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AGENDA REPORT

December 4, 2017

Item No. 7 (Consent/Information)

November 22, 2017

TO: Commissioners

FROM: Chief Analyst

SUBJECT: Update on Proposal and Major Jurisdictional Activity

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a summary report identifying the submitted proposals on file with the Commission. This also includes a summary of active/incomplete proposals and major jurisdictional activity that may involve LAFCO proposal submittals in the future. This proposal summary is current through November 20, 2017 and is being presented for information.

BACKGROUND

LAFCO Proceedings

LAFCO proceedings for consideration of proposed changes of organization or reorganization may be initiated by submittal of a petition of the landowners or registered voters within the proposal area, or a resolution of application adopted by an affected local agency, along with any supporting documentation as required by the Executive Officer. The submitted proposal application is then reviewed for completeness and a status letter is sent to the applicant. If the submitted application requires additional information or documentation, the proposal is deemed *incomplete* and the status letter to the applicant includes an itemized list of needed information. If the submitted application is deemed *complete*, the applicant is notified that the proposal is undergoing processing by LAFCO staff.

DISCUSSION / INFORMATION

Submitted Proposals (Active)

The following proposal applications have been submitted to LAFCO and are presently undergoing staff review and processing prior to scheduling for Commission consideration:

County Service Area No. 115 (Pepper Drive) Reorganization: Lakeside Fire Protection District; San Miguel Consolidated Fire Protection District | Ref. Nos. RO14-12; RO14-13

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

County Service Area No. 17 (San Dieguito Ambulance) Annexation | Ref. No. DA16-10

This annexation proposal was submitted by resolution of the San Diego County Fire Authority as a cross-condition of the LAFCO approval for the "Rancho Santa Fe Fire Protection District (FPD) – CSA No.107 (Elfin Forest) Reorganization" (Ref. No. SA/RO14-15), which involved the dissolution of CSA No. 107 and the annexation of its service area to the Rancho Santa Fe FPD. CSA No. 17 (San Dieguito Ambulance) presently provides advanced life support (ALS) ambulance transport services within Rancho Santa Fe FPD and adjacent cities; however, the former CSA No. 107 service area was not located within CSA No. 17 and the dissolution was conditioned on a subsequent LAFCO submittal to annex the dissolution territory to CSA No. 17 following the reorganization with the Rancho Santa Fe FPD. This proposal involves annexation of approximately 3,000-acres comprising the former CSA No. 107 service area to CSA No. 17 for the provision of ALS ambulance transport services. The submitted proposal application was deemed *incomplete* pending receipt of additional documentation and information from the applicant.

Alpine Island Annexation to the Alpine Fire Protection District | Ref. Nos. SA16-15; DA16-15

This annexation proposal was submitted by resolution of the Alpine Fire Protection District (FPD) and includes the annexation of six unserved islands, totaling 6,647 acres, within the FPD's sphere of influence. The proposal is awaiting Board of Supervisors' approvals for a negotiated property tax exchange agreement, and for the divestiture of fire protection service responsibilities from the proposed annexation areas currently located within the LAFCO-activated fire protection latent power area of CSA No. 135. The proposal is anticipated to be ready for Commission consideration in early to mid-2018.

County Service Area No. 135 (San Diego County Regional Communications System / Fire Protection) Islands Reorganization and Latent Powers Expansion: CSA No. 135; Alpine Fire Protection District; Lakeside Fire Protection District; San Miguel Consolidated Fire Protection District | Ref. Nos. SA16-20; LP16-20

This reorganization proposal was submitted by resolution of the San Diego County Fire Authority and involves annexation of three unserved islands (Islands #2, #3, and #4), totaling approximately 21,048 acres, located within County Service Area (CSA) No. 135's sphere of influence. The proposed annexation also includes an expansion of the CSA 135's previously-activated latent powers area for structural fire protection and emergency medical services. The submitted proposal application was deemed *incomplete* pending receipt of additional documentation and information from the applicant to complete staff's analysis. The proposal is also awaiting Board of Supervisors' approvals for a negotiated property tax exchange agreement. The proposal is anticipated to be ready for Commission consideration in mid-2018.

San Marcos Highlands Reorganization: City of San Marcos; San Marcos Fire Protection District; Vista Fire Protection District; Vista Irrigation District | Ref. Nos. SA17-07; RO17-07

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

Tri-City Healthcare District Reorganization: Tri-City Healthcare; Fallbrook Regional Healthcare District; Palomar Health | Ref. Nos. SA17-09; RO17-09

This reorganization proposal was submitted by resolution of the Tri-City Healthcare District (HD) and involves the reorganization of five areas totaling approximately 36,569-acres with the District, including annexation of the remaining incorporated territory of the Cities of Carlsbad and Vista not presently located within a healthcare district. The proposal also involves concurrent reorganizations with the Fallbrook HD to consolidate the City of Oceanside within Tri-City HD, and with the Palomar Health HD to consolidate the City of San Marcos within the Palomar Health HD, respectively. The submitted proposal application was deemed *incomplete* pending receipt of additional documentation and information from the applicant to complete staff's analysis. The proposal will also require Board of Supervisors' approval for a negotiated property tax exchange agreement. The proposal is being processed and is anticipated to be scheduled for Commission consideration in early to mid-2018.

Rincon del Diablo Municipal Water District Reorganization and Latent Powers Activation: Rincon del Diablo Municipal Water District; San Diego County Sanitation District | Ref. Nos. LP17-10; RO17-10

This reorganization proposal was submitted by resolution of the Rincon del Diablo Municipal Water District and involves activation of the MWD's latent power for sewer service within the Harmony Grove Village (HGV) service area of the San Diego County Sanitation District (SD). The Harmony Grove Village (HGV) is presently located within the MWD's service area and sphere of influence for water service. The proposed reorganization would detach the HGV area from the San Diego County SD, establish a service-specific sphere of influence for the detachment area, and activate the MWD's latent sewer power to assume responsibility for the provision of sewer service within the HGV area and operate an existing on-site wastewater treatment facility. The proposal will require Board of Supervisors' approval for a negotiated property tax exchange agreement. The submitted proposal application is being reviewed and the proposal is anticipated to be ready for Commission consideration in early to mid-2018.

Submitted Proposals (Inactive)

The following proposals were previously submitted from 2006-2016 and were deemed as *incomplete* pending receipt of required additional information and/or processing fees from the applicant. These long-standing *inactive* proposals will be reviewed by staff and updated status letters will be sent requesting confirmation by the applicant of the need for continued retention of the proposals as *incomplete*, or for the withdrawal/termination of the application submittal:

Tobacco Road Reorganization: City of Escondido | Ref. No. RO06-17

This proposal was submitted by petition of the property owners and involves annexation of approximately 2.0-acres to the City of Escondido.

South Mollison Avenue – Snyder Reorganization: City of El Cajon | Ref. No. RO08-09

This proposal was submitted by petition of the property owners and involves annexation of approximately 1.5-acres to the City of El Cajon

Avocado Way – Potter Annexation to the Vallecitos Water District | Ref. No. DA08-10

This proposal was submitted by petition of the property owners and involves annexation of approximately 1.0-acre to the Vallecitos Water district for the provision of sewer services.

Crestlake Estates Reorganization: San Diego County Sanitation District; Lakeside Fire Protection District; County Service Area No. 69 (Heartland Paramedics) | Ref. Nos. SA08-15; RO08-15

This proposal was submitted by petition of the property owners and involves annexation of approximately 303.51-acres to the San Diego County SD, the Lakeside FPD, and CSA No. 69 (Heartland Paramedics) for the provision of sewer, fire protection, and ambulance transport services, respectively.

Lorch Annexation to the Borrego Water District | Ref. No. DA12-02

This proposal was submitted by resolution of the Borrego Water District and involves annexation of approximately 10-acres for the provision of water service.

Rancho Hills Annexation to the Rancho Santa Fe Community Services District | Ref. No. RO16-11

This proposal was submitted by petition of the property owner and involves annexation of approximately 260-acres to the Rancho Santa Fe CSD for the provision of sewer service.

Windmill Construction, Inc. Reorganization: City of La Mesa; County Service Area No. 135; San Miguel Consolidated Fire Protection District | Ref. Nos. SA16-13; RO16-13

This proposal was originally submitted by petition of the landowner as a contractual service agreement with the City of La Mesa for the provision of sewer service; however, the City has determined that annexation of the property to the City would be required as a condition of sewer service. The City is presently processing the annexation request and LAFCO processing would continue following the City's review and approval.

Major Jurisdictional Activity – Anticipated Proposal Submittals

The following major jurisdictional project is currently under review by the City of Escondido prior to its anticipated submittal to LAFCO for review and consideration of reorganization with the City:

Safari Highlands Reorganization: City of Escondido

This reorganization proposal is currently undergoing development and environmental review by the City of Escondido with an anticipated submittal to LAFCO in 2018. The anticipated proposal involves annexation of approximately 1,098-acres to the City of Escondido; however, the proposal area is not located within the adopted sphere of influence for the City. Accordingly, the proposal area would need to be included within the City's sphere prior to or concurrently with the reorganization. Due to the scope of the proposal area that is presently located outside of the City's sphere, a comprehensive review of the City's sphere of influence is warranted. Per State Law, a municipal service review of the City is required as part of the sphere review/update. There are a number of jurisdictional and environmental concerns with the proposed project that have been communicated with LAFCO from affected agencies and the public.

In conclusion, San Diego LAFCO staff will continue to monitor, track, and coordinate with local agencies regarding pending projects that will involve future submittal to LAFCO for review and consideration of proposed jurisdictional changes. Therefore, it is:

COMMISSION REVIEW

This item has been agendaized as part of the consent calendar for information only. The Commission is also invited to discuss the item and provide direction to staff on any related matter as needed.

Attachments: none