



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

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AGENDA REPORT
 Consent | Information

June 1, 2020

TO: Commissioners

FROM: Robert Barry, Chief Policy Analyst
 Linda Heckenkamp, Analyst I

SUBJECT: **Active Proposals and Related Activities**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report identifying active change of organization or reorganization proposal applications on file with the Commission as well as a summary of pending proposal application submittals. This includes identifying one new proposal application submitted since the last report in May. The item is for information and concurrently satisfies LAFCO’s reporting requirement to affected agencies for proposed special district annexations submitted by landowners or voters.

BACKGROUND

Processing Procedures and Timelines

LAFCO proceedings for consideration of proposed changes of organization or reorganizations – which may include incorporations, formations, annexations, detachments, mergers, consolidations, and service function activations or divestures – are typically initiated by outside applicants (subject landowners or registered voters, and/or local affected 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, proposal applications are reviewed by San Diego LAFCO staff for completeness and status letters are sent to the applicants within 30 days. If additional

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documentation is required, the submitted proposal application is deemed incomplete and the status letter will itemize the needed information. Once the application is complete, a *Certificate of Filing* is issued by the Executive Officer and the proposal is scheduled for Commission consideration and placed on the agenda as consent, business, or hearing items based on noticing requirements.¹ Overall, most proposals are forwarded to the Commission within six months from the date of submittal.

DISCUSSION

This item is being presented for information only and identifies all active proposal applications currently being processed by San Diego LAFCO. The report also – and for telegraphing purposes of future workload – identifies pending proposals staff anticipates being submitted with LAFCO in the near term. The information item also serves to concurrently satisfy the Commission’s reporting requirement to provide notice on agendas to affected special districts when proposed annexation applications are initiated by landowners or registered voters.² A summary of active and pending proposal applications follow and detailed in Attachment One.

Active Proposals & Related Petition Notifications

There are 21 proposal applications currently active and undergoing processing with San Diego LAFCO as of date. Current processing stages of these active applications range from pre-Commission action (18) to post-Commission action (3) with the latter category representing items already approved but awaiting the completion of conducting authority proceedings (i.e., protest) or terms. One new proposal application has been submitted by landowner petition since the last meeting in May and are identified below.

- “Fuerte Ranch Estates Change of Organization” (CO20-08) | Annexation to San Diego County Sanitation District

Pending Proposals

There are four substantive proposals staff anticipates being submitted to San Diego LAFCO following completion of development and environmental review by local agencies.³ Three of these pending proposals involve city annexations in North County to accommodate relatively large residential subdivision projects and include Harvest Hills (Escondido), Sager Ranch (Escondido), and Rancho Lomas Verdes (Vista).

¹ The Executive Officer may also place proposals otherwise meriting consent on the business calendar to solicit additional review and discussion if warranted. Separately, applications involving outside-of-agency service extension requests follow separate proceedings and may be administratively approved by the Executive Officer if addressing documented public health or safety threats.

² Government Code Section 56857 directs LAFCOs to provide notice on agendas of any proposal involving special districts that have been initiated by landowners or registered voters. The agenda notification starts a 60-day period in which the affected special districts may request termination of the proceedings due to financial or service-related concerns.

³ 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.

ANALYSIS

San Diego LAFCO remains active in processing close to two dozen proposals. Most submitted proposal applications are on file for less than one calendar year and actively progress through the review process. This includes two recent and substantive proposals involving separate reorganization proposals filed by Fallbrook Public Utility District and Rainbow Municipal Water District to detach from the San Diego County Water Authority and annex to Eastern Municipal Water District (Riverside). Other substantive proposals on file include requested latent powers activation by Fallbrook Public Utility District and various actions associated with the Valiano – Eden Hills development proposal. There are a few proposal applications that have been on file with the Commission for more than five years and have become dormant for various reasons with some meriting formal termination. To this end, and consistent with earlier Chair direction, staff anticipates presenting draft policy language shortly to authorize the Executive Officer to terminate or otherwise abandon proposals considered non-active for five years.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

This item is being presented for information only; no action is 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,



Linda Heckenkamp
Analyst I

Attachment:

- 1) Active and Pending Proposal Applications as of May 15, 2020

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File Number	Proposal Name Affected Agencies	Project Manager	Proposal Summary
ACTIVE PROPOSALS PENDING COMMISSION ACTION			
1	DA08-10 “Avocado Way-Potter Annexation” - Vallecitos WD (Annexation)	Robert Barry	Proposal application submitted in March 2008 for a proposed annexation to Vallecitos WD to obtain sewer service for two existing residences along Avocado Way but deemed incomplete in April 2008 status letter. A new status letter was sent to the applicant in January 2018 stating the proposal will be considered abandoned unless notified otherwise. The current property owner has responded and conveyed their interest to proceed with the annexation. Ongoing discussions with Vallecitos WD as of 2018.
2	RO08-09 “South Mollison Ave-Snyder Reorganization” - City of El Cajon (Annexation)	Robert Barry	Proposal application submitted in May 2008 for a proposed annexation to the City of El Cajon. The annexation area includes approximately 1.25 acres and is subject to a proposed multi-family residential project and was deemed incomplete in June 2008 status letter. A new status letter was sent in January 2018 to the applicant, new property owner, and City stating the proposal will be considered abandoned unless notified otherwise. No response from any of the interested parties to date.
3	RO08-15 SA08-15 “Crestlake Estates Reorganization” - San Diego County SD (Annexation) - Lakeside FPD (Annexation) - CSA 69 (Annexation)	Robert Barry	Proposal application submitted in May 2008 requesting a reorganization to provide sewer services to an approved Tentative Map allowing the development of 60 single-family residences and was deemed incomplete in June 2008 status letter. A new status letter was sent to the applicant in February 2018 stating the proposal will be considered abandoned unless notified otherwise. No response to date.
4	DA12-02 “Lorch Annexation” - Borrego WD (Annexation)	Robert Barry	Proposal application submitted in March 2012 to annex approximately 9.4 acres to the Borrego Water District to provide water service to one parcel. The site is within the adopted sphere. but deemed incomplete in an April 2012 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Borrego WD responded to the letter and has reinitiated discussions with the landowner regarding possible service terms.
5	RO06-17 “Tobacco Road Reorganization” - City of Escondido (Annexation)	Robert Barry	Proposal application submitted in March 2006 to annex six parcels to the City of El Cajon for wastewater Service. In 2006, LAFCO approved two out of service agreements to allow the City of Escondido to provide sewer service to two residences with failing septic systems located along Tobacco Road. The agreements between the City and landowners required the annexation of the two parcels. The proposal was deemed incomplete in April 2006 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Two of the affected landowners have responded to the letter and are now working with the City in determining if the other landowners are interested/willing to proceed with the annexation at this time.

File Number	Proposal Name Affected Agencies	Project Manager	Proposal Summary
6	DA16-10 "CSA 17 Harmony Grove Annexation" - CSA 17 (Annexation)	Linda Heckenkamp	Proposal application submitted in May 2016 to annex approximately 3,600 acres to CSA 17 for ambulance service and done so as a cross-condition of the Rancho Santa Fe Fire Protection District Reorganization: Dissolution of CSA No. 107 (Elfin Forest/Harmony Grove). The proposal was deemed incomplete in June 2016 status letter. The CSA 17 Advisory Committee has opposed the annexation. A negotiated property tax exchange agreement is also necessary. LAFCO staff met with the applicant in August 2019 to provide assistance and continues to discuss opportunities to proceed forward.
7	RO16-11 "Rancho Hills Annexation" - Rancho Santa Fe CSD (Annexation)	Robert Barry	Proposal application submitted in October 2016 to annex a portion of a 37-lot residential subdivision titled "Rancho Hills" to Rancho Santa Fe CSD for wastewater service. A concurrent latent power expansion for Olivenhain MWD is needed to accommodate sewer to the remaining project site. The proposal was deemed incomplete in November 2016 status letter. Applicant has requested the proposal processing be placed on hold. Staff has remained in contact with the applicant and is awaiting their confirmation to proceed.
8	Ro19-04 "Ortega – Olde Highway 80 Change of Organization" - San Diego County Sanitation District (Annexation)	Linda Heckenkamp	Proposal application submitted in February 2019 by landowner petition to annex two residential lots totaling approximately 5.07 acres to San Diego County Sanitation District for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis.
9	RO19-15 OAS19-15 "Hamilton-Felicita Reorganization" - City of Escondido (Annexation) - CSA No. 135 (Detachment) - Rincon del Diablo MWD (ID"E") (Exclusion)	Linda Heckenkamp	Proposal application submitted in August 2019 by landowner petition involving reorganization of two unincorporated parcels totaling approximately 0.63 acres. Principal action involves request to annex to the City of Escondido. Both parcels are developed with a single-family residence experiencing a documented failed/failing septic system. A temporary wastewater OAS was administratively approved by EO and ratified by Commission. Concurrent detachment from CSA No. 135 (Regional Communications) and exclusion from RDDMWD ID"E" also required. The submitted proposal is scheduled for the June 1st Commission hearing.
10	SA19-26 RO19-26 OAS19-26 "Valiano - Eden Valley Reorganization" - City of Escondido (Sphere Amendment, Contractual Wastewater Service Agreement) - San Marcos FPD (Annexation) - Rancho Santa Fe FPD (Sphere Amendment, Detachment)	Robert Barry	Proposal application submitted in November 2019 by landowner petition and the City of Escondido. Involves reorganization of approximately 10.76 acres with annexation to San Marcos Fire Protection District (FPD) and concurrent detachment and sphere exclusion from Rancho Santa Fe FPD; and, amendments to the spheres of influence for the Cities of Escondido (inclusion) and San Marcos (exclusion) for two unincorporated parcels totaling 82.9 acres and subject to a 240.6 acre County of San Diego-approved Specific Plan (TM-5575); and, approval of a contractual wastewater agreement between the landowner of the unincorporated Specific Plan area and the City of Escondido to extend City wastewater service to 326 single-family residences to be constructed within the Escondido sphere. The submitted proposal application is incomplete and pending staff's analysis. (On January 27, 2020, the San Diego Superior Court overturned the County development approvals for the project. The applicant is appealing the Court decision and has requested LAFCO continue to process the reorganization.)

File Number	Proposal Name Affected Agencies	Project Manager	Proposal Summary
11	LP(E)19-27 “Fallbrook Public Utility District Latent Power Expansion Park & Rec et,al.”	Robert Barry	Proposal application submitted in November 2019 by resolution seeking approval to activate Fallbrook PUD’s latent power to exercise park and recreation, street lighting and roads and street functions within its boundaries. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
12	CO20-01 “Anthony Heights - Lupa Change of Organization” - Vallecitos Water District (Annexation)	Robert Barry	Proposal application submitted in February 2020 by landowner petition, involves annexation of one residential lot totaling approximately 1.35 acres for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
13	CO20-03 “Orphan – Eolus Avenue Change of Organization” - Leucadia Wastewater District (Annexation)	Linda Heckenkamp	Proposal application submitted in February 2020 by resolution and involves annexation of approximately 0.56 acres within its boundaries for connection to public wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
14	RO20-04 “Rainbow MWD Wholesaler Reorganization” – San Diego County Water Authority (detachment) – Eastern Municipal Water District (annexation)	Robert Barry	Proposal application submitted April 2020 by resolution, involves annexation to Eastern Municipal Water District for wholesale water service with concurrent detachment from the San Diego County Water Authority. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
15	RO20-05 “Fallbrook PUD Wholesaler Reorganization” – San Diego County Water Authority (detachment) – Eastern Municipal Water District (annexation)	Robert Barry	Proposal application submitted April 2020 by resolution, involves annexation to the Eastern Municipal Water District for wholesale water service with concurrent detachment from the San Diego County Water Authority. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
16	CO20-06 “County Service Area No. 137 - Live Oak Springs Formation” - Formation of County Service Area No.137 (Live Oak Springs Water)	Linda Heckenkamp	Proposal application submitted April 2020 by resolution, involves formation of County Service Area No. 137 to assume water service responsibility for a failing private water company located in the unincorporated community of Live Oak Springs in the south eastern portion of San Diego County. The affected territory includes approximately 151.5 acres. The submitted proposal is scheduled for the June 1st Commission hearing.
17	CO20-07 “Schirber – Hymettus Avenue Change of Organization” - Leucadia Wastewater District (Annexation)	Linda Heckenkamp	Proposal application submitted in April 2020 by resolution and involves annexation of approximately 1.69 acres for connection to public wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.

	File Number	Proposal Name Affected Agencies	Project Manager	Proposal Summary
18	CO20-08	“Fuerte Ranch Estates Change of Organization” - San Diego County Sanitation District (Annexation)	Robert Barry	Proposal application submitted in February 2020 by landowner petition and involves annexation of approximately 27.3 acres and the development of 36 single-family homes for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
ACTIVE POST COMMISSION ACTION				
19	SA16-20 LP16-20	“CSA 135 Islands Reorganization” - CSA 135 – LP Fire Area (Latent Powers Expansion) - Bonita-Sunnyside FPD (Annexation) - Lakeside FPD (Annexation) - San Miguel FPD (Annexation) - Ramona MWD (Annexation)	Robert Barry	Proposal submitted November 2016 and involved the annexation of remaining unserved Islands 2, 3, and 4 within Heartland area and reorganization of local fire service territory among five agencies: CSA 135; Bonita-Sunnyside FPD; Lakeside FPD; Ramona MWD; and San Miguel FPD. Reorganization proposal submitted by resolution of the San Diego County Fire Authority. Involves annexation to the subject agencies and 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 the subject agencies’ spheres of influence is also required to accommodate the proposed action. The proposal was approved by the Commission on February 4, 2018 and is now pending recordation once all terms are satisfied. A noticed protest hearing was held on March 13, 2019 at the LAFCO office. No protest was received by affected registered voters or landowners.
20	SA18-07 OAS18-07	“Carmichael Drive – Wyman Service Agreement” - City of La Mesa (Sphere Amendment, OAS)	Robert Barry	Proposal involves an outside-of-agency wastewater service extension agreement between the property owner and the City of La Mesa for wastewater sewer service to one developed single-family residence located outside of the La Mesa sphere of influence. The purpose of the request is to allow the landowner to proceed with an intensity improvement to develop an accessory workshop unit, which exceeds the permitted capacity of the existing onsite septic system. The proposal was approved by the Commission on April 8, 2018 and is now pending recordation once all terms are satisfied.
21	CO19-29	“Orpheus Avenue – Gupta Change of Organization” -Leucadia Wastewater District (Annexation)	Linda Heckenkamp	Proposal submitted in December 2019 by Board resolution, involves the annexation of approximately 0.995 acres within its boundaries for connection to public wastewater service. The proposal was approved by the Commission on April 2, 2020 and is now pending recordation once all terms are satisfied.

File Number	Proposal Name Affected Agencies	Project Manager	Proposal Summary
PENDING PROPOSAL SUBMITTALS (No project manager; inquiries should be direct to Robert Barry)			
22	Pending "Harvest Hills Reorganization" - City of Escondido		This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido with submittal to LAFCO anticipated for late 2020. 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. Due to the scope of the proposal area a comprehensive update of the City's sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders. Project was originally titled as "Safari Highlands."
23	Pending "Rancho Lomas Verde Reorganization" - City of Vista		This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Vista. The anticipated proposal involves annexation of approximately 300 acres to the City of Vista and concurrent detachments from CSA 135 and the Vista FPD to facilitate a 153-lot residential development. Close to three-fourths of the project area lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City's sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders.
24	Pending "Sager Ranch Reorganization" - City of Escondido		This anticipated reorganization involves annexation of approximate 1,800 unincorporated acres to the City of Escondido and concurrent detachments from CSA 135 and the Valley Center FPD. The reorganization would facilitate the development of approximately 200 acres to include 203 residential units and a 225-room resort. Portions of the project area lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City's sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders.
25	Pending Harmony Grove Village South (TM-626)		This anticipated reorganization involves the unincorporated Harmony Grove Village South project and specific to accommodating sewer services (among a variety of options) for the planned development of approximately 111 acres to include 453 residential units. On January 27, the San Diego Superior Court overturned the County development approvals for the project.

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