

Chair

Jo MacKenzie, Director
Vista Irrigation District

MEMORANDUM

Vice Chair

Ed Sprague, Director
Olivenhain Municipal Water

October 1, 2018

TO: San Diego Commissioners

Members

Catherine Blakespear, Mayor
City of Encinitas

FROM: Keene Simonds, Executive Officer
Holly Whatley, Commission Counsel

Bill Horn, Supervisor
County of San Diego

**SUBJECT: Agenda Item No. 10 |
Revised Draft Resolution of Approval**

Dianne Jacob, Supervisor
County of San Diego

Andrew Vanderlaan
Public Member

Bill Wells, Mayor
City of El Cajon

Lorie Zapf, Councilmember
City of San Diego

Attached to this memorandum is a revised draft resolution of approval for the “County Service Area No. 115 Reorganization” proposal scheduled for consideration as part of the October 1st regular meeting. The revisions reflect additional input and agreement with the counsels for both Lakeside and San Miguel Consolidated Fire Protection Districts.

Alternate Members

Attachment: as stated

Lorie Bragg, Councilmember
City of Imperial Beach

Chris Cate, Councilmember
City of San Diego

Greg Cox, Supervisor
County of San Diego

Judy Hanson, Director
Leucadia Wastewater District

Harry Mathis
Public Member

Executive Officer

Keene Simonds

Counsel

Michael G. Colantuono

DRAFT
RESOLUTION OF THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

APPROVING A COMBINED REORGANIZATION AND
ASSOCIATED SPHERE OF INFLUENCE AMENDMENTS

CONCURRENT DISSOLUTION OF COUNTY SERVICE AREA NO. 115
AND

ANNEXATION OF THE AFFECTED TERRITORY NORTH OF PEPPER DRIVE TO LAKESIDE FIRE
PROTECTION DISTRICT AND ANNEXATION OF THE AFFECTED TERRITORY SOUTH OF PEPPER DRIVE
TO SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT

WHEREAS, County Service Area Number 115 (“CSA No. 115”) is a dependent special district formed in 1985 and provides fire protection and emergency medical services to an approximate 441 acre jurisdictional boundary which is divided by Pepper Drive; and

WHEREAS, the San Miguel Consolidated Fire Protection District (“San Miguel FPD”) is an independent district formed in 1988 and provides fire protection and emergency medical services to an approximate 29,730 acre jurisdictional boundary covering Spring Valley, Grossmont, and Bostonia; and

WHEREAS, San Miguel FPD filed for reorganization on March 22, 2015, requesting the San Diego Local Agency Formation Commission (“LAFCO”) dissolve CSA No. 115 and annex the affected territory in its entirety to San Miguel FPD; and

WHEREAS, Lakeside Fire Protection District (“Lakeside FPD”) is an independent district formed in 1963 and provides fire protection and emergency medical services to an approximate 28,900 acre jurisdictional boundary anchored in the unincorporated community of Lakeside; and

WHEREAS, Lakeside FPD filed for reorganization on March 24, 2015, two days after San Miguel FPD’s filing, requesting LAFCO dissolve CSA No. 115 and annex the affected territory in its entirety to Lakeside FPD; and

WHEREAS, in September 2016, San Miguel FPD and Lakeside FPD agreed in writing to a joint approach to modify and coordinate their reorganization proposals to divide the affected territory into approximately equal annexation halves based on assessed value (“Joint Proposal”); and

WHEREAS, the Joint Proposal seeks to annex approximately 221.4 acres to the north of Pepper Drive to Lakeside FPD and approximately 218.7 acres to the south of Pepper Drive to San Miguel FPD; and

WHEREAS, Government Code section 56375.5 requires that any such reorganization also be consistent with the sphere of influence of the local agencies affected by the reorganization; and

WHEREAS, the Commission's Executive Officer has reviewed the Joint Proposal and prepared a report with recommendations;

WHEREAS, the Executive Officer's report and recommendations on the Joint Proposal and need for concurrent sphere of influence amendments 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 amendments for consistency under Government Code Section 56375.5 on October 1, 2018.

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 report.
3. The Commission serves as responsible agency under the California Environmental Quality Act (CEQA) in considering two distinct "projects" associated with the Joint Proposal and as detailed in the Executive Officer's report: (a) accommodating sphere of influence amendments and the (b) reorganization itself. The Commission's findings as responsible agency are as follow.
 - a) San Miguel Consolidated FPD as lead agency on its proposal determined the proposed reorganization and associated sphere of influence amendment was exempt under CEQA Guidelines section 15320. The Commission independently determines this is an appropriate finding given the lands are already within an authorized fire protection and emergency medical provider and the reorganization will not change the geographic area where services are presently authorized.
 - a) Lakeside FPD as lead agency on its proposal determined the proposed reorganization and associated sphere of influence amendment was exempt under CEQA Guidelines section 15320. The Commission independently determines this is an appropriate finding given the lands are already within an authorized fire protection and emergency medical provider and the reorganization will not change the geographic area where services are presently authorized.
4. The Commission conditionally APPROVES the following sphere of influence amendments.
 - a) The sphere of influence for CSA No. 115 is amended to a transitional or zero status, as shown in Exhibit A.

- b) San Miguel FPD's sphere of influence for is amended to include approximately 218.7 acres of CSA No. 115, as shown in Exhibit A.
 - c) Lakeside FPD's sphere of influence is amended to include approximately 221.4 acres of CSA No. 115, as shown in Exhibit A.
 - d) All previously established special study areas for Lakeside FPD and San Miguel Consolidated FPD involving CSA No. 115 are eliminated.
5. The Commission conditions the approved sphere of influence amendments as described on the recordation of the Certificate of Completion associated with the Joint Proposal identified as RO14-12 (San Miguel Consolidated FPD) et al. and RO14-13 et al. (Lakeside FPD).
6. 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 Exhibit B.
7. The Commission conditionally APPROVES the Joint Proposal identified as RO14-12 et al. and RO14-13 et al. without further modifications or amendments and as shown in Exhibit A.
- a. The following conditions must be satisfied within one calendar year – or October 1, 2019 – unless prior written request for an extension is received and approved by the Commission.
 - i. Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - ii. 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 (a) dissolution of CSA No. 115; (b) annexation to San Miguel FPD the territory as shown in Exhibit X; and (c) annexation to Lakeside FPD the territory as shown in Exhibit X.
 - iii. Upon the Commission's order giving approval to the Joint Proposal, CSA No. 115 is prohibited from taking any of the actions contained in Government Code section 56885.5, subdivision (a)(4), including:
 - 1. Appropriating, encumbering, expending, or otherwise obligating, any revenue of CSA No. 115 beyond that provided in the current budget at the time the dissolution is approved by the commission.
 - b. The following conditions apply upon and after the effective date of the joint-reorganization as defined in Section 11 below:
 - i. Reorganization of Territory. Upon the effective date, CSA 115 will be dissolved, terminated, and extinguished and all its corporate powers shall cease. The territory shown in Exhibit A that was formerly within CSA No. 115 will be annexed to San Miguel FPD. The territory shown in Exhibit A that was formerly within CSA No. 115 will be annexed to Lakeside FPD. Both service sub-areas will operate pursuant to Sections 13800–13970 of the Health and Safety Code.

- ii. Successor Agency. Upon the effective date, San Miguel FPD and Lakeside FPD shall be the successor to CSA No. 115 for purposes of providing structural fire protection and emergency medical services, and succeeding to all of the rights, duties, and obligations of the extinguished district with respect to enforcement, performance, or payment of any outstanding bonds, including revenue bonds, or other contracts and obligations within each of their respective share of the territory previously included within the extinguished district.
- iii. Tax Revenues. All property tax revenues and voter-approved special tax or special assessment revenues (if any), received or receivable by CSA No. 115 as of the effective date shall be collected or collectible by San Miguel FPD and Lakeside FPD, pursuant to a tax exchange resolution adopted by the County Board of Supervisors on September 26, 2018, for the exclusive use of funding the services within the Territory.
- iv. Transfer of Assets. To the extent any such assets exist, San Miguel FPD and Lakeside FPD shall accept all real and personal property, books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, and all other assets and obligations transferred from CSA No. 115 in "as-is" condition associated with the respective territory annexed to San Miguel FPD and Lakeside FPD, without any payment or repair obligation from CSA No. 115. All incidental liabilities, such as accounts payable, contract obligations and consumer deposits associated with the respective territory annexed to San Miguel FPD and Lakeside FPD shall be transferred to San Miguel FPD's and Lakeside FPD's appropriate, respective, isolated accounts. All assets including, but not limited to cash reserves, land, structures, appurtenances, rolling stock, personal property including tools, office furniture, fixtures and equipment, and held by CSA No. 115, if any, shall be divided equally among and transferred to the appropriate services zone of San Miguel FPD and Lakeside FPD as of the effective date.
- v. Transfer by Operation of Law. Except as otherwise provided herein, the ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, CSA No. 115 shall be divided equally among and transferred to San Miguel FPD and Lakeside FPD. San Miguel FPD and Lakeside FPD are the successors to CSA No. 115 and, except as otherwise provided herein, the provisions of Government Code sections 57450 et seq. applicable to successor agencies to dissolved agencies apply to San Miguel FPD and Lakeside FPD.
- vi. County of San Diego Service Agreements. The County of San Diego's service agreements regarding CSA No. 115 with the City of Santee (Contract No. 552999), the City of El Cajon (Contract No. 553087), the San Miguel FPD (Contract No. 552800), and Lakeside FPD (Contract No. 553086) for dividing property tax revenues based on calls for service shall become null and void upon the effective date.

- vii. Policies and Procedures. All policies, procedures, regulations, resolutions and ordinances that have previously been adopted by the San Miguel FPD and Lakeside FPD shall remain in effect and apply to the territory of CSA No. 115 annexed by each respective fire protection district.
 - viii. Payment by Lakeside FPD to San Miguel FPD. Prior to the recordation of the Certificate of Completion as described in Section 5, Lakeside FPD and San Miguel FPD will enter into an agreement pursuant to which Lakeside FPD shall pay San Miguel FPD \$400,000.00, said sum agreed to by both fire protection districts.
 - ix. Automatic Aid Agreement Participation. Lakeside FPD and San Miguel FPD will maintain participation in an Automatic Aid Agreement that includes the former areas of CSA No. 115.
8. The affected territory as designated by the Commission is inhabited as defined in Government Code Section 56046.
 9. The Commission delegates to the Executive Officer the authority to perform all conducting authority proceeding requirements under Government Code Section 57000 et seq.
 10. All three agencies subject to the Joint Proposal — CSA No. 115, San Miguel FPD, and Lakeside FPD — utilize the regular assessment roll of the County of San Diego.
 11. Pursuant to Government Code section 56886, subdivision (p), the effective date of the Joint Proposal shall be the end of the first fiscal quarter following the recordation of the Certificate of Completion with the office of the County Registrar-Recorder.
 12. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to 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 October 1, 2018 by the following vote:

AYES:

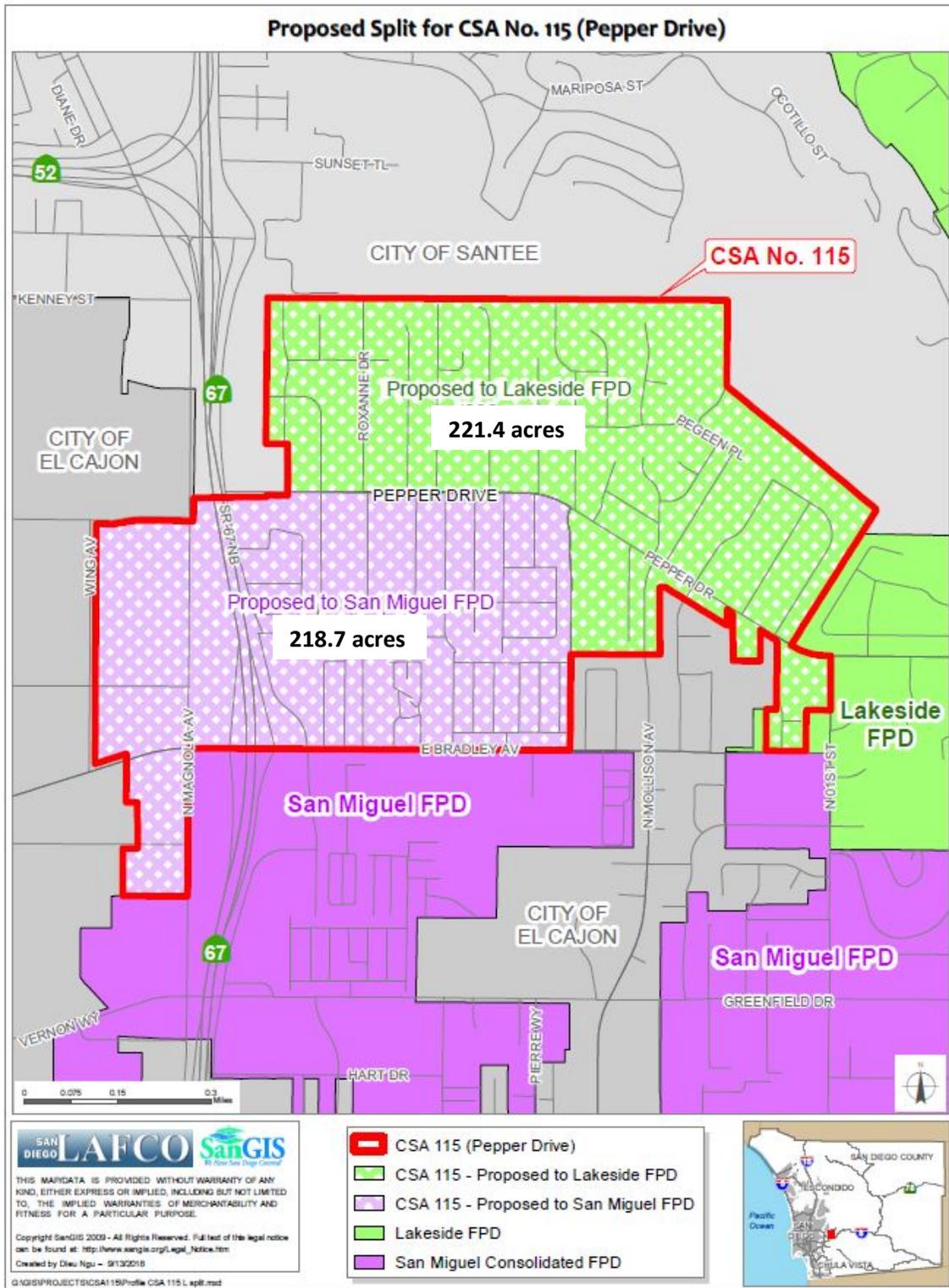
NOES:

ABSENT:

ABSTAINING:

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EXHIBIT A



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EXHIBIT B

Government Code Section 56425 Sphere of Influence Statements

Amendment to San Miguel Consolidated FPD (SA14-12) Amendment to Lakeside FPD (SA14-13)

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

The present and planned land uses of the affected territory are urban in nature and highlighted by 800 plus single-family residences, 600 plus multi-family residences, and various commercial and retail uses. Development is guided by the County of San Diego's Lakeside Community Plan. LAFCO estimates the resident population of the affected territory is approximately 4,900. This estimate produces a relatively dense population with a ratio of over 11 residents within every one mile in the affected territory.

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

Existing and planned uses within the affected territory merits organized fire protection and emergency medical services. This need is highlighted by a current and relatively dense residential population approaching 5,000 along with several heavily-used arterial roads that traverse the affected territory and connect neighboring communities.

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

CSA No. 115 presently provides fire protection and emergency medical services to the affected territory through the administration of a four-way service contact with the City of El Cajon, City of Santee, Lakeside FPD, and San Miguel Consolidated FPD. CSA No. 115 does not have any related fire or emergency facilities or apparatus; service is entirely dependent on the response and resources of the four contracted agencies. Lakeside and San Miguel Consolidated FPDs have emerged as regular service responders within the affected territory in step with the recent relocations of their respective fire stations. Both FPDs have available and sufficient capacities to formally assume and continue to serve the affected territory on a permanent basis without adverse impact to existing constituents.

(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 affected territory has developed a cohesive social and economic identity as an unincorporated pocket and purposefully outside the neighboring Cities of El Cajon and Santee and their spheres of influence. The expansion of Lakeside and San Miguel Consolidated FPDs' spheres of influence to proportionally include the affected territory in step with annexations is consistent with these social and economic interests for the community to retain its unincorporated status going forward.

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

Approximately 21% – or 86 acres – of the affected territory qualifies as a disadvantaged unincorporated community (DUC) based on statute and implementing LAFCO policy. The majority of the DUC lands lie immediately to the west of State Highway 67 and subject to inclusion into San Miguel Consolidated FPD’s sphere of influence. The remaining DUC lands lie east of Rex Lane and subject to inclusion into Lakeside FPD’s sphere of influence. The sphere of influence amendments serve to facilitate the delivery of enhanced fire protection and emergency medical services through the permanent assignment of service responsibilities, and as such do not adversely impact DUC residents.