



San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

6a

AGENDA REPORT Public Hearing

December 4, 2023

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Michaela Peters, Analyst I

**SUBJECT: Proposed “Colina Fuerte – Via Ascenso Reorganization” |
Annexation to the Santa Fe Irrigation District with Concurrent Detachment
from Olivenhain Municipal Water District and Conforming Sphere of Influence
Actions (RO23-08)**

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will consider a reorganization proposal filed by landowner petition with the principal action to annex approximately 5.14 unincorporated acres in the Rancho Santa Fe community to the Santa Fe Irrigation District (ID). A secondary action to detach the affected territory from Olivenhain Municipal Water District (MWD) is also proposed. The affected territory comprises one legal parcel, which is currently undeveloped with an existing open-space easement. The proposal purpose is to facilitate the planned development of a single-family residence by allowing the landowner to redirect a potable water connection to Santa Fe ID to avoid encroaching on the open space easement as otherwise necessary in connecting to Olivenhain MWD. Staff recommends conditional approval of the proposal as submitted, conforming sphere of influence actions for both subject agencies, and a municipal service review waiver under L-106. It is also recommended the Commission waive protest proceedings and make exemption findings under the California Environmental Quality Act.

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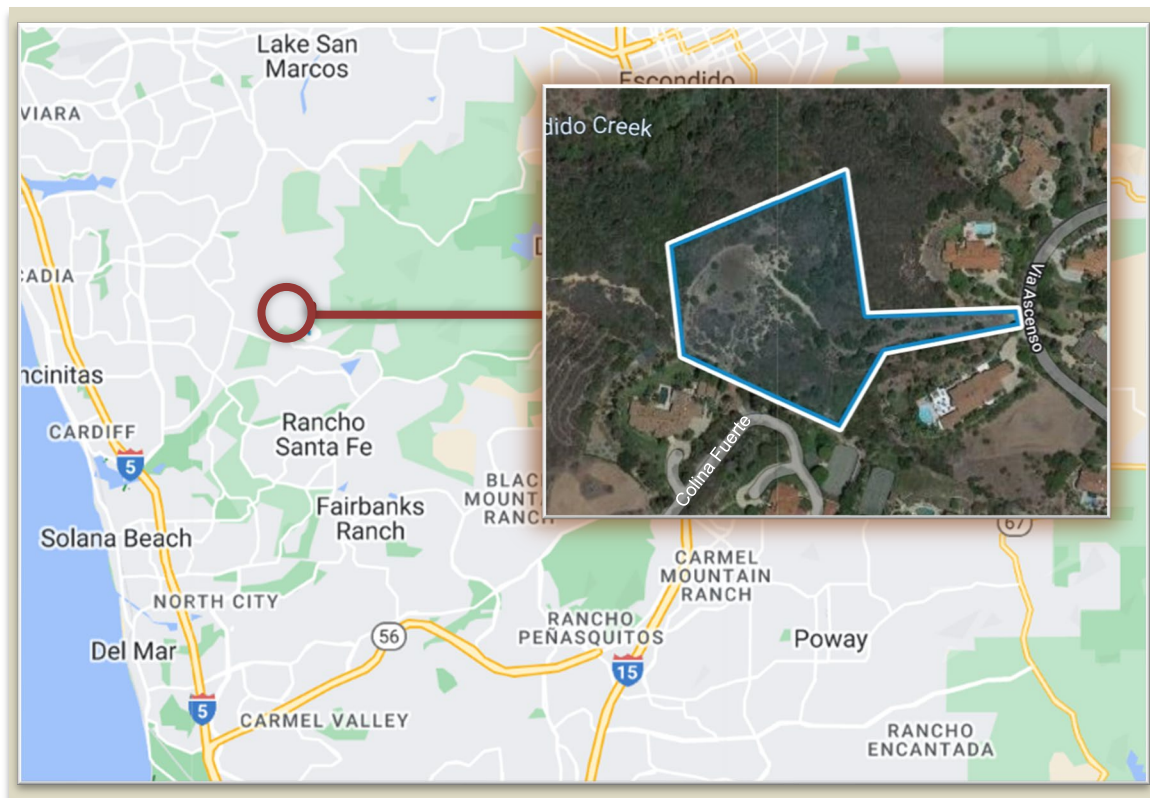
BACKGROUND

Applicant Request

San Diego LAFCO has received a proposal initiated by landowner petition (Brendan Eckelman) for the primary purpose of annexing approximately 5.14 acres of unincorporated territory in the Rancho Santa Fe community to the Santa Fe ID and its potable water system. The affected territory as submitted comprises one legal parcel currently undeveloped with an open-space easement covering close to 3/5 of the entire parcel (Attachment 3). A secondary action to detach the affected territory from Olivenhain MWD is also part of the proposed reorganization. The County Assessor’s Office identifies the subject parcel as 265-441-01 with a situs of 18100 Via Ascenso in Rancho Santa Fe (92091). The current total assessed land value is \$613,200.

Regional Setting

The affected territory is located in northern San Diego County within the unincorporated community of Rancho Santa Fe, which generally lies east of Interstate 5, north of the State Route 56, and southwest of State Route 78. Principal access to the affected territory is provided by Avenida Del Duque & Aliso Canyon Road via El Camino Del Norte. The affected territory lies within County Supervisorial District No. 3 (Terra Lawson-Remer), Assembly District No. 77 (Tasha Boerner), and Senate District No. 38 (Catherine Blakespear). An aerial map of the affected territory and its regional setting follows with a more detailed map – including the existing parcel and jurisdictional boundaries – provided at Attachment One.



Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: Santa Fe ID and Olivenhain MWD.¹ Summaries of the two subject agencies in terms of governance, resident population, municipal functions, and financial standing follows.

- **Santa Fe ID** is an independent special district governed by a five-member board of directors authorized to provide one municipal function: potable water (retail class). An appointed general manager – Albert C. Lau – oversees day-to-day activities with a current full-time budgeted staff of 47. Santa Fe ID was formed in 1923 with water sourced from the once privately owned Lake Hodges and Lake Hodges Dam. Today, Santa Fe ID’s potable water supply is imported via the San Diego County Water Authority and largely sourced to the Colorado River and Sacramento Bay-Delta. The current jurisdictional boundary totals approximately 10,300 acres, or 16 square miles, and includes the unincorporated community of Rancho Santa Fe and the City of Solana Beach. A limited portion of the jurisdictional boundary extends into the Cities of Del Mar and Encinitas. LAFCO estimates the current population at 18,675. LAFCO established a sphere of influence for Santa Fe ID in 1984. The sphere was most recently reviewed and affirmed in 2013 with a “smaller-than-agency” designation and marked by the exclusion of 360 jurisdictional acres. Santa Fe ID’s audited net position is \$93.5 million as of June 30, 2022, with an undesignated balance of \$25.5 million. This includes an ending cash balance of \$37.6 million. Santa Fe ID’s total net position has changed by 12.7% over the prior three audited years.
- **Olivenhain MWD** is an independent special district governed by a five-member board of directors authorized to provide four municipal functions: potable water (retail class); recycled water (retail class); wastewater (collection and treatment classes), and park and recreation services. An appointed general manager – Kimberly Thorner – oversees day-to-day activities with a current full-time budgeted staff of 87. Olivenhain MWD was formed in 1959 for the purpose of retailing potable water supplies purchased from the San Diego County Water Authority. Olivenhain MWD’s other functions were subsequently added between 1985 and 2000 through latent power activations. The current jurisdictional boundary totals approximately 31,040 acres, or 48.5 square miles, and includes the Cities of Carlsbad, Encinitas, San Diego, San Marcos, and Solana Beach as well as the unincorporated communities of 4S Ranch, Elfin Forest, Rancho Cielo, and Rancho Santa Fe Valley. LAFCO estimates the current population at 86,614. LAFCO established a sphere of influence for Olivenhain MWD in 1984 and covers MWD’s potable water, recycled water, and parks and recreation function. (Information regarding the secondary sphere covering the wastewater function is footnoted.²) The primary sphere was most recently reviewed and affirmed in 2013 with a larger-than-agency designation to include approximately 200 non-jurisdictional acres. Olivenhain MWD’s audited net position is \$328.8 million

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

² Olivenhain MWD’s wastewater function was established in 1998 through a latent-power activation by LAFCO and instep with dissolving the 4S Ranch and Rancho Cielo Sanitation Districts. LAFCO also established a secondary service-specific sphere for OMWD for wastewater replicating the former boundaries of the 4S Ranch and Rancho Cielo Sanitation Districts.

as of June 30, 2022, with an undesignated balance of \$93.3 million. This includes an ending cash balance of \$40.7 million. Olivenhain MWD’s total net position has changed by 2.3% over the prior three audited years.

Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and/or spheres of influence of 12 local agencies directly subject to San Diego LAFCO’s planning and regulatory responsibilities. These agencies qualify as “affected agencies” relative to the proposed reorganization for noticing purposes and listed below.³

- CSA No. 17 San Dieguito (ambulance)
- CSA No. 83 San Dieguito (local parks)
- CSA No. 135 (regional communications)
- Metropolitan Water District of Southern California
- North County Cemetery District
- North County Transit District
- Rancho Santa Fe Community Services District
- Ranch Santa Fe Fire Protection District
- Resource Conservation District of Greater San Diego County
- San Diego County Flood Control District
- San Diego County Street Lighting District
- San Diego County Water Authority

The affected territory also lies within the following school and college districts, and accordingly has received notice: Encinitas Union School District; Mira Costa Community College District; and San Dieguito Union High School District.

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications to the physical footprint – the reorganization proposal and its principal action to annex the affected territory to the Santa Fe ID with concurrent detachment from Olivenhain MWD. The Commission may also consider applying conditions as allowed under statute so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose, development opportunities, and Commission focus follows.

³ State law defines “affected 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.

Proposal Purpose

The underlying purpose of the proposed reorganization before San Diego LAFCO is to annex the affected territory to the Santa Fe ID to accommodate a preferred potable water connection for the landowner-applicant in conjunction with their current development plans for the subject parcel. Specifically, the reorganization and the transition of potable water service from Olivenhain MWD to Santa Fe ID would sync with the planned design of a single-family residence with a driveway connecting to Colina Fuerte with ready accessibility therein to ID’s distribution line within the public right-of-way. (Olivenhain MWD’s distribution line is located on the opposite side of the subject parcel in the public right-of-way of Via Ascenso.) This transition – materially – would avoid significant encroachment and disruption of an open space easement and sensitive biological habitat within the portion of the subject parcel facing Via Ascenso.⁴ The timing of the proposal ties to the landowner-applicant’s purchase of the subject parcel in February 2021 and proceeding with a pre-application process with the County of San Diego to develop a single-family residence and ancillary uses.

Current and Planned Development Opportunities

The affected territory is entirely unincorporated and under the land use authority of the County of San Diego and its adopted policies. Specific development policies for the affected territory are delegated in the County General Plan to the San Dieguito Community Plan (2011). The present land use designation applied to the affected territory is Semi-Rural Residential (SR-2), which provides up to one dwelling unit per every 2, 4, or 8 acres depending on slope. The affected territory is zoned Rural Residential (RR) with a minimum parcel size prescription of 2.0 acres. Based on the current configuration, the zoning assignment produces a maximum density for the affected territory of two legal parcels. The zoning assignment relatedly produces a maximum density of four dwelling units and divided between each legal parcel having a single-family residence and accessory dwelling unit.

The landowner-applicant has disclosed as part of the proposal filing, they have initiated pre-application discussions with the County of San Diego with tentative plans to develop a single-family residence, pool, and an accessory dwelling unit.

Commission Focus

Three central and sequential policy items underlie San Diego LAFCO’s consideration for the proposed reorganization. These policy items ultimately take the form of determinations and orient the Commission to consider the interrelated merits of (a) accommodating sphere of influence actions for Santa Fe ID and Olivenhain MWD, (b) timing of the reorganization, and (c) whether discretionary boundary modifications or approval terms are appropriate. The Commission must also consider other relevant statutes in and outside LAFCO law as detailed.

⁴ Installing a waterline from the east off Via Ascenso would result in adverse impacts to sensitive habitats, species, a population of Del Mar Manzanita (a federally-listed Endangered Species), and possible jurisdictional wetlands/waters. Annexation to SFID would completely mitigate these potential environmental effects.

ANALYSIS

San Diego LAFCO’s analysis of the proposed reorganization is divided into two subsections. The first subsection pertains to evaluating the central policy issues referenced in the preceding section starting with the merits of the conforming sphere of influence actions and the timing of the reorganization relative to the factor mandated for review by the Legislature and local policies. The second subsection considers other germane issues required for the LAFCO proposal consideration and this includes complying with the California Environmental Quality Act (CEQA).

Central Policy Items

Item No. 1 |

Conforming Sphere of Influence Amendments

The proposed reorganization necessitates San Diego LAFCO to consider concurrent actions to the two subject agencies’ spheres of influence to achieve consistency with the requested boundary changes required under statute. Consideration of the concurrent sphere actions are premised on the Commission’s statutory responsibility to designate spheres to demarcate the affected agencies’ appropriate current and future service areas relative to community needs and – among other features – to conform with proposed changes of organization or reorganization when warranted. Staff believes the amendments to add the affected territory to Santa Fe ID’s sphere and remove from Olivenhain MWD’s sphere are merited. These concurrent actions would serve to recast Commission policy that Santa Fe ID – and not Olivenhain MWD – is the appropriate public potable water provider now and going forward.

Analysis of these three related amendments follow.

- Sphere Factor No. 1:
Consideration of a Municipal Service Review

Statute requires LAFCO to prepare municipal service reviews to inform its related task to regularly review and update all local agencies’ spheres of influence. The statute further directs LAFCO perform sphere updates every five years as needed. Commission policy L-106 affirms this statutory direction while also providing waiver allowances based on Executive Officer recommendations. The most recent series of municipal service reviews prepared by LAFCO germane to the affected territory and subject agencies were completed in the early 2010s. Requiring one or more new municipal service reviews – however and specific to informing the proposed reorganization – does not appear warranted. This conclusion ties to the relatively limited scope of the amendments and otherwise certainty in analyzing service impacts and related capacities as detailed further in this agenda report.

- Sphere Factor No. 2:
Consideration of the Agency-Affected Territory Relationship

The Legislature prescribes consideration of five factors anytime LAFCOs act on spheres of influence. These factors parallel the macro topics in municipal service reviews with a generalized focus on the relationship with the affected territory – including service needs and adequacy of available services. The factors also orient the Commission to broadly consider the relationship between current and planned land uses in the affected territory plus – and as needed – effects on qualifying disadvantaged unincorporated communities. The factors and staff analysis follows.

- With respect to **present and planned land uses**, the affected territory as submitted comprises one vacant parcel with minimal physical improvements that collectively spans 5.14 acres within the Rancho Santa Fe community. The affected territory is unincorporated with the County of San Diego planning otherwise low-density single-family residential uses and marked by a minimum parcel size of 2.0 acres. The planned residential use – which parallels existing surrounded uses – is readily compatible with the proposal and conforming sphere amendments to facilitate the affected territory’s development under consideration.
- With respect to **present and probable need for one or more public services**, there is a pending need for a potable water service within the affected territory to accommodate the development contemplated under the County’s land use policies. This present and probable service need is readily compatible with the proposal and conforming sphere amendments under consideration.
- With respect to **overall adequacy of the agencies’ public services**, no material deficiencies have been identified by LAFCO staff as part of the proposal review. Specifically, and as detailed in the proceeding section, Santa Fe ID has the supply and means to provide potable water to the affected territory without adverse impacts to current ratepayers. This adequacy provides sufficient compatibility with the proposal and conforming sphere amendments under consideration.
- With respect to **social or economic communities of interest if relevant to the agencies**, the Commission previously determined the affected territory’s social and economic ties were best aligned with Olivenhain MWD, and accordingly placed the subject land within MWD’s sphere beginning in 1984. Subsequently, the affected territory was reconfigured through a larger subdivision and resulted in the establishment of an open space easement along its eastern border. This easement now creates a habitat buffer between the remainder of the affected territory and Olivenhain MWD’s existing infrastructure. Staff believes the easement serves as the substantive realignment of the affected territory’s social and economic interest given any development as planned under the County of San Diego is largely dependent on connecting to Santa Fe ID’s potable water system.

- With respect to **present and probable need for services involving any disadvantaged unincorporated communities**, none of the affected territory qualifies under LAFCO statute.
- Sphere Factor No. 3:
Consideration of Policy L-102

San Diego LAFCO’s policies guiding sphere of influence actions are primarily codified under L-102. This policy was adopted in August 1990 and last substantively updated in June 2000. It directs the Commission to utilize spheres to guide deliberations on future changes of organizations and in doing so – and among other growth management objectives – help reflect and preserve community identities. The policy further directs LAFCO to use spheres to discourage duplication of municipal services and similarly encourages local agency consolidations, whether functional or political. The sphere of influence amendments necessary to accommodate the proposed reorganization conforms with L-102. Most directly, the amendments would facilitate known and otherwise modest jurisdictional changes while being responsive to local conditions. This latter comment ties to extending potable water service via existing infrastructure while avoiding the disturbance of an open-space easement.

CONCLUSION | MERITS OF CONFORMING SPHERE OF INFLUENCE AMENDMENTS

The conforming sphere of influence amendments necessary to accommodate the proposed reorganization is sufficiently justified under both statute and local policy. Justification is marked by the preceding analysis and largely premised on the following assumptions. First, it is assumed the Commission determines a new municipal service review for Santa Fe ID as the receiving agency is not necessary given the otherwise limited scope of service impacts associated with the annexation and a waiver is appropriate. Second, it is assumed the Commission determines there is sufficient connectivity between Santa Fe ID’s services and the communities of interest within and adjacent to the affected territory now and going forward.

Item No. 2 | Reorganization Timing

San Diego LAFCO’s consideration of the proposed reorganization’s timing draws on analyzing baseline factors required in statute as well as applicable policies set by the Commission. Most of the baseline factors in statute focuses on disclosing and otherwise addressing compatibility issues with external goals and policies of other State, regional, and local agencies as well as assessing the ability of subject agencies providing services going forward.⁵ Applicable local policies prompted for consideration are headlined by L-107 and its attention to disclosing and/or addressing any known or perceived jurisdictional disputes.

⁵ Reference to Government Code Section 56668.

Analysis of these two related timing factors follows.

- Timing Factor No. 1:

Baseline Considerations: Regional Policies + Service Relationships

State law prescribes the mandatory consideration of certain and multifaceted factors anytime LAFCOs consider jurisdictional changes. These factors range in substance from disclosures – such as the affected territory’s current land uses, assessed values, register voter counts, and so on – to discretionary analyses. This latter category is highlighted by evaluating the proposed annexation’s relationship to community needs as well as the service capacities and related financial resources of the subject agencies. A summary of key conclusions generated in reviewing these discretionary matters for the proposed reorganization with an emphasis on the receiving entity (Santa Fe ID) regarding (a) service needs, (b) service availability and capacities, and (c) related financial considerations follow.

- With respect to **service needs**, the affected territory’s planned residential uses merits potable water service. Annexation of the affected territory to Santa Fe ID to facilitate the extension of potable water service accommodates this need. It also serves as a preferred alternative to the landowner-applicant connecting to Olivenhain MWD and in doing so traversing and disturbing sensitive biological habitat that is otherwise captured in an existing open-space easement.
- With respect to **service availability and capacities**, Santa Fe ID has available and sufficient capacities to accommodate projected water demands in the affected territory at its planned maximum uses. Additional details follow.

An existing Santa Fe ID distribution main is located immediately northeast of the affected territory within the public rights-of-way Colina Fuerte. It is projected by LAFCO the maximum average day water flow generated within the affected territory based on the planned development is 1,500 gallons or 0.005 acre-feet. This projected amount, which assumes the development of a single-family residence and an accessory dwelling unit with ornamental landscaping can be readily accommodated by Santa Fe ID given it represents only 1.4% of its available treatment capacity remaining within its water system.⁶ This projected amount similarly serves as the ultimate buildout demand given the existence of the conservation easement paired with slope restrictions.

- With respect to **related financial considerations**, Santa Fe ID has adequate financial resources and related administrative controls to provide retail water services to the affected territory in support of its present and planned development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of recent audited statements, which shows the Santa

⁶ The average daily water demand for Santa Fe ID for FY21-22 is 27.14 acre-feet or 9,908.8 acre-feet annually. Santa Fe ID’s total available daily treated supply less current demands is 31.2 million gallons or 95.6 acre-feet.

Fe ID having established favorable liquidity and capital levels and highlighted by a current ratio of 8.78 to 1 and debt ratio of 32.81%. Further, Santa Fe ID has maintained positive year-end balances with an average total margin of 25.16% over the last 36 months.

- Timing Factor No. 2:
Consideration of Policy L-107

San Diego LAFCO adopted L-107 in May 2010 to require all applicants to disclose jurisdictional disputes or related items that are associated with their proposal filings. If applicable, and unless waived by the Executive Officer, the policy requires applicants and/or their representatives to consult with opponents to resolve any known issues – concerns, disputes, etc. – before the item is formally considered by the Commission.⁷ If an agreement is reached through the consultation process, the policy states the Commission shall consider the provisions as part of the application. If an agreement is not reached despite exhausting good-faith efforts, the policy states the Commission shall proceed to consider the application as submitted.

No jurisdictional disputes have been disclosed by the Santa Fe ID or Olivenhain MWD. LAFCO staff, similarly, has not identified any disputes or related concerns involving other local agencies in the administrative review.

CONCLUSION | MERITS OF REORGANIZATION TIMING

The timing of the reorganization to annex the affected territory to Santa Fe ID to facilitate the establishment of potable water service is warranted. Justification is marked by the preceding analysis and highlighted by appropriately responding to the need for retail water service within the affected area consistent with planned and expected uses paired with sufficient capacities to serve. Additional analysis supporting the conclusion is provided in Appendix A.

Item No. 3 | Modifications and Terms

No modifications to the submitted reorganization have been identified by San Diego LAFCO staff meriting Commission consideration at this time. This includes confirmation that the annexation of the affected territory would not generate any corridors and/or otherwise illogical jurisdictional features.

⁷ The Executive Officer retains discretion to determine the extent of consultation needed.

CONCLUSION | MODIFICATIONS AND TERMS

No modifications appear warranted. Standard approval terms are recommended and include receipt of all remaining payments associated with the processing of the proposal by the Commission through recordation.

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 between the County of San Diego and the subject agencies for the proposed reorganization before San Diego LAFCO. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of the subject agencies given they are both special districts. LAFCO staff has confirmed the County Board of Supervisors has adopted a master enterprise district resolution applicable to the proposed reorganization. The exchange agreement specifies no transfer of property taxes would occur should the commission approve the concurrent annexations of the affected territory to Santa Fe ID.

Environmental Review

San Diego LAFCO is obligated under CEQA to assess whether environmental impacts would result from activities approved under the Commission’s authority, either as a lead or responsible agency. The Commission is tasked with making two distinct findings under CEQA in consideration of the proposed reorganization. Staff’s analysis follows.

- San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendments to Santa Fe ID and Olivenhain MWD. It is recommended the Commission find these actions a project under CEQA but exempt from further review 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.
- San Diego LAFCO serves as lead agency under CEQA for the reorganization given it has been initiated by a landowner petition. It is recommended the Commission find these actions a project under CEQA but exempt from further review under State CEQA Guidelines Section 15320. This exemption appropriately applies given the underlying action involves transferring the authority to provide municipal potable water service between two public agencies within the same area with no additional powers or expansions therein.

Protest Proceedings

Protest proceedings for the proposed reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under Government Code Section 56663(a). This waiver appropriately applies both subject agencies have waived their right to protest and the landowner has provided their consent to the proceedings as applicant.

RECOMMENDATION

Staff recommends conditional approval of the reorganization proposal as submitted along with conforming sphere of influence amendments as detailed. This recommendation and ancillary actions are consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):

Adopt the attached draft resolution conditionally approving the reorganization proposal as submitted (no modifications) and conforming sphere of influence amendments as detailed along with making required findings under CEQA. Protest would also be waived.

Alternative Two:

Continue consideration to the next regular meeting.

Alternative Three:

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

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO’s agenda for action as part of a noticed public hearing. The following procedures are suggested.

1. Commissioner disclosures, if any.
2. Receive verbal presentation from staff unless waived.
3. Open the public hearing and invite testimony beginning with the applicant.
4. Discuss item and consider the staff recommendation.

On behalf of the Executive Officer,



Michaela Peters
Analyst I

Appendices:

- A) Analysis of Boundary Change Factors

Attachments:

- 1) Map of the Affected Territory
- 2) Draft LAFCO Resolution of Approval
- 3) Open Space Easement Map
- 4) Application Materials

APPENDIX A

Government Code Section 56668 Mandatory 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 populated areas; the likelihood of significant growth in the area, and adjacent areas, in the next 10 years.**

The affected territory as submitted comprises one unincorporated parcel in the semi-rural residential community of Rancho Santa Fe and collectively spans 5.14 acres total. The subject parcel is currently undeveloped with plans of developing a single-family residence, pool, and an accessory unit. The County of San Diego Assessor’s Office identifies the parcel as 265-441-01 with a total land value of \$612,200.

- 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 County of San Diego serves as the primary purveyor of general governmental services to the affected territory. These services include community planning, roads, street lighting, and law enforcement. Other pertinent service providers include Rancho Santa Fe FPD (fire protection, emergency medical, and ambulance transport) and Rancho Santa Fe CSD (wastewater). The proposal affects only potable water via the proposed transfer from Olivenhain MWD to Santa Fe ID and is the focus of the following analysis.

- **Potable Water Service**

Santa Fe ID would directly assume potable water service responsibilities for the affected territory upon the reorganization from Olivenhain MWD. An existing Santa Fe ID distribution main is located immediately northeast of the affected territory within the public right-of-way Colina Fuerte. It is projected by LAFCO the maximum average day water flow generated within the affected territory based on the planned development is 1,500 gallons or 0.005 acre-feet. This projected amount, which assumes the development of a single-family residence and an accessory dwelling unit with ornamental landscaping can be readily accommodated by Santa Fe ID given it represents only 1.4% of its available treatment capacity remaining within its water system. This projected amount similarly serves as the ultimate buildout demand given the existence of the conservation easement paired with slope restrictions.

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 reorganization and annexation therein to Santa Fe ID would establish clear economic and social ties between the District and the affected territory.

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 reorganization and annexation to Santa Fe ID would facilitate the orderly and otherwise modest expansion of the District’s jurisdictional boundary and potable water system. This includes – notably – allowing the landowner-applicant to connect their planned single-family residence to a Santa Fe ID distribution line to the west without otherwise needing to disturb an open-space easement if connecting to Olivenhain MWD’s distribution line to the east. The affected territory does not contain “open space” as defined under LAFCO law and no conflicts exists under Government Code Section 56377. Additional analysis concerning conformance with germane Commission policies follows.

- San Diego LAFCO Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals, and if applicable, requires a consultation process with affected agencies, interested parties, or organizations to help discuss and potentially remedy concerns unless waived by the Executive Officer. No jurisdictional disputes or related concerns were identified or disclosed by the applicant, subject agencies, or interested parties 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 presently contain “agricultural land” as defined under LAFCO law. Specifically, the affected territory does not contain lands 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.

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 that appears consistent with the standards of the State Board of Equalization and conforming with lines of assessment. LAFCO approval would be conditioned on approval of the map and geographic description by the County Assessor’s Office and address any modifications enacted by the Commission.

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

The recommended reorganization would not conflict with San Diego Forward, the regional transportation plan established by the San Diego Association of Governments (SANDAG).

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

The affected territory is entirely unincorporated and under the land use authority of the County of San Diego and its adopted policies. Specific development policies for the affected territory are delegated in the County General Plan to the San Dieguito Community Plan (2011). The present land use designation applied to the affected territory is Semi-Rural Residential (SR-2), which provides up to one dwelling unit per every 2, 4, or 8 acres depending on slope. The affected territory is zoned Rural Residential (RR) with a minimum parcel size prescription of 2.0 acres. Based on the current configuration, the zoning assignment produces a maximum density for the affected territory of two legal parcels. The zoning assignment relatedly produces a maximum density of four dwelling units and divided between each legal parcel having a single-family residence and accessory dwelling unit.

The landowner-applicant has disclosed as part of the proposal filing, they have initiated pre-application discussions with the County of San Diego with tentative plans to develop a single-family residence, pool, and an accessory dwelling unit.

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

See agenda report analysis.

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

Notice of the submitted reorganization proposal was distributed to all affected and subject agencies as required under LAFCO law. Notices were also provided to all local college and school districts. No written comments on the proposal were received ahead of preparing this agenda report for distribution on November 27, 2023.

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.

Information collected and reviewed as part of this proposal indicates the Santa Fe ID has overall sufficient and available financial resources and administrative controls therein relative to serving the affected territory without adversely impacting existing constituents. This statement is supported by the following factors.

- Santa Fe ID last outside audit covers 2021-2022 and shows the District finished with sufficient liquidity levels with an agency-wide current ratio of 8.78 (i.e., \$8.78 in current assets for every \$100.00 in current liabilities).
- Santa Fe ID finished 2021-2022 with good capital levels and marked by a debt ratio of 32.81% (i.e., only \$32.81 out of every \$100.00 in net assets are financed.)
- Santa Fe ID finished 2021-2022 with an overall total margin of 25.16%.

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

The affected territory’s planned residential uses are presently within and connected to Santa Fe ID’s potable water system with wholesale supplies provided by the San Diego County Water Authority. Approval of the proposed reorganization would not affect these existing relationships and/or commitments. Further, Santa Fe ID did not request any approval terms in the course of receiving a notice of review on the reorganization.

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.

The proposed reorganization would not impact any local agencies in accommodating their regional housing needs. All potential units tied to the lands are already assigned to the County of San Diego by the region’s council of governments through the standing exclusion of the land within any cities’ spheres of influence.

n) Any information or comments from the landowners, voters, or residents.

The landowner has initiated the proposed reorganization. There are no residents or voters currently within the affected territory.

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.

The reorganization is expected to aid and/or otherwise promote environmental justice by enhancing the availability of potable water service within the affected territory. This latter category – notably – includes low-income communities, communities of color, tribal nations, and other disadvantaged groups. Consideration of existing environmental justice factors within the affected territory draw on staff analyzing data available from the California Environmental Protection Agency through its online assessment tool (CalEnviroScreen 4.0).

Two composite percentile rankings for the affected territory are generated within this analysis and involves (a) pollution burdens and (b) susceptible population to pollution burdens relative to all census tracts in California. These rankings follow.

- The affected territory’s **composite pollution burden ranking** falls in the forty-third percentile with an internal range between 3 to 98 percentiles. Six pollution burden measurements exceed the 50 percentile and considered relatively high. These six measurements are relative to pesticides, groundwater threats, cleanup sites, hazardous waste, impaired water, and solid waste.
- The affected territory’s **composite susceptible population ranking** falls in the sixth percentile with an internal range between 1 to 45 percentiles. None of these at-risk groups exceeds the 50 percentile.

A summary of all tracked pollution burdens and susceptible population follows.

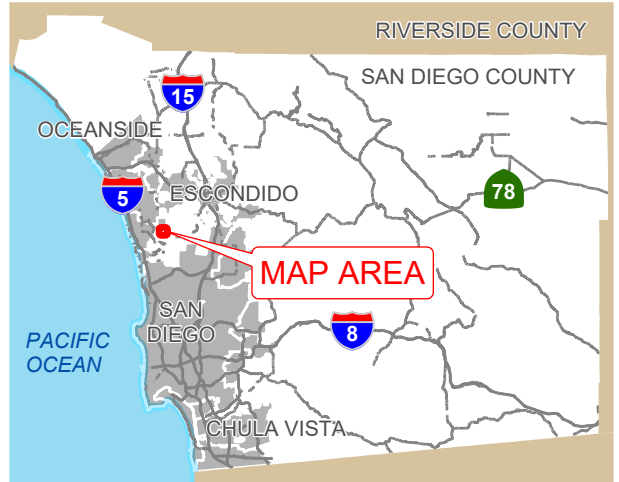
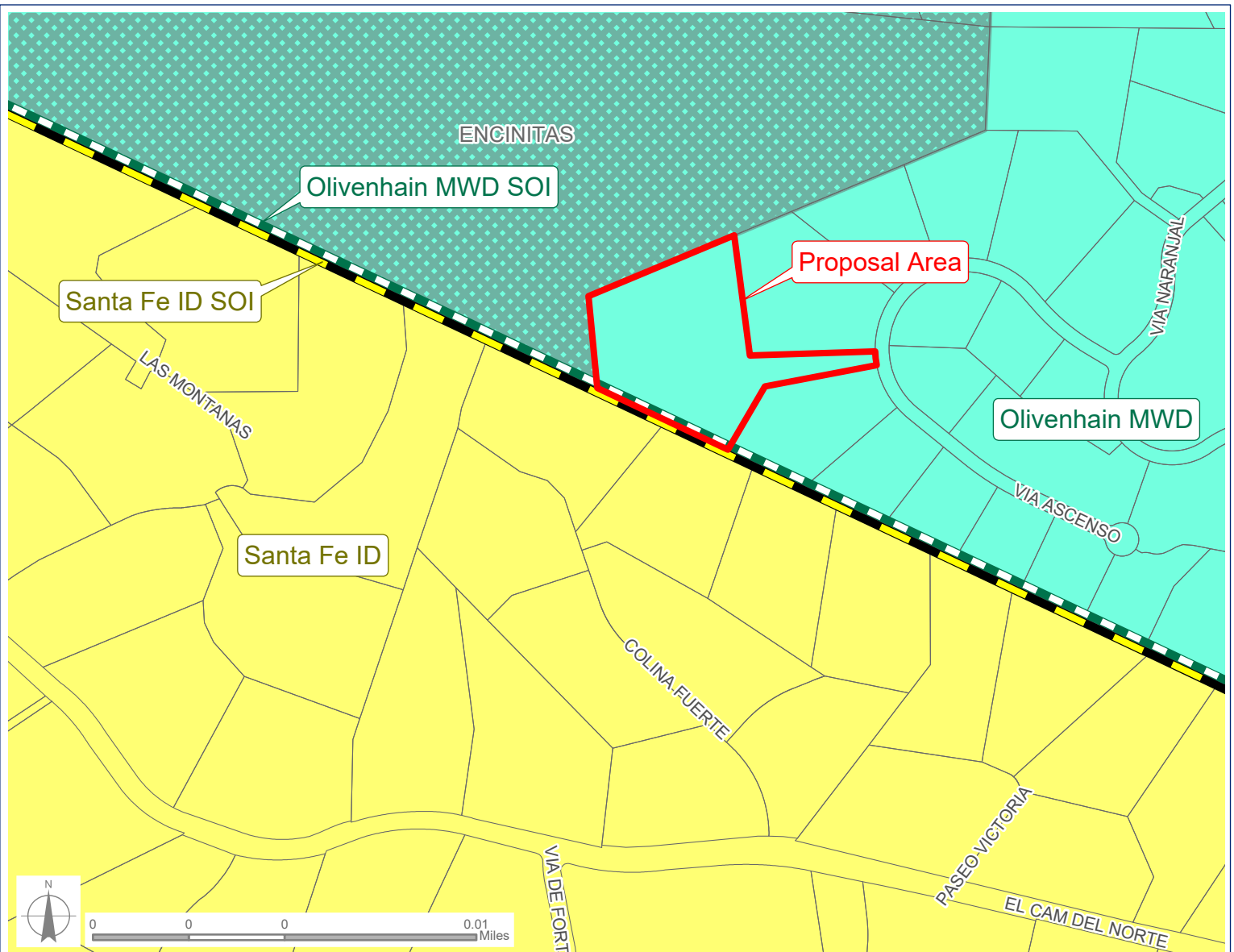
Census Tract 6073017110	
Pollution Burdens and Susceptible Population	
Table 2.6a (Source: California Environmental Protection Agency and SD LAFCO)	
Factor	Census Tract 6073017110
No. of Census Tracts	1
Estimated Population within Tract(s)	11,906
Pollution Burden	Weighted Percentile
... Percentile	43.4
Indicator Air Quality: Ozone	40.1
Indicator Air Quality: PM 2.5:	15.3
Indicator Air Quality: Diesel PM:	17.9
Indicator Pesticides:	70.5
Indicator Toxic Releases:	13.3
Indicator Traffic:	22.1
Indicator Drinking Water Contaminants:	50.8
Indicator Lead in Housing:	3.5
Effects Cleanup Sites:	50.3
Effects Groundwater Threats:	27.8
Effects Hazardous Waste:	82.0
Effects Impaired Water:	98.07
Effects Solid Waste:	52.9
Sensitive Population	Weighted Percentile
... Percentile	6.5
Population Asthma:	1.3
Population Low Birth Weight:	31.7
Population Cardiovascular Disease:	5.2
Population Education:	10.3
Population Linguistic Isolation:	32.0
Population Poverty:	21.3
Population Unemployment:	45.8
Population Housing Burden:	13.9

- 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 County of San Diego General Plan contains a hazard mitigation plan for potential fire, flooding, and earthquakes. The affected territory lies in a Very-High Fire Hazard Severity Zone and a low earthquake hazard area.

- r) 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 annexed to the district.**
-






Approval of the reorganization would be in the best interest of the current and future landowners and/or residents of the affected territory by providing reliable water service going forward.



RO23-08

**"COLINA FUERTE - VIA ASCENSO REORGANIZATION"
| ANNEXATION TO THE SANTA FE ID WITH CONCURRENT
DETACHMENT FROM OLIVENHAIN MWD AND
CONFORMING SPHERE OF INFLUENCE ACTIONS**

SOI = Sphere of Influence

-  Proposal Area
-  Santa Fe ID SOI
-  Olivenhain MWD SOI
-  Santa Fe ID
-  Olivenhain MWD



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

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G:\GIS\Vicinity_Maps\legendamaps2023\23-08 SantaFe ID Colina Fuerte.aprx

Created by Dieu Ngu -- 8/15/2023

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

**“COLINA FUERTE-VIA ASCENSO REORGANIZATION”
ANNEXATION TO THE SANTA FE IRRIGATION DISTRICT WITH CONCURRENT DETACHMENT
FROM OLIVENHAIN MUNICIPAL WATER DISTRICT
LAFCO FILE NO: RO23-08**

WHEREAS, on May 17, 2023, interested landowner – Brendan Eckelman – 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 before the Commission seeks approval of a reorganization of approximately 5.14 acres of unincorporated territory in the County of San Diego involving annexation to the Santa Fe Irrigation District with concurrent detachment from the Olivenhain Municipal Water District; and

WHEREAS, the affected territory as proposed includes one undeveloped legal parcel and identified by the County of San Diego’s Assessor’s Office as 265-441-01; and

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

WHEREAS, the Commission’s Executive Officer has reviewed the proposed reorganization 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 meeting on the proposal on December 4, 2023;

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

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

1. The public meeting 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 meeting, the Commission considered the Executive Officer’s report.

3. With respect to considering the effects of the proposed reorganization under the California Environmental Quality Act (CEQA), the Commission's makes the following findings:
 - a) San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendments to Santa Fe ID and Olivenhain MWD. It is recommended the Commission find these actions a project under CEQA but exempt from further review 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.
 - b) San Diego LAFCO serves as lead agency under CEQA for the reorganization given it has been initiated by a landowner petition. It is recommended the Commission find these actions a project under CEQA but exempt from further review under State CEQA Guidelines Section 15320. This exemption appropriately applies given the underlying action involves the transfer of existing municipal service function authority within the same area with no additional powers or expansions therein.
4. The Commission CONDITIONALLY APPROVES the sphere of influence amendments for Santa Fe ID (addition) and Olivenhain MWD (removal) to accommodate and otherwise match the reorganization as shown in Exhibit A and does so by making the determinative statements covering the factors under Government Code Section 56425 provided in the Executive Officer's written report.
 - a) Approval of the above-stated sphere of influence amendments are contingent upon the approval and related issuance of a Certificate of Completion.
 - b) Approval of the above-stated sphere of influence amendments include an enabling waiver by the Commission as recommended by the Executive Officer of the provision in L-106 that would otherwise require the preparation of one or more municipal service reviews.
5. The Commission CONDITIONALLY APPROVES the reorganization without modifications and subject to conditions as provided. Approval involves all the following:
 - a) Annexation of the affected territory to the Santa Fe Irrigation District as shown in "Exhibit A-1" and described in "Exhibit A-2".
 - b) Detachment of the affected territory from Olivenhain Municipal Water District as shown in "Exhibit A-1" as described in Exhibit A-2".
6. The Commission CONDITIONS all approvals on the following terms being satisfied by December 4, 2024, 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 as approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Divisions.
 - c) Submittal to the Commission of the following payments:
 - o A check made payable to LAFCO in the amount of \$100.00 for the County of San Diego-Clerk Recorder to reimburse for filing a CEQA Notice of Determination and Notice of Exemption consistent with the finding in the resolution.
 - o A check made payable to the State Board of Equalization for processing fees in the amount of \$350.00.
 - o A check made payable to LAFCO in an amount to be separately noticed to cover the public hearing publication costs with the Union Tribute.
 - d) Written confirmation from the subject agencies that all reorganization terms established by their respective boards and/or ordinances have been satisfied.
7. The Commission assigns the proposal the following short-term designation: “Colina Fuerte-Via Ascenso Reorganization”.
 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 Santa Fe Irrigation District and Olivenhain Municipal Water District are registered-voter districts.
 11. The Santa Fe Irrigation District and Olivenhain Municipal Water District all utilize the County of San Diego assessment roll.
 12. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Santa Fe Irrigation 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 authorized the Executive Officer to make non-substantive corrections to the resolution to address any technical defects, errors, irregularities, or omissions.
 15. The Executive Officer is hereby authorized and directed to transmit 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 December 4, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

**

ATTEST:

Keene Simonds
Executive Officer

EXHIBIT A-1
MAP OF AFFECTED TERRITORY

-Placeholder-

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EXHIBIT A-2
GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY

-Placeholder-

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COUNTY OF SAN DIEGO TRACT NO. 4553

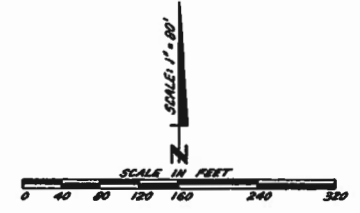
- △ OPEN SPACE EASEMENT GRANTED HEREON
- △ PUBLIC SEWER EASEMENT OVER ALL OF LOT 45 DEDICATED HEREON
- △ PUBLIC SEWER EASEMENT DEDICATED HEREON

△ WATERLINE EASEMENT TO OLIVENHAIN MUNICIPAL WATER DISTRICT OVER LOT 45 DEDICATED HEREON.

ONSITE PRIVATE ROADS AND PRIVATE DRAINAGE FACILITIES TO BE MAINTAINED IN ACCORDANCE WITH PRIVATE ROAD MAINTENANCE AGREEMENT DATED 9-19-86 AS TYP NO. 86-418173.

LOT 45 (VIA MARANIAL AND 184 ADDRESS) WILL BE VESTED IN PROPORTIONATE FEE TITLE WITH DEEDS CONVEYING TITLE IN THIS PROJECT. ALL PROPERTY OWNERS WILL BE GRANTED A NON-EXCLUSIVE EASEMENT OVER SAID STREETS.

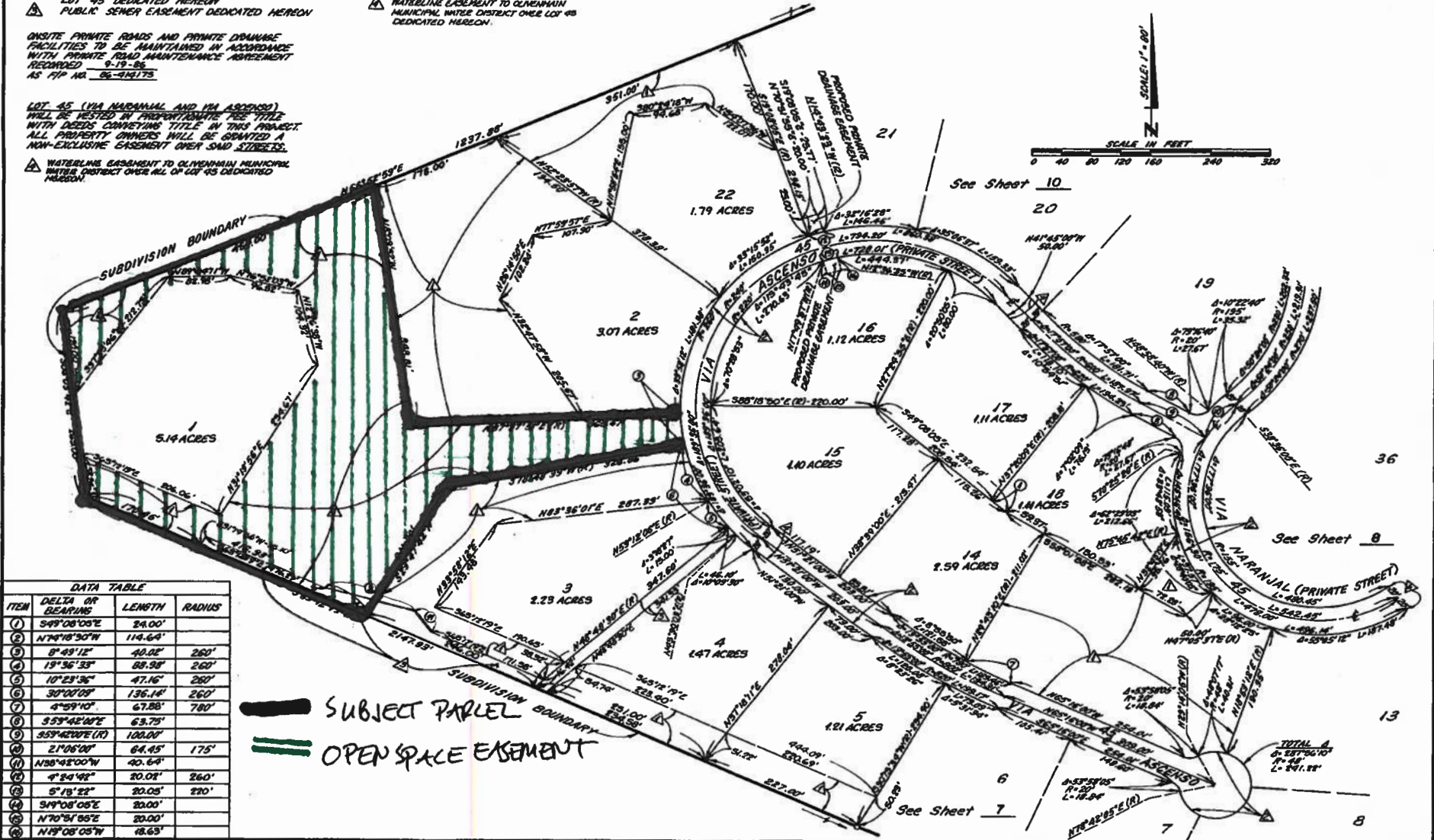
△ WATERLINE EASEMENT TO OLIVENHAIN MUNICIPAL WATER DISTRICT OVER ALL OF LOT 45 DEDICATED HEREON.



ITEM	DELTA OR BEARING	LENGTH	RADIUS
1	S49°08'05"E	24.00'	
2	N74°18'30"W	114.64'	
3	0°49'12"	40.02'	260'
4	N9°36'33"	88.38'	260'
5	N0°23'36"	47.16'	260'
6	S0°07'09"	136.14'	260'
7	S°59'10"	67.88'	780'
8	S59°42'04"E	63.75'	
9	S59°42'04"E (R)	100.00'	
10	S21°06'00"	64.45'	175'
11	N38°48'00"W	40.64'	
12	S°24'48"	20.02'	260'
13	S°18'22"	20.05'	220'
14	S49°08'05"E	20.00'	
15	N70°51'55"E	20.00'	
16	N79°05'05"W	18.63'	

SUBJECT PARCEL (indicated by a thick black line)

OPEN SPACE EASEMENT (indicated by a thick green line)



SDE San Diego Surveying, Inc. SDE-2934
 Civil Engineering & Planning
 Land Surveyors

GRADING PLAN L- NONE
 CALF COORD INDEX 318-1701(X) COUNTY TM 4558-1


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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>BRENDAN ECKELMAN</u>	265-441-01	5/15/23	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			