



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

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AGENDA REPORT
 Public Hearing

January 6, 2020

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: **Proposed “Las Flores Change of Organization” | Annexation to Vallecitos Water District and Sphere Amendment (DA19-12)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal filed by an interested landowner to annex 0.6 incorporated acres in the City of San Marcos to the Vallecitos Water District (WD). The proposal’s purpose is to extend wastewater service to the affected territory to facilitate the remodeling of an existing single-family residence. Staff recommends approval of the proposal with modification to expand the affected territory to include 0.2 acres of the adjacent public right-of-way along Las Flores Dive. A conforming amendment to add the affected territory to the Vallecitos WD sphere of influence along with standard approval terms are also recommended.

BACKGROUND

Applicants’ Request

San Diego LAFCO has received an application from an interested landowner – John De Maria – requesting approval to annex 0.6 acres of incorporated land within the City of San Marcos to Vallecitos WD. The affected territory as submitted includes one entire parcel developed with an approximate 1,000 square foot single-family residence at 671 Las Flores Drive. The subject parcel also includes a private driveway along its southern perimeter that provides street access to a neighboring property at 673 Las Flores Drive. The subject parcel is identified

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by the County of San Diego Assessor's Office as 219-062-27.

Affected Territory

The following map shows the approximate location of the affected territory in context to the greater San Marcos region. Attachment One shows the affected territory relative to the proposed boundary change involving Vallecitos WD.



Source: San Diego LAFCO

Subject Agencies

The proposed change of organization filed with San Diego LAFCO involves one subject agency: Vallecitos WD.¹ A summary of the subject agency in terms of resident population, municipal service functions, and financial standing follows.

- Vallecitos WD is an independent special district formed in 1955 and spans approximately 28,800 acres or 45 square miles and includes nearly all of the City of San Marcos as well as portions of the Cities of Carlsbad, Escondido, and Vista. Vallecitos WD also extends into the adjacent unincorporated communities of Twin Oaks and Deer Springs. A five-member Board of Directors oversees Vallecitos WD's three active municipal service functions: water (retail class); recycled water (retail class); and wastewater (collection, treatment, and disposal classes). The estimated resident population is 102,129 with an average annual growth rate of 1.9% since 2010 and the last census reset. LAFCO established a sphere of influence for Vallecitos WD in 1985, which was last updated in 2007 with a larger-than-agency designation to include 2,150 non-

¹ State law defines "subject agency" to mean any district or city for which a change of organization or reorganization is proposed.

jurisdictional acres and equals 7.5% of the jurisdictional boundary. Vallecitos WD's audited net position is \$262.2 million as of June 30, 2018 and has increased by 5.1% over the prior three fiscal years.

Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of 11 local agencies directly subject to San Diego LAFCO. These agencies qualify as “affected agencies” relative to the proposed reorganization and listed below.²

- City of San Marcos
- County Service Area No. 135 - Regional Communications
- North County Cemetery District
- San Diego County Water Authority
- Metropolitan Water District of Southern California
- Palomar Health Healthcare District
- Resource Conservation District of Greater San Diego County
- San Diego County Flood Control District
- San Diego County Street Lighting District
- San Marcos Fire Protection District
- Vista Fire Protection District

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the change of organization proposal to annex the affected territory to Vallecitos WD. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose and Commission focus follows.

Proposal Purpose

The primary purpose of the proposed change of organization before San Diego LAFCO is to facilitate the remodeling of the existing single-family residence within the affected territory by making available public wastewater service. Vallecitos WD's wastewater main is located approximately 225 feet from the affected territory and within the public right-of-way on Las Flores Drive at its intersection with Perdido Place. The affected territory is already within the Vista Irrigation District and connected to its water system.

² State law defines “affected local agency” as any entity that contains, or would contain, or whose sphere contains or would contain, any territory for which a change of organization is proposed or ordered. Notice of the proposal and hearing were provided to the agencies.

Development Potential

The subject parcel comprising the affected territory is designated under the City of San Marcos General Plan as Rural Residential with a separate zoning assignment of Residential Estate (R-1-20). This zoning assignment prescribes a minimum lot of size of 0.5 acres with a maximum building height of 35 feet or two stories. This zoning standard precludes the subject parcel from further density development. The zoning does allow for additional intensity with one accessory dwelling unit at a maximum size of 800 square feet.

Commission Focus

Three central and sequential policy items underlie San Diego LAFCO's consideration of the proposed change of organization. These policy items take the form of determinations and orient the Commission to consider the stand-alone merits of (a) an accommodating sphere of influence amendment, (b) timing of the annexation itself, and (c) whether discretionary boundary modifications or approval terms are warranted. The Commission must also consider other relevant statutes in and outside of LAFCO law as detailed.

ANALYSIS

San Diego LAFCO's analysis of the proposed change of organization is divided into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and specifically analyzing the merits of a sphere amendment and the annexation as well as whether modifications and terms are appropriate in further addressing Commission goals and policies. The second subsection considers other germane issues and highlighted by applicability under the California Environmental Quality Act (CEQA).

Central Policy Items

Item No. 1 | Sphere of Influence Amendment

The proposed change of organization necessitates San Diego LAFCO consider a sphere of influence amendment for Vallecitos WD to achieve consistency with the requested annexation under statute. Consideration of the amendment is premised on the Commission's statutory task to designate spheres to demarcate the affected agencies' appropriate current and future service areas relative to community benefits and needs as determined by the membership. To this end, staff believes it would be appropriate for the Commission to proceed and approve the amendment for the cumulative effect of recognizing Vallecitos WD as the best current and future wastewater service provider for the affected territory given three related policy factors. First, the affected territory lies in a developing residential community in the City of San Marcos in which Vallecitos WD is an established wastewater provider. Second, the affected territory is within reasonable range of an existing Vallecitos WD wastewater main. Third, an amendment would appropriately memorialize a Commission preference to promote the planning and connection therein to a public wastewater system in developing residential areas and eliminate private septic systems whenever feasible.

Conclusion | Merits of the Sphere Amendment

Approval of the sphere of influence amendment to designate Vallecitos WD as the appropriate provider of public wastewater service for the affected territory is warranted. Justification is marked by the preceding analysis and highlighted by proceeding with a relatively minor amendment to sync the Vallecitos WD sphere of influence to include a developed urban use consistent with the City of San Marcos General Plan and Zoning Ordinance. Additional analysis supporting the conclusion is provided in Appendix A and a noticed public hearing has been scheduled for the Commission to consider amending the sphere as required under statute.

Item No. 2 | Change of Organization Timing

The timing of the change of organization appears appropriate. This conclusion draws from the analysis of the factors required for consideration under statute anytime jurisdictional changes are proposed along with locally adopted Commission policies. Most of the prescribed factors and applicable policies focus on the impacts of the proposed annexation on the service and financial capacities of the *receiving* agency, Vallecitos WD (emphasis added). A summary of key conclusions generated in the review of these factors and applicable local policies follow with a complete analysis in Appendix B.

- Service Needs

Annexation of the affected territory to Vista ID would represent a logical and orderly expansion of the District's jurisdictional boundary and wastewater services therein and marked by accommodating an existing and planned need. Additional details follow.

- Establishing public wastewater services to the affected territory is consistent with the residential land use policies of the City of San Marcos; the governmental entity tasked now and into the foreseeable future with community planning by LAFCO as evident by the land's incorporated status and inclusion in the City sphere.
- There is an existing and reasonable need for public wastewater service to accommodate the current and planned residential use in the affected territory given the alternative would be to maintain a private septic system. This alternative – among other items – would counter the Commission's interest and practice in discouraging private septic systems in developing urban areas.
- The landowner's intention to remodel and expand the existing single-family residence within the affected territory helps to quantify the timing of the change of organization and annexation to Vallecitos WD is appropriate by syncing the boundary change with a specific development action.

- Service Capacities and Levels

Vallecitos WD has sufficient and excess water system capacities to accommodate projected service demands within the affected territory at its potential maximum development uses without substantive expansion of any public infrastructure. Additional details on relevant service capacities and levels follow.

- An existing Vallecitos WD wastewater main is located 225-feet from the affected territory within the public right-of-way intersection of Las Flores Drive and Perdido Place accessible through a minor extension and private lateral connection.
- It is projected the maximum average day wastewater demand generated within the affected territory is 500 gallons – one single-family residence and one future accessory dwelling unit. This amount represents 0.004% of the remaining available capacity of Vallecitos WD, and as such can be readily accommodated without additional resources or infrastructure planning.

- Service Funding and Costs

Vallecitos WD has the financial resources coupled with administrative controls to provide water services to the affected territory in support of its planned development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of Vallecitos WD’s recent audited statements which shows – among other items – the District remained profitable in each of the last three audited fiscal years with an average total margin of 9.4%.³

Conclusion | Merits of Change of Organization Timing

The timing of the change of organization and annexation therein of the affected territory to Vallecitos WD is sufficiently warranted. Justification is marked by the preceding analysis and appropriately responds to the need for wastewater service in a developing urban area and reflects available capacities and infrastructure. Additional analysis supporting the conclusion is provided in Appendix B.

Item No. 3 | Modifications and Terms

Staff believes one modification to the submitted change of organization proposal is appropriate and it involves San Diego LAFCO adding the adjacent public right-of-way to the centerline of Las Flores Drive and northwest to its intersection with Perdido Lane. This recommendation expands the annexation by 0.2 acres and captures the anticipated wastewater main extension needed to provide service to the affected territory.⁴ The recommended modification does not have a material effect on the applicant. Applying standard approval terms also appears appropriate. A map of the affected territory with the

³ Audited statements cover FY2016, 2017, and 2018.

⁴ The recommended modification purposefully excludes including Perdido Lane given its status as a private roadway.

recommended modification is provided as Attachment One.

One other distinct modification is prompted for consideration under both statute and local policy and involves reorganizing the proposal to include concurrent detachment from Vista ID and in doing so consolidate both wastewater and water services under Vallecitos WD. The mechanics of extending Vallecitos WD's water system to the affected territory, however, would necessitate considerable infrastructure costs and as such a reorganization is not sufficiently justified at this time.

Conclusion | Modifications and Terms

One modification appears appropriate to expand the affected territory to include 0.2 acres of adjacent public right-of-way on Las Flores Drive to Perdido Lane in providing a more orderly Vallecitos WD boundary. Standard approval terms are also appropriate.

Other Statutory Considerations

Exchange of Property Tax Revenues

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies before San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff has confirmed the County Board of Supervisors has adopted a master agreement applicable to the proposed reorganization. The application of this master agreement will result in a “no” exchange.

Environmental Review

CEQA requires San Diego LAFCO to assess whether environmental impacts would result from activities approved under the Commission's statutory authority. Accordingly, San Diego LAFCO is tasked with making two distinct determinations as lead agency under CEQA with respect to this proposal. This involves the (a) accommodating sphere of influence amendment and the (b) change of organization itself. The Executive Officer has determined both actions – the sphere amendment and change of organization – qualify as projects under CEQA but are exempt from further review based on the following findings.

- The amendment to the sphere of influence to add the affected territory to Vallecitos WD qualifies for exemption under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and any amendments do not change the environment or authorize any new uses or services.

- The change of organization of the affected territory to annex to Vallecitos WD qualifies for exemption under State CEQA Guidelines Section 15319(a). This exemption and its cross-reference to Section 15303 appropriately applies given the affected territory involving an annexation of lands already developed to its maximum density under existing land use policies.

Protest Proceedings

Protest proceeding for the reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under statute.⁵ The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agency has not filed an objection, and the sole landowner has consented to the underlying action as the initiating petitioner.⁶ Applying the recommended modification to include the adjacent public right-of-way to the affected territory also does not trigger protest.

RECOMMENDATION

Staff recommends approval of the change of organization proposal with modifications as specified along with a conforming sphere of influence amendment and standard terms. This recommendation is consistent with Alternative One in the proceeding section and would generate the following jurisdictional boundary change in San Diego County:

- Annexation of all 0.8 acres of the affected territory as modified to Vallecitos WD.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

Alternative One (recommended):

Adopt the attached draft resolution approving the change of organization proposal with a modification to include the adjacent public right-of-way on Las Flores Drive along with a conforming sphere of influence amendment and standard terms.

Alternative Two:

Continue consideration to a future meeting and provide direction to staff concerning additional information, as needed.

Alternative Three:

Disapprove the reorganization proposal with direction to staff to return at the next regular meeting with a conforming resolution for adoption.

⁵ Reference to Government Code Section 5662.

⁶ LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.

PROCEDURES FOR CONSIDERATION

This item has been placed on the agenda for action as part of a noticed public hearing. The following procedures, accordingly, are recommended in the Commission's consideration.

- 1) Receive verbal report from staff unless waived;
- 2) Open the hearing and invite audience comments starting with the applicant; and
- 3) Close the hearing, discuss item, and consider action on recommendation.

Respectfully,



Keene Simonds
Executive Officer

Appendices:

- A) Analysis of Sphere of Influence Factors
- B) Analysis of Boundary Change Factors

Attachments:

- 1) Vicinity Map of the Affected Territory with Recommended Modification
- 2) Draft Resolution of Approval
- 3) Landowner Petition

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**APPENDIX A
STATEMENT OF DETERMINATIONS
SPHERE OF INFLUENCE FACTORS**

(1) The present and planned land uses, including agricultural and open-space lands.

The affected territory as proposed by the applicant totals 0.6 acres and is part of an urbanizing incorporated area within the City of San Marcos and includes one subject parcel presently developed with an approximate 1,000 square foot single-family residence. Staff independently recommends expanding the affected territory to include 0.2 acres of adjacent public right-of-way. The City of San Marcos designates the subject parcel for low-density residential uses and no additional density is permissible under current zoning. The lands have not been cultivated for agricultural products and not subject to the Williamson Act. The lands are also not considered prime agriculture under LAFCO law and do not contain open-space. Present and planned land use are consistent with the proposal's purpose to establish public wastewater service to facilitate a remodel of the existing single-family residence and merits a conforming sphere of influence amendment to Vallecitos WD.

(2) The present and probable need for public facilities and services in the area.

There is a need for public wastewater service to accommodate the planned intensification of the residential use within the affected territory. This need is remedied by annexing the affected territory to Vallecitos WD along with a conforming sphere of influence amendment.

(3) The present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.

Vallecitos WD has available infrastructure capacities to connect and accommodate estimated demands within the affected territory at its maximum uses without adversely impacting current District ratepayers. Adding the affected territory to the Vallecitos WD sphere of influence is consistent with these capacities.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

Vallecitos WD has established explicit social and economic ties with incorporated lands surrounding the affected territory as the primary public wastewater service provider. These existing ties are relevant to the proposal and extend to the affected territory given the connection to Vallecitos WD's wastewater system is needed to allow the land to efficiently develop as contemplated under the City of San Marcos.

(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The affected territory is not in a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.

APPENDIX B

Government Code Section 56668

Proposal Review Factors

- a) **Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent areas, during the next 10 years.**
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The affected territory as proposed by the applicant is 0.6 acres in size and comprises one incorporated parcel in the City of San Marcos at 671 Las Flores Drive (219-062-27). The subject parcel is developed with an approximate 1,000 square foot residence and includes a private driveway along its southern perimeter to provide access to 673 Las Flores Drive. The affected territory is generally flat and part of an urbanizing neighborhood with several new residential subdivisions within the immediate area. The total assessed value (land only) in the affected territory is \$263,793 as of November 2019. Staff independently is recommending the expansion of the affected territory to include an additional 0.2 acres of incorporated land consisting of the adjacent public right-of-way along Las Flores Drive.

- b) **The need for municipal services; the present cost and adequacy of municipal services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**
-

The City of San Marcos acts as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and public safety with the latter including fire protection through a subsidiary - San Marcos Fire Protection District. Other pertinent service providers include Vista Irrigation District (domestic water). This proposal affects wastewater service and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**

The affected territory and its existing residential use is currently dependent on an onsite septic system with no major repairs performed in the last several decades. Vallecitos WD has an existing wastewater main located approximately 225-feet from the affected territory within the public right-of-way intersection of Las Flores Drive and Perdido Place. Connection to the system is available through a private lateral to a minor main extension within Las Flores Drive. It is projected the average daily wastewater flow for the affected territory at its maximum potential development use – which includes two units divided between one single-family residence and a possible accessory dwelling unit – is 500 gallons. This projected amount represents 0.004% of the current 11.640 million gallons of available and remaining daily contracted capacity allocated to Vallecitos WD at the Encina Water Pollution Control Facility.

c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

Approving the change of organization proposal and annexation to Vallecitos WD would explicitly establish economic and social ties between the District and the affected territory. These ties implicitly exist already given the affected territory's ability to develop to the maximum intensity allowed by the City of San Marcos is substantively dependent on establishing wastewater service with Vallecitos WD given the lack of viable alternatives.

d) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.

Approving the proposed change of organization and annexation to Vallecitos WD would facilitate the establishment of public wastewater service to facilitate the remodel and expansion of an existing single-family residence consistent with City of San Marcos' land use policies. Approval would be consistent with the Commission's adopted policies to sync urban type uses with urban type services. The affected territory does not qualify as "open-space" as defined under LAFCO law and no conflicts exists under G.C. Section 56377. Additional analysis concerning applicability of germane Commission policies follow.

- Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable require a consultation process with the affected agencies, interested parties, or organizations to help remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were disclosed by the applicant or identified by subject and affected agencies in the review of the proposal.

e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The affected territory does not qualify as "prime agricultural land" under LAFCO law. Specifically, the lands are not currently used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program. Approval of the change of organization proposal and annexation to Vallecitos WD would have no effect on maintaining the physical and economic integrity of agricultural lands.

f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment, the creation of islands or corridors of unincorporated territory, and other similar matters.

LAFCO is in receipt of a draft map and geographic description of the affected territory that details metes and bounds consistent with the standard of the State Board of Equalization.

Approval would be conditioned on a final map and description conforming to the referenced standards and address any modifications required by the Commission. Approval for reorganization of the affected territory would not create service islands or corridors of unincorporated territory.

g) A regional transportation plan adopted pursuant to Section 65080.

The proposed change of organization would facilitate the remodel and expansion of an existing single-family residence in an established and urbanizing metropolitan area and within close proximity to two major transportation corridors in State Route 78 and Interstate 15. The proposal, accordingly, does not conflict with San Diego Forward, the regional transportation plan prepared by San Diego Association of Governments (SANDAG).

h) Consistency with the city or county general and specific plans.

The proposed change of organization and annexation therein of the affected territory to Vallecitos WD to facilitate the remodel and expansion of an existing single-family residence consistent with the City of San Marcos' land use policies. The San Marcos General Plan designates the affected territory's subject parcel as Rural Residential with a separate zoning assignment of Residential Estate (R-1-20). This zoning assignment prescribes a minimum lot of size of 0.5 acres with a maximum building height of 35 feet or two stories. This zoning standard precludes the subject parcel from further density development. The zoning does allow for additional intensity with one accessory dwelling unit at a maximum size of 800 square feet. These land uses are consistent with the proposal and establishment of public wastewater services to the affected territory.

i) The sphere of influence of any local agency affected by the proposal.

See analysis provided as part of Appendix A.

j) The comments of any affected local agency or other public agency.

Staff provided notice of the change of organization proposal to all subject and affected agencies as required under LAFCO law. No written comments were received ahead of preparing this agenda report for distribution on December 20, 2019.

k) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Vallecitos WD has the financial resources coupled with administrative controls to provide wastewater services to the affected territory in support of the expected remodel and expansion of an existing single-family residence without adversely impacting current District

ratepayers. This comment is reflected in the staff analysis of Vallecitos WD's recent audited statements through 2017-2018 and supported by the following factors.

- Vallecitos WD's last audit (2017-2018) showed the District's net position at \$262.161 million with \$48.724 million categorized as unrestricted. This latter amount equals 10.5 months of operating expenses based on 2017-2018 actuals.⁷
- Vallecitos WD's net position has increased overall by 5.1% over the past three-year audited period.
- Vallecitos WD's average total margin over the last three audit years has been 9.4%. All three fiscal years produced positive total margins.

Should the Commission approve the change of organization the landowner will pay all required fees and service charges commensurate with Vallecitos WD's adopted fee ordinance in establishing wastewater services for the affected territory.

l) Timely availability of adequate water supplies for projected needs as specified in G.C. Section 65352.5.

The affected territory is presently located within Vista ID and connected therein to its public water system. Water supplies for Vista ID are primarily generated from the San Diego County Water Authority with the majority imported from the State Water Project and Colorado River. (Vista ID also maintains supplemental local supplies through Lake Henshaw.) The Water Authority's most recently adopted urban water management plan attests it has sufficient water supplies to meet its member agencies needs through the planning horizon of 2035 under normal and single-dry year conditions. Conservation measures, however, would likely be needed during severe and multiple dry-year conditions. To this end, Vista ID has established a contingency plan to reduce water demands in the event of supply shortages consistent with recommendations from the Water Authority and this includes drawing on supplies generated within the Lake Henshaw watershed.

m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments.

The proposed change of organization would not impact any local agencies in accommodating their regional housing needs. All potential units tied to the lands are already assigned to the City of San Marcos by the region's council of governments, SANDAG. The associated jurisdictional change involving Vallecitos WD would not affect this assignment.

⁷ Vallecitos WD's actual operating expenses in 2017-2018 totaled \$55.36 million.

n) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The affected territory is undeveloped with no registered voters and qualifies as “uninhabited” as defined by LAFCO law (containing 11 registered voters or less). The landowner has initiated the change of organization in conjunction with pursuing a development application with the City of San Marcos to remodel and expand an existing single-family residence.

o) Any information relating to existing land use designations.

See above analysis for (h).

p) The extent to which the proposal will promote environmental justice.

As used in this review factor, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed change of organization does not include locating new public facilities and therefore approval is not anticipated to directly influence the promotion of environmental justice within the affected territory.

q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the affected territory.

The affected territory is entirely incorporated and subject to the safety element of the City of San Marcos General Plan. The current General Plan was adopted in February 2012 and does not map the affected territory as part of any fire hazard zones within the City.

Section 56668.3(a)(1) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annex to the district.

Approval of the change of organization proposal would be in the best interest of current and future landowners and/or residents of the affected territory by providing access to reliable public wastewater service going forward.

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Proposed “Las Flores Drive Change of Organization”
 Annexation to the Vallecitos Water District
 LAFCO File No. CO19-12

- Vallecitos WD
- Proposed Annexation



San Diego County
 Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

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RESOLUTION NO. _____

SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

**“LAS FLORES DRIVE CHANGE OF ORGANIZATION”
ANNEXATION TO THE VALLECITOS WATER DISTRICT
LAFCO FILE NO. CO19-12**

WHEREAS, on July 18, 2019, landowner John De Maria filed a petition to initiate proceedings and an application with the San Diego County Local Agency Formation Commission, hereinafter referred to as “Commission,” pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the application seeks approval of a change of organization involving approximately 0.6 acres of incorporated territory within the City of San Marcos and the annexation to the Vallecitos Water District;

WHEREAS, the affected territory as proposed includes one incorporated parcel developed with a single-family residence and identified by the County of San Diego Assessor’s Office as 219-062-27; and

WHEREAS, an applicable master property tax transfer agreement applies to the proposed change of organization dated December 14, 1982; and

WHEREAS, the Commission’s Executive Officer has reviewed the proposed change of organization and prepared a report with recommendations; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public hearing on the proposal on January 6, 2020; and

WHEREAS, the Commission considered all the factors required by law under Government Code Sections 56668 and 56425 and adopted local policies and procedures.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The public hearing was held on the date set therefore, and due notice of said meeting was given in the manner required by law.

2. At the public hearing, the Commission considered the Executive Officer's report.
3. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering two distinct "projects" associated with the change of organization proposal as detailed in the Executive Officer's report: (a) an accommodating sphere of influence amendment and the (b) the change of organization itself. The Commission's findings follow.
 - a) The Commission finds the sphere of influence amendment to Vallecitos Water District to include the affected territory as described qualifies as a project under CEQA but exempt from further review under the "general rule" provision provided under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres are planning policies and any amendments do not make any changes to the environment or authorize any new uses or services.
 - b) The Commission finds the change of organization to annex the affected territory as described to the Vallecitos Water District qualifies as a project under CEQA but is exempt from further environmental review under State CEQA Guidelines Section 15319(a). This exemption appropriately applies given the project involves an annexation of land at its maximum density.
4. The Commission APPROVES the following sphere of influence amendment subject to successful recordation of the associated change of organization and in doing so makes the statements required under Government Code Section 56425 and provided in "Exhibit A."
 - a) The sphere of influence for the Vallecitos Water District is amended to include the affected territory as shown in "Exhibit B-1."
5. The Commission APPROVES the change of organization with a discretionary modification as described below and subject to conditions as provided. Approval involves all of the follow:
 - a) The affected territory is modified to include the adjacent unincorporated public right-of-way to the centerline on Las Flores Drive to its intersection with Perdido Street.
 - b) Annexation of the affected territory as modified to the Vallecitos Water District is shown in "Exhibit B-1" and described in "Exhibit B-2."
6. The Commission CONDITIONS all approvals on the following terms being satisfied by January 6, 2020 unless an extension is requested in writing and approved by the Executive Officer:

- a) Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - b) Submittal to the Commission of final map and geographic description of the affected territory relative to the approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Division.
 - c) Submittal to the Commission of the following payments:
 - A check made payable to LAFCO in the amount of \$50.00 for the County of San Diego-Clerk Recorder to reimburse for filing a CEQA Notice of Exemption consistent with the findings in the resolution.
 - A check made payable to San Diego LAFCO in the amount of \$237.75 to reimburse the public hearing notice published in the San Diego Union Tribune.
 - A check made payable to the State Board of Equalization for processing fees in the amount of \$300.00.
7. The Commission assigns the proposal the following short-term designation:

“Las Flores Drive Change of Organization”
 8. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.
 9. The Commission waives conducting authority proceedings under Government Code Section 56662.
 10. The Vallecitos Water District is a registered-voter district.
 11. The Vallecitos Water District utilizes the County of San Diego assessment roll.
 12. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Vallecitos Water District as provided under Government Section 57328.
 13. The effective date of the approval shall be the date of recordation but not before the completion of a 30-day reconsideration period and only after all terms have been completed as attested by the Executive Officer.
 14. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.
 15. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Sections 56880-56882 of the Government Code.

16. The Executive Officer is further authorized and directed to prepare, execute, and record a Certificate of Completion, make the required filings with the County Assessor, County Auditor, and the State Board of Equalization as required by Section 57200, et seq., of the Government Code.

**

PASSED AND ADOPTED by the Commission on January 6, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**

Attest:

Keene Simonds
Executive Officer

EXHIBIT A

SPHERE OF INFLUENCE DETERMINATIONS

(1) The present and planned land uses, including agricultural and open-space lands.

The affected territory as proposed by the applicant totals 0.6 acres and is part of an urbanizing incorporated area within the City of San Marcos and includes one subject parcel presently developed with an approximate 1,000 square foot single-family residence. Staff independently recommends expanding the affected territory to include 0.2 acres of adjacent public right-of-way. The City of San Marcos designates the subject parcel for low-density residential uses and no additional density is permissible under current zoning. The lands have not been cultivated for agricultural products and not subject to the Williamson Act. The lands are also not considered prime agriculture under LAFCO law and do not contain open-space. Present and planned land use are consistent with the proposal's purpose to establish public wastewater service to facilitate a remodel of the existing single-family residence and merits a conforming sphere of influence amendment to Vallecitos WD.

(2) The present and probable need for public facilities and services in the area.

There is a need for public wastewater service to accommodate the planned intensification of the residential use within the affected territory. This need is remedied by annexing the affected territory to Vallecitos WD along with a conforming sphere of influence amendment.

(3) The present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.

Vallecitos WD has available infrastructure capacities to connect and accommodate estimated demands within the affected territory at its maximum uses without adversely impacting current District ratepayers. Adding the affected territory to the Vallecitos WD sphere of influence is consistent with these capacities.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

Vallecitos WD has established explicit social and economic ties with incorporated lands surrounding the affected territory as the primary public wastewater service provider. These existing ties are relevant to the proposal and extend to the affected territory given the connection to Vallecitos WD's wastewater system is needed to allow the land to efficiently develop as contemplated under the City of San Marcos.

(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The affected territory is not in a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.

EXHIBIT A-1

Placeholder for Recordation
Map of Affected Territory
and Annexation to Vallecitos Water District

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EXHIBIT A-2

Placeholder for Recordation
Description of Affected Territory
and Annexation to Vallecitos Water District

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Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

- (a) The specific change(s) of organization proposed is/are: Attachment to Vallecitos Water District. In need of sewer services.
- (b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.
- (c) The proposed action(s) will be subject to the following terms and conditions: Remodel for single family dwelling.
- (d) The reason(s) for the proposal is/are: Remodel single family dwelling in need of sewer services.
- (e) Signers of this petition have signed as (select one): landowner; registered voter.
- (f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

- 1. John De Maria 636 Coronado Hills, San Marcos CA. 92078
Name of chief proponent (print) mailing address
- 2. _____
Name of chief proponent (print) mailing address
- 3. _____
Name of chief proponent (print) mailing address

- (g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.
- (h) This proposed change of organization (select one) is is not consistent with the sphere-of-influence of any affected city or district.
- (i) The territory included in the proposal is (select one) inhabited (12 or more registered voters) uninhabited (11 or less registered voters).
- (j) If the formation of a new district(s) is included in the proposal:
 - 1. The principal act under which said district(s) is/are proposed to be formed is/are: N/A
 - 2. The proposed name(s) of the new district(s) is/are: Vallecitos Water District

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.


- (k) If an incorporation is included in the proposal:
 - 1. The name of the proposed city is: N/A
 - 2. Provisions are requested for appointment of: city manager city clerk city treasurer
- (l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is: N/A

Part IVb: LANDOWNER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

Each of the undersigned states:

- I personally signed this petition.
- I am a landowner of the affected territory.
- I personally affixed hereto the date of my signing this petition and the Assessor's Parcel Number(s), or a description sufficient to identify the location of my land.

Name of Signer	Assessor's Parcel Number(s)	Date Signed	Official Use
Sign <u></u> Print <u>John De Maria</u>	219-062-27	07/11/2019	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			