

APPROVED
SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
APRIL 3, 2017

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There being a quorum present, the meeting was convened at 9:00 a.m. by Chairman Mayor Sam Abed. Also present were: Regular Commissioners –Vice Chairwoman Special District Member Jo MacKenzie; Supervisors Dianne Jacob and Bill Horn; City Councilmember Lori Zapf (arrived 9:05 a.m.); Special District Member Ed Sprague and Public Member Andy Vanderlaan. Alternate Commissioners – City Commissioner Mayor Racquel Vasquez (arrived 9:03 a.m.); Special District Judy Hanson and Public Member Harry Mathis. LAFCO Staff – Executive Officer Michael Ott; Chief Analyst Robert Barry; Local Government Analyst Joe Serrano; LAFCO Consultant Harry Ehrlich and Legal Counsel Michael Colantuono. Absent were: Alternate Commissioners – Supervisor Greg Cox and City Councilmember Chris Cate.

Item 1

Pledge of Allegiance

Supervisor Bill Horn led the Pledge of Allegiance at the meeting.

Item 2

Roll Call

The Commission Secretary performed the roll call for the April 3, 2017, LAFCO meeting. With the exception of Alternate Commissioners: Supervisor Greg Cox and Councilmember Chris Cate, all other Commissioners were present. It was noted, Alternate Commissioner Mayor Racquel Vasquez, voted in place of the vacant City Commissioner position.

Item 3

Approval of Minutes of Meeting Held March 6, 2017

On motion of Commissioner Horn, second by Commissioner MacKenzie, and carried unanimously by the Commissioners present; the Commission dispensed with reading the minutes of March 6, 2017 and approved said minutes.

Item 4

Executive Officer's Recommended Agenda Revisions

Chairman Sam Abed asked the Executive Officer if there were any agenda revisions. Executive Officer Michael Ott indicated that there were no agenda revisions.

Item 5

Commissioner / Executive Officer Announcements

Chairman Sam Abed asked the Executive Officer if there were any announcements.

Executive Officer Michael Ott said that there were several announcements. Mr. Ott addressed the Commission about the role of Supervisor Cox at the hearing; he indicated that Supervisor Cox was speaking in support of Item 7, and will not be seated at the dais as a member of the Commission.

Mr. Ott said that the City Selection Committee extended Chairman Mayor Sam Abed's and Mayor Racquel Vasquez's terms on LAFCO until December 2017. He also stated that the City of Encinitas Mayor Blakespear will be installed at the May or June LAFCO meeting for the vacant City Commissioner position.

Item 6

Proposed "Colucci Qualified Trust Reorganization" (Vallecitos Water District) (RO16-16)

Michael Ott indicated that the proposal involves annexation of a parcel totaling 7.55–acres to the Vallecitos Water District with a concurrent detachment from Vista Irrigation District and that the property owner wants to obtain water services.

On motion of Commissioner Horn, seconded by Commissioner Sprague, and carried unanimously by the commissioners present, the Commission took the following actions:

- (1) Find in accordance with the Executive Officer's determination, that pursuant to Section 15319(b) of the State CEQA Guidelines, this annexation is not subject to the environmental impact evaluation process because the annexation area consists of individual small parcels of the minimum size for facilities exempt by Section 15303, New Construction or Conversion of Small Structures; and
- (2) Adopt the form of resolution approving the annexation for the reasons set forth in the Executive Officer's Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the annexation subject to the following term and condition:

Payment by the property owner of District annexation and sewer capacity fees.

Item 7

Proposed "Greenwood Memorial Park Island Reorganization" (City of San Diego) (RO17-01)

Michael Ott indicated that agenda Item 7 involves an island annexation of 24 parcels totaling 120.67–acres to the City of San Diego with a concurrent detachment from

County Service Area No. 135 (San Diego County Regional Communications System). He stated that the island annexation was processed under the island provision law; therefore, the election processing can be waived. Mr. Ott said that Robert Barry will provide a PowerPoint presentation.

Robert Barry, Chief Governmental Analyst, provided a PowerPoint presentation to the Commission regarding the “Greenwood Memorial Park Island Reorganization” and concurrent detachment from County Service Area No. 135 (San Diego County Regional Communications System).

Mr. Barry provided an overview of the proposed reorganization. Mr. Barry indicated that the proposal involves removing the largest existing unincorporated island within the City of San Diego. He indicated that the City of San Diego would assume responsibility for providing water, sewer, fire protection and all other municipal services. Mr. Barry also said that the City and the County negotiated a Memorandum of Agreement for a one-time payment of \$13.57 million for the storm water infrastructure maintenance responsibilities.

Chairman Abed opened the public hearing for Item 7.

Supervisor Greg Cox, County Board of Supervisors, addressed the Commission, in support of the annexation and recommendations. Supervisor Cox commented about the project and the efforts of moving the project forward and also thanked LAFCO staff.

With no further discussion from the public or commission Chairman Abed closed the public hearing.

With no further speakers from the public and no discussion from the Commission, on motion of Commissioner Zapf, seconded by Alternate Commissioner Vasquez, and carried unanimously by the commissioners present, the Commission took the following actions:

(1) Find in accordance with the Executive Officer's determination, that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, the “Greenwood Memorial Park Island Reorganization” is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility for the proposed project to significantly impact the environment, and the activity is not subject to CEQA; and,

(2) Find that, pursuant to Government Code Section 56375(a)(4)(A)&(C), the Commission, after notice and hearing, must approve the proposed “Greenwood Memorial Park Island Reorganization” involving annexation of the proposal area to the City of San Diego with a concurrent detachment from County Service Area No. 135 (San Diego County Regional Communications System); because the reorganization was initiated by resolution of the City of San Diego; the reorganization territory is contiguous to and is 100 percent surrounded by the City of San Diego; the

reorganization territory is substantially developed or developing because of the availability of public utility services, the presence of public improvements, and the presence of physical improvements upon the parcels in the area; the reorganization territory is not prime agricultural land, as defined by Government Code Section 56064; the reorganization area is designated for urban growth by the General Plan of the City of San Diego, and is not located within the sphere of influence of another city; and the proposal involves an annexation or reorganization of an unincorporated island meeting the requirements of Government Code Section 56375.3; and,

(3) Determine that, pursuant to Government Code Section 56375.3 the Commission must approve the proposed reorganization after notice and hearing, and waive protest proceedings because: the reorganization was initiated by resolution adopted by the City of San Diego on December 23, 2016, the City of San Diego conducted a public hearing on the resolution of application for the annexation of territory as described in Government Code Section 56375.3, the notice of the hearing was published pursuant to Government Code Sections 56153 and 56154, and any landowner was given an opportunity to present his or her views at the hearing; and,

(4) Find for the reasons set forth in the Executive Officer's Report, pursuant to Government Code Section 56375.3(b), the reorganization territory:

- A. Does not exceed 150 acres, and that area constitutes the entire island;
- B. Constitutes an entire unincorporated island within the limits of the City of San Diego;
- C. Is 100 percent surrounded by the City of San Diego;
- D. Is substantially developed or developing because of the availability of public utility services, the presence of public improvements, and the presence of physical improvements upon the parcels in the area;
- E. Is not prime agricultural land, as defined by Government Code Section 56064;
- F. Will benefit from the reorganization and is receiving benefits from the City of San Diego;
- G. Is not an island that is a gated community where services are currently provided by a community services district; and,

(5) Approve the proposed "Greenwood Memorial Park Island Reorganization" involving annexation of the proposal area to the City of San Diego with a concurrent detachment from County Service Area No. 135 (San Diego County Regional Communications System); and,

(6) Adopt the form of resolution as summarized in these recommendations approving the reorganization for the reasons set forth in the Executive Officer's Report, waiving the Conducting Authority proceedings according to Government Code Section 56375.3(a) pursuant to Part 4 (commencing with Government Code Section 57000) entirely, and ordering the reorganization subject to the following conditions:

County shall pay to the City \$13,569,345 and the City shall assume certain responsibilities related to compliance with water quality regulations, as more fully set forth in the Memorandum of Agreement between the City and County.

Item 8

Legislative Update Report

Harry Ehrlich, LAFCO Consultant, provided an update and summary of legislative reports to the Commission on the following activities:

AB464 (Gallagher)–Local government reorganization

This bill is sponsored by CALAFCO which addresses a situation in current law wherein Government Code 56653 does not address certain conditions of services currently provided when there is a plan for services submitted for an annexation. Recommendation position: support and send a letter.

AB979 (Lackey) Cortese–Knox–Hertzberg Act: Special District representation on LAFCO

This bill is sponsored by CSDA and cosponsored by CALAFCO addressing the procedure for special districts to propose to hold an election for representation for a Redevelopment Agency Oversight representation on a commission board. LAFCO is to administer an election process for selecting a representative. Recommended position: support.

SB37 (Roth) Local government finance: property tax revenue allocations

This bill is identical to SB817 (Roth) that calls for reinstatement of the Vehicle License Fee through a change in ERAF Funds for cities that incorporated between January 1, 2014 and 2012. Due to changes of the law four cities have lost several million in funding. Recommended position: support and send a letter.

Commissioner Zapf asked whether the bill changed significantly. Harry Ehrlich indicated that the Governor has vetoed the bill in the past.

AB892 Waldron

This bill is related to the existing Municipal Water District Law of 1911 that is being amended to allow Indian tribes to obtain services and contract from a municipal water district.

On motion of Commissioner Sprague, seconded by Commissioner MacKenzie, and carried unanimously by the commissioners present, the Commission took the following actions:

Receive this Legislative Update Report and concurred with the legislative positions recommended by LAFCO staff.

Item 9

Public Comment

Chairman Abed asked the public if anyone requested to speak on an item that is not related to the agenda. He indicated that there were no speaker slips received from members of the public for comments.

Item 10

CLOSED SESSION: ADJOURNED TO CLOSED SESSION (IF NECESSARY) TO CONFERENCE WITH LEGAL COUNSEL PURSUANT TO SUBDIVISION (D) OF GOVERNMENT CODE SECTION 54956.9 – REGARDING LITIGATION WITHIN THE RESPONSIBILITY OF THE SAN DIEGO LAFCO

Legal Counsel Michael Colantuono informed the Commission that Item 10 does not require a closed session in the matter of *City of Coronado v. San Diego LAFCO and City of Imperial Beach*.

Mr. Colantuono reported to the Commission that the Navy and Cities of Imperial Beach and Coronado have been in discussion regarding the matter and no further discussions have been brought forth to the Court.

There being no further business to come before the Commission, the meeting adjourned at 9:28 a.m. to the May 1, 2017 meeting, in Room 302, County Administration Center.

**TAMARON LUCKETT
EXECUTIVE ASSISTANT**