



CITY *of* CLOVIS

1033 FIFTH STREET • CLOVIS, CA 93612

June 15, 2018

Jean M. Rousseau, Fresno County Administrative Officer
2281 Tulare Street, Suite 304
Fresno, CA 93721

Re: Proposed changes to the Standards of Annexation included in the June 2017 Amended and Restated Memorandum of Understanding between the County of Fresno and the City of Clovis

Dear Mr. Rousseau:

On June 4, 2018, the Clovis City Council approved proposed changes to the Standards of Annexation included in the June 2017 Amended and Restated Memorandum of Understanding between the County of Fresno and the City of Clovis ("Agreement"). The City of Clovis is requesting these proposed changes be brought before and considered for approval by the Fresno County Board of Supervisors as the first amendment to the Agreement.

The request to amend the Agreement is focused on the "Standards of Annexation." Clovis City Council recently adopted a resolution addressing the City's position regarding the unaccommodated need of 4,420 units to meet the State Regional Housing Needs Assessment (RHNA). The resolution also included a rezone program including one option to amend the Tax Sharing Agreement, allowing annexation of property for the purpose of meeting the RHNA.

Secondly, there is interest in developing and annexing properties within the County area known as the Dry Creek Preserve which is a reverse peninsula. Woodside Homes is currently processing a Project within the Dry Creek Preserve Area. It is proving to be very difficult to create an annexation boundary which is consistent with the current "Standards of Annexation." Both City and County staff agree that amending the Agreement is a more viable option to address the Dry Creek Preserve rather than a Stand Alone Agreement with every annexation that occurs. The City of Clovis is requesting the Fresno County Board of Supervisors consider the attached draft First Amendment to the Agreement.

The City of Clovis appreciates your efforts and continued partnership. If you have any questions, please feel free to contact City Planner Bryan Araki at (559) 324-2346 or bryana@cityofclovis.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Luke Serpa', with a long horizontal flourish extending to the right.

Luke Serpa
City Manager

cc: Steven White, Director, Department of Public Works and Planning
Bernard Jimenez, Assistant Director, Department of Public Works and Planning

Enc: Draft First Amendment to 2017 Amended and Restated MOU

**FIRST AMENDMENT TO
2017 AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING
COUNTY OF FRESNO AND CITY OF CLOVIS**

This First Amendment to the 2017 Amended and Restated Memorandum of Understanding ("First Amendment") is made and executed this ____ day of _____, 2018 ("Effective Date"), by and between the County of Fresno, a political subdivision of the State of California ("County") and the City of Clovis, a municipal corporation of the State of California ("City"), with respect to the following Recitals, which are a substantive part of this First Amendment. County and City are each a "party" to this First Amendment and are sometimes collectively referred to as "the parties" to this First Amendment.

RECITALS

A. On June 6, 2017, the parties entered into an Amended and Restated Memorandum of Understanding ("MOU"), a comprehensive agreement covering development, annexations, sales taxes, property taxes, and other matters, which is on file with County and City.

B. City and County desire to amend the MOU provisions relating to City annexations to address the City's Regional Housing Needs Assessment ("RHNA") requirements, the Dry Creek Preserve Master Plan approved by the City Council on June 4, 2018, and other minor clarifying changes.

NOW, THEREFORE, City and County agree as follows:

1. Amendment to Exhibit 1, Standards for Annexation. Exhibit 1, Standards for Annexation, of the MOU shall be amended to read as shown in the attachment to this First Amendment.

2. Addition of Section 2.4.2, to Article II, Annexations by City. Section 2.4.2 is hereby added to Article II, Annexations by City, of the MOU to read as follows:

2.4.2 The proposed annexation under this Section 2.4 shall not create an island and shall minimize creation of peninsulas and corridors, or other distortion of boundaries.

3. Other Terms of MOU Unaffected. Except as expressly modified by the terms of this First Amendment, all other terms of the MOU shall remain in full force and effect.

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1 IN WITNESS WHEREOF, the parties hereto have executed this First Amendment in the County
2 of Fresno, State of California, effective on the dates set forth above.

3 **COUNTY OF FRESNO**, a Political **CITY OF CLOVIS**, a Municipal Corporation of
4 Subdivision of the State of California ("County") the State of California ("City")

5 By: _____
6 Sal Quintero, Chairperson of the Board
7 of Supervisors of the County of Fresno

By: _____
Bob Whalen, Mayor
City of Clovis

8 **ATTEST:**
9 BERNICE E. SEIDEL
Clerk of the Board of Supervisors

ATTEST:
JOHN HOLT
City Clerk, City of Clovis

10 By: _____
11 Deputy

By: _____
John Holt, City Clerk

EXHIBIT 1

STANDARDS FOR ANNEXATION
(2018 REVISED)

- The proposal must be consistent with adopted sphere of influence of the city and not conflict with the goals and policies of the Cortese-Knox-Hertzberg Act.
- The proposal must be consistent with city general and specific plans, including adopted goals and policies.
- Pursuant to CEQA, the proposal must mitigate any significant adverse effect on continuing agricultural operations on adjacent properties, to the extent reasonable and consistent with the applicable general and specific plan.
- A proposal for annexation is acceptable if one of the following conditions exist:
 1. There is existing substantial development provided the City confines its area requested to that area needed to include the substantial development and create logical boundaries.
 2. Development exists that requires urban services which can be provided by the City.
 3. If no development exists, at least 25% of the area proposed for annexation has:
 - i. Approved tentative subdivision map(s) (S.F. residential)
 - ii. Approved site plan (for other uses including multi-family)
 4. The annexation is to fulfill the city's Regional Housing Needs Allocation (RHNA) obligation which otherwise cannot be accommodated on lands currently within the city's incorporated boundary.
- The proposal would not create islands. Boundaries must ultimately minimize creation of peninsulas and corridors, or other distortion of boundaries.

For any of the following circumstances listed below a proposal for annexation is presumed to comply with all standards for annexation:

- The request for annexation is by a city for annexation of its own publicly-owned property for public use.
- The request for annexation is by a city in order to facilitate construction of public improvements or public facilities which otherwise could not be constructed.

- 1 ▪ The request for annexation is to remove an unincorporated island, substantially surrounded area, or
- 2 otherwise address existing peninsulas and/or irregular boundaries.
- 3 ▪ The request for annexation is within and consistent with the Dry Creek Preserve Master Plan
- 4 Annexation Program as adopted by the City.
- 5 ▪ The annexation is intended to mitigate or otherwise comply with standards/conditions required by
- 6 another agency with respect to another development/annexation