<u>City of Merced Annexation Pre-Application Process (Approved July 6, 2021)</u>

The City of Merced's new "Annexation Pre-Application Process" will be conducted as follows:

- 1) Applicant submits an "Annexation Pre-application" along with supporting materials and application fee (equivalent to a Major Site Plan Review fee). The fee will be credited against a future annexation application.
- 2) Planning staff will schedule meeting(s) with City staff members representing various City Departments (i.e. Police, Fire, Engineering, Public Works, Economic Development, Parks, etc.), as well as Merced County Local Agency Formation Commission (LAFCO) staff to discuss the pre-application with the applicants, including the inclusion of additional properties if recommended by LAFCO.
- 3) Planning staff will schedule the pre-application for a regularly scheduled City Council meeting. No public hearing or notification to existing property owners shall be required.
- 4) Planning staff will prepare a report for City Council with the relevant information on the project and provide an analysis of how well the project addresses the "merit criteria" as described in the next section. An analysis of the project's infrastructure needs would also be included in consultation with Engineering and Public Works staff.
- 5) The City Council will weigh various factors to determine if the pre-application has sufficient merit to move forward, including the consistency with the "merit criteria," the applicant's demonstrated capacity to develop the project, the project's design quality, and community benefits being offered. The City Council will then indicate general support or non-support for an official annexation application moving forward.
- 6) After the City Council meeting, it would be up to the applicant to decide if they wanted to move forward with an official annexation application or not.

General Plan Policy Regarding Annexations/Merit Criteria/Community Benefits

Merced Vision 2030 General Plan Urban Expansion Implementing Action UE-1.3.g will be used as the "merit criteria" for evaluating future annexation requests:

"UE-1.3.g--Evaluate future annexation requests against the following conditions:

- a) Is the area contiguous to the current City limits and within the City's Specific Urban
- b) Development Plan (SUDP)/Sphere of Influence (SOI)? Do the annexed lands form a logical and efficient City limit and include older areas where appropriate to minimize the formation of unincorporated peninsulas?
- c) Is the proposed development consistent with the land use classifications on the General Plan Land Use Diagram (Figure 3.1)?
- d) Can the proposed development be served by the City water, sewer, storm drainage, fire and police protection, parks, and street systems to meet acceptable standards and service levels without requiring improvements and additional costs to the City beyond which the developer will consent to provide or mitigate?

- e) Will this annexation result in the premature conversion of prime agricultural land as defined on the Important Farmland Map of the State Mapping and Monitoring Program? If so, are there alternative locations where this development could take place without converting prime soils?
- f) Will a non-agricultural use create conflict with adjacent or nearby agricultural uses? If so, how can these conflicts be mitigated?
- g) Does annexation of the area help the City reach one of the following goals?
 - 1) Does annexation of the area bring the City closer to annexation of the UC Merced campus and University Community?
 - 2) Does the area contain significant amounts of job-generating land uses, such as industrial, commercial, office, and business/research & development parks?
 - 3) Does the project provide key infrastructure facilities or other desirable amenities, such as the extension of major roads, utility trunk lines, parks and recreational facilities, etc.?"

NOTE: Assembly Bill 3312, adopted in 2020 by the State, allows the City of Merced to annex the UC Merced Campus via a road strip. AB 3312 also would allow the subsequent annexation of limited properties contiguous to the UC Merced Main Campus as of 1/1/21 once the UC Campus is annexed to the City. These properties can be deemed consistent with Criteria "a" above once the UC Campus is annexed.

Besides the criteria noted above, the Council would also look at other factors, including community benefits being offered by the project. These community benefits could include such things as constructing or funding affordable housing, constructing infrastructure or public facilities (i.e. parks, public transit, bike and roadway projects, sewer/water trunks, renewable energy projects, public health facilities, etc.) above what would normally be required of development; or funding of social programs (i.e. homeless, job training, recreation, etc.). Project design quality, the applicant's track record of successful development, the applicant's financial ability to ensure the development will move forward, and other factors could also be considered.