annexation proposed at this time encompasses the entire SOI and no additional lands. These circumstances are consistent with the provisions AB 1019 which guide the logical transfer of RHNA allocations. The City has recently submitted its

LAFCo application to annex the City SOI, with extensive efforts on public outreach, analysis of public services, consideration of current and foreseeable land uses and completion of environmental review. The City anticipates LAFCo will act upon the proposed annexation within no more than one year.

Given the regional methodology applied by SACOG and the guidelines and procedures established through AB 1019, the City requests that SACOG establish a specific allocation for the Rancho Cordova SOI. Should SACOG wish to review the allocation of dwelling units for the City's SOI within the current RHNA process, the City is willing and available to meet and provide input on the topic. Since our last meeting additional information has become available on the feasibility and timing of residential projects within the City's SOI, information that would be relevant to any discussion of RHNA allocations to the City SOI.

Please contact me once you have had the opportunity consider the City's request and recommendation on RHNA obligations within our Sphere of Influence.

Respectfully submitted,

CITY OF RANCHO CORDOVA



Paul Junker
Planning Director

cc: Mayor David Sander
Vice Mayor Linda Budge
Council Member Skoglund
Council Member McGarvey
Council Member Cooley
Ted Gaebler, City Manager
Reed Flory, Housing Services Administrator

As your letters indicate, the City and County do not agree on the number of units to be assigned to the Rancho Cordova SOI in the RHNP or how much of the County's regional housing need allocation should be transferred to the City at the time of annexation. Based on this disagreement, and in light of the provisions of AB 1019, SACOG will not assign a number of units to the Rancho Cordova SOI area in the 2006-2013 RHNP. If the City and County still cannot agree on a number of units to be transferred to the City at the time of annexation, SACOG will make a determination at that time in accordance with the provisions of AB 1019.

SACOG encourages the City and County to continue their discussion concerning the planning and annexation of the SOI. If you would like to meet again to discuss establishing a number of units to be transferred in the event of annexation, SACOG would be happy to work with both of you.

You are welcome to give testimony directly to the SACOG Land Use, Housing & Air Quality Committee on October 18 at 9:00 a.m., and/or to the Board of Directors on October 29, 2007, at 9:00 a.m. regarding the substantive issues presented in your letter. If you determine that you do not want your letter and this response submitted to Board, please notify Greg Chew, SACOG's RHNA Project Manager, by October 19, 2007. If you have any other questions, please feel free to contact Greg Chew, or Kacey Lizon, Senior Planner, at (916) 340-6227 and (916) 340-6265, respectively.

Sincerely,



Mike McKeever
Executive Director

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