RESOLUTION OF THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

APPROVING THE VALLEY CENTER COMMUNITY SERVICES DISTRICT REORGANIZATION CONCURRENT DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICES DISTRICT AND FORMATION OF COUNTY SERVICE AREA NO. 138 AND ESTABLISHING A COTERMINOUS SPHERE OF INFLUENCE

(RO20-13 et al.)

WHEREAS, the Valley Center Community Services District (CSD) filed a resolution of application with the San Diego County Local Agency Formation Commission (Commission) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Valley Center CSD's application requests for the dissolution and cession of all corporate powers contingent upon the formation of a new County Service Area (CSA) to formally assume park and recreation service responsibility for approximately 42,420 acres in the unincorporated community of Valley Center in north San Diego County and its estimated 19,113 residents; and

WHEREAS, the County filed a supporting resolution of application with the Commission requesting the formation of CSA No. 138 to formally assume park and recreation service to the affected territory; and

WHEREAS, the application filings by Valley Center CSD and County of San Diego are complementary and processed by the Commission as a joint-reorganization proposal; and

WHEREAS, the application filed by the County is processed by the Commission as a proposal to form a county service area and is referred to in short-order as:

"VALLEY CENTER COMMUNITY SERVICES DISTRICT REORGANIZATION - DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICE DISTRICT WITH CONCURRENT FORMATION OF CSA NO. 138,"; and

WHEREAS, in its resolution of application the County of San Diego, as applicant has consented to an exchange or dedication of property taxes related to the County Service Area No. 138 formation approved by the Commission; and

WHEREAS, the Commission's Executive Officer has reviewed the joint-proposal to concurrently dissolve Valley Center CSD and form County Service Area No. 138 and prepared a written report with recommendations; and

WHEREAS, the Executive Officer's written report and recommendations on the County Service Area No. 138 formation proposal and need for concurrent sphere of influence establishment 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 along with reviewing the necessary concurrent sphere of influence establishment for consistency under Government Code Section 56375.5 on November 2, 2020.

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby finds, determines, and orders the following:

- 1. The hearing was held on the date set therefore, and due notice of said hearing was given in the manner required by law.
- 2. At the hearing, the Commission called for, heard, and considered all interested parties and public comments and read and considered the Executive Officer's written report.
- 3. The community served by the Valley Center CSD is not a disadvantaged unincorporated community as defined in Government Code section 56033.5.
- 4. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering the County Service Area No. 138 Formation and as detailed in the Executive Officer's report: (a) the formation itself along with the associated dissolution; and (b) the establishment of a sphere of influence. The Commission's findings follow.
 - a) The sphere of influence establishment qualifies as a project under CEQA but is exempt from further review under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres of influence are planning policies and any amendments do not make any changes to the environment or authorize any new uses or services.
 - b) The concurrent dissolution of Valley Center CSD and the formation of County Service Area No. 138 qualifies as a project under CEQA but is exempt from further review under State CEQA Section 15320. This exemption appropriately applies given the underlying action enables the County through CSA No. 138 to formally assume park and recreation service responsibilities for the unincorporated community of Valley Center with no additional service powers and no expansion of the existing service territory.
- 5. The Commission conditionally APPROVES the following sphere of influence establishment.
 - a) The sphere of influence for County Service Area No. 138 is established to match the current sphere designation for Valley Center CSD and is generally contiguous with the jurisdictional boundary except for acreage in the City of Escondido and shown in <u>Exhibit A</u>.
 - b) The Commission conditions the approved sphere of influence establishment as described below in Section 7(a).
- The written statements of the Commission addressing the mandatory factors required for consideration any time spheres of influence are adopted, amended, or updated under Government Code Section 56425 are provided as <u>Exhibit B</u>.
- The Commission conditionally APPROVES the proposed Valley Center CSD dissolution and concurrent formation of CSA No. 138 as the designated successor agency as shown in Exhibit C and detailed in Exhibit D.

- a. The following conditions must be satisfied within one calendar year or November 2, 2021 unless prior written request for an extension is received and approved by the Commission through its designee, Executive Officer.
 - Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - ii. The concurrent dissolution of Valley Center CSD and formation of CSA No. 138 is contingent on the completed acquisition by the CSA, as successor in interest, of the property, assets, and taxing or assessment authority of the Valley Center CSD.
 - iii. County to review and add Star Valley Park development to the community master plan and County's Capital Project Program.
 - iv. County Department of Parks and Recreation to engage community in a long-term outreach program prior to future development of Star Valley Park. It is also requested the County allow equestrian activities to continue.
 - v. Star Valley Park name remains unchanged.
 - vi. Appoint a five member park advisory committeeboard initially consisting of the Valley Center CSD Board. If any board member does not wish to be considered for, or refuses to accept, such appointment, the County has discretion to appoint individuals other than the existing Valley Center CSD Board members to fill such seat. County to appoint a five-member advisory board at their discretion. County to consider existing Valley Center CSD Board members to fill the seats.
 - vii. County to consider building <u>community center within CSA No. 138 that includes a senior programming among other community programming options. center within CSA No. 138</u>
 - viii. Honor existing- use agreements and leases Valley Center CSD has with the following organizations:

Valley Center Stampede Rodeo (use agreement)
Valley Center Pauma Unified School District (use agreement)
Valley Center Fire Protection District (lease agreement)
Valley Center Vaqueros (use agreement)

ix. Consider retaining existing employees. Consider eEmploying and/or other other otherwise appoint the Valley Center CSD General Manager and Secretary to equivalent appointmentspositions at the same pay and hour levels through the end of the 2020-2021 fiscal year. Consider making permanent such employment and/or appointment.s going forward. Employ, contract, and/or otherwise retain the current Valley Center CSD General Manager to assist in the day-to-day operations of CSA No. 138 and its park and recreation service function with equivalent compensation through the end of 2020-2021. Consider permanent employment opportunities for the General Manager going forward.

- x. CSA No. 138 to follow County policy and engage public in the decision to reserve dedicated space at Star Valley Park for privately funded first responders and veterans memorial.
- xi. Receipt and confirmation by the County of San Diego Assessor's Office of the completeness of maps and geographic descriptions of the affected territory showing the CSA No. 138's boundaries.

xi.xii. Conditions 7 (iii) through 7 (ix) above may each be satisfied by a commitment made in writing by the County as to the manner and timing of how it will accomplish the condition to the satisfaction of the Executive Officer.

- The following conditions apply upon and after the effective date of the County Service Area No. 138 formation:
 - i. <u>Tax Revenues.</u> Upon the effective date, the legal existence of Valley Center CSD shall cease except as otherwise required by law. All property tax revenues and voter approved special tax or special assessment revenues (if any), received or receivable by Valley Center CSD as of the effective date shall be collected or collectible by CSA No. 138 for the exclusive use of funding the services within the Territory. CSA No. 138 property taxes, special taxes, and special assessments shall not be available for other CSA No. 138 or County purposes.
 - ii. <u>Plan for Service</u>. CSA No. 138 shall provide the services within the territory provided by Valley Center CSD per the Plan for Services adopted by the County of San Diego. Levels of services may improve or increase prior to the day immediately preceding the Effective Date.
 - iii. <u>Transfer of Facilities</u>. Upon the effective date, the facilities located at the real properties identified on Exhibit B of Valley Center CSD Application shall be transferred to CSA No. 138 for use in providing the services.
- 8. The Executive Officer has the sole discretion to release and or waive any condition of approval before filing the Certificate of Completion.
- 9. The population in the affected territory is approximately 19,113 and, thus, the affected territory is inhabited as defined in Government Code Section 56046.
- 10. The Commission delegates to the Executive Officer performing all conducting authority proceeding requirements under Government Code Section 57000.
- 11. The effective date of the reorganization proposal shall be <u>March 1, 2021 unless</u>, in the <u>discretion of the Executive Officer</u>, additional time is necessary to satisfy the Conditions of Approval and to record the Certificate of Completion, in which case the effective date will be -the date, after <u>March 1, 2021</u>, of recordation of the Certificate of Completion as determined by the Executive Officer.

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make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.
PASSED AND ADOPTED by the San Diego County Local Agency Formation Commission on November 2, 2020, by the following vote:
AYES:
NOES:
ABSENT:
ABSTAINING:

12. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to

EXHIBIT A SPHERE OF INFLUENCE CSA NO. 138

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EXHIBIT B DETERMINATIVE STATEMENTS ESTABLISHMENT OF A SPHERE OF INFLUENCE FOR CSA NO. 138

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

The affected territory totals 42,438 acres and anchored by the unincorporated community of Valley Center with an estimated resident population of 19,113. The low to moderate residential uses within the affected territory are augmented by commercial agricultural uses and open space and consistent with the County of San Diego General Plan. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency is consistent with these present and planned land uses.

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

The affected territory includes an estimated 19,133 residents and underlie a present and probable need going forward for park and recreation services. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these present and probable needs.

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

The County of San Diego has prepared a detailed plan of service as part of the proposed reorganization to transfer park and recreation services from Valley Center CSD to the County via the formation of CSA No. 138. This includes a three-year capital improvement plan to steady and improve critical infrastructure deficiencies. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these capacity considerations.

(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.

The County of San Diego has established explicit social and economic ties within the affected territory as the primary municipal service provider and headlined by community planning, roads, and law enforcement. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services further consolidates the County's ties within the affected territory.

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

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The affected territory does not lie within a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.

EXHIBIT C JURISDICTIONAL BOUNDARY CSA NO. 138

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EXHIBIT D GEOGRAPHIC DESCRIPTION CSA NO. 138

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