LAFCO
San Diego Local Agency Formation Commission

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AGENDA REPORT
Consent | Information

April 2, 2018

TO: San Diego Commissioners

FROM: Robert Barry, Chief Policy Analyst

SUBJECT: **Current Proposal Activity**

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a report identifying active proposals on file and pending future hearing before the Commission. The report also summarizes pending proposals expected to be submitted in the near term. The report is for information only and satisfies the Commission's reporting requirement to the affected agencies under Government Code Section 56857.

BACKGROUND

LAFCO Proceedings

LAFCO proceedings for consideration of proposed changes of organization or reorganizations – which include incorporations, formations, annexations, detachments, mergers, consolidations, and service power activations or divestures – may be initiated by landowner/voter petitions or resolutions by local agencies. LAFCOs may also initiate proposals specific to forming, consolidating, or dissolving special districts if consistent with the recommendations of approved municipal service reviews. Following submittal, proposals are reviewed for completeness and status letters are sent to applicants within 30 days. If proposals require additional information they are deemed incomplete and the status letters itemize needed information. Once proposals are deemed complete they are scheduled for hearing. Proposals involving outside service extension requests follow separate proceedings and may be administratively approved by the Executive Officer if addressing documented public health or safety threats.

Active Proposals

There are ten active proposals currently on file with San Diego LAFCO. All of the submitted applications for the following proposals are considered incomplete at this time, and no hearing dates have been scheduled.

- **"County Service Area No. 115 (Pepper Drive) Reorganization" (Lakeside Fire Protection & San Miguel Consolidated Fire Protection Districts) | RO14-12; RO14-13**
  This reorganization proposal consists of two separate applications to annex the same approximate 450 acre service area of County Service Area (CSA) No. 115 (Pepper Drive), with one proposal application submitted by the Lakeside Fire Protection District (FPD) and the other submitted by the San Miguel Consolidated FPD. The competing proposals were subsequently combined into a single proposal and an ad-hoc stakeholder committee was assembled to provide input to staff given the proposal's underlying complexities. Subsequent discussions through the stakeholder process has resulted in Lakeside FPD and San Miguel Consolidated FPD agreeing to "split" the CSA No. 115 service area to each of the Districts, resulting in an equal division of the CSA's allocated property tax revenues to the annexing FPDs following dissolution. The submitted proposal application is incomplete and awaiting Board of Supervisors' approval for a negotiated property tax exchange agreement as well as additional analysis from staff to address remaining fiscal, service, and governance issues. The proposal is anticipated to be scheduled for Commission hearing in mid-2018.

- **"County Service Area No. 17 (San Dieguito Ambulance) Annexation" | DA16-10**
  This annexation proposal was submitted by resolution of the San Diego County Fire Authority as a cross-condition of the LAFCO approval for the "Rancho Santa Fe Fire Protection District (FPD) – CSA No.107 (Elfin Forest) Reorganization" (Ref. No.: SA/RO14-15), which involved the dissolution of CSA No. 107 and the annexation of its approximate 3,000 acre service area to the Rancho Santa Fe FPD. CSA No. 17 (San Dieguito Ambulance) presently provides advanced life support (ALS) ambulance transport services within Rancho Santa Fe FPD and adjacent cities. However, the former CSA No. 107 service area was not located within CSA No. 17 and the dissolution of the former was conditioned on a subsequent LAFCO submittal to annex the dissolution territory to CSA No. 17 following the reorganization with the Rancho Santa Fe FPD. The submitted proposal application is incomplete pending receipt of additional documentation from the applicant and anticipated to be scheduled for Commission hearing in mid-2018.

- **"Alpine Fire Protection District Island Annexation" | SA16-15; DA16-15**
  This annexation proposal was submitted by resolution of the Alpine Fire Protection District (FPD) and involves the annexation of approximately 6,647 acres of unincorporated territory located within the FPD's adopted sphere of influence. The annexation area is currently located within the LAFCO-activated fire protection latent power area of CSA No. 135. The submitted proposal application is incomplete and awaiting Board of Supervisors' approval for a negotiated property tax exchange agreement. The proposal is anticipated to be scheduled for Commission hearing in early to mid-2018.

- **"County Service Area No. 135 Islands Reorganization and Latent Powers Expansion" | SA16-20; LP16-20**
  This reorganization proposal was submitted by resolution of the San Diego County Fire Authority and involves the expansion of CSA No. 135's latent powers to provide fire protection and emergency medical services to three unincorporated and unserved island areas totaling approximately 21,048 acres. A concurrent amendment to add the affected territory to CSA No. 135's sphere of influence is also required to accommodate the proposed action. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis. The proposal will also require Board of Supervisors' approval for a negotiated property tax exchange agreement. The proposal is anticipated to be ready for Commission hearing in early to mid-2018.

- **"San Marcos Highlands Reorganization" (City of San Marcos) | SA17-07; RO17-07**
  This reorganization proposal was submitted by resolution of the City of San Marcos and involves annexation of approximately 125 acres to the City with concurrent service area reorganizations between the San Marcos FPD and the Vista FPD for fire protection services, and between the Vallecitos WD and Vista ID for the provision of sewer and water services. The City of San Marcos has approved development plans and environmental review for a 189 unit single-family residential development called "San Marcos Highlands." The City's approvals included a condition requiring the City and the County to execute a habitat protection agreement with State and Federal agencies for the proposal area. The submitted proposal application is incomplete pending receipt of additional documentation – including the referenced habitat document – and information from the applicant to complete staff's analysis. The proposal is anticipated to be scheduled for Commission hearing in mid to late-2018.

- **"Rincon del Diablo Municipal Water District Reorganization and Latent Sewer Power Activation" | LP17-10; RO17-10**
  This reorganization proposal was submitted by resolution of the Rincon del Diablo Municipal Water District (MWD) and involves activation of the MWD's latent power for sewer service within the approximate 450 acre Harmony Grove Village (HGV) service area of the San Diego County Sanitation District (SD). The HGV is presently located within the MWD's service area and sphere of influence for water service. The proposed reorganization would detach the HGV area from the San Diego County SD, establish a service-specific sphere of influence for the detachment area, and activate the MWD's latent sewer power to assume responsibility for the provision of sewer service within the HGV. The submitted proposal application is incomplete pending additional analysis and a property tax agreement. It is anticipated the proposal will be scheduled for Commission hearing in early 2018.

- **"Trinh Reorganization" Latent Sewer Power Expansion (Olivenhain Municipal Water District) | LP(E)18-01; SA18-01; RO18-01**
  This reorganization proposal was submitted by resolution of the Olivenhain Municipal Water District (MWD) and involves an amendment to the MWD's service-specific sphere of influence and an expansion of the MWD's activated latent sewer power area to include the approximate 20.0 acre proposal area. The proposed reorganization area is presently located in the MWD's authorized water service area. The proposed reorganization would expand the MWD's activated latent sewer power area to provide both sewer and water services to the proposal area. The submitted proposal application is incomplete pending additional analysis and a property tax agreement. It is anticipated the proposal will be scheduled for Commission hearing in mid-2018.

- **"Pankey Contractual Service Agreement" (Valley Center Municipal Water District) | SA18-04; OAS18-04**
  Proposed by resolution of the Valley Center Municipal Water District (MWD) is an Out of Agency Service Agreement (OAS) for the provision of sewer service between the MWD and the landowner of two unincorporated parcels totaling approximately 13.1-acres. The proposal area serves as one legal residential lot that contains one single-family residence presently utilizing an underground septic system and leach field for its wastewater disposal needs. Adjacent construction grading for a pending residential development is expected to adversely impact the existing leach field for the residence. The proposal area is not located within the Valley Center MWD's authorized service area or adopted sphere of influence. The Valley Center MWD is requesting approval of the OAS with the landowner to extend sewer service outside of its sphere and service area to avoid an impending threat to the health and safety of the residents of the affected territory. The submitted proposal remains incomplete pending additional analysis and discussion with the MWD. It is anticipated the proposal will be scheduled for Commission hearing in mid-2018.

- **"Hymettus Avenue – Zinser Annexation" (Leucadia Wastewater District) | RO18-05**
  This annexation proposal was submitted by resolution of the Leucadia Wastewater District and involves annexation of one incorporated parcel approximately 0.27-acre in size located within the City of Encinitas to the Leucadia Wastewater District for the provision of sewer service to one existing single-family residence and a pending accessory unit. The proposed annexation area is located within the adopted sphere of influence for the Leucadia Wastewater District and is surrounded by the District's service area. The submitted proposal application is incomplete pending additional analysis. It is anticipated the proposal will be scheduled for Commission hearing in mid-2018.

- **"North Avenue Estates Reorganization" (City of Escondido) | RO18-06, RO13-04, RO13-39, & RO15-15**
  This reorganization proposal was submitted by resolution of the City of Escondido and involves annexation to the City of approximately 17.96-acres of unincorporated territory located within the Escondido sphere of influence, with concurrent detachments from the Deer Springs Fire Protection District (FPD) and County Service Area No. 135 (Regional Communications). The proposal area includes five parcels, three of which are presently developed with one single-family residence. The two undeveloped parcels within the proposal area total approximately 17.20-acres and are subject to a Tentative Subdivision Map (TR916R) adopted by the City that permits the development of 34 single-family residences. The three developed parcels are each subject to an existing Out of Agency Service Agreement (OAS) with the City of Escondido for sewer service due to failing or failed septic systems ["714 North Avenue-Clem Reorganization," (OAS 13-04/RO 13-04); "632 North Avenue-Martinez Reorganization," (OAS13-39, RO13-39); and "644 North Avenue - Lozano Reorganization," (OAS15-15/RO15-05). The three OAS parcels have been included within the proposed reorganization area to resolve their OAS agreements and complete their reorganizations with the City. The submitted proposal application is incomplete pending additional analysis. It is anticipated the proposal will be scheduled for Commission hearing in mid-2018.

Pending Proposals

There are two potential new and substantive proposals staff expects to be submitted to San Diego LAFCO in the near-term from local agencies based on ongoing discussions with proponents.[1] These potential proposals are summarized below and included in this report to aid LAFCO in telegraphing upcoming workload.

[1] Staff uses discretion in listing pending proposals and limits notice to only activities to be initiated by a local governmental agency. Pending proposals to be initiated by landowners and/or registered voters are not disclosed until an actual filing is made.

- **"Safari Highlands Reorganization" | City of Escondido**
  This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido with an expected submittal to LAFCO later in 2018. The anticipated proposal involves annexation of approximately 1,098 acres to the City for the primary purpose of developing a 550-lot residential subdivision. All of the affected territory lies outside the current City sphere of influence, and as such requires a sphere amendment to accommodate the proposed reorganization. Due to the scope of the proposal area a comprehensive update of the City's sphere of influence is warranted along with preparing the supporting municipal service review document. These and other jurisdictional and environmental issues have been communicated to the City and currently under joint-review with other stakeholders.

- **"Rancho Lomas Verdes Reorganization" | City of Vista**
  This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Vista with an expected submittal to LAFCO later in 2018. The anticipated proposal involves annexation of approximately 309 acres to the City for the primary purpose of developing a 153-lot residential subdivision. Close to three-fourths of the project area lies outside the current City sphere of influence, and as such requires a sphere amendment to accommodate the proposed reorganization. Due to the scope of the proposal area a comprehensive update of the City's sphere of influence is warranted along with preparing the supporting municipal service review document. These and other jurisdictional and environmental issues have been communicated to the City and currently under joint-review with other stakeholders.

DISCUSSION

This item is being presented for information only and identifies all active proposals currently on file with San Diego LAFCO. The report also – and for telegraphing purposes of future workload – identifies pending proposals staff anticipates being filed with LAFCO in the near term.

ANALYSIS

San Diego LAFCO presently has on file 10 active proposals. All of the submitted applications for the following proposals are considered incomplete at this time, and no hearing dates have been scheduled.

ALTERNATIVES FOR ACTION

This item is being presented for information only.

RECOMMENDATION

It is recommended San Diego LAFCO receive the item; no action necessary.

PROCEDURES

This item has been placed on the San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of staff,



Robert Barry, AICP
Chief Policy Analyst

Attachment: None

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