REGULAR MEETING AGENDA

SAN DIEGO COUNTY
LOCAL AGENCY FORMATION COMMISSION

MONDAY, DECEMBER 2, 2019, 9:00 A.M.
COUNTY ADMINISTRATION CENTER | ROOM 302
1600 PACIFIC HIGHWAY
SAN DIEGO, CALIFORNIA

1. 9:00 A.M. – CALL TO ORDER BY CHAIR | ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. AGENDA REVIEW
   The Chair will consider requests to remove or rearrange items on the agenda.

4. PUBLIC COMMENT
   Opportunity for members of the public to speak to the Commission on any subject matter within the
   Commission’s jurisdiction but not an item listed on the agenda. Each speaker’s presentation may not
   exceed three minutes. (Please note for items listed on the agenda, speakers should fill out a speaker
   slip and address the Commission when the item is discussed, and their name is called.)

5. CONSENT ITEMS
   All items calendared as consent are considered ministerial or non-substantive and subject to a single
   motion approval. The Chair will also consider requests to pull an item for discussion.

   a) Approval of Meeting Minutes for November 4, 2019 (action)
      The Commission will consider approving action minutes prepared for the November 4, 2019
      special meeting. Recommendation to approve.

   b) Commission Ratification | Recorded Payments for October 2019 (action)
      The Commission will review payments received and made for the month of October 2019. These
      payments cover all recorded transactions for the period and include $167,487 in total distributions
      made by the Executive Officer. Recommendation to ratify.

   c) Proposed “Wilmott-Champagne Boulevard Reorganization” | Concurrent Annexation to the Valley Center Municipal Water District and Detachment from the Vallecitos Water; RO19-08 (action)
      The Commission will consider a reorganization proposal filed by an interested landowner with
      the principal action to annex 2.5 unincorporated acres in Bonsall to the Valley Center Municipal
      Water District. A concurrent detachment from Vallecitos Water District is also proposed. The
      proposal purpose is to provide permanent water service to an existing single-family residence
      and in doing so replace a temporary out-of-agency service agreement previously approved by
      LAFCO. Staff recommends approval of the proposal without modifications. Standard approval
      terms are also recommended along with waiving protest proceedings. The County of San Diego
      Assessor’s Office identifies the subject parcel as 172-091-28.
CONSENT ITEMS CONTINUED...

d) **Authorize Office Closure on December 24th and 26th (action)**
The Commission will consider authorizing the closure of the LAFCO office on Tuesday, December 24th and Thursday, December 26th. Recommendation to approve.

e) **Progress Report on 2019-2020 Workplan (action)**
The Commission will receive a progress report on accomplishing specific projects included in the adopted workplan for 2019-2020. The report notes nearly two-thirds of all workplan projects have been initiated with four already completed. Recommendation to accept and file.

f) **Current Proposals and Related Activities (information)**
The Commission will receive a report identifying active proposals on file with the Commission as well as pending submittals. This includes summarizing the one new proposal filed since the last meeting. This item is for information only.

g) **Expiring Commissioner Terms in 2020 (information)**
The Commission will receive a report identifying membership terms that are due to expire in May 2020 and necessitate new appointments and/or reappointments. This includes the need for LAFCO to conduct an election on behalf of the Special Districts Selection Committee to fill a new four-year term for one of the two regular district seats. This item is for information only.

h) **End of Legislative Year Review (information)**
The Commission will review the end of the first year of the 2019-2020 legislative session relative to items impacting the Commission’s regulatory and planning responsibilities. This includes noting no significant changes to LAFCO statutes were chaptered during the first year and items of earlier Commission interest – including rewriting protest proceedings and clarifying LAFCOs’ authority to determine exemption status for outside service extensions – have been continued to the second year. This item is for information only.

6. **PUBLIC HEARING ITEMS**
Public hearing items require expanded public notification per provisions in State law.

a) **Proposed “Catalina Avenue Reorganization” | Concurrent Annexation to the Vista Irrigation District and Detachment from the Vallecitos Water District and Associated Sphere Amendments (RO19-13) (action)**
The Commission will consider a reorganization proposal filed by interested landowners with the principal action to annex 1.3 unincorporated acres outside the City of Vista to the Vista Irrigation District. A concurrent detachment from Vallecitos Water District is also proposed. The proposal’s purpose is to extend Vista Irrigation District’s water service to facilitate the development of a single-family residence. Staff recommends the approval of the proposal without modifications and with conforming sphere of influence amendments for both subject agencies. Standard approval terms are also recommended along with waiving protest proceedings. The County of San Diego Assessor’s Office identifies the subject parcel as 178-040-45.

(continued)
7. **BUSINESS ITEMS**

   Business items involve regulatory, planning, or administrative items that do not require a hearing.

   a) **Proposed “Sweetwater Road Reorganization”**
      Concurrent Annexation to the City of National City and Detachments from County Service Area No. 135, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District; RO19-16 (action)
      The Commission will consider a reorganization proposal initiated by an interested landowner with the principal action to annex 0.23 unincorporated acres in Lincoln Acres to the City of National City. Additional boundary changes are also proposed and involve concurrent detachments from County Service Area No. 135, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District. The proposal purpose is to facilitate development of a 5,500 square foot commercial project tentatively approved by National City. Staff recommends proposal approval with a discretionary modification to add approximately 50.5 acres of adjacent public right-of-ways – including the Interstate 805/State Route 54 interchange. Standard terms are also recommended along with waiving protest. The County of San Diego Assessor’s Office identifies the subject parcels as 563-252-23, 563-252-28, and 563-330-41.

   b) **Approval of Independent Audit Expense**
      Associated with Selection of New Outside Accounting Firm (action)
      The Commission will consider approval of an independent audit expense in the amount of $9,950. Approval is required under policy and associated with the completion of a request for proposal process and selection therein by the Executive Officer for R.J. Ricciardi and Associates to audit LAFCO’s financial statements beginning with 2018-2019. Recommend approval.

   c) **Chair and Vice Chair Appointments (action)**
      The Commission will consider making officer appointments and select a Chair and Vice Chair for 2020 as required under adopted policy.

   d) **Approval of Meeting Schedule for Calendar Year 2020 (action)**
      The Commission will consider approving a meeting schedule for the upcoming calendar year. It is recommended the Commission approve regular meetings for each month except for February, July, and September. No special meetings are proposed at this time.

8. **EXECUTIVE OFFICER REPORT**

9. **COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS**

10. **CLOSED SESSION**
     Closed session items are calendared by Commission Counsel.

   a) **Conference with Legal Counsel – Existing Litigation:**

   b) **Conference with Legal Counsel – Existing Litigation:**

   c) **Conference with Legal Counsel – Anticipated Litigation:**
      Pursuant to Government Code Section 54956.9(d)(2): Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. (Two cases.)
San Diego LAFCO  
December 2, 2019  
Regular Meeting Agenda

ADJOURNMENT TO NEXT MEETING  
January 6, 2020

Attest to Posting:  
Tamaron Luckett  
Executive Assistant

All associated agenda reports are available for viewing at www.sdlafco.org.

Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) business days prior to the meeting for any requested arrangements or accommodations.
December 2, 2019

TO: Commissioners

FROM: Tamaron Luckett, Executive Assistant

SUBJECT: Approval of Meeting Minutes for November 4, 2019

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the special meeting held on Monday, November 4, 2019. The minutes are in action-form and being presented for formal approval with any desired corrections or clarifications as requested by the Commission.

BACKGROUND

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and – among other items – requires public agencies to maintain written minutes for qualifying meetings.

DISCUSSION

This item is for San Diego LAFCO to consider approving action minutes for the November 4, 2019 special meeting. The attendance record for the meeting follows.

- All members were present except Commissioners Dianne Jacob (regular), Bill Wells (regular), Chris Cate (alternate), and Greg Cox (alternate).
ANALYSIS

The attached draft minutes for the November 4, 2019 special meeting accurately reflect San Diego LAFCO’s actions as recorded by staff. Audio and video recordings of the meeting have also been posted on the Commission’s website (www.sdlafco.org).

RECOMMENDATION

It is recommended San Diego LAFCO approve the draft minutes prepared for the November 4, 2019 special meeting as presented. This recommendation is consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):
 Approve the draft minutes prepared for the November 4, 2019, special meeting with any desired corrections or clarifications.

Alternative Two:
 Continue item to the next regular meeting and provide direction to staff as needed.

PROCEDURES

This item has been placed on San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,

Tamaron Luckett
Executive Assistant

Attachment:
1) Draft Meeting Minutes for November 4, 2019
1. CALL TO ORDER | ROLL CALL

The special meeting was called to order at 9:00 a.m. by Chair MacKenzie in the County of San Diego Administration Center, 1600 Pacific Highway, Room 358, San Diego.

The Commission Clerk performed the roll call with the following attendance recorded.

Regulars Present:  Jim Desmond, County of San Diego  
Mark Kersey, City of San Diego  
Jo MacKenzie, Vista Irrigation District (CHAIR)  
Mary Casillas Salas, City of Chula Vista  
Andy Vanderlaan, Public  
Barry Willis, Alpine Fire Protection District

Alternates Present:  Erin Lump, Rincon del Diablo Municipal Water District  
Harry Mathis, Public  
Paul McNamara, City of Escondido (Voting)

Members Absent:  Chris Cate, City of San Diego (alternate)  
Greg Cox, County of San Diego (alternate)  
Dianne Jacob, County of San Diego (VICE CHAIR)  
Bill Wells, City of El Cajon (regular)

The Commission Clerk confirmed a quorum was present with seven voting members with Commissioner McNamara voting in place of Commissioner Wells. Also present at the dais: Executive Officer Keene Simonds; Commission Counsel Carmen Brock; Chief Policy Analyst Robert Barry; Analyst Linda Zambito; and Executive Assistant Tamaran Luckett serving as Commission Clerk.

Commissioner Salas arrived at 10:08 a.m. after roll call was recorded.

2. PLEDGE OF ALLEGIANCE

Commissioner McNamara led the Commission in the Pledge of Allegiance.
3. AGENDA REVIEW

Chair MacKenzie asked the Executive Officer if there were requests to remove or rearrange items on the agenda. Executive Officer stated no changes to the agenda were needed and recommended the Commission proceed as planned.

Commissioner Desmond motioned to approve and proceed with the agenda as presented with a second from Commissioner Vanderlaan. Roll call requested:

AYES: Desmond, Kersey, MacKenzie, McNamara (voting), Vanderlaan, and Willis
NOES: None
ABSENT: Cate, Cox, Jacob, Salas, and Wells
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 6-0.

4. PUBLIC COMMENT

Chair MacKenzie asked the public if anyone would like to address the Commission on any item not related to the agenda. The following speaker addressed the Commission:

- Sandra Farrell addressed the Commission regarding the upcoming sphere of influence update for the City of San Marcos.

Seeing no others approach the dais Chair MacKenzie ended the public comment period.

5. CONSENT ITEMS

Item 5a
Approval of Meeting Minutes for October 7, 2019
Item presented for action to approve draft action minutes prepared for the Commission’s October 7, 2019 regular meeting. Recommendation to approve.

Item 5b
Budget Update for 2019-2020 | 1st Quarter Actuals with Year-End Projections
Item presented for action to accept and file a quarterly report comparing budgeted and actual expense and revenue transactions for 2019-2020 through September 30th. Recommendation to accept and file.

Item 5c
Commission Ratification | Recorded Payments for September 2019
Item presented for action to ratify recorded payments made and received for the month of September 2019. Recommendation to approve.
CONSENT ITEMS CONTINUED...

Item 5d
Proposed “Rains-Acacia Avenue Change of Organization” | Annexation to the San Diego County Sanitation District (CO19-07)
Item presented for action to consider a change of organization proposal filed by an interested landowner to annex 0.5 unincorporated acres to the San Diego County Sanitation District. The proposal’s purpose is to provide permanent public wastewater service to an existing single-family residence and in doing so replace an emergency out-of-agency service agreement approved by LAFCO due to a failing septic system. Recommendation to approve the proposal without modifications along with standard terms and waive protest proceedings.

Item 5e
Commission Counsel Services | Proposed New Agreement with Colantuono, Highsmith & Whatley
Item presented for action to consider a proposed new agreement for legal services with Colantuono, Highsmith & Whatley. The new agreement resets the term through June 30, 2022 along with updated billing rates and designate firm employees to file an annual conflict of interest statement. Recommendation to approve.

Item 5f
Progress Report on 2019-2020 Workplan
Item presented for action to review the current progress of projects established as part of the 2019-2020 workplan. Recommendation to accept and file.

Item 5g
Current Proposals and Related Activities
Item presented for information summarizing current proposals on file with LAFCO.

Chair MacKenzie identified the items listed on the consent calendar and asked if any Commissioners would like to pull an item, and if not to make a motion.

**
Commissioner Desmond motioned to approve the consent calendar as recommended in the agenda reports with a second from Commissioner Kersey. Roll call requested:

AYES: Desmond, Kersey, MacKenzie, McNamara (voting), Vanderlaan, and Willis
NOES: None
ABSENT: Cate, Cox, Jacob, Salas, and Wells
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 6-0.
6. PUBLIC HEARING ITEMS

Item 6a

Proposed “San Marcos Highlands Reorganization” (CONTINUED) | Concurrent Annexations to the City of San Marcos, San Marcos Fire Protection District, and Vallecitos Water District and Detachments from the Vista Fire Protection District and Vista Irrigation District with Associated Sphere of Influence Amendments (RO17-07 et. al)

Item presented for action to consider a reorganization proposal continued from October 7, 2019. The proposal has been initiated by an interested landowner with the principal request to annex 124.9 unincorporated acres to the City of San Marcos. Additional boundary changes involving portions of the affected territory are also proposed and involve concurrent annexations to the San Marcos Fire Protection District and Vallecitos Water District and detachments from Vista Fire Protection District and Vista Irrigation District. The purpose of the proposal is to facilitate the development of the affected territory as part of a 189-lot residential development tentatively approved by the City of San Marcos and titled “San Marcos Highlands.” Recommendation to approve the proposal without modifications along with standard terms and conforming sphere of influence amendments. Recommendation to also waive protest.

Chief Policy Analyst Robert Barry presented the item.

Commission discussion.

Chair MacKenzie opened the public hearing on the item and invited comments from the audience. Comments were received from the following persons:

- Matt Simmons on behalf of the applicant (support)
- Steve Abbott with San Diego County Fire Districts Association (support)
- Sandra Farrell (oppose)
- Mary Clarke with Sierra Club San Diego (oppose)
- George Courser with Sierra Club San Diego (oppose)
- Tom Kamura (oppose)
- Heinz Hafner (oppose)

Chair MacKenize noted the following persons submitted speaker cards to record a position but do not wish to speak:

- Chris Brown (support)
- Frank Kubba (support)

Chair MacKenzie closed the public hearing.

Additional Commission discussion and comments.

**
PUBLIC HEARING ITEMS CONTINUED...

Item 6a Continued

Commissioner Desmond motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Willis. Roll call requested:

AYES: Desmond, Kersey, MacKenzie, McNamara (voting), Vanderlaan, and Willis
NOES: None
ABSENT: Cate, Cox, Jacob, Salas, and Wells
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 6-0.

Commissioner Desmond left following the approved motion at 10:03 a.m.

Item 6b
Proposed “Hollow Glen Change of Organization” | Annexation to Julian Community Services District with Associated Sphere of Influence Amendment (DA19-14 et al.)

Item presented for action to consider a change of organization proposal filed by the Julian Community Services District to annex 0.65 acres of unincorporated territory. The proposal purpose is to extend public water service to the affected territory to enable the operation of fire sprinklers. Recommendation to approve the proposal with a modification to expand the annexation to include an additional 0.5 acres adjacent public right-of-way. Recommendation also includes approval of a conforming sphere of influence amendment and standard terms as well as waiver of protest proceedings.

Analyst Linda Zambito presented the item.

Chair MacKenzie opened the public hearing and invited comments from the public. No comments were received, and the Chair proceeded to close the public hearing.

**

Commissioner Vanderlaan motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Willis. Roll call requested:

AYES: Kersey, MacKenzie, McNamara (voting), Vanderlaan, and Willis
NOES: None
ABSENT: Cate, Cox, Desmond, Jacob, Salas, and Wells
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 5-0.
7. BUSINESS ITEMS

Item 7a
Report on Attendance at the 2019 CALAFCO Annual Conference
Item presented for verbal report from the attendees of the 2019 CALAFCO Annual Conference held on October 30th – November 1st in Sacramento. Commission discussion.

Commissioners MacKenzie, Vanderlaan, and Willis collectively presented the item.

Commission discussion.

8. EXECUTIVE OFFICER REPORT

Executive Officer Keene Simonds advised the Commission on the following items:

- Longtime LAFCO Consultant John Traylor has relocated out of state but will continue to advise through the end of the calendar year on fire service-related items.

- Analyst Alex Vidal’s last day at LAFCO was on October 10th and the Executive Officer has retained Planwest Partners in the interim to provide contract staffing ahead of initiating a new analyst recruitment.

- Incorporation proponents for La Jolla have initiated work on a draft fiscal analysis as required under LAFCO policy with the expectation the document will be completed within the next six months.

9. COMMISSION ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

None

10. CLOSED SESSION

Commission Counsel Carmen Brock advised the Commission would adjourn into closed session to discuss agenda items (a), (b), and (d); (c) would not be discussed.

Item 10a
Conference with Legal Counsel – Existing Litigation:
CLOSED SESSION ITEMS CONTINUED...

Item 10b
Conference with Legal Counsel – Existing Litigation:

Item 10d
Conference with Legal Counsel – Anticipated Litigation:
Pursuant to Government Code Section 54956.9(d)(2)): Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. (Two cases.)

**

Chair MacKenzie reconvened into open session at 10:40 a.m. with Commission Counsel Carmen Brock announcing there were no reportable actions.

11. ADJOURNMENT TO NEXT REGULAR MEETING

With no further business the Chair adjourned the meeting at 10:41 a.m.

I hereby attest the minutes above accurately reflect the deliberations of the Commission at its November 4, 2019 meeting.

ATTEST,

//

Tamaron Luckett
Executive Assistant

**

A video and audio recording of the November 4, 2019 special meeting is also available online at www.sdlafco.org or by contacting LAFCO staff at 858-614-7755.
December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
       Erica Blom, Administrative Assistant

SUBJECT: Commission Ratification | Recorded Payments for October 2019

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review a report identifying all payments received and made for the month of October 2019. These payments cover all recorded transactions for the month and include $167,487 in total distributions made by the Executive Officer with close to three-fourths tied to reimbursements to the County of San Diego for payroll, rent, overhead, and information technology services. The payments are being presented to the Commission for formal ratification.

BACKGROUND

Accounting Policies and Procedures

San Diego LAFCO’s policies provide direction to the Executive Officer to establish and maintain appropriate accounting controls for all financial transactions on behalf of the Commission. These policies specify the Executive Officer shall ensure accounting controls conform to standard procedures commonly enlisted by local governmental. Purchasing allowances are specified and include bid procedures for transactions at or above $10,000 and separate Commission approval for transactions at or above $125,000.
DISCUSSION

This item is for San Diego LAFCO to consider ratification of all payments made and received by the Executive Officer for October 2019. A detailing of these transactions prepared by the Executive Assistant is provided in Attachment One. The item also provides the Commission the opportunity to provide feedback to the Executive Officer on related matters and inform potential changes in accounting procedures going forward.

ANALYSIS

San Diego LAFCO’s recorded payments made by the Executive Officer for October 2019 totaled $167,487 with 73% – or $122,175 – tied to expenditures with the County of San Diego. This includes covering payroll obligations, office rent, and information technology services. Professional services represent most of the remaining expenditures during the period and tallied $37,014 and include onsite consultants and legal. Recorded revenues during the period totaled $254,402 with most of the moneys drawn from collecting agency contributions for 2019-2020. All transactions recorded during the period are consistent with the budget.

RECOMMENDATION

It is recommended San Diego LAFCO ratify the payments received and made by the Executive Officer for October 2019 as presented. This recommendation is consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):
Ratify the recorded payments received and made by the Executive Officer in September 2019 as shown in Attachment One.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three
Take no action.¹

(continued)

¹ Payment ratifications are not required under LAFCO policy, but are presented to the Commission per practice.
PROCEDURES

This item has been placed on San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,

Keene Simonds
Executive Officer

Attachment:

1) Recorded Payments in October 2019
<table>
<thead>
<tr>
<th>Payable/Receivable Party</th>
<th>Date</th>
<th>Account</th>
<th>Amount</th>
<th>Purpose</th>
<th>Type</th>
<th>Funding Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>After Effects</td>
<td>10/11/19</td>
<td>52330 - Office Expense</td>
<td>20,69</td>
<td>Monthly Video Editing Software Subscription</td>
<td>credit card</td>
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<tr>
<td></td>
<td>10/12/19</td>
<td></td>
<td>52566 - Minor Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10/13/19</td>
<td></td>
<td>52566 - Minor Equipment</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td>399.45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Amazon</td>
<td>10/1/19</td>
<td>52330 - Office Expense</td>
<td>16.80</td>
<td>Amazon Prime Monthly Payment</td>
<td>credit card</td>
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<tr>
<td></td>
<td>10/1/19</td>
<td>52566 - Minor Equipment</td>
<td>113.06</td>
<td>Microphones &amp; Stands for Commission Meetings</td>
<td>credit card</td>
<td>3558-60 - SDCCU Visa Credit Card</td>
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<tr>
<td></td>
<td>10/1/19</td>
<td>52566 - Minor Equipment</td>
<td>172.59</td>
<td>Portable Microphone and Speaker System</td>
<td>credit card</td>
<td>3558-60 - SDCCU Visa Credit Card</td>
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<tr>
<td></td>
<td>10/1/19</td>
<td></td>
<td></td>
<td>399.45</td>
<td></td>
<td></td>
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<tr>
<td>E</td>
<td>Ambius</td>
<td>10/1/19</td>
<td>5370.J - Professional Services</td>
<td>97.94</td>
<td>Monthly Office Plants Service</td>
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<tr>
<td>E</td>
<td>ARCC (Assessor Recorder County)</td>
<td>10/1/19</td>
<td>52490 - Publications</td>
<td>50.00</td>
<td>NOE Fee for MSR on Escondido Region (MSR 19-11)</td>
<td>check</td>
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<tr>
<td>E</td>
<td>Billing Hostway</td>
<td>10/25/19</td>
<td>5370.E - Professional Services</td>
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<td>Monthly Website Support</td>
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<td></td>
<td>10/25/19</td>
<td></td>
<td>5370.J - Professional Services</td>
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<td>Video Recording Services for October Meeting</td>
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<td>Blue Barn Creative LLC</td>
<td>10/25/19</td>
<td>52610 - Non-Travel/In-County</td>
<td>42.06</td>
<td>Debriefing</td>
<td>EO and Chair (Commission Meeting)</td>
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<td>10/25/19</td>
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<td>52610 - Non-Travel/In-County</td>
<td>40.45</td>
<td>Debriefing</td>
<td>EO and Counsel (SDAC Meeting)</td>
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<td>CMT Sacramento Taxi</td>
<td>10/31/19</td>
<td>52622 - Training/Registration Out-County</td>
<td>45.00</td>
<td>Transportation</td>
<td>CALAFCO Annual Conference from Airport (KS)</td>
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<td>E</td>
<td>Colantuono, Highsmith &amp; Whately</td>
<td>10/25/19</td>
<td>52610 - Non-Travel/In-County</td>
<td>330.72</td>
<td>Business Travel Reimbursements</td>
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<td>10/25/19</td>
<td>5370.B - Professional Services</td>
<td>6,870.00</td>
<td>Special Counsel Services</td>
<td>electronic</td>
<td>1000 - County Account (44595)</td>
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<td>10/25/19</td>
<td>5370.B - Professional Services</td>
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<td>Special Counsel Services (Missed June 2019 Payment)</td>
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<td>1000 - County Account (44595)</td>
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<td>10/25/19</td>
<td>5370.B - Professional Services</td>
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<td>Special Counsel Services</td>
<td>electronic</td>
<td>1000 - County Account (44595)</td>
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<td>21,841.27</td>
<td></td>
<td></td>
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<tr>
<td>E</td>
<td>Copy 2 Copy</td>
<td>10/14/19</td>
<td>53334 - Printing</td>
<td>1,198.66</td>
<td>Bounded Copies on MSR for San Diego Sanitation District</td>
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<tr>
<td>E</td>
<td>County of San Diego</td>
<td>10/15/19</td>
<td>53330 - Office Expense</td>
<td>49.90</td>
<td>Document Storage</td>
<td>check</td>
</tr>
<tr>
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**EXPENSE TOTAL**: $167,487.43

**REVENUE TOTAL**: $254,401.88
TO: Commissioners

FROM: Keene Simonds, Executive Officer
      Robert Barry, Chief Policy Analyst

SUBJECT: Proposed “Wilmott-Champagne Boulevard Reorganization” | Concurrent Annexation to the Valley Center Municipal Water District and Detachment from the Vallecitos Water District (RO19-08)

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal filed by an interested landowner with the principal action to annex approximately 2.5 unincorporated acres in Bonsall to the Valley Center Municipal Water District (MWD). A concurrent detachment from Vallecitos Water District (WD) is also proposed. The proposal purpose is to provide permanent water service to an existing single-family residence and in doing so replace a temporary out-of-agency service agreement approved by LAFCO in June 2019 due to a failing groundwater well. Staff recommends the Commission approve the proposal without modifications. Standard approval terms are also recommended along with waiving protest proceedings.

BACKGROUND

Applicant Request

San Diego LAFCO has received an application from a landowner – Robert Wilmott – requesting approval to reorganize approximately 2.5 acres of unincorporated land with the principal action to annex to Valley Center MWD. A concurrent detachment from the...
Vallecitos WD is also proposed. The affected territory as submitted includes one parcel already developed with a single-family residence at 28616 Champagne Boulevard in the unincorporated community of Bonsall. The subject parcel is approximately 1.4 acres in size and identified by the County of San Diego Assessor’s Office as 172-091-28. Also included in the affected territory is approximately 1.1 acres of adjacent public right-of-ways to the centerlines of Champagne Boulevard and Lawrence Welk Lane. All of the affected territory lies in Vallecitos WD but outside its sphere of influence as well as its water and wastewater service areas. All of the affected territory lies in the Valley Center MWD sphere of influence.

Affected Territory

The following map shows the approximate location of the affected territory in context to the greater Bonsall and Deer Springs region. Attachment One shows the affected territory relative to the proposed boundary changes involving the subject agencies.

Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: Valley Center MWD and Vallecitos WD.1 Summaries of the two subject agencies in terms of resident population, municipal service functions, and financial standing follows.

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1 State law defines “subject agency” to mean any district or city for which a change of organization or reorganization is proposed.
Valley Center MWD is an independent special district formed in 1954 and spans 63,338 unincorporated acres or 99 square miles. Valley Center MWD predominately includes the unincorporated communities of Valley Center and Deer Springs and lies immediately north of the City of Escondido. A five-member Board of Directors oversees Valley Center MWD’s three active municipal service functions: water (retail class), recycled water (retail class), and wastewater (collection, treatment, and disposal classes). The estimated resident population is 28,507 with an average annual growth rate of 0.8% since 2010. LAFCO established a sphere of influence for Valley Center MWD in 1984, which was last updated in 2014 with a larger-than-agency designation to include approximately 1,712 non-jurisdictional acres and equals 2.6% of the District boundary. Valley Center MWD’s audited net position is $83.9 million as of June 30, 2018 and has increased by 2.3% over the prior three fiscal years.

Vallecitos WD is an independent special district formed in 1955 and spans 28,800 acres or 45 square miles. Vallecitos WD includes nearly all of the City of San Marcos as well as portions of the Cities of Carlsbad, Escondido, and Vista. It also extends into the adjacent unincorporated communities of Twin Oaks, Bonsall, and Deer Springs. A five-member Board of Directors oversees Vallecitos WD’s three active municipal service functions: water (retail class); recycled water (retail class); and wastewater (collection, treatment, and disposal classes). The estimated resident population is 102,129 with an average annual growth rate of 1.9% since 2010. LAFCO established a sphere of influence for Vallecitos WD in 1985, which was last updated in 2007 with a larger-than-agency designation to include 2,150 non-jurisdictional acres and equals 7.5% of the jurisdictional boundary. Vallecitos WD’s audited net position is $262.2 million as of June 30, 2018 and has increased by 5.1% over the prior three fiscal years.

Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of 11 local agencies directly subject to San Diego LAFCO. These agencies qualify as “affected agencies” relative to the proposed reorganization and listed below.2

- County Service Area No. 135 – Regional Communications
- Deer Springs Fire Protection District
- Metropolitan Water District of Southern California
- Mission Resource Conservation District
- Palomar Health Healthcare District
- San Diego County Flood Control District
- San Diego County Street Lighting District
- San Diego County Water Authority
- Vallecitos Water District
- Valley Center Cemetery District
- Valley Center Municipal Water District (sphere)

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2 State law defines “affected local 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.
DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and the principal action to annex the affected territory to Valley Center MWD. An associated boundary change to concurrently detach the affected territory from Vallecitos WD is also part of the requested reorganization. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose and Commission focus follows.

Proposal Purpose

The purpose of the proposed reorganization before San Diego LAFCO is to permanently establish public water service to the affected territory and its existing developed single-family residence through annexation to Valley Center MWD. Annexation would replace a temporary out-of-agency service extension between Valley Center MWD and the landowner that was approved by the Executive Officer on June 18, 2019 given evidence of a failing groundwater well. Approval of the earlier out-of-agency service extension – notably – was conditioned on the landowner filing for reorganization and subsequently ratified by the Commission at a noticed public meeting on August 5, 2019.

Development Potential

The County of San Diego General Plan identifies the affected territory as part of the Bonsall Community Planning Area. The County designates the affected territory as Rural Lands (RL-20) with a zoning standard of Rural Residential (RR). This latter standard prescribes a minimum lot size of 2.0 acres. Accordingly, no further development would be permissible due to the size of the subject parcel other than an intensity addition of an accessory unit. The affected territory is not located within any city sphere of influence.

Commission Focus

San Diego LAFCO’s current sphere of influence designation for Valley Center MWD includes the affected territory and can readily accommodate the proposed annexation without amendment. Similarly, the affected territory lies outside the Vallecitos WD sphere and can readily accommodate the proposed detachment. These existing sphere determinations narrows the Commission’s consideration to two central and sequential policy items. These policy items take the form of determinations and serve to orient the Commission to consider the stand-alone merits of the (a) timing of the reorganization and (b) whether discretionary boundary modifications or approval terms are appropriate. The Commission must also consider other relevant statutes in and outside LAFCO law as detailed.

Evidence included the County of San Diego Department of Environmental Health attesting the subject parcel’s exiting groundwater well was no longer providing adequate source of water based on recent well testing.
ANALYSIS

San Diego LAFCO’s analysis of the reorganization is organized into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and specifically analyzing the merits of reorganization and whether modifications and/or terms are appropriate to further address Commission goals and policies. The second subsection considers other germane issues required under LAFCO law or other applicable statutes and marked by making findings under the California Environmental Quality Act (CEQA).

Central Policy Items

Item No. 1 | Reorganization Timing

The timing of the reorganization – and specifically the annexation of the affected territory to Valley Center MWD and concurrent detachment from Vallecitos WD – appears appropriate. This conclusion draws from the analysis of the factors required for consideration under LAFCO law anytime jurisdictional changes are proposed along with locally adopted Commission policies. The majority of the prescribed factors in statute focus on the impacts of the proposed annexation on the service and financial capacities of the receiving agency, Valley Center MWD (emphasis added). No single factor is determinative. A summary of key conclusions generated in the review of these items follows with additional analysis provided in Appendix A.

- **Service Needs**
  The affected territory’s present and planned residential land uses would be appropriately aided by the reorganization and annexation to Valley Center MWD given its ability to readily provide water service and eventually – subject to infrastructure improvements – wastewater. Additional details follow.

- The Commission has previously designated Valley Center MWD as the ultimate water and wastewater service provider for the affected territory through the standing inclusion in the MWD sphere. Annexation to Valley Center MWD memorializes this standing Commission expectation and accommodates the expressed interest of the current landowner to establish permanent public water service as evident by their initiation of the reorganization proceedings.

- The landowner of the affected territory has initiated the reorganization in response to a failing groundwater well and in consultation with both subject agencies. These factors help to quantify the reorganization and annexation of the affected territory to Valley Center MWD is appropriate by synching the timing of the boundary changes with a known and immediate service need.
• **Service Capacities and Levels**
  Valley Center MWD has available and sufficient capacities to accommodate projected water demands within the affected territory at its maximum uses without expansion of any public infrastructure. Additional details on relevant service capacities follow.

• The single-family residence comprising the affected territory has already established connection to Valley Center MWD’s public water system through a temporary out-of-agency extension. The connection is facilitated through a private lateral to the 10-inch water main located immediately adjacent to the single-family residence and within the public right-of-way on Champagne Boulevard, which is part of the affected territory. No public infrastructure expansion to the water system is needed to continue to serve the residence.

• Valley Center MWD projects the average day water demand generated within the affected territory based on its current development is 280 gallons. This projected amount can be readily accommodated by Valley Center MWD and represents 0.03% of its available supply capacity remaining within its distribution system based on recent demands. Ultimate buildout would potentially include an accessory unit and increase the average day water demand to 560 gallons per day or 0.05% of the remaining available capacity.

• The single-family residence comprising the affected territory is currently served by an onsite underground septic disposal system. Connection to Valley Center MWD’s public wastewater system is not readily available to the affected territory and would require the expansion of public infrastructure. Nonetheless, the reorganization allows for the eventual and appropriate expansion of the Valley Center MWD public wastewater system to serve the affected territory.

• **Service Funding and Costs**
  Valley Center MWD has adequate financial resources to provide an appropriate level of services to the affected territory in support of its current and planned development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of Valley Center MWD’s recent audited statements which shows – among other items – the District remained profitable in each of the last three audited fiscal years with an average total margin of 3.7%.

**Conclusion | Merits of Reorganization Timing**

The timing of the reorganization and principal action to annex the affected territory to Valley Center MWD is warranted. Justification is marked by the preceding analysis and appropriately responds to the need for permanent water service to support a current and planned residential use in a developing urban area and reflects available capacities and infrastructure. Additional analysis supporting the conclusion – including the factors required under statute – is provided in Appendix A.
Item No. 2 | Modifications and Terms

No boundary modifications to the reorganization proposal have been identified by staff meriting consideration by San Diego LAFCO at this time. This includes noting the applicant’s proposal includes the adjacent public right-of-ways to the centerlines on Champagne Boulevard and Lawrence Welk Lane. Applying standard terms are appropriate.

Conclusion | Modifications and Terms
No modifications appear warranted. Standard terms are recommended.

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 by the affected local agencies before San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff has confirmed the County Board of Supervisors has adopted a master agreement applicable to the proposed reorganization. The application of this master agreement will result in a “no” exchange with respect to the 1% collected on land and improvements within the affected territory.

Environmental Review

CEQA requires San Diego LAFCO to serve as lead agency and assess whether impacts would result from the proposed reorganization initiated by a landowner. Staff has determined the proposal qualifies as a project under CEQA but exempt from further review under State CEQA Guidelines Section 15320. This exemption applies given the project involves changes in organization of local agencies where no new service powers are being established.

Protest Proceedings

Protest proceeding for the reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under statute. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agencies have not filed objections, and the lone landowner has consented to the underlying actions as the petitioner.

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4 The County of San Diego Assessor and Auditor Offices’ report the current total assessed valuation for the affected territory is $434,427 with a corresponding annual property tax revenue of $4,344.
5 Reference to Government Code Section 5662.
6 LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.
RECOMMENDATION

Staff recommends approval of the reorganization proposal without modification along with standard terms based on the analysis provided in the preceding section. This recommendation is consistent with Alternative One in the proceeding section and would generate the following jurisdictional boundary changes in San Diego County:

- Annexation of all 2.5 acres of the affected territory to Valley Center MWD.
- Concurrent detachment of the same territory from Vallecitos WD.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

**Alternative One (recommended):**
Adopt the attached draft resolution approving the reorganization proposal without modification and with standard terms. Protest would also be waived.

**Alternative Two:**
Continue consideration to the next regular meeting and provide direction to staff with respect to providing additional information as specified.

**Alternative Three:**
Disapprove the 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 as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified.

On behalf of the Executive Officer,

Robert Barry, AICP
Chief Policy Analyst

Appendices:
A) Analysis of Boundary Change Factors

Attachments:
1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Landowner Petition
APPENDIX A

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

The affected territory is approximately 2.5 acres in size and includes one parcel developed with an occupied single-family residence at 28616 Champagne Boulevard in the unincorporated community of Bonsall. The County of San Diego Assessor’s Office identifies the subject parcel as 172-091-28. The adjacent public right-of-ways to the centerline on Champagne Boulevard and Lawrence Welk Lane are also included as part of the affected territory. As detailed in (h), no further development density would be allowed within the affected territory under current County land use policies. Additional growth within the surrounding unincorporated area is possible although would not be considered significant. The total assessed value in the affected territory is $434,427 as of November 2019.

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 acts as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and public safety with the latter including law enforcement via the County Sheriff. Other pertinent service providers include Deer Springs Protection District (fire protection and emergency medical) and County Service Area 135 (regional communications). The affected territory is also within Vallecitos WD but has not established water or wastewater services. This proposal affects water and wastewater services and is the focus of the succeeding analysis.

- Extending Public Water to Affected Territory
  The affected territory is currently connected to Valley Center MWD’s public water system through a temporary out-of-agency extension approved by LAFCO in June 2019 in response to documentation of a failing groundwater well. Valley Center MWD projects the average day water demand generated within the affected territory is 280 gallons per day. This projected amount can be readily accommodated by Valley Center MWD and represents 0.03% of its available supply capacity within its existing distribution system based on recent system demands. Ultimate buildout would potentially include an accessory unit and increase the average day water demand to 560 gallons per day or 0.05% of the remaining available capacity.
- **Extending Public Wastewater to Affected Territory**
  The single-family residence within the affected territory is currently served by an onsite underground septic disposal system. Connection to Valley Center MWD’s public wastewater system is not readily available to the affected territory and would require the expansion of public infrastructure.

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 would formalize and make more permanent existing economic and social ties between Valley Center MWD and the affected territory. These ties were initially established with the Commission previously adding all of the affected territory to Valley Center MWD’s sphere of influence and in doing so signal its policy expectation the District should ultimately accommodate and support current and present land uses. The Commission – notably – also drew on these ties in recently approving a temporary out-of-agency extension to connect the affected territory’s single-family residence to Valley Center MWD’s water system to abate a documented public health threat.

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.**

The affected territory is presently developed with one single-family residence that is currently dependent on an out-of-agency water extension to Valley Center MWD due to the past failure of an onsite groundwater well. Annexation of the affected territory would make the existing service arrangement permanent and is consistent with the policies and practices of the Commission to sync urban uses with urban services. None of the affected territory includes lands qualifying as “open-space” as defined under LAFCO law and the proposal therefore does not conflict with G.C. Section 56377. Additional analysis concerning applicability of germane Commission policies follow.

- Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable require a consultation process with the affected agencies, interested parties, or organizations to help remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were disclosed by the applicant or identified by subject and affected agencies in the review of the proposal.

(continued)
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 qualify as “prime agricultural land” under LAFCO law. Specifically, the lands are not 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. Approval of the proposed reorganization proposal would have no effect on maintaining the physical and economic integrity of agricultural lands in San Diego County.

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 covering all of the proposed boundary changes consistent with the standard of the State Board of Equalization. Approval would be conditioned on final map and description confirming to the referenced standards. The affected territory conforms with existing lines of assessment.

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

The proposed reorganization would make permanent public water service to one existing single-family residence in a developing urban area and adjacent to a major transportation corridor (I-15). The proposal, accordingly, does not conflict with San Diego Forward, the regional transportation plan prepared by San Diego Association of Governments (SANDAG).

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

The County of San Diego General Plan identifies the affected territory as part of the Bonsall Community Planning Area. The present County General Plan land use designation for the affected territory is Rural Lands (RL-20) and allows up to 1.0 dwelling unit for every 20 acres. Approval of the proposed reorganization would allow for water service to be extended to one existing single-family residence consistent with the County General Plan.

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

The affected territory is located entirely within the Valley Center MWD sphere of influence and entirely outside the Vallecitos WD sphere of influence. The reorganization and concurrent boundary changes to annex to Valley Center MWD and detach from Vallecitos WD are consistent with these existing sphere of influence designations.
j) The comments of any affected local agency or other public agency.

Staff provided notice of the proposed reorganization to all subject and affected agencies as required under statute. Notice was also provided to SANDAG. One written comment was received by email ahead of preparing this agenda report for distribution on November 22, 2019. The email comment was received from the Bonsall Sponsor Group, the advisory community planning group for the local unincorporated area, which voted unanimously to support the proposed reorganization.

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 Valley Center MWD has established sufficient financial resources to permanently extend municipal services to the affected territory without adversely impacting current constituents. This statement is supported by the following factors with additional details.

- Valley Center MWD’s audited net position is $83.9 million as of June 30, 2018 and has increased overall by 2.3% over the last three fiscal years.

- Valley Center MWD’s has finished year of the last three audited fiscal years with positive total margins within an overall average of 3.7%.

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

The proposed reorganization would permanently transfer water service responsibility for the affected territory from Vallecitos WD to Valley Center MWD. This transfer – pertinent – retains the San Diego County Water Authority as the principal wholesale provider for the affected territory. The Water Authority’s most recently adopted urban water management plan attests it has sufficient water supplies to meet its member agencies needs through the planning horizon of 2035 under normal and single-dry year conditions. Conservation measures, however, would likely be needed during severe and multiple dry-year conditions. Valley Center MWD has established a contingency plan to reduce water demands in the event of supply shortages consistent with Water Authority recommendations.

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 as determined by the appropriate council of governments.

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, SANDAG. The associated jurisdictional changes would not affect this assignment.
n) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The affected territory includes one developed single-family residence and occupied by the landowner/applicant. The landowner has initiated the reorganization and has provided consent to the Commission proceedings.

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.

As used in this review factor, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed reorganization does not include locating new public facilities. Therefore, approval of the proposed reorganization is not anticipated to directly influence the promotion of environmental justice within the affected territory.

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 affected territory is entirely unincorporated and subject to the safety element of the County of San Diego General Plan. The County has mapped the affected territory within a “very high” fire hazard zone. It is also mapped within a State Responsibility Area with respect to wildland fire protection. Deer Springs FPD is the designated fire service provider.
PROPOSED "WILMOTT - CHAMPAGNE BLVD REORGANIZATION AND CONTRACTUAL WATER SERVICE AGREEMENT" | ANNEXATION TO VALLEY CENTER MWD WITH CONCURRENT DETACHMENT FROM VALLECITOS WD

SOI = Sphere of Influence

Proposal Area
Valley Center MWD
Valley Center MWD SOI
Vallecitos WD
Vallecitos WD SOI

Vallecitos WD SOI
Rainbow MWD

Valley Center MWD SOI

Proposal Area

Map Area

 Agenda Item No. 5c | Attachment One

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

This map is provided without warranty of any kind, either express or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose. Copyright LAFCO and SanGIS. All Rights Reserved. This product may contain information from the SANDAG Regional Information System which cannot be reproduced without the written permission of SANDAG. This map has been prepared for descriptive purposes only and is considered accurate according to SanGIS and LAFCO data.
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RESOLUTION NO._______

SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

“WILMOTT – CHAMPAGNE BOULEVARD REORGANIZATION”
CONCURRENT ANNEXATION TO VALLEY CENTER MUNICIPAL WATER DISTRICT AND
DETACHMENT FROM VALLECITOS WATER DISTRICT
LAFCO FILE NO. RO19-08

WHEREAS, on June 7, 2019, landowner Robert Wilmott 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 seeks approval for a reorganization of approximately 2.47 acres of unincorporated territory and includes the principal action to annex all of the affected territory to the Valley Center Municipal Water District; and

WHEREAS, the reorganization application also seeks concurrent detachment of all of the affected territory from the Vallecitos Water District; and

WHEREAS, the affected territory as proposed includes one unincorporated parcel developed with a single-family residence and identified by the County of San Diego Assessor’s Office as 172-091-28; 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 2, 2019; and

WHEREAS, the Commission considered all the factors required by law under Government Code Sections 56668 and 56425 and 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. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering the reorganization proposal. The Commission finds the reorganization is a project but exempt from further review under State CEQA Guidelines Section 15320. This exemption applies given the project involves changes in organization of local agencies where no new service powers are being established.

4. The Commission **APPROVES** the reorganization without modifications and subject to conditions as provided. Approval involves all of the follow:

   a) Annexation of the affected territory to the Valley Center Municipal Water District as shown in “Exhibit A-1” and described in “Exhibit A-2.”

   b) Detachment of the affected territory from the Vallecitos Water District as shown in “Exhibit A-1” and described in “Exhibit A-2.”

5. The Commission **CONDITIONS** all approvals on the following terms being satisfied by December 2, 2020 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 relative to the approved jurisdictional changes conforming to the requirements of the State Board of Equalization – Tax Services Division.

   c) Submittal to the Commission of the following payments:

      - A check made payable to LAFCO in the amount of $50.00 for the County of San Diego-Clerk Recorder to reimburse for filing a CEQA Notice of Exemption consistent with the findings in the resolution.

      - A check made payable to LAFCO in the amount of $267.45 to reimburse for publishing the hearing notification.

      - A check made payable to the State Board of Equalization for processing fees in the amount of $350.00.

6. The Commission assigns the proposal the following short-term designation:

   “Wilmott – Champagne Boulevard Reorganization”
7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

8. The Commission waives conducting authority proceedings under Government Code Section 56662.

9. The Valley Center Municipal Water District is a registered-voter district.

10. The Valley Center Municipal Water District utilizes the County of San Diego assessment roll.

11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Valley Center Municipal Water District as provided under Government Section 57328.

12. The effective date of the approval a shall be the date of recordation but not before January 2, 2020 and only after all terms have been completed as attested by the Executive Officer.

13. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.

14. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Sections 56880-56882 of the Government Code.

15. 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 2, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**
Approve to Form:

________________
Holly Whatley,
Commission Counsel

Attest:

________________
Keene Simonds
Executive Officer
Placeholder for Recordation
Map of Affected Territory
and Annexation to Valley Center Municipal Water District with
Concurrent Detachment from Vallecitos Water District
EXHIBIT A-2

Placeholder for Recordation
Description of Affected Territory
and Annexation to Valley Center Municipal Water District with
Concurrent Detachment from Vallecitos Water District
PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: Annex to Valley Center Municipal Water District my private residence.

2. The reason(s) for the proposal are: Water service to 23616 Champagne Blvd Residence.

Robert C. Wilmsott
Proprietor's Name (print)

23616 Champagne Blvd, Escondido CA 92026
Proprietor's Address

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on

Date

Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than $250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at HTTP://WWW.SDLAFCO.ORG or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes $1,000 or more, or expend $1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes $1,000 or more, or expend $1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

San Diego Local Agency Formation Commission • 9335 Hazard Way • Suite 200 • San Diego, CA 92123 • 858/614-7755
Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are:  

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions:  

(d) The reason(s) for the proposal is/are:  

(e) Signers of this petition have signed as (select one):  

(f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

1. Robert E. Wilmott 25616 Champagne Blvd, Escondido, CA 92026

2.  

3.  

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one)  

(i) The territory included in the proposal is (select one)  

(j) If the formation of a new district(s) is included in the proposal:

1. The principal act under which said district(s) is/are proposed to be formed is/are:  

2. The proposed name(s) of the new district(s) is/are:  

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:

1. The name of the proposed city is:  

2. Provisions are requested for appointment of:  

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is:  

San Diego Local Agency Formation Commission • 9335 Hazard Way • Suite 200 • San Diego, CA 92123 • (858) 614-7755
Part IVb: LANDOWNER PETITION

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.

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<th>Name of Signer</th>
<th>Assessor's Parcel Number(s)</th>
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<th>Official Use</th>
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San Diego Local Agency Formation Commission • 9335 Hazard Way • Suite 200 • San Diego, CA 92123 • (858) 614-7755

Reorganization—Signatures must comply with the applicable signature requirements for each of the changes proposed (Govt. Code § 56864.1).

District Formation—Signatures as required by the principal act under which the new district is proposed to be formed (Govt. Code § 56860).

Dissolution of a District—For a registered voter district: signatures by (a) not less than 10% of the registered voters within the district; or (b) not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.

—For landowner-voter districts: signatures by not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.

—If dissolution is for inactivity, the petition must be signed by three or more registered voters or landowners within the subject district and include statement and recitations as required by Govt. Code 56871 (Govt. Code § 56870).

Consolidation of Districts—For a registered voter district: signatures by not less than 5% of the registered voters within each of the districts.

—For landowner-voter districts: signatures by landowners-voters constituting not less than 5% of the number of landowner-voters owning land within each of the several districts who also own not less than 5% of the assessed value of land within each of the districts (Govt. Code § 56865).

Merger of District with City or Establishment of a Subsidiary District—For a registered voter district: signatures by (a) 5% of the registered voters of the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district.

—For a landowner-voter district: signatures by (a) 5% of the number of landowner-voters within the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district (Govt. Code § 56866).

District Annexation or Detachment—For a registered voter district: signatures by (a) not less than 25% of the number of registered voters within the territory proposed to be annexed or detached; or (b) not less than 25% of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory.

—For a landowner-voter district: signatures by not less than 25% of the number of landowners owning land within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory (Govt. Code § 56864).

Incorporation of a City—Signatures by: (a) not less than 25% of the registered voters residing in the area to be incorporated; or (b) not less than 25% of the number of owners of land within the territory proposed to be incorporated who also own not less than 25% of the assessed value of land within the territory proposed to be incorporated (Govt. Code § 56764).

Disincorporation of a City—Signatures by: not less than 25% of the registered voters residing in the city proposed to be disincorporated (Govt. Code § 56766).

Consolidation of Cities—Signatures by not less than 5% of the registered voters of each affected city (Govt. Code § 56766).

Annexation to a City—Signatures by: (a) not less than 5% of the number of registered voters residing within the territory proposed to be annexed; or (b) not less than 5% of the number of owners of land within the territory proposed to be annexed who also own 5% of the assessed value of land within the territory (Govt. Code § 56767).

Detachment from a City—Signatures by: (a) not less than 25% of the number of registered voters residing within the territory proposed to be detached; or (b) not less than 25% of the number of owners of land within the territory proposed to be detached who also own 25% of the assessed value of land within the territory (Govt. Code § 56768).
December 2, 2019

TO: Commissioner

FROM: Keene Simonds, Executive Officer

SUBJECT: Authorize Office Closure on December 24th and December 26th

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider an Executive Officer recommendation to authorize an office closure on Tuesday, December 24th and Thursday, December 26th. Staff would take compensatory time-off during these two days.

BACKGROUND

Adopted Policy on Regular Business Hours

San Diego LAFCO’s adopted policy specifies the Commission shall maintain regular business hours between 8:00 a.m. to 5:00 p.m. Monday through Friday less any holidays observed by the County of San Diego. All other office closures require Commission approval.

DISCUSSION

This item is for San Diego LAFCO to consider approving the closure of the office for a portion of the upcoming holiday season to include the day immediately before and after Christmas. The affected dates are Tuesday, December 24th and Thursday, December 26th.
ANALYSIS

The requested action is consistent with past San Diego LAFCO practice and would result in the office closing for two business days and in doing so extend the Christmas holiday break for employees to three days (December 24\textsuperscript{th} through December 26\textsuperscript{th}. ) Approval would separately produce cost-savings by staff drawing down on their compensatory balances during a period when minimal business activity is typically transacted.

RECOMMENDATION

It is recommended San Diego LAFCO approve a holiday office closure for the Christmas break for December 24\textsuperscript{th} and 26\textsuperscript{th}. This action is provided as Alternative Action One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

**Alternative One (recommended):**
Authorize the LAFCO office to be closed on the following dates in 2019:

- Tuesday, December 24\textsuperscript{th}
- Thursday, December 26\textsuperscript{th}

**Alternative Two:**
Take no action.

PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,

Keene Simonds
Executive Officer

Attachment: none
December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: Progress Report on 2019-2020 Workplan

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a progress report on accomplishing specific projects included in the adopted workplan for 2019-2020. The report notes nearly two-thirds of all workplan projects have been initiated with four already completed and highlighted by a comprehensive municipal service review on the San Diego County Sanitation District and re-establishing the Cities Advisory Committee. The report is being presented to the Commission to receive and file as well as to discuss potential revisions for future consideration.

BACKGROUND

2019-2020 Workplan

San Diego LAFCO’s current fiscal year workplan was adopted at a noticed public hearing held on April 3, 2019. The workplan includes 27 projects and divided into two distinct categories – statutory and administrative – with one of three priority rankings: high; moderate; or low. The intent of the workplan is to serve as a management tool to allocate resources over the 12-month period and track performance. Towards this end, the Commission reserves discretion to amend the workplan to address changes in priorities or resources as well as to continue projects into subsequent fiscal years.
DISCUSSION

This item provides San Diego LAFCO with its regular status update on the 27 targeted projects established for the fiscal year. This includes staff assigning one of four status categories to projects ranging from pending to complete and detailed in Attachment One. The item is being presented for the Commission to formally receive and file while also providing the membership the opportunity to provide direction to staff going forward on listed projects as well as request amendments for future consideration.

ANALYSIS

San Diego LAFCO is generally proceeding as planned and has initiated work on 17 of the 27 projects included in the adopted workplan and represents nearly two-thirds – or 65% – of the total through the first five months of the fiscal year. Four projects are now complete, and this includes preparing a municipal service review on the San Diego County Sanitation District and re-establishing and holding the first meeting of the Cities Advisory Committee since the early 2000s. The first of two phases of the municipal service review on the Escondido region has also been completed with the second phase expected to be presented in draft form at the beginning of the calendar year. Other projects underway with the expectation of presenting to the Commission in the next few meetings include municipal service reviews on the Valley Center region and County Service Area No. 135 with the latter anticipated address potential reorganization options for the County Fire Authority.

RECOMMENDATION

It is recommended San Diego LAFCO receive and file the item with the invitation to discuss and/or request revisions for future consideration. This recommendation would be accommodated by taking the actions outlined in the proceeding section as Alternative One.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):
Receive and file the item as presented.

Alternative Two:
Continue consideration of the item to a future meeting and provide direction to staff for more information as needed.

Alternate Three:
Take no action.
PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,

Keene Simonds
Executive Officer

Attachment:
1) 2019-2020 Workplan with Status Notations
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2019-2020 Workplan

Introduction:

Local Agency Formation Commissions’ (LAFCOs) operate under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2001 (“CKH”) and are delegated regulatory and planning responsibilities by the Legislature to oversee the formation and subsequent development of local government agencies and their municipal service areas. Common regulatory functions include approving jurisdictional changes and outside service requests. Common planning functions include preparing studies to independently evaluate the availability, performance, and need for urban services and establishing and updating spheres of influence – which are the Legislature’s version of urban growth boundaries and gatekeepers to future jurisdictional changes – for all cities and special districts. All regulatory and planning activities undertaken by LAFCOs may be conditioned and must be consistent with policies and procedures.

Objective:

This document represents San Diego LAFCO’s (“Commission”) formal 2019-2020 Workplan. The Workplan draws on the recommendations of the Executive Officer as vetted and approved by the Commission. The Workplan is divided into two distinct categories – statutory and administrative – with one of three priority rankings: high; moderate; or low. The underlying intent of the Workplan is to serve as a management tool to allocate Commission resources in a transparent manner over the 12-month period. Further, while it is a stand-alone document, the Workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly. Additionally, and as needed, the Commission reserves discretion to amend the Workplan during the fiscal year to address changes in resources and or priorities and to carry-forward projects into subsequent years.

Executive Summary:

The 2019-2020 Workplan continues to guide the Commission to prioritize resources in addressing statutory duties and responsibilities. This includes continuing work on existing projects established – but not yet completed – from earlier fiscal years and marked by completing municipal service reviews for the Vista and San Marcos regions. New priority municipal service reviews involving the Fallbrook region, resource conservation services, and County Service Area No. 135 are also included as well as performing a policy review on outside service extensions. Other high priority projects include working with the County of San Diego to update an existing memorandum of understanding between the two agencies and preparing separate policy reviews on agricultural preservation and outside service extensions.
<table>
<thead>
<tr>
<th>Priority</th>
<th>Level</th>
<th>Type</th>
<th>Project</th>
<th>Description and Key Issues</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continual</td>
<td>...</td>
<td>Statutory</td>
<td>High Priority Proposals</td>
<td>San Marcos (Highlands), Escondido (Safari Highlands), et al.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Continual</td>
<td>...</td>
<td>Administrative</td>
<td>Targeted LAFCO Presentations</td>
<td>Public outreach; emphasis on informing stakeholders ahead of MSR work</td>
<td>Ongoing</td>
</tr>
<tr>
<td>1</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>Fallbrook Region</td>
<td>Fallbrook PUD, Rainbow MWD, San Luis Rey MWD, &amp; North County FPD; address latent power query by Fallbrook PUD</td>
</tr>
<tr>
<td>2</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>Resource Conservation</td>
<td>Mission RCD, Upper San Luis Rey RCD, &amp; Greater San Diego; address §6133 issues and consolidation opportunities</td>
</tr>
<tr>
<td>3</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>CSA No. 135</td>
<td>Agency-specific review; explore governance options given County Charter amendment codifying fire protection services</td>
</tr>
<tr>
<td>4</td>
<td>High</td>
<td>Administrative</td>
<td>MOU with County</td>
<td>Update and expand current MOU from 1974; reflect current agency relationships and needs</td>
<td>Underway</td>
</tr>
<tr>
<td>5</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>San Marcos Region</td>
<td>San Marcos, San Marcos FPD, and Vallecitos WD</td>
</tr>
<tr>
<td>6</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>Vista Region</td>
<td>Vista, Vista ID, Vista FPD, and Buena Sanitation</td>
</tr>
<tr>
<td>7</td>
<td>High</td>
<td>Administrative</td>
<td>Policy Review</td>
<td>Outside Services</td>
<td>Update policies involving outside service extensions under §6133; establish local definitions and exemptions</td>
</tr>
<tr>
<td>8</td>
<td>High</td>
<td>Administrative</td>
<td>Cities Advisory Committee</td>
<td>Re-establish dormant Cities Advisory Committee in conjunction with informing Study Schedule and other germane topics</td>
<td>Completed</td>
</tr>
<tr>
<td>9</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>Escondido Region</td>
<td>Rincon del Diablo MWD and Deer Springs FPD (Part I) and Escondido (Part II)</td>
</tr>
<tr>
<td>10</td>
<td>High</td>
<td>Statutory</td>
<td>MSR</td>
<td>SD County Sanitation District</td>
<td>Multiple community wastewater systems located throughout San Diego County</td>
</tr>
<tr>
<td>11</td>
<td>High</td>
<td>Administrative</td>
<td>Job Class and Salary Review</td>
<td>Specific to non-executive positions; focus on alignment and retention via Personnel Committee</td>
<td>Completed</td>
</tr>
<tr>
<td>12</td>
<td>High</td>
<td>Administrative</td>
<td>Policy Review</td>
<td>Ag Policy</td>
<td>Update existing policies and procedures involving agricultural preservation; incorporate stakeholder outreach</td>
</tr>
<tr>
<td>13</td>
<td>Moderate</td>
<td>Administrative</td>
<td>RFP for Auditing Services</td>
<td>Complete competitive proposal process to select new outside consultant to provide outside auditing services</td>
<td>Completed</td>
</tr>
<tr>
<td>15</td>
<td>Moderate</td>
<td>Statutory</td>
<td>MSR</td>
<td>Pauma Valley</td>
<td>Pauma MWD, Pauma CSD, Yuima MWD, Mootamai MWD, and Rincon Ranch CSD</td>
</tr>
<tr>
<td>16</td>
<td>Moderate</td>
<td>Statutory</td>
<td>MSR</td>
<td>Valley Center Region</td>
<td>Valley Center MWD, Valley Center CSD, and Valley Center FPD</td>
</tr>
<tr>
<td>17</td>
<td>Moderate</td>
<td>Statutory</td>
<td>MSR</td>
<td>Poway Region</td>
<td>Review is agency-specific to Poway</td>
</tr>
<tr>
<td>18</td>
<td>Moderate</td>
<td>Statutory</td>
<td>MSR</td>
<td>Ramona Region</td>
<td>Review is agency-specific to Ramona MWD</td>
</tr>
<tr>
<td>19</td>
<td>Moderate</td>
<td>Administrative</td>
<td>Update Application Procedures</td>
<td>Streamline existing packet to be more user-friendly; address new statutory requirements</td>
<td>Pending</td>
</tr>
<tr>
<td>20</td>
<td>Moderate</td>
<td>Administrative</td>
<td>Districts Advisory Committee</td>
<td>Conduct no less than two quarterly meetings and solicit feedback on germane topics</td>
<td>Near Completion</td>
</tr>
<tr>
<td>21</td>
<td>Moderate</td>
<td>Administrative</td>
<td>Video Recording</td>
<td>Establish video recording of Commission meetings and online posting to expand community outreach</td>
<td>Completed</td>
</tr>
<tr>
<td>22</td>
<td>Moderate</td>
<td>Administrative</td>
<td>CALAFCO</td>
<td>Participate in CALAFCO through the Board, Leg Committee, and Annual Workshop and Conference</td>
<td>Underway</td>
</tr>
<tr>
<td>23</td>
<td>Low</td>
<td>Administrative</td>
<td>Informational Report on SGMA</td>
<td>State Groundwater Management Act (SGMA) Implementation in San Diego County relative to LAFCO duties/interests</td>
<td>Pending</td>
</tr>
<tr>
<td>24</td>
<td>Low</td>
<td>Administrative</td>
<td>SOI/MSR Annual Report</td>
<td>Prepare annual report to serve as living record of all sphere actions in San Diego County</td>
<td>Pending</td>
</tr>
<tr>
<td>25</td>
<td>Low</td>
<td>Administrative</td>
<td>LAFCO Brochure</td>
<td>Branding tool for distribution to State and other local agencies</td>
<td>Underway</td>
</tr>
<tr>
<td>26</td>
<td>Low</td>
<td>Administrative</td>
<td>Local Agency Directory</td>
<td>User-friendly publication identifying local governmental agencies under LAFCO oversight in San Diego County</td>
<td>Pending</td>
</tr>
<tr>
<td>27</td>
<td>Low</td>
<td>Administrative</td>
<td>Social Media Policies and Protocols</td>
<td>Establish policies and procedures to expand outreach to capture alternate media forums; link with new website</td>
<td>Pending</td>
</tr>
</tbody>
</table>
December 2, 2019

TO: Commissioners

FROM: Robert Barry, Chief Policy Analyst
       Linda Zambito, Analyst I

SUBJECT: Current Proposals and Related Activities

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report identifying active proposals on file with the Commission as well as pending submittals. The item is for information only and concurrently satisfies the Commission’s reporting requirement to affected agencies for special district annexation proposals submitted by petition. The notification starts a 60-day period in which subject districts may request termination of the requested proceedings due to financial or service-related concerns.

BACKGROUND

Processing Procedures and Timelines

LAFCO proceedings for consideration of proposed changes of organization or reorganizations – which include incorporations, formations, annexations, detachments, mergers, consolidations, and service function activations or divestures – are typically initiated by outside applicants (landowners, registered voters, and local agencies.) LAFCOs may also initiate proposals specific to forming, consolidating, or dissolving special districts if consistent with the recommendations of approved municipal service reviews. Following submittal, proposals are reviewed by San Diego LAFCO staff for completeness and status letters are sent within 30 days. If additional documentation is required, the proposal is
deemed incomplete and the status letter will itemize any needed information. Once complete, proposals are scheduled for Commission consideration and generally placed on the agenda as consent or hearing items based on noticing requirements. Overall, most proposals are forwarded to the Commission within six months from the date of submittal.

**DISCUSSION**

This item is being presented for information only and identifies all active proposals currently on file with San Diego LAFCO. The report also – and for telegraphing purposes of future workload – identifies pending proposals staff anticipates being filed with LAFCO in the near term. A summary of active and pending proposals follow and further detailed in Attachment One. The information item also serves to concurrently satisfy the Commission’s reporting requirement to provide notice on agendas to affected special districts when annexation proposals are initiated by petition of landowners or registered voters.

**Active Proposals**

There are 25 active proposals currently on file with San Diego LAFCO as of date. The active proposals range in scope from pre-Commission (15) to post-Commission (10) with the latter category representing items already approved but awaiting the completion of conducting authority proceedings (i.e., protest) or terms. One new proposal has been filed since the last Commission meeting in November and is summarized below.

- **Valiano – Eden Valley Reorganization and Outside-of-Agency Agreement**
  The proposal has been filed by an interested landowner (Eden Hills LLC) and involves multiple requests associated with facilitating the development of a planned 326-lot residential subdivision known as “Valiano” in the unincorporated community of Harmony Grove. The principal request involves approval of an outside-of-agency service agreement to allow Escondido to extend wastewater services (collection, treatment, disposal) to the Valiano project. A reorganization is also requested to annex 10.8 acres of the project site to the San Marcos Fire Protection District and concurrently detach from the Rancho Santa Fe Fire Protection District. Associated sphere amendments would also be required.

**Pending Proposals**

There are five potential new and substantive proposals staff expects to be submitted to San Diego LAFCO during the fiscal year based on ongoing discussions with proponents. Three of these pending proposals involve city annexations in North County to accommodate

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1. The Executive Officer may also place proposals otherwise meriting consent on the business calendar to solicit additional review and discussion if warranted. Separately, applications involving outside-of-agency service extension requests follow separate proceedings and may be administratively approved by the Executive Officer if addressing documented public health or safety threats.
2. Government Code Section 56857 directs LAFCOs to provide notice on agendas of any proposal involving special districts that have been initiated by landowners or registered voters. The agenda notification starts a 60-day period in which the affected special districts may request termination of the proceedings due to financial or service-related concerns.
3. Staff uses discretion in listing pending proposals and limits notice to only activities to be initiated by a local governmental agency. Pending proposals to be initiated by landowners and/or registered voters are not disclosed until an actual filing is made.
relatively large residential subdivision projects and include Safari Highlands (Escondido), Sager Ranch (Escondido), and Rancho Lomas Verdes (Vista). Another pending proposal involves a relatively large unincorporated residential development project west of the City of Escondido – Harmony Grove Village South – and would require annexations to one or more special districts. One or more reorganization proposals by Fallbrook Public Utility District and Rainbow Municipal Water District to detach from County Water Authority and annex to Eastern Municipal Water District are also expected.

ANALYSIS

San Diego LAFCO remains active in processing more than two dozen applicant proposals. This includes receiving a significant proposal in November involving multiple requests associated with the planned Valiano project in Harmony Grove. Most proposals have been on file for less than one calendar year and are actively progressing through the review process. A small number of the remaining proposals, however, have been on file with the Commission for more than five years with little to no communication from the applicants. To this end, and consistent with earlier Chair direction, staff anticipates presenting draft policy language to authorize the Executive Officer to terminate otherwise abandon proposals. Staff anticipates presenting this latter item by the end of the fiscal year.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only. It is recommended the Commission review the report with the invitation to discuss and ask questions of staff.

ALTERNATIVES FOR ACTION

This item is being presented for information only; no action.

PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of staff,

Linda Zambito
Analyst I

Attachment:

1) Active and Pending Proposals as of November 22, 2019
<table>
<thead>
<tr>
<th>File Number</th>
<th>Proposal Name</th>
<th>Project Manager</th>
<th>Proposal Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DA08-10</td>
<td>Robert Barry</td>
<td>Proposal application submitted in March 2008 for a proposed annexation to Vallecitos WD to obtain sewer service for two existing residences along Avocado Way but deemed incomplete in April 2008 status letter. A new status letter was sent to the applicant in January 2018 stating the proposal will be considered abandoned unless notified otherwise. The current property owner has responded and conveyed their interest to proceed with the annexation. Ongoing discussions with Vallecitos WD as of 2018.</td>
</tr>
<tr>
<td>2</td>
<td>RO08-09</td>
<td>Robert Barry</td>
<td>Proposal application submitted in May 2008 for a proposed annexation to the City of El Cajon. The annexation area includes approximately 1.25 acres and is subject to a proposed multi-family residential project and was deemed incomplete in June 2008 status letter. A new status letter was sent in January 2018 to the applicant, new property owner, and City stating the proposal will be considered abandoned unless notified otherwise. No response to date.</td>
</tr>
<tr>
<td>3</td>
<td>RO08-15, SA08-15</td>
<td>Robert Barry</td>
<td>Proposal application submitted in May 2008 requesting a reorganization to provide sewer services to an approved Tentative Map allowing the development of 60 single-family residences and was deemed incomplete in June 2008 status letter. A new status letter was sent to the applicant in February 2018 stating the proposal will be considered abandoned unless notified otherwise. No response to date.</td>
</tr>
<tr>
<td>4</td>
<td>DA12-02</td>
<td>Robert Barry</td>
<td>Proposal application submitted in March 2012 to annex approximately 9.4 acres to the Borrego Water District to provide water service to one parcel. The site is within the adopted sphere, but deemed incomplete in an April 2012 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Borrego WD responded to the letter and has reinitiated discussions with the landowner regarding possible service terms.</td>
</tr>
<tr>
<td>5</td>
<td>RO06-17</td>
<td>Robert Barry</td>
<td>Proposal application submitted in March 2006 to annex six parcels to the City of El Cajon for wastewater Service. In 2006, LAFCO approved two out of service agreements to allow the City of Escondido to provide sewer service to two residences with failing septic systems located along Tobacco Road. The agreements between the City and landowners required the annexation of the two parcels. The proposal was deemed incomplete in April 2006 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Two of the affected landowners have responded to the letter and are now working with the City in determining if the other landowners are interested/willing to proceed with the annexation at this time.</td>
</tr>
</tbody>
</table>
## SAN DIEGO LAFCO PROPOSAL SUMMARY

<table>
<thead>
<tr>
<th>File Number</th>
<th>Proposal Name</th>
<th>Affected Agencies</th>
<th>Project Manager</th>
<th>Proposal Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>DA16-10</td>
<td>“CSA 17 Harmony Grove Annexation” - CSA 17 (Annexation)</td>
<td>Linda Zambito</td>
<td>Proposal submitted in May 2016 to approximately 3,600 acres to CSA 17 for ambulance service. It was required as cross-condition of the Rancho Santa Fe Fire Protection District Reorganization: Dissolution of CSA No. 107 (Elfin Forest/Harmony Grove). The proposal was deemed incomplete in June 2016 status letter. The CSA 17 Advisory Committee has opposed the annexation. A negotiated property tax exchange agreement is also necessary. LAFCO staff met with the applicant in August 2019 to provide assistance.</td>
</tr>
<tr>
<td>7</td>
<td>RO16-11</td>
<td>“Rancho Hills Annexation” - Rancho Santa Fe CSD (Annexation)</td>
<td>Robert Barry</td>
<td>Proposal submitted in October 2016 to annex a portion of a 37-lot residential subdivision titled “Rancho Hills” to Rancho Santa Fe CSD for wastewater service. A concurrent latent power expansion for Olivenhain MWD is needed to accommodate sewer to the remaining project site. The proposal was deemed incomplete in November 2016 status letter. Applicant has requested the proposal processing be placed on hold. Staff has remained in contact with the applicant and is awaiting their confirmation to proceed.</td>
</tr>
<tr>
<td>8</td>
<td>Ro19-04</td>
<td>“Ortega – Olde Highway 80 Change of Organization” - San Diego County Sanitation District (Annexation)</td>
<td>Linda Zambito</td>
<td>Proposal submitted in February 2019 by landowner petition, involves the annexation of two residential lots totaling approximately 5.07 acres for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.</td>
</tr>
<tr>
<td>9</td>
<td>RO19-08</td>
<td>“Wilmott–Champagne Boulevard Reorganization” - Valley Center Municipal Water District (Annexation) - Vallecitos Water District (Detachment)</td>
<td>Robert Barry</td>
<td>Proposal was submitted in June 2019 by landowner petition, involves reorganization of one unincorporated parcel totaling approximately 1.4 acres developed with one single-family residence. The reorganization includes annexation of the affected territory to Valley Center MWD for water service with a concurrent detachment from Vallecitos WD. The residence uses an on-site well for domestic water needs that has been documented by DEH as failing. The subject parcel is presently within the Vallecitos WD but is within the sphere of influence for Valley Center MWD and has an existing MWD water line within the adjacent Champagne Boulevard frontage right-of-way. The Executive Officer administratively approved an outside-of-agency water service agreement with the Valley Center MWD in advance of the reorganization on June 18th. Ratification of the administratively-approved service agreement was approved by the Commission on August 5th, 2019. The submitted proposal is scheduled for Commission hearing on December 2, 2019.</td>
</tr>
<tr>
<td>File Number</td>
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<td>Affected Agencies</td>
<td>Project Manager</td>
<td>Proposal Summary</td>
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</tr>
<tr>
<td>10</td>
<td>RO19-15</td>
<td>“Hamilton-Felicta Reorganization” - City of Escondido (Annexation) - CSA No. 135 (Detachment) - Rincon del Diablo MWD (ID“E”) (Exclusion)</td>
<td>Linda Zambito</td>
<td>Proposal submitted in August 2019 by landowner petition involving a reorganization of two unincorporated parcels totaling approximately 0.63 acres to the City of Escondido. Both parcels are developed with a single-family residence experiencing a failed/failing septic system with DEH documentation. Temporary wastewater OAS administratively approved by XO and ratified by Commission. Reorganization involves annexation to Escondido with concurrent detachment from CSA No. 135 (Regional Communications) and exclusion from RDDMWD ID“E.” The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.</td>
</tr>
<tr>
<td>11</td>
<td>RO19-16</td>
<td>“Sweetwater Road Reorganization” - City of National City (Annexation) - CSA No. 135 (Reg. Comm.) (Detachment) - Lower Sweetwater FPD (Detachment)</td>
<td>Robert Barry</td>
<td>Proposal submitted in August 2019 by landowner petition. Reorganization involves annexation to City of National City of two undeveloped unincorporated parcels totaling 0.24 acres with concurrent detachments from CSA No. 135 (Regional Communications) and the Lower Sweetwater FPD. (An additional change involving the South Bay Irrigation District may also be necessitated.) The affected territory is located within the National City sphere of influence. The City has approved prezoning of Major Mixed Use District (MXD-2) to facilitate a commercial development on the affected territory. The affected territory is recommended to be modified to include an approximately 50.24 acre adjacent I-805/SR-54 right-of-way to conform with the City’s incorporated boundary. The submitted proposal is scheduled for Commission hearing on December 2, 2019.</td>
</tr>
<tr>
<td>12</td>
<td>RO19-13</td>
<td>“Catalina Avenue Reorganization” - Vista Irrigation District (Annexation) - Vallecitos Water District (Detachment)</td>
<td>Robert Barry</td>
<td>Proposal submitted in July 2019 by landowner petition. Change of organization involves annexation of 1.29 acres of unincorporated territory to the Vista Irrigation District and detachment from Vallecitos Water District. The affected territory is vacant with anticipated development of a single-family residence in the unincorporated area of Vista. The County identifies the subject parcel as 591-183-07. The purpose of the proposal is to connect water service up to the maximum density as allowed under County zoning. The submitted proposal is scheduled for Commission hearing on December 2, 2019.</td>
</tr>
<tr>
<td>13</td>
<td>DA19-12</td>
<td>“Las Flores Drive Change of Organization” - Vallecitos Water District (Annexation)</td>
<td>Robert Barry</td>
<td>Proposal submitted in July 2019 by landowner petition. Change of organization involves annexation of 0.6 acres to the Vallecitos Water District. The affected territory is parcel specific and comprises an existing single-family residence at 671 Las Flores Drive in the City of San Marcos. The County identifies the subject parcel as 219-062-27. The purpose of the proposal is wastewater to the existing single-family residence. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.</td>
</tr>
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<tbody>
<tr>
<td>14</td>
<td>DA19-17</td>
<td>“Valley Vista Road – Gutierrez Change of Organization” - San Diego County Sanitation District</td>
<td>Keene Simonds</td>
<td>Proposal submitted in August 2019 by landowner petition. Change of organization involves annexation of 0.6 acres of unincorporated territory to the San Diego County Sanitation District. The affected territory is parcel specific and comprises an existing single-family residence at 3626 Valley Vista Road in the unincorporated community of Bonita. The County identifies the subject parcel as 591-183-07. The purpose of the proposal is to accommodate an intensity improvement to add an accessory dwelling unit as allowed under County zoning. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.</td>
</tr>
<tr>
<td>15</td>
<td>SA19-26</td>
<td>“Valiano - Eden Valley Reorganization” City of Escondido (Sphere Amendment, Contractual Wastewater Service Agreement San Marcos FPD (Annexation) Rancho Santa Fe FPD (Sphere Amendment, Detachment)</td>
<td></td>
<td>Proposal submitted in November 2019 by landowner petition and the City of Escondido requesting approvals for reorganization of one unincorporated parcel totaling approximately 10.76 acres involving annexation to the San Marcos Fire Protection District (FPD) with a concurrent detachment of the affected territory from the Rancho Santa Fe FPD and conforming sphere amendment for Rancho Santa Fe FPD to exclude the affected territory; and, amendments to the spheres of influence for the Cities of Escondido and San Marcos to respectively include and exclude a total of 82.9 acres comprised of two noncontiguous unincorporated parcels subject to an approximate 240.6 acre County of San Diego-approved Specific Plan (TM-5575); and, approval of a contractual wastewater agreement between the landowner of the unincorporated Specific Plan area and the City of Escondido to extend City wastewater service to 326 single-family residences to be constructed within the Specific Plan area and within the Escondido sphere. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.</td>
</tr>
</tbody>
</table>

### ACTIVE | POST COMMISSION ACTION

| 16          | RO19-06       | “Orchard Hills Reorganization” - Vallecitos Water District (Annexation) - Vista Irrigation District (Detachment) | Robert Barry | Proposal submitted in March 2019 by landowner petition. Involves annexation to Vallecitos WD and detachment from Vista ID of two unincorporated parcels totaling approximately 12.5 acres for wastewater and water services. The affected territory is located within the Vallecitos WD sphere of influence and is subject to a County of San Diego tentative map (TM5570) for a 20-lot residential subdivision. The submitted proposal was approved by the Commission on October 7th, 2019 and is now pending recordation once all terms are satisfied. |
| 17          | RO18-09       | “Julian – Cuyamaca FPD Reorganization” - Julian – Cuyamaca FPD (Dissolution) - CSA 135 (Latent Power Expansion) | John Traylor | Proposal submitted April 2018 requesting dissolution of the approximate 52,100 acre Julian-Cuyamaca FPD with concurrent expansion of the activated latent power area of CSA No. 135 for fire protection and emergency medical services within the affected territory. The proposal was approved by the Commission on September 10, 2018 with a subsequent protest hearing held on October 16, 2018. Written protest submitted from registered voters was deemed sufficient to require an election and is separately addressed as part of Agenda Item No. 15. (Continue to next page) |
### SAN DIEGO LAFCO PROPOSAL SUMMARY

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<tbody>
<tr>
<td>18</td>
<td>“CSA 135 Islands Reorganization”</td>
<td>Robert Barry</td>
<td>Proposal submitted November 2016 and involved the annexation of remaining unserved Islands 2, 3, and 4 within Heartland area and reorganization of local fire service territory among five agencies: CSA 135; Bonita-Sunnyside FPD; Lakeside FPD; Ramona MWD; and San Miguel FPD. Reorganization proposal submitted by resolution of the San Diego County Fire Authority. Involves reorganization of the subject agencies and expansion of CSA No. 135’s jurisdiction powers to provide fire protection and emergency medical services to three unincorporated and unserved island areas totaling approximately 21,048 acres. A concurrent amendment to add the affected territory to the subject agencies’ spheres of influence is also required to accommodate the proposed action. The proposal was approved by the Commission on February 4, 2018 and is now pending recordation once all terms are satisfied. A noticed protest hearing was held on March 13, 2019 at the LAFCO office. No protest was received by affected registered voters or landowners.</td>
</tr>
<tr>
<td>19</td>
<td>“Nordahl Road-Diaz Change of Organization”</td>
<td>Robert Barry</td>
<td>Proposal submitted in October 2018 by landowner petition, involves the annexation of an approximately 3.8 acre lot. The proposal was approved by the Commission on March 4, 2018 and is now pending recordation once all terms are satisfied.</td>
</tr>
<tr>
<td>20</td>
<td>“Carmichael Drive – Wyman Service Agreement”</td>
<td>Robert Barry</td>
<td>Proposal involves an outside-of-agency wastewater service extension agreement between the property owner and the City of La Mesa for wastewater sewer service to one developed single-family residence located outside of the La Mesa sphere of influence. The purpose of the request is to allow the landowner to proceed with an intensity improvement to develop an accessory workshop unit, which exceeds the permitted capacity of the existing onsite septic system. The proposal was approved by the Commission on April 8, 2018 and is now pending recordation once all terms are satisfied.</td>
</tr>
<tr>
<td>21</td>
<td>“Windmill Construction Reorganization”</td>
<td>Robert Barry</td>
<td>Proposal submitted in October 2016 to annex approximately 0.13 acre to be developed as a single residential lot to the City of La Mesa for wastewater service. Originated as an outside agency service extension request with the City of La Mesa. The proposal has transitioned into a reorganization as a City condition of service. Property owner proposes development of one single-family residence. La Mesa has approved a General Plan Amendment and rezoning for the affected territory. The submitted proposal was approved by the Commission on August 5th, 2019 and is now pending recordation once all terms are satisfied.</td>
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## SAN DIEGO LAFCO PROPOSAL SUMMARY

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<th>Proposal Name</th>
<th>Project Manager</th>
<th>Proposal Summary</th>
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<td>22</td>
<td>RO19-02</td>
<td>Robert Barry</td>
<td>Proposal submitted in February 2019 by landowner petition, involves annexation of an approximately 1.49 acre residential lot for wastewater service. The submitted proposal was approved by the Commission on August 5th, 2019 and is now pending recordation once all terms are satisfied.</td>
</tr>
<tr>
<td>23</td>
<td>DA19-14 SA19-14</td>
<td>Linda Zambito</td>
<td>Proposal submitted by resolution of the Julian CSD. Involves annexation of one unincorporated parcel totaling approximately 0.65 acre to Julian CSD for water service. The affected territory contains a CALTRANS facility used for road sand storage. Water service is needed for fire suppression sprinklers. The affected territory is not within the Julian CSD sphere and a concurrent amendment to include the proposal area is required. The submitted proposal was approved by the Commission on November 4th, 2019 and is now pending recordation once all terms are satisfied.</td>
</tr>
<tr>
<td>24</td>
<td>SA17-07 RO17-07</td>
<td>Robert Barry</td>
<td>Proposal submitted in June 2017 by resolution to annex approximately 125 acres 189-SFR development to the City of San Marcos. The proposal involves concurrent reorganizations between the San Marcos FPD and the Vista FPD for fire protection services, and between the Vallecitos WD and Vista ID for the provision of sewer and water services. The City of San Marcos has approved development plans and environmental review for the referenced development titled “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. A settlement was reached that has removed the environmental opposition and facilitated a draft Annexation Agreement to create a dedicated Natural Open Space Preserve. The City of San Marcos approved the draft Annexation Agreement on September 10, 2019. The County Board of Supervisors is scheduled to approve the draft Annexation Agreement on September 25, 2019. The submitted proposal was approved by the Commission on November 4th, 2019 and is now pending recordation once all terms are satisfied.</td>
</tr>
<tr>
<td>25</td>
<td>DA19-07 OAS19-07</td>
<td>Robert Barry</td>
<td>Proposal submitted in April 2019 by landowner petition, involves the annexation of one developed unincorporated parcel totaling 0.45 acres for wastewater service. The existing residence uses an on-site septic system that has been documented by DEH as failing. The Executive Officer administratively approved an outside-of-agency water service agreement with the San Diego County SD in advance of the annexation. The submitted proposal was approved by the Commission on November 4th, 2019 and is now pending recordation once all terms are satisfied.</td>
</tr>
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</table>
**SAN DIEGO LAFCO PROPOSAL SUMMARY**

<table>
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<tr>
<th>File Number</th>
<th>Proposal Name</th>
<th>Project Manager</th>
<th>Proposal Summary</th>
</tr>
</thead>
</table>
| **PENDING PROPOSAL SUBMITTALS**  
(No project manager; inquiries should be direct to Robert Barry) | | | |
| 26 | Pending | “Safari Highlands Reorganization”  
- City of Escondido | This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido with an expected submittal to LAFCO later in 2018. The anticipated proposal involves annexation of approximately 1,098 acres to the City for the primary purpose of developing a 550-lot residential subdivision. All of the affected territory lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders. |
| 27 | Pending | “Rancho Lomas Verde Reorganization”  
- City of Vista | This anticipated reorganization involves annexation of approximately 300 acres to the City of Vista and concurrent detachments from CSA 135 and the Vista FPD to facilitate a 153-lot residential development. Close to three-fourths of the project area lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders. |
| 28 | Pending | “Sager Ranch Reorganization”  
- City of Escondido | This anticipated reorganization involves annexation of approximately 1,800 acres to the City of Escondido and concurrent detachments from CSA 135 and the Valley Center FPD. The reorganization would facilitate the development of approximately 200 acres to include 203 residential units and a 225-room resort. Portions of the project area lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint-review with other stakeholders. |
| 29 | Pending | Harmony Grove Village South (TM-626) | This anticipated reorganization involves the Harmony Grove Village South project and specific to accommodating sewer services (among a variety of options) for the planned development of approximately 111 acres to include 453 residential units. |
| 30 | Pending | Fallbrook Public Utility District and Rainbow Municipal Water District Reorganization | This anticipated reorganization involves detachment of two retail member agencies from the overlying wholesale imported water provider – the San Diego County Water Authority – and concurrent annexation to Eastern Municipal Water District (Riverside County). |
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December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
     Tamaron Luckett, Executive Assistant

SUBJECT: Expiring Commissioner Terms in 2020

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a report identifying membership terms that are set to expire on May 4, 2020 under statute and necessitate new appointments and/or reappointments. The report is being presented for information only.

BACKGROUND

State law prescribes the composition of San Diego LAFCO shall include 13 Commissioners and divided between eight regular and five alternate members. Members are drawn from five membership categories as detailed below.

- Three “county” members are appointed by the County of San Diego Board of Supervisors and divided between two regulars and one alternate. All three county members must be on the Board of Supervisors.

- Three “city” members are appointed by the City Selection Committee (mayors) and divided between two regulars and one alternate. All three city members must be on city councils. City of San Diego – as the largest municipality in San Diego County – is not eligible for appointment in this category based on locally adopted policy.
Two “San Diego” members are appointed by the City of San Diego Council as a result of being the largest municipality in San Diego County. The San Diego members are divided between a regular and alternate and must be on the City Council.

Three “district” members are elected by the Independent Special District Committee (board presidents) and divided between two regulars and one alternate. All three district members must be board members on independent special districts.

Two “public” members are appointed by the other four membership categories on the Commission and divided between a regular and alternate. The two public members must be residents in San Diego County and cannot be officers or employees with the County, cities, or special districts.

All seats on the Commission are four-year terms. Terms go with the seat and not the Commissioner. Accordingly, if a Commissioner leaves LAFCO early, the successor appointee assumes the unexpired term.

DISCUSSION

This item is being presented for information only and identifies the three terms on San Diego LAFCO that are set to end on May 4, 2020, and as such require new appointments and/or reappointments under State law. These three expiring terms are listed below.

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<th>Alternate Members</th>
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</thead>
<tbody>
<tr>
<td>Dianne Jacob, County</td>
<td>Greg Cox, County</td>
</tr>
<tr>
<td>Jo MacKenzie, District</td>
<td></td>
</tr>
</tbody>
</table>

A complete listing of all Commissioner terms is provided as Attachment One.

ANALYSIS

San Diego LAFCO is responsible under State law for conducting the election for the one special district term (MacKenzie) scheduled to expire in 2020. Staff will commence work on the nomination process in January with the expectation of performing a mail-ballot election in April 2020. Overseeing the appointments for the two expiring county terms (Jacob and Cox) is the responsibility of the County Clerk and expected to be addressed as part of the committee appointments the Board of Supervisors takes up at the start of the calendar year.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only. It is recommended the Commission review the report with the invitation to discuss and ask questions of staff.

---

1 Reference to Government Code Section 56334.


ALTERNATIVES FOR ACTION

This item is being presented for information only; no action.

PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of staff,

Tamaron Luckett
Executive Assistant

Attachment:
1) Commissioner Terms
OFFICERS 2019

REGULAR MEMBERS

County Representatives

* Supervisor Jim Desmond
1600 Pacific Hwy., Room 335
San Diego, CA 92101
(619) 531-5555

* Supervisor Dianne Jacob
1600 Pacific Hwy., Room 335
San Diego, CA 92101
(619) 531-5522

ALTERNATE MEMBERS

County Alternate

* Supervisor Greg Cox
1600 Pacific Hwy., Room 335
San Diego, CA 92101
(619) 531-5511

REGULAR MEMBERS

City Representatives

Mayor Mary Casillas Salas
City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 91910
(619) 691-5044

Mayor Bill Wells
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020-3916
(619) 441-1716

City of San Diego Representatives

* Councilmember Mark Kersey
202 C Street, 10th Floor
San Diego, CA 92101
(619) 236-6655

ALTERNATE MEMBERS

City of San Diego Alternate

* Councilmember Chris Cate
202 C Street, MS 10A
San Diego, CA 92101
(619) 236-6616

Special Districts Representatives

Jo MacKenzie
Vista Irrigation District
1391 Engineer St
Vista, CA 92083
(760) 597-3113

Barron "Barry" Willis
Alpine Fire Protection District
1364 Tavern Road
Alpine, CA 91901
(619) 445-2635

Public-at-Large Representatives

Andrew Vanderlaan
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755

ALTERNATE MEMBERS

Special Districts Alternate

Erin Lump
Rincon del Diablo Municipal Water District
1920 North Iris Lane
Escondido, CA 92026
(760) 745-5522

Public-at-Large Alternate

Harry Mathis
9335 Hazard Way, Suite 200
San Diego, CA 92123
(858) 614-7755
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AGENDA REPORT
Consent | Information

December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
      Harry Ehrlich, Legislative Consultant

SUBJECT: End of Legislative Year Review

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review the end of the first year of the 2019-2020 legislative session relative to items impacting the Commission’s regulatory and planning responsibilities. This includes noting no significant changes to LAFCO statutes were chaptered during the first year and items of earlier Commission interest – including rewriting protest proceedings and clarifying LAFCOs’ authority to determine exemption status for outside service extensions – have been continued to the second year. The review is being presented to the Commission for information only with an invitation to discuss and provide related direction to staff.

BACKGROUND

Legislative Resources

San Diego LAFCO draws on its active participation with CALAFCO in considering legislative matters impacting the Commission’s ability to effectively administer its regulatory and planning responsibilities. The CALAFCO Legislative Committee comprises nearly two dozen appointed members across the state – including Chair MacKenzie and Consultant Harry Ehrlich – and is tasked with drafting and/or reviewing proposed legislation and related items...
for Board consideration. San Diego LAFCO relies on the information and analysis generated from the CALAFCO Legislative Committee in making its own position recommendations.

DISCUSSION

This item is for San Diego LAFCO to review the end of the first year of the 2019-2020 legislative session with relative to germane items to the Commission. The review is for information while also providing Commissioners the opportunity to identify legislative items of interest and provide related direction ahead of the start of the second year of the session.

Introduced Items Chaptered

Two bills were approved and chaptered as part of the first year effecting LAFCO statutes beginning January 1, 2020. Assembly Bill 600 (Chu) amends existing statute that requires cities to annex qualifying disadvantaged unincorporated communities in step with annexing contiguous areas that are 10 acres or greater in size or as determined by adopted LAFCO policy. The amendment specifies the local policy alternative must be less than the 10-acre threshold in statute. Assembly Bill 1822 (Committee on Local Government) is the annual omnibus bill and makes several technical and non-substantive changes to LAFCO statute based on CALAFCO feedback. This includes removing a reference for LAFCOs to have local and enabling policies to exercise an authority in statute to approve city and district requests to provide outside services by contract beyond their spheres of influence in response to pending threats to public health and safety.

Introduced Items Not Chaptered

CALAFCO sponsored one bill during the first year, Assembly Bill 1253 (Rivas). This sponsorship is part of a long-standing effort by CALAFCO to establish grant funding for LAFCOs to study and initiate the dissolution of inactive special districts and has become a two-year bill. CALAFCO anticipates revisiting the bill during the second year with the principal challenge of securing the necessary funding in the State budget.

Other Items of Interest

Two items of interest to San Diego LAFCO have been continued into the second year and involve rewriting protest proceedings and clarifying the exemption status for cities and districts to provide services by contract outside their boundaries without LAFCO approval. Additional details are footnoted.1 Staff will continue to monitor both items and report back to the Commission as the second-year proceeds.

---

1 Rewriting protest proceedings are of direct interest given San Diego LAFCO’s increasingly common experience in navigating the statutes in step with processing large proposals where upfront consent of all landowners/voters is not practical. Clarifying LAFCOs’ role in determining exemptions in statute for cities and districts to provide services by contract outside their boundaries is also of direct interest and helps to mitigate against agencies mistakenly/inappropriately self-exempting themselves from LAFCO oversight.
ANALYSIS

The first year of the 2019-2020 legislative session proved relatively quiet and did not produce significant changes to LAFCO statutes. The two items of specific and substantive interest to San Diego LAFCO heading into the first year involving a rewrite of protest proceedings and clarification of exemption status for cities and districts to provide services by contract outside their boundaries without LAFCO approval continues. An expanded summary of all legislative proposals reviewed during the fiscal year by the Assembly Committee on Local Government is attached for additional reference.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only. It is recommended the Commission review the report with the invitation to discuss and provide direction to staff.

ALTERNATIVES FOR ACTION

This item is being presented for information only; no action.

PROCEDURES

This item has been placed on the San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,

Keene Simonds
Executive Officer

Attachment:
1) Assembly Committee on Local Government Report on 2019 Legislative Year
Page is Blank for Photocopying
Members:
Cecilia M. Aguiar-Curry, Chair
Tom Lackey, Vice Chair
Richard Bloom
Tasha Boerner-Horvath
James C. Ramos
Luz M. Rivas
Robert Rivas
Randy Voepel

Consultants:
Debbie Michel
Angela Mapp
Jimmy MacDonald

Secretary:
Dixie Petty

Assembly Fellow:
Itzel Vasquez-Rodriguez
November 1, 2019

TO ALL INTERESTED PARTIES:

The 2019 year was a busy one for the Assembly Local Government Committee (Committee). Because of the large number of Assembly Members and Senators with local government backgrounds, interest in local government issues remains high. The Committee was referred 140 total measures, including 103 Assembly Bills (ABs), and 37 Senate Bills (SBs). The Committee heard 75 ABs and 33 SBs over the course of 10 bill hearings. Twenty-three measures are pending as two-year bills for the 2020 year.

The Committee also held a number of informational hearings on the following topics:

_Not Just Your Granny’s Granny Flat: An Examination of Accessory Dwelling Unit (ADU) Law and Policy Issues in California_
Joint Informational Hearing with Assembly Committee on Housing and Community Development

_Examination of Public Banking at Local Level_
Joint Informational Hearing with Assembly Committee on Banking and Finance

_Improving Fire Prevention in California_
Joint Informational Hearing with Assembly Committee on Natural Resources

_Governor’s Homeless and Housing Proposals_
Joint Informational Hearing with Assembly Committees on Housing and Community Development and Assembly Budget Subcommittee #4

_The Age of Wildfires: Pre and Post-Wildfire Planning and Housing Delivery at the Local Level_
Joint Informational Hearing with Assembly Committees on Housing and Community Development and Governmental Organization

_Budget Trailer Bill: AB 101/SB 102: Housing Development and Financing_
Joint Informational Hearing with Assembly Budget Committee
Enclosed is a summary of chaptered and vetoed bills that were introduced during 2019 and referred to the Committee. The summary includes a brief description of all bills, divided into the following categories: Contracting and Procurement; Elections; Governance; Health Care Districts and Health Authorities; Housing and Land Use; Joint Exercise of Powers; Local Agency Formation Commissions; Local Government Finance; Powers and Duties; Transportation and Transit Districts; Utilities, Telecommunications, and Energy; and, Water.

For quick and easy reference, please see the table of contents in the front of this document or the index located at the end. Additional information regarding this summary can be obtained through the Assembly Local Government Committee office at (916) 319-3958.

Sincerely,

Cecilia M. Aguiar-Curry, Chair
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CONTRACTING AND PROCUREMENT

Chaptered Legislation:

AB 707 (Kalra), Chapter 264, Statutes of 2019
Santa Clara Valley Water District: contracts.
Increases, from $25,000 to $50,000, the formal bidding threshold for the Santa Clara Valley Water District.

AB 1089 (Mark Stone), Chapter 107, Statutes of 2019
Santa Cruz Metropolitan Transit District.
Makes changes to the contracting requirements for the Santa Cruz Metropolitan Transit District, and alters appointments and reimbursements for the district’s board of directors.

AB 1290 (Gloria), Chapter 755, Statutes of 2019
Water projects: financial assistance and construction financing: Pure Water San Diego Program.
Requires the use of project labor agreements as a condition of receiving construction financing under the Safe Drinking Water State Revolving Fund Law or financial assistance from the State Water Pollution Control Revolving Fund for work performed for any portion of the Pure Water San Diego Program.

AB 1752 (Petrie-Norris, Brough), Chapter 500, Statutes of 2019
South Coast Water District.
Allows, until January 1, 2025, the South Coast Water District to contract with a private entity for the Doheny Ocean Desalination Project, under certain conditions.

SB 128 (Beall), Chapter 501, Statutes of 2019
Public contracts: Best Value Construction Contracting for Counties Pilot Program.
Expands and extends a pilot program allowing specified counties to utilize best value contracting.
ELECTIONS

Chaptered Legislation:

AB 849 (Bonta), Chapter 557, Statutes of 2019
Elections: city and county redistricting.
Revises and standardizes the criteria and process to be used by counties and cities when they
adjust the boundaries of the electoral districts that are used to elect members of the
jurisdictions' governing bodies.

Vetoed Legislation:

SB 139 (Allen)
Independent redistricting commissions.
Would have required a county with a population of 400,000 or more to establish an
independent redistricting commission to adopt the county supervisorial districts after each
federal decennial census.
GOVERNANCE

*Chaptered Legislation:*

**AB 591 (Cristina Garcia), Chapter 124, Statutes of 2019**
Central Basin Municipal Water District: board of directors.
Clarifies who can be an appointed member of the Central Basin Municipal Water District Board of Directors.

**AB 631 (McCarty, Cooley), Chapter 94, Statutes of 2019**
Sacramento Regional Transit District: voting threshold.
Reduces, from 80% to 67%, the nonweighted voting threshold of the Sacramento Regional Transit District (SacRT) Board in order to authorize the detachment of territory from SacRT.

**AB 1220 (Cristina Garcia), Chapter 71, Statutes of 2019**
Metropolitan water districts.
Makes changes to the membership requirements of the Metropolitan Water District Board.

**SB 387 (Wilk), Chapter 369, Statutes of 2019**
Santa Clarita Valley Water Agency: board of directors.
Revises the procedures and circumstances under which the Santa Clarita Valley Water Agency Board will transition from the current 15-member board to a nine-member directly elected Board.

**SB 413 (Rubio), Chapter 370, Statutes of 2019**
San Gabriel Basin Water Quality Authority.
Extends by one year the terms of city representatives currently elected to the San Gabriel Basin Water Quality Authority Board and revises specified reporting requirements.
HEALTH CARE DISTRICTS AND HEALTH AUTHORITIES

Chaptered Legislation:

AB 1095 (Eduardo Garcia), Chapter 126, Statutes of 2019
Desert Healthcare District.
Alters the terms of office for Desert Healthcare District Board members who were appointed when the district expanded, in order to permit them to participate in subsequent elections.


**HOUSING AND LAND USE**

*Chaptered Legislation:*

**AB 68 (Ting), Chapter 655, Statutes of 2019**

*Land use: accessory dwelling units.*

Makes changes to accessory dwelling unit (ADU) and junior accessory dwelling unit (JADU) law.

**AB 587 (Friedman, Quirk-Silva), Chapter 657, Statutes of 2019**

*Accessory dwelling units: sale or separate conveyance.*

Creates an exception in ADU law for qualified nonprofit corporations to sell deed-restricted land with a tenants-in-common agreement to eligible homeowners.

**AB 671 (Friedman), Chapter 658, Statutes of 2019**

*Accessory dwelling units: incentives.*

Requires a local government to include a plan in their housing element to incentivize and promote the creation of ADUs that can be offered at an affordable rent for very-low, low-, and moderate-income households.

**AB 747 (Levine), Chapter 681, Statutes of 2019**

*Planning and zoning: general plan: safety element.*

Requires cities and counties in the safety element of the general plan to identify evacuation routes and their capacity, safety, and viability under a range of emergency scenarios.

**AB 881 (Bloom), Chapter 659, Statutes of 2019**

*Accessory dwelling units.*

Makes changes to ADU law.

**AB 948 (Kalra), Chapter 356, Statutes of 2019**

*Coyote Valley Conservation Program.*

Allows the Santa Clara Valley Open-Space Authority to establish and administer the Coyote Valley Conservation Program to address resource and recreational goals of the Coyote Valley.

**AB 1191 (Bonta), Chapter 752, Statutes of 2019**


Authorizes the State Lands Commission to enter into a land exchange for the Howard Terminal Property in the City of Oakland to facilitate a mixed-use project that includes a stadium for the Oakland A’s baseball team.
AB 1255 (Robert Rivas, Ting), Chapter 661, Statutes of 2019
Surplus public land: inventory.
Requires each city and county to report to the Department of Housing and Community Development (HCD) an inventory of its surplus lands located in urbanized areas or urban clusters, and requires HCD to provide this information to the state Department of General Services (DGS) for inclusion in a digitized inventory of state surplus land sites.

AB 1483 (Grayson), Chapter 662, Statutes of 2019
Housing data: collection and reporting.
Requires local jurisdictions to post specified housing-related information on their websites, including zoning ordinances, development standards, fees, exactions, and affordability requirements, and requires HCD to develop and update a 10-year housing data strategy.

AB 1485 (Wicks), Chapter 663, Statutes of 2019
Housing development: streamlining.
Allows moderate income housing developments, under certain conditions, to use the SB 35 [(Wiener), Chapter 366, Statutes of 2017] streamlining process, and makes other clarifying changes to SB 35.

AB 1486 (Ting), Chapter 664, Statutes of 2019
Surplus land.
Imposes additional requirements on the process that local agencies must use when disposing of surplus property.

AB 1487 (Chiu), Chapter 598, Statutes of 2019
San Francisco Bay area: housing development: financing.
Establishes the San Francisco Bay Area Regional Housing Finance Act and enables Bay Area voters to raise revenue for affordable housing.

AB 1515 (Friedman), Chapter 269, Statutes of 2019
Planning and zoning: community plans: review under the California Environmental Quality Act.
Prohibits a court from invalidating the approval of specified development projects in an order issued to remedy an updated community plan’s noncompliance with the California Environmental Quality Act.

AB 1730 (Gonzalez), Chapter 634, Statutes of 2019
Regional transportation plans: San Diego Association of Governments: housing.
Amends the timing and process for delivery of the San Diego Association of Government’s next regional transportation plan and sustainable communities strategy.
AB 1743 (Bloom), Chapter 665, Statutes of 2019
Local government: properties eligible to claim or receiving a welfare exemption.
Expands the properties that are exempt from community facility district taxes to include properties that qualify for the property tax welfare exemption, and expands protections under the Housing Accountability Act (HAA) for properties receiving this exemption.

AB 1763 (Chiu), Chapter 666, Statutes of 2019
Planning and zoning: density bonuses: affordable housing.
Revises Density Bonus Law to require a city or county to award a developer additional density, concessions and incentives, and height increases if 100% of the units in a development are restricted to lower income households.

AB 1783 (Robert Rivas), Chapter 866, Statutes of 2019
H-2A worker housing: state funding: streamlined approval process for agricultural employee housing development.
Revises the entitlement process and eligibility for state programs that provide funding for farmworker housing.

SB 13 (Wieckowski), Chapter 653, Statutes of 2019
Accessory dwelling units.
Makes a number of changes to ADU law.

SB 99 (Nielsen), Chapter 202, Statutes of 2019
General plans: safety element: emergency evacuation routes.
Requires the safety element of the general plan, upon the next revision of the housing element on or after January 1, 2020, to identify any residential development in any hazard area that does not have at least two emergency evacuation routes.

SB 235 (Dodd), Chapter 844, Statutes of 2019
Planning and zoning: housing production report: regional housing need allocation.
Allows the City of Napa and County of Napa to reach an agreement regarding their regional housing needs assessment (RHNA) requirements regarding the Napa Pipe Project.

SB 242 (Roth), Chapter 142, Statutes of 2019
Land use applications: Department of Defense: points of contact.
Revises provisions of law governing public agencies’ duties to notify the United States military regarding specified development decisions.

SB 249 (Nielsen), Chapter 366, Statutes of 2019
Land use: Subdivision Map Act: expiration dates.
Allows certain unexpired subdivision maps in Butte County to be extended for up to 36 months.
SB 330 (Skinner), Chapter 654, Statutes of 2019
Housing Crisis Act of 2019.
Restricts, for a period of five years, actions by cities and counties that would reduce the production of housing.

SB 751 (Rubio), Chapter 670, Statutes of 2019
Joint powers authorities: San Gabriel Valley Regional Housing Trust.
Creates the San Gabriel Valley Regional Housing Trust.

Vetoed Legislation:

AB 411 (Mark Stone)
Redevelopment: City of Santa Cruz: bond proceeds: affordable housing.
Would have authorized the City of Santa Cruz to use bond proceeds that are required to be used to defease bonds issued by the former redevelopment agency (RDA), to increase, improve, and preserve affordable housing and facilities for homeless persons.

AB 1084 (Mayes)
Redevelopment: housing successor: Low and Moderate Income Housing Asset Fund.
Would have allowed specified housing successors that own and operate a housing asset of a former RDA to retain "excess surplus" accumulated over eight years rather than four years without triggering the requirement to encumber the funds or transfer the funds to HCD within three years.

AB 1437 (Chen)
Local government: redevelopment: revenues from property tax override rates.
Would have allowed a portion of property taxes in the City of Brea to be paid out of the Redevelopment Property Tax Trust Fund to pay voter-approved taxes for a mobile intensive care program.

AB 1732 (Flora)
Redevelopment: successor agencies: asset disposal: City of Manteca.
Would have authorized the successor agency to Manteca's former RDA to sell property at less than market value to a nonprofit organization.

SB 5 (Beall, McGuire, Portantino)
Affordable Housing and Community Development Investment Program.
Would have established the Affordable Housing and Community Development Investment Program to allow local agencies to reduce contributions of local property tax revenue to schools to build affordable housing and related infrastructure.

SB 532 (Portantino)
Redevelopment: City of Glendale: bond proceeds: affordable housing.
Would have authorized the City of Glendale to use remaining RDA bond proceeds for affordable housing.
JOINT EXERCISE OF POWERS

Chaptered Legislation:

AB 305 (Nazarian), Chapter 225, Statutes of 2019
Public capital facilities: public water or wastewater agencies: rate reduction bonds.
Makes a number of changes to existing law that allows publicly-owned utilities that provide water service to form joint powers authorities for the purpose of issuing rate reduction bonds for specified water projects.

SB 355 (Portantino), Chapter 248, Statutes of 2019
Joint powers agencies: Clean Power Alliance of Southern California: meetings.
Authorizes the Clean Power Alliance of Southern California to allow certain alternate members of its legislative body to attend closed sessions of the agency.

SB 751 (Rubio), Chapter 670, Statutes of 2019
Joint powers authorities: San Gabriel Valley Regional Housing Trust.
Creates the San Gabriel Valley Regional Housing Trust.
LOCAL AGENCY FORMATION COMMISSIONS (LAFCOs)

Chaptered Legislation:

AB 530 (Aguiar-Curry), Chapter 69, Statutes of 2019
The Fairfield-Suisan Sewer District.
Makes a number of changes to the provisions of the Fairfield-Suisun Sewer District Act.

AB 600 (Chu), Chapter 612, Statutes of 2019
Local government: organization: disadvantaged unincorporated communities.
Makes changes to LAFCO requirements for approving specified annexations to disadvantaged unincorporated communities.

AB 1822 (Committee on Local Government), Chapter 20, Statutes of 2019
Local Government: omnibus.
Makes several non-controversial changes to LAFCO statutes which govern local government organization and reorganization.
LOCAL GOVERNMENT FINANCE

Chaptered Legislation:

AB 116 (Ting), Chapter 656, Statutes of 2019
Local government.
Modifies the requirement that Enhanced Infrastructure Financing Districts (IFDs) receive voter approval prior to issuing bonds.

AB 305 (Nazarian), Chapter 225, Statutes of 2019
Public capital facilities: public water or wastewater agencies: rate reduction bonds.
Makes a number of changes to existing law that allows publicly-owned utilities that provide water service to form joint powers authorities for the purpose of issuing rate reduction bonds for specified water projects.

AB 485 (Medina), Chapter 803, Statutes of 2019
Local government: economic development subsidies.
Requires local agencies to take specified actions to inform the public before approving or granting economic development subsidies of $100,000 or more for warehouse distribution centers, and during the term of such subsidies.

AB 689 (McCarty), Chapter 230, Statutes of 2019
Municipal Utility District Act: nonstock security.
Authorizes a pilot project until January 1, 2025, for the Sacramento Municipal Utility District to hold nonstock security in private entities.

AB 723 (Quirk), Chapter 747, Statutes of 2019
Transactions and use taxes: County of Alameda: Santa Cruz Metropolitan Transit District.
Exempts specified transactions and use taxes from counting towards the statutory 2% combined rate cap.

AB 857 (Chiu, Santiago), Chapter 442, Statutes of 2019
Public banks.
Provides for the establishment of a public bank by a local agency, subject to approval by the Department of Business Oversight and Federal Deposit Insurance Corporation.

AB 945 (McCarty), Chapter 619, Statutes of 2019
Local government: financial affairs: surplus funds.
Makes changes to the authority of local agencies to invest surplus funds in certain deposits.
AB 1208 (Ting), Chapter 238, Statutes of 2019
Utility user taxes: exemption: clean energy resource.
Extends, until January 1, 2027, a utility user’s tax exemption for the consumption of electricity generated by a clean energy resource located on a customer’s premises and used solely for the customer or the customer’s tenants.

AB 1413 (Gloria), Chapter 758, Statutes of 2019
Transportation: transactions and use taxes.
Authorizes specified local transportation authorities, which have existing transactions and use tax authority, to levy a transactions and use tax in a portion of its jurisdiction, with voter approval.

SB 293 (Skinner), Chapter 762, Statutes of 2019
Infrastructure financing districts: formation: issuance of bonds: City of Oakland.
Establishes procedures to form an IFD in the City of Oakland, modeled after various existing infrastructure financing district laws.

SB 646 (Morrell), Chapter 78, Statutes of 2019
Local agency utility services: extension of utility services.
Requires connection fees to bear a fair or reasonable relationship to the water or sewer connection that they fund.

SB 699 (Hill), Chapter 214, Statutes of 2019
San Francisco Bay Area regional water system.
Extends the sunset dates of the state’s oversight authority of and bond authority for Bay Area regional water system projects.

Vetoed Legislation:

AB 618 (Mark Stone)
Transactions and use taxes: City of Scotts Valley: City of Emeryville.
Would have allowed the Cities of Scotts Valley and Emeryville to adopt an ordinance proposing the imposition of a transactions and use tax that exceeds the 2% statutory limitation.

SB 5 (Beall, McGuire, Portantino)
Affordable Housing and Community Development Investment Program.
Would have established the Affordable Housing and Community Development Investment Program to allow local agencies to reduce contributions of local property tax revenue to schools to build affordable housing and related infrastructure.
SB 531 (Glazer)
Local agencies: retailers.
Would have prohibited a local agency from entering into any agreement that results in a rebate of Bradley-Burns local tax revenues to a retailer in exchange for that retailer locating within that agency's jurisdiction.

SB 598 (Moorlach)
Open Financial Statements Act.
Would have created the Open Financial Statement Commission and required it to report to the Legislature regarding how to transition state and local agencies’ financial reporting to a machine readable format.
POWERS AND DUTIES

Chaptered Legislation:

AB 212 (Bonta), Chapter 41, Statutes of 2019
Counties: recording fees.
Allows county recorders to use a $1 fee collected pursuant to existing law for additional purposes, until January 1, 2026.

AB 632 (Aguiar-Curry), Chapter 62, Statutes of 2019
Counties: offices: consolidation.
Allows the Board of Supervisors in Lake County, by ordinance, to consolidate the offices of Auditor-Controller and Treasurer-Tax Collector when one of the offices has a vacancy.

AB 825 (Mullin), Chapter 292, Statutes of 2019
San Mateo County Flood and Sea Level Rise Resiliency District.
Makes numerous changes to the San Mateo County Flood Control District Act.

AB 857 (Chiu, Santiago), Chapter 442, Statutes of 2019
Public banks.
Provides for the establishment of a public bank by a local agency, subject to approval by the Department of Business Oversight and Federal Deposit Insurance Corporation.

AB 931 (Boerner Horvath), Chapter 813, Statutes of 2019
Local boards and commissions: representation: appointments.
Prohibits, on or after January 1, 2030, the membership of appointed boards and commissions in cities with a population of 50,000 or more from having more than 60% of the same gender identity, and smaller boards and commissions from being comprised entirely of members having the same gender identity.

AB 1100 (Kamlager-Dove), Chapter 819, Statutes of 2019
Electric vehicles: parking requirements.
Clarifies that parking spaces served by electric vehicle supply equipment shall count as parking spaces for the purpose of complying with applicable minimum parking space requirements established by a local jurisdiction.

AB 1106 (Smith), Chapter 165, Statutes of 2019
Los Angeles County: notice of recordation.
Extends the sunset date on specified elements of the Los Angeles County Homeowner Notification Program.
SB 205 (Hertzberg), Chapter 470, Statutes of 2019
Business licenses: stormwater discharge compliance.
Requires a business operation in a regulated industry to demonstrate enrollment in the National Pollutant Discharge Elimination System permit program when applying for an initial business license or business license renewal.

SB 324 (Rubio), Chapter 73, Statutes of 2019
Street lighting systems: City of Temple City.
Allows the Landscaping and Lighting District of Temple City to perform maintenance and make improvements under the Landscaping and Lighting Act of 1972.

SB 379 (Committee on Governance and Finance), Chapter 74, Statutes of 2019
Validations.
Validates the organization, boundaries, acts, proceedings, and bonds of the state government, counties, cities, special districts and school districts, among other public bodies.

SB 380 (Committee on Governance and Finance), Chapter 75, Statutes of 2019
Validations.
Validates the organization, boundaries, acts, proceedings, and bonds of the state government, counties, cities, special districts and school districts, among other public bodies.

SB 381 (Committee on Governance and Finance), Chapter 76, Statutes of 2019
Validations.
Validates the organization, boundaries, acts, proceedings, and bonds of the state government, counties, cities, special districts and school districts, among other public bodies.

SB 780 (Committee on Governance and Finance), Chapter 329, Statutes of 2019
Enacts the Local Government Omnibus Act of 2019, which proposes a number of non-controversial changes to existing laws governing the powers and duties of local agencies.

SB 789 (Committee on Governance and Finance), Chapter 258, Statutes of 2019
Local government: administration.
Makes several non-controversial changes to statutes that govern local treasurers and tax collectors.

Vetoed Legislation:

AB 891 (Burke)
Public property: safe parking program.
Would have required counties and cities with a population greater than 330,000 to establish a safe parking program.
TRANSPORTATION AND TRANSIT DISTRICTS

Chaptered Legislation:

AB 631 (McCarty, Cooley), Chapter 94, Statutes of 2019
Sacramento Regional Transit District: voting threshold.
Reduces, from 80% to 67%, the nonweighted voting threshold of the Sacramento Regional Transit District (SacRT) Board in order to authorize the detachment of territory from SacRT.

AB 1089 (Mark Stone), Chapter 107, Statutes of 2019
Santa Cruz Metropolitan Transit District.
Makes changes to the contracting requirements for the Santa Cruz Metropolitan Transit District, and alters appointments and reimbursements for the district’s Board of Directors.

AB 1730 (Gonzalez), Chapter 634, Statutes of 2019
Regional transportation plans: San Diego Association of Governments: housing.
Amends the timing and process for delivery of the San Diego Association of Government’s next regional transportation plan and sustainable communities strategy.
UTILITIES, TELECOMMUNICATIONS, AND ENERGY

Chaptered Legislation:

AB 689 (McCarty), Chapter 230, Statutes of 2019
Municipal Utility District Act: nonstock security.
Authorizes a pilot project until January 1, 2025, for the Sacramento Municipal Utility District to hold nonstock security in private entities.

AB 1208 (Ting), Chapter 238, Statutes of 2019
Utility user taxes: exemption: clean energy resource.
Extends, until January 1, 2027, a utility user’s tax exemption for the consumption of electricity generated by a clean energy resource located on a customer’s premises and used solely for the customer or the customer’s tenants.

SB 355 (Portantino), Chapter 248, Statutes of 2019
Joint powers agencies: Clean Power Alliance of Southern California: meetings.
Authorizes the Clean Power Alliance of Southern California to allow certain alternate members of its legislative body to attend closed sessions of the agency.
WATER

Chaptered Legislation:

AB 508 (Chu), Chapter 352, Statutes of 2019
Drinking water: consolidation and extension of service: domestic wells.
This bill makes changes to statute related to the State Water Resources Control Board’s
authority to order the consolidation of drinking water systems.

AB 591 (Cristina Garcia), Chapter 124, Statutes of 2019
Central Basin Municipal Water District: board of directors.
Clarifies who can be an appointed member of the Central Basin Municipal Water District
Board of Directors.

AB 825 (Mullin), Chapter 292, Statutes of 2019
San Mateo County Flood and Sea Level Rise Resiliency District.
Makes numerous changes to the San Mateo County Flood Control District Act.

AB 1220 (Cristina Garcia), Chapter 71, Statutes of 2019
Metropolitan water districts.
Makes changes to the membership requirements of the Metropolitan Water District Board.

AB 1290 (Gloria), Chapter 755, Statutes of 2019
Water projects: financial assistance and construction financing: Pure Water San Diego
Program.
Requires the use of project labor agreements as a condition of receiving construction financing
under the Safe Drinking Water State Revolving Fund Law or financial assistance from the
State Water Pollution Control Revolving Fund for work performed for any portion of the Pure
Water San Diego Program.

AB 1752 (Petrie-Norris, Brough), Chapter 500, Statutes of 2019
South Coast Water District.
Allows, until January 1, 2025, the South Coast Water District to contract with a private entity
for the Doheny Ocean Desalination Project, under certain conditions.

SB 205 (Hertzberg), Chapter 470, Statutes of 2019
Business licenses: stormwater discharge compliance.
Requires a business operation in a regulated industry to demonstrate enrollment in the National
Pollutant Discharge Elimination System permit program when applying for an initial business
license or business license renewal.
SB 387 (Wilk), Chapter 369, Statutes of 2019
Santa Clarita Valley Water Agency: board of directors.
Revises the procedures and circumstances under which the Santa Clarita Valley Water Agency Board will transition from the current 15-member Board to a nine-member directly elected Board.

SB 413 (Rubio), Chapter 370, Statutes of 2019
San Gabriel Basin Water Quality Authority.
Extends by one year the terms of city representatives currently elected to the San Gabriel Basin Water Quality Authority Board and revises specified reporting requirements.

SB 699 (Hill), Chapter 214, Statutes of 2019
San Francisco Bay Area regional water system.
Extends the sunset dates of the state’s oversight authority of and bond authority for Bay Area regional water system projects.
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TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: Proposed “Catalina Avenue Reorganization” | Concurrent Annexation to the Vista Irrigation District and Detachment from the Vallecitos Water District and Associated Sphere Amendments (RO19-13)

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal filed by interested landowners with the principal action to annex 1.3 unincorporated acres outside the City of Vista to the Vista Irrigation District (ID). A concurrent detachment from Vallecitos Water District (WD) is also proposed. The proposal’s purpose is to extend Vista ID’s water service to the affected territory to facilitate the development of a single-family residence. Staff recommends approval of the reorganization without modifications. Conforming sphere of influence amendments for both subject agencies and standard approval terms are also recommended as well as waiving protest.

BACKGROUND

Applicants’ Request

San Diego LAFCO has received an application from interested landowners – Robert and Theresa Gualtierri – requesting approval to reorganize 1.3 acres of unincorporated and undeveloped land with the principal action to annex to Vista ID. A concurrent detachment from the Vallecitos WD is also proposed. The affected territory as submitted includes one of two parcels that collectively comprise a 2.2-acre lot located immediately beyond the eastern...
terminus of Catalina Avenue. A portion of a private road – Catalina Heights Way – is also part of the affected territory and runs along the entire length of the western and northern boundary. The lot has been split into two parcels for assessment purposes and delineates the existing boundary demarcation between Vista ID and Vallecitos WD with the affected territory in the latter category although not connected to either Vallecitos’ water or wastewater systems. The affected territory also lies in the City of Vista’s sphere of influence. The subject parcel is identified by the County of San Diego Assessor’s Office as 178-040-45.¹

Affected Territory

The following map shows the approximate location of the affected territory in context to the greater Vista region. Attachment One shows the affected territory relative to the proposed boundary changes involving the subject agencies.

Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: Vista ID and Vallecitos WD.² Summaries of both subject agencies in terms of resident population, municipal service functions, and financial standing follows.

¹ The other parcel that comprises the underlying lot is identified by the County Assessor’s Office as 178-140-12.
² State law defines “subject agency” to mean any district or city for which a change of organization or reorganization is proposed.
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- Vista ID is an independent special district formed in 1923 and spans approximately 63,569 acres or 99 square miles and includes most of the City of Vista as well as portions of the Cities of Escondido, Oceanside, and San Marcos. Vista ID also extends into the adjacent unincorporated community of Twin Oaks. A five-member Board of Directors oversees Vista ID’s one active municipal service function: water (retail class). The estimated resident population is 134,829 with an average annual growth rate of 1.1% since 2010 and the last census reset. LAFCO established a sphere of influence for Vista ID in 1988, which was last updated in 2007 with a smaller-than-agency designation to exclude 43,459 jurisdictional acres and equals 68.4% of the District boundary. (The majority of the excluded jurisdictional land lies within the Lake Henshaw watershed.) Vista ID’s audited net position is $112.7 million as of June 30, 2018 and has increased by 6.2% over the prior three fiscal years.

- Vallecitos WD is an independent special district formed in 1955 and spans approximately 28,800 acres or 45 square miles and includes nearly all of the City of San Marcos as well as portions of the Cities of Carlsbad, Escondido, and Vista. Vallecitos WD also extends into the adjacent unincorporated communities of Twin Oaks and Deer Springs. A five-member Board of Directors oversees Vallecitos WD’s three active municipal service functions: water (retail class); recycled water (retail class); and wastewater (collection, treatment, and disposal classes). The estimated resident population is 102,129 with an average annual growth rate of 1.9% since 2010 and the last census reset. LAFCO established a sphere of influence for Vallecitos WD in 1985, which was last updated in 2007 with a larger-than-agency designation to include 2,150 non-jurisdictional acres and equals 7.5% of the jurisdictional boundary. Vallecitos WD’s audited net position is $262.2 million as of June 30, 2018 and has increased by 5.1% over the prior three fiscal years.

Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of 11 local agencies directly subject to San Diego LAFCO. These agencies qualify as “affected agencies” relative to the proposed reorganization and listed below:3

- City of Vista (sphere only)
- County Service Area No. 135 - Regional Communications
- North County Cemetery District
- San Diego County Water Authority
- Metropolitan Water District of Southern California
- Palomar Health Healthcare District
- Resource Conservation District of Greater San Diego County
- San Diego County Flood Control District
- San Diego County Street Lighting District
- Vallecitos Water District

3 State law defines “affected local 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.
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- Vista Fire Protection District

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and the principal action to annex the affected territory to Vista ID. An associated boundary change to concurrently detach the affected territory from Vallecitos WD is also part of the requested reorganization. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose and Commission focus follows.

Proposal Purpose

The primary purpose of the proposed reorganization before San Diego LAFCO is to facilitate the development of the affected territory into a single-family residence by making available public water service. Vista ID’s water main runs adjacent to the affected territory along an easement underlying Catalina Heights Way and readily accessible through a private lateral connection. The reorganization would also eliminate the need for the underlying lot to be divided into two assessor parcels and the associated replication of taxes and assessments.

Development Potential

The County of San Diego General Plan identifies the affected territory as part of the North County Metro Community Planning Area. The County designates the affected territory as Village Residential (VR-2) with a zoning standard of Light Agriculture (A70). The zoning standard prescribes a minimum lot of size of 0.5 acres. The application of this zoning standard to the entire 2.2-acre lot that includes the subject parcel results in a maximum potential density of four lots. It is reasonable to assume – however – only the subject parcel that makes up the affected territory is developable given topography constraints with the other parcel and this reduces the probable maximum density to two lots. It is further assumed the maximum intensity with the affected territory is four units through the addition of accessory dwelling units for each developed single-family residence.

Commission Focus

Three central and sequential policy items underlie San Diego LAFCO’s consideration of the proposed reorganization. These policy items take the form of determinations and orient the Commission to consider the stand-alone merits of (a) accommodating sphere of influence amendments, (b) timing of the reorganization itself, and (c) whether discretionary boundary modifications or approval terms are warranted. The Commission must also consider other relevant statutes in and outside of LAFCO law as detailed.
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ANALYSIS

San Diego LAFCO’s analysis of the reorganization is organized into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and specifically analyzing the merits of sphere amendments and the reorganization as well as whether modifications and terms are appropriate in further addressing Commission goals and policies. The second subsection considers other germane issues and highlighted by applicability under the California Environmental Quality Act (CEQA).

Central Policy Items

Item No. 1 | Sphere of Influence Amendments

The proposed reorganization necessitates San Diego LAFCO consider sphere of influence amendments for both subject agencies to achieve consistency with the requested boundary changes under statute. The scope of the accommodating amendments involves expanding Vista ID’s sphere to include the affected territory while reducing Vallecitos WD’s sphere to exclude the affected territory. Consideration of the amendments are premised on the Commission’s statutory task to designate spheres to demark the affected agencies’ appropriate current and future service areas relative to community benefits and needs as determined by the membership. Staff believes it would be appropriate for the Commission to proceed and approve the sphere amendments for the cumulative effect of prioritizing and recognizing Vista ID – and not Vallecitos WD – is the best water service provider for the affected territory going forward. Two related policy factors underlie the merits of the amendments. First, the sphere amendments would reflect the planning investment made by Vista ID to make available water service to the area comprising the affected territory whereas no such comprehensive planning has been performed by Vallecitos WD. Second, the sphere amendments would parallel and support the Commission’s standing determination the affected territory should eventually transition into the City of Vista and in doing so sync with Vista ID as the primary water service provider within the City.

Conclusion | Merits of the Sphere Amendments

Approval of the conforming amendments to add the affected territory to Vista ID’s sphere and exclude from Vallecitos WD’s sphere is warranted. Justification is marked by the preceding analysis and cumulatively recognizes Vista ID is the appropriate and best positioned local agency to provide water service to the affected territory in immediate support of the land use policies of the County of San Diego and eventually City of Vista. It is separately recognized public wastewater services are not planned with the anticipated construction of an onsite septic system, which given the size of the subject parcel can be readily accommodated. Additional analysis supporting the conclusion is provided in Appendix A.
Item No. 2 | Reorganization Timing

The timing of the reorganization – and specifically the annexation of the affected territory to Vista ID and concurrent detachment from Vallecitos WD – appears appropriate. This conclusion draws from the analysis of the factors required for consideration under LAFCO law anytime jurisdictional changes are proposed along with locally adopted Commission policies. The majority of the prescribed factors focus on the impacts of the proposed annexation on the service and financial capacities of the receiving agency, Vista ID (emphasis added). No single factor is determinative. A summary of key conclusions generated in the review of these items follows with additional analysis provided in Appendix B.

- **Service Needs**
  Annexation of the affected territory to Vista ID would represent a logical and orderly expansion of the District’s jurisdictional boundary and water services therein and marked by accommodating a planned and pending need. Additional details follow.

  - Annexation to Vista ID is consistent and facilitates the adopted residential land use policies of the County of San Diego. Annexation also – pertinently – is consistent and facilitates the land use policies contemplated for the affected territory by the City of Vista; the anticipated future land use authority for the affected territory as determined by the Commission and marked by the standing inclusion of the land in the City’s sphere.

  - The landowners of the affected territory have initiated the proposal in response to beginning a development application with the County of San Diego to construct a single-family residence consistent with zoning. These factors help to quantify the annexation of the affected territory to Vista ID is appropriate by synching the timing of the boundary change with an expected and known need.

- **Service Capacities and Levels**
  Vista ID has sufficient and excess water system capacities to accommodate projected service demands within the affected territory at its potential maximum development uses without significant expansion of any public infrastructure. Additional details on relevant service capacities and levels follow.

  - An existing Vista ID eight-inch water main adjacent to the affected territory along an easement underlying Catalina Heights Way and readily accessible through a private lateral connection. The projected average day water demand generated in the affected territory based on the anticipated construction of one single family residence is 300 gallons. This projected amount can be readily accommodated by Vista ID and represents 0.002% of its available supply capacity remaining within its connected distribution system based on recent demands. The maximum buildout of the affected territory is four units (two single family residences and two accessory dwelling units) and would increase the average day water demand to

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4 Vista ID reports its current average annual water demand is 17.3 million gallons a day compared to a maximum capacity (supply and infrastructure) of 79.3 million gallons. This produces a current demand-to-capacity ratio of 21.816%.
1,200 gallons per day or 0.007% of Vista ID’s remaining available system capacity.

- **Service Funding and Costs**
  Vista ID has the financial resources coupled with administrative controls to provide water services to the affected territory in support of its planned development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of Vista ID’s recent audited statements which shows – among other items – the District remained profitable in each of the last three audited fiscal years with an average total margin of 7.8%.5

**Conclusion | Merits of Reorganization Timing**

The timing of the reorganization and annexation therein of the affected territory to Vista ID is sufficiently warranted. Justification is marked by accommodating the anticipated development of the affected territory consistent with County of San Diego land use policies in a manner that reflects available infrastructure and capacities. Additional analysis supporting the conclusion is provided in Appendix B.

**Item No. 3 | Modifications and Terms**

No boundary modifications to the reorganization proposal have been identified by staff meriting consideration by San Diego LAFCO at this time. Staff relatedly recognizes the affected territory lies in the City of Vista’s sphere of influence and reflects the Commission’s policy expectation the lands ultimately annex to the City. The decision by the landowners to pursue a development project with the County coupled with no documented requests or comments otherwise from Vista substantively suggests annexation to the City would be premature based on these local conditions.6 Standard approval terms are recommended.

**Conclusion | Modifications and Terms**

No modifications appear warranted. Standard terms are recommended.

(continued)

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6 It would be appropriate for LAFCO, County, and Vista to discuss opportunities to time the annexation of lands within the existing Vista sphere to the City following land use entitlement as part of future municipal service reviews.
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 by the affected local agencies before San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff has confirmed the County Board of Supervisors has adopted a master agreement applicable to the proposed reorganization. The application of this master agreement will result in a “no” exchange.

Environmental Review

CEQA requires San Diego LAFCO to assess whether environmental impacts would result from activities approved under the Commission’s statutory authority. Accordingly, San Diego LAFCO is tasked with making two distinct determinations as lead agency under CEQA with respect to this proposal. This involves the (a) accommodating sphere of influence amendments and the (b) reorganization itself. The Executive Officer has determined both actions – sphere amendments and the reorganization – qualify as projects under CEQA but are exempt from further review based on the following findings.

- The amendments to the spheres of influence to add the affected territory to Vista ID and concurrently remove from Vallecitos WD qualifies for exemption under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and any amendments do not change the environment or authorize any new uses or services.

- The reorganization of the affected territory to annex to Vista ID and detach from Vallecitos WD qualifies for exemption under State CEQA Guidelines Section 15320. This exemption appropriately applies given the reorganization involves changes in the organization of local agencies and does not alter the geographic area in which the applicable service (i.e., water) is already authorized to be provided by a public agency. No new service powers are established by the reorganization.

Protest Proceedings

Protest proceeding for the reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under statute. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agencies have not filed objections, and all landowners have consented to the underlying actions as the initiating petitioners.

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7 Reference to Government Code Section 5662.
8 LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.
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RECOMMENDATION

Staff recommends approval of the reorganization proposal without modifications along with standard terms based on the analysis provided in the preceding analysis. This recommendation is consistent with Alternative One in the proceeding section and would generate the following jurisdictional boundary changes in San Diego County:

- Annexation of all 1.3 acres of the affected territory to Vista ID.
- Detachment of all 1.3 acres of the affected territory from Vallecitos WD.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

**Alternative One (recommended):**
Adopt the attached draft resolution approving the reorganization proposal without modifications and with standard terms. Protest would also be waived.

**Alternative Two:**
Continue consideration to a future meeting and provide direction to staff concerning additional information, as needed.

**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 the agenda for action as part of a noticed public hearing. The following procedures, accordingly, are recommended in the Commission’s consideration.

1) Receive verbal report from staff unless waived;
2) Open the hearing and invite audience comments starting with the applicant; and
3) Close the hearing, discuss item, and consider action on recommendation.

Respectfully,

Keene Simonds
Executive Officer
San Diego LAFCO
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Appendices:
A) Analysis of Sphere of Influence Factors
B) Analysis of Boundary Change Factors

Attachments:
1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Landowners’ Petition
APPENDIX A
STATEMENT OF DETERMINATIONS
SPHERE OF INFLUENCE FACTORS

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

The affected territory comprises an approximate 1.3 acre unincorporated and undeveloped parcel located outside the City of Vista. The subject parcel is one of two parcels that comprises a 2.2-acre legal lot, which is zoned for single-family residential uses by the County of San Diego. Development within the lot is limited to the subject parcel comprising the affected territory and it is reasonable to assume the maximum density/intensity under zoning therein is two single-family residential lots with two accessory dwelling units. The affected territory has not been cultivated for agricultural products and is not subject to the Williamson Act. The lands are also not considered prime agriculture under LAFCO law and do not contain open-space lands. These land uses are consistent with the proposal's purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

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

There is a need for public water service to accommodate the planned residential use of the affected territory under the County of San Diego's adopted land use policies consistent with the surrounding and developing area. These needs align with the proposal's purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

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

Vista ID has available infrastructure capacities to connect and accommodate estimated demands within the affected territory at its maximum uses without adversely impacting current ratepayers. Vallecitos WD does not have available infrastructure capacities to connect to the affected territory without significant expansion. These capacity considerations are consistent with the proposal's purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

(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.

Vista ID has established explicit social and economic ties with incorporated and unincorporated lands surrounding the affected territory as the primary public water service provider. These existing ties are relevant to the proposal and extend to the affected territory given the connection to Vista ID’s water system is needed to allow the land to efficiently develop as contemplated under the County of San Diego General Plan.
(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The affected territory is not in a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.
APPENDIX B

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

The affected territory is approximately 1.3 acres in size and comprises an undeveloped, uninhabited, and unincorporated assessor parcel (178-040-45). The subject parcel also includes a portion of a private road (Catalina Heights Way) along its western and northern parameter that provides access to neighboring unincorporated properties to the east. The affected territory is part of a modestly developing area immediately adjacent to the City of Vista and characterized by residential estates that are generally 0.5 acres in size. The total assessed value (land only) in the affected territory is $23,650 as of November 2019.

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 acts as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and public safety with the latter including law enforcement via the County Sheriff. Other pertinent service providers include Vista Fire Protection District (fire protection and emergency medical) and County Service Area 135 (regional communications). The affected territory is also within Vallecitos WD but has not established water or wastewater service to date. This proposal affects water services and is the focus of the succeeding analysis.

- **Extending Public Water to Affected Territory**
  An existing Vista ID eight-inch water main runs adjacent to the affected territory along an easement underlying Catalina Heights Way and readily accessible through a private lateral connection. The projected average day water demand generated in the affected territory based on the anticipated construction of one single family residence is 300 gallons. This projected amount can be readily accommodated by Vista ID and represents 0.002% of its available supply capacity remaining within its connected distribution system based on recent demands. The maximum buildout of the affected territory is four units (two single family residences and two accessory dwelling units) and would increase the average day water demand to 1,200 gallons per day or 0.007% of Vista ID’s remaining available system capacity.
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 proposal and annexation to Vista ID would explicitly establish economic and social ties between the District and the affected territory. These ties implicitly exist already given the affected territory’s ability to develop has become substantively dependent on establishing water service with Vista ID given the lack of viable alternatives.

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 Vista ID would facilitate the establishment of public water service to facilitate the development of the affected territory into a single-family residence consistent with County of San Diego’s land use policies. Approval would be consistent with the Commission’s adopted policies to sync urban type uses with urban type services. The affected territory does not qualify as “open-space” as defined under LAFCO law and no conflicts exists under G.C. Section 56377. Additional analysis concerning applicability of germane Commission policies follow.

- Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable require a consultation process with the affected agencies, interested parties, or organizations to help remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were disclosed by the applicant or identified by subject and affected agencies 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 qualify as “prime agricultural land” under LAFCO law. Specifically, the lands are not 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. Approval of the reorganization proposal and annexation to Vista ID would have no effect on maintaining the physical and economic integrity of agricultural lands.
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 consistent with the standard of the State Board of Equalization for the proposed reorganization and two concurrent boundary changes: annexation to Vista ID and detachment from Vallecitos WD. Approval would be conditioned on a final map and description conforming to the referenced standards. Approval for reorganization of the affected territory would not create islands or corridors of unincorporated territory. It is separately noted approval of the reorganization would bring both parcels that comprise the underlying lot under the jurisdiction of Vista ID and in doing so eliminate the need for the Assessor to continue to divide the land into parcels for tax purposes.

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

The proposed reorganization would facilitate the development of the affected territory into a single-family residence within an established metropolitan area (Vista/San Marcos) and in close proximity to two major transportation corridors in State Route 78 and Interstate 15. The proposal, accordingly, does not conflict with San Diego Forward, the regional transportation plan prepared by San Diego Association of Governments (SANDAG).

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

The proposed reorganization and its principal action to annex the affected territory to Vista ID to facilitate a single-family residence consistent with the County of San Diego land use policies. The County General Plan includes the affected territory as part of the North County Metro Community Planning Area and designates the underlying lot as Village Residential (VR-2), which allows up to 2.0 residential units per acre and equivalent to a minimum lot size of 0.50 acres. This existing designation coupled with topography considerations produces a maximum density potential of two lots within the underlying lot and all within the affected territory under County policy. The affected territory also lies in the sphere of influence of the City of Vista and signals the Commission’s intention the lands should ultimately transition to the City. The reorganization proposal and the anticipated development is consistent with Vista’s land use policies and present designation of Rural Residential and its minimum lot size requirement of 1.0 acres with additional details footnoted.9

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

See analysis provided as part of Appendix A.

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9 It is reasonable to assume Vista would redesignate the affected territory at the time of annexation to Low Density Residential consistent with all other incorporated lands in the surrounding area. This latter designation matches the County with respect to prescribing a minimum lot size of 0.50 acres.
j) The comments of any affected local agency or other public agency.

Staff provided notice of the reorganization proposal to all subject and affected agencies as required under LAFCO law. No written comments were received ahead of preparing this agenda report for distribution on November 22, 2019.

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.

Vista ID has the financial resources coupled with administrative controls to provide water services to the affected territory in support of its expected development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of Vista ID’s recent audited statements through 2017-2018 and supported by the following factors.

- Vista ID’s last audit (2017-218) showed the District’s net position at $112.730 million with $18.084 million categorized as unrestricted. This latter amount equals 4.5 months of operating expenses based on 2017-2018 actuals. Vista ID’s net position has increased overall by 6.1% over the past three-year period.

- Vista ID’s average total margin over the last three audit years has been 7.8%. All three fiscal years produced positive margins.

Should the Commission approve the reorganization the landowners will pay all required fees and service charges commensurate with Vista ID’s adopted fee ordinance in establishing water services for the affected territory.

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

The affected territory is presently located within Vallecitos WD and eligible to directly connect to the District to establish domestic water service subject to infrastructure expansion. The approval of the proposed reorganization would transfer water service responsibility to Vista ID. This transfer – pertinently – retains the San Diego County Water Authority as the principal wholesale provider for the affected territory. (Vista ID also maintains supplemental local supplies through Lake Henshaw.) The Water Authority’s most recently adopted urban water management plan attests it has sufficient water supplies to meet its member agencies needs through the planning horizon of 2035 under normal and single-dry year conditions. Conservation measures, however, would likely be needed during severe and multiple dry-year conditions. To this end, Vista ID has established a contingency plan to reduce water demands in the event of supply shortages consistent with recommendations from the Water Authority and this includes drawing on supplies generated within the Lake Henshaw watershed.
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 as determined by the appropriate council of governments.

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, SANDAG. The associated jurisdictional changes would not affect this assignment.

n) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The affected territory is undeveloped with no registered voters and qualifies as “uninhabited” as defined by LAFCO law (containing 11 registered voters or less). The landowners have initiated the reorganization in conjunction with pursuing a development application with the County of San Diego to build a single-family residence.

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.

As used in this review factor, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed reorganization does not include locating new public facilities. Therefore, approval of the proposed reorganization is not anticipated to directly influence the promotion of environmental justice within the affected territory.

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 affected territory is entirely unincorporated and subject to the safety element of the County of San Diego General Plan. The County has mapped the affected territory within a “very high” fire hazard zone. Vista FPD is the designated fire service provider.
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 annex to the district.

Approval of the reorganization proposal would be in the best interest of the current and future landowners and/or residents of the affected territory by providing access to reliable public water service going forward.
PROPOSED "CATALINA AVENUE REORGANIZATION"
ANNEXATION TO VISTA ID AND CONCURRENT
DETACHMENT FROM VALLECITOS WD

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Created by Dieu Ngu – 10/4/2019
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RESOLUTION NO.______
SAN DIEGO LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS, APPROVING, AND ORDERING
A REORGANIZATION AND ASSOCIATED SPHERE OF INFLUENCE AMENDMENTS

“CATALINA AVENUE REORGANIZATION”
CONCURRENT ANNEXATION TO THE VISTA IRRIGATION DISTRICT AND
DETACHMENT FROM VALLECITOS WATER DISTRICT
LAFCO FILE NO. RO19-13

WHEREAS, on July 29, 2019, landowners Robert and Thresa Gualtierri 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 seeks approval for a reorganization of approximately 1.29 acres of unincorporated territory and includes the principal action to annex all of the affected territory to the Vista Irrigation District; and

WHEREAS, the reorganization application also seeks concurrent detachment of all of the affected territory from the Vallecitos Water District; and

WHEREAS, the affected territory as proposed comprises one undeveloped and unincorporated parcel identified by the County of San Diego Assessor’s Office as 178-040-45; 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 hearing on the proposal on December 2, 2019; and

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

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:
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 lead agency under the California Environmental Quality Act (CEQA) in considering two distinct “projects” associated with the reorganization proposal as detailed in the Executive Officer’s report: (a) accommodating sphere of influence amendments and the (b) the reorganization itself. The Commission’s findings follow.

   a) The Commission finds the accommodating sphere of influence amendments to add the affected territory to Vista Irrigation District and concurrently remove from Vallecitos Water District is exempt from further review under the “general rule” provision provided 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 Commission finds the reorganization to annex the affected territory as described to the Vista Irrigation District and detach from Vallecitos Water District is exempt from further review under State CEQA Guidelines Section 15320. This exemption appropriately applies given the reorganization involves changes in the organization of local agencies and does not alter the geographic area in which a service (i.e., water) is not already authorized by a public agency. No new service powers are established by the reorganization.

4. The Commission APPROVES the following sphere of influence amendments subject to successful recordation of the associated reorganization and makes the statements required under Government Code Section 56425 and provided in “Exhibit A.”

   a) The sphere of influence for the Vista Irrigation District is amended to add the affected territory as shown in “Exhibit B” and includes Assessor Parcel Number 178-040-45.

   b) The sphere of influence for the Vallecitos Water District is amended to remove the affected territory as shown in “Exhibit B” and includes Assessor Parcel Number 178-040-45.

5. The Commission APPROVES the reorganization without modifications and subject to conditions as provided. Approval involves all of the follow:
a) Annexation of the affected territory to the Vista Irrigation District as shown in “Exhibit C-1” and described in “Exhibit C-2.”

b) Detachment of the affected territory from the Vallecitos Water District as shown in “Exhibit D-1” and described in “Exhibit D-2.”

6. The Commission CONDITIONS all approvals on the following terms being satisfied by December 2, 2020 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 maps and geographic descriptions of the affected territory relative to the approved jurisdictional changes conforming to the requirements of the State Board of Equalization – Tax Services Division.

c) Submittal to the Commission of the following payments:

- A check made payable to LAFCO in the amount of $100.00 for the County of San Diego-Clerk Recorder to reimburse for filing two CEQA Notices of Exemption consistent with the findings in the resolution.

- A check made payable to LAFCO in the amount of $303.72 to reimburse for the public hearing notice publication.

- A check made payable to the State Board of Equalization for processing fees in the amount of $300.00.

7. The Commission assigns the proposal the following short-term designation:

“Catalina Avenue Reorganization”

8. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.


10. The Vista Irrigation District is a registered-voter district.

11. The Vista Irrigation District utilizes the County of San Diego assessment roll.

12. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Vista Irrigation District as provided under Government Section 57328.
13. The effective date of the approval a shall be the date of recordation but not before January 2, 2020 and only after all terms have been completed as attested by the Executive Officer.

14. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.

15. The Executive Officer is hereby authorized and directed to mail 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 2, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**

Approve to Form:

Holly Whatley,
Commission Counsel

Attest:

Keene Simonds
Executive Officer
EXHIBIT A

SPHERE OF INFLUENCE DETERMINATIONS

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

The affected territory comprises an approximate 1.3 acre unincorporated and undeveloped parcel located outside the City of Vista. The subject parcel is one of two parcels that comprises a 2.2-acre legal lot, which is zoned for single-family residential uses by the County of San Diego. Development within the lot is limited to the subject parcel comprising the affected territory and it is reasonable to assume the maximum density/intensity under zoning therein is two single-family residential lots with two accessory dwelling units. The affected territory has not been cultivated for agricultural products and is not subject to the Williamson Act. The lands are also not considered prime agriculture under LAFCO law and do not contain open-space lands. These land uses are consistent with the proposal’s purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

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

There is a need for public water service to accommodate the planned residential use of the affected territory under the County of San Diego’s adopted land use policies consistent with the surrounding and developing area. These needs align with the proposal’s purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

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

Vista ID has available infrastructure capacities to connect and accommodate estimated demands within the affected territory at its maximum uses without adversely impacting current ratepayers. Vallecitos WD does not have available infrastructure capacities to connect to the affected territory without significant expansion. These capacity considerations are consistent with the proposal’s purpose to establish public water services to the affected territory by Vista ID and supports accommodating sphere amendments to Vista ID (add) and Vallecitos WD (remove).

(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.

Vista ID has established explicit social and economic ties with incorporated and unincorporated lands surrounding the affected territory as the primary public water service provider. These existing ties are relevant to the proposal and extend to the affected territory given the connection to Vista ID’s water system is needed to allow the land to efficiently develop as contemplated under the County of San Diego General Plan.
(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The affected territory is not in a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.
Placeholder for Recordation
Map of Sphere of Influence Amendments Affecting
Vista Irrigation District (add) and Vallecitos Water District (remove)
EXHIBIT C-1

Placeholder for Recordation
Map of Affected Territory
and Annexation to Vista Irrigation District
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Placeholder for Recordation
Description of Affected Territory
and Annexation to Vista Irrigation District
Page is Blank for Photocopying
Placeholder for Recordation
Map of Affected Territory
and Detachment from Vallecitos Water District
EXHIBIT D-2

Placeholder for Recordation
Description of Affected Territory
and Detachment from Vallecitos Water District
PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG
LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to:__________________________________________________________
   Annexation of land (APN 178-040-45) into Vista Irrigation District. Detachment of said land from Vallecitos Water District.

2. The reason(s) for the proposal are: the proximity of available in-district (Vallecitos Water District-VWD) facilities to subject property
   (several hundred feet) requires significant construction to bring to property. Vista Irrigation District (VID) facilities are much closer to subject lot.

Robert Guastiemi
Proponent’s Name (print)

Signature of proponent or representative

419 Lado De Loma Dr
Proponent’s Address

Vista Ca 92083
City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on _________________.

Date

Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than $250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at HTTP://WWW.SDIAFCO.ORG or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes $1,000 or more, or expend $1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes $1,000 or more, or expends $1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

San Diego Local Agency Formation Commission • 9335 Hazard Way • Suite 200 • San Diego, CA 92123 • 858/614-7755
Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are: 

Annexation of of land associated with APN No. 178-040-45 into Vista Irrigation Dist.

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions:  

(d) The reason(s) for the proposal is/are: the proximity of available water facilities to subject property (several hundred feet) requires significant construction to bring to property. Vista Irrigation District facilities are much closer to subject lot.

(e) Signers of this petition have signed as (select one): ☑ landlord; ☐ registered voter.

(f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

1. Robert Gualtieri  
   Name of chief petitioner (print)  
   Mailing address  
   419 Lado De Loma Dr, Vista, CA 92083

2. Theresa Gualtieri  
   Name of chief petitioner (print)  
   Mailing address  
   419 Lado De Loma Dr, Vista, CA 92083

3. 
   Name of chief petitioner (print)  
   Mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) is ☐ is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) ☑ uninhabited (11 or less registered voters).

(j) If the formation of a new district(s) is included in the proposal:
   1. The principal act under which said district(s) is/are proposed to be formed is/are: N/A
   2. The proposed name(s) of the new district(s) is/are: N/A

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:
   1. The name of the proposed city is: N/A

   2. Provisions are requested for appointment of: ☐ city manager ☐ city clerk ☐ city treasurer

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is: N/A
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.

<table>
<thead>
<tr>
<th>Name of Signer</th>
<th>Assessor's Parcel Number(s)</th>
<th>Date Signed</th>
<th>Official Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert Gualtieri</td>
<td>178-040-45</td>
<td>7.29.19</td>
<td></td>
</tr>
<tr>
<td>Theresa Gualtieri</td>
<td>178-040-45</td>
<td>7.29.19</td>
<td></td>
</tr>
</tbody>
</table>

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Reorganization—Signatures must comply with the applicable signature requirements for each of the changes proposed (Govt. Code § 56864.1).

District Formation—Signatures as required by the principal act under which the new district is proposed to be formed (Govt. Code § 56860).

Dissolution of a District—For registered voter district: signatures by (a) not less than 10% of the registered voters within the district; or (b) not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
- For landowner-voter districts: signatures by not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
- If dissolution is for inactivity, the petition must be signed by three or more registered voters or landowners within the subject district and include statement and recitations as required by Govt. Code 56871 (Govt. Code § 56870).

Consolidation of Districts—For registered voter districts: signatures by not less than 5% of the registered voters within each of the districts.
- For landowner-voter districts: signatures by landowners-voters constituting not less than 5% of the number of landowner-voters owning land within each of the several districts who also own not less than 5% of the assessed value of land within each of the districts (Govt. Code § 56865).

Merger of District with City or Establishment of a Subsidiary District—For a registered voter district: signatures by (a) 5% of the registered voters of the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district.
- For a landowner-voter district: signatures by (a) 5% of the number of landowner-voters within the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district (Govt. Code § 56866).

District Annexation or Detachment—For a registered voter district: signatures by (a) not less than 25% of the number of registered voters within the territory proposed to be annexed or detached; or (b) not less than 25% of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory.
- For a landowner-voter district: signatures by not less than 25% of the number of landowners owning land within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory (Govt. Code § 56864).

Incorporation of a City—Signatures by: (a) not less than 25% of the registered voters residing in the area to be incorporated; or (b) not less than 25% of the number of owners of land within the territory proposed to be incorporated who also own not less than 25% of the assessed value of land within the territory proposed to be incorporated (Govt. Code § 56764).

Disincorporation of a City—Signatures by not less than 25% of the registered voters residing in the city proposed to be disincorporated (Govt. Code § 56766).

Consolidation of Cities—Signatures by not less than 5% of the registered voters of each affected city (Govt. Code § 56766).

Annexation to a City—Signatures by: (a) not less than 5% of the number of registered voters residing within the territory proposed to be annexed; or (b) not less than 5% of the number of owners of land within the territory proposed to be annexed who also own 5% of the assessed value of land within the territory (Govt. Code § 56767).

Detachment from a City—Signatures by: (a) not less than 25% of the number of registered voters residing within the territory proposed to be detached; or (b) not less than 25% of the number of owners of land within the territory proposed to be detached who also own 25% of the assessed value of land within the territory (Govt. Code § 56768).
TO: Commissioners

FROM: Keene Simonds, Executive Officer
       Robert Barry, Chief Policy Analyst

SUBJECT: Proposed “Sweetwater Road Reorganization” | Annexation to the City of National City and Concurrent Detachments from County Service Area No. 135, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District (RO19-16)

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal initiated by an interested landowner with the principal action to annex 0.23 acres within the unincorporated Lincoln Acres community to the City of National City. Additional boundary changes are also proposed and involve concurrent detachments from four special districts – County Service Area (CSA) No. 135 – Regional Communications, Lower Sweetwater Fire Protection District (FPD), San Diego County Sanitation District (SD), and South Bay Irrigation District (ID) – in consolidating local municipal services within National City. The proposal purpose is to facilitate development of the affected territory as part of a 5,500 square foot commercia retail project tentatively approved by National City. Staff recommends approval of the proposal with a discretionary modification to add approximately 50.5 acres of adjacent unincorporated land that comprises public right-of-ways and includes the Interstate 805/State Route 54 interchange. Standard terms are also recommended along with waiving protest. No sphere of influence amendments are needed to the subject agencies to accommodate the proposed reorganization and modification.
Applicant Request

San Diego LAFCO has received an application from a landowner – Roy Muraoka – requesting approval to reorganize approximately 0.23 acres of unincorporated territory consisting of two vacant parcels along Sweetwater Road in the Lincoln Acres community. The affected territory – notably – is part of an existing approximate 284-acre “unincorporated island” substantially surrounded by the City of National City. The principal request involves annexation of all of the affected territory to National City. Concurrent and secondary boundary changes to detach the affected territory from CSA 135 – Regional Communications, Lower Sweetwater FPD, San Diego County SD, and South Bay ID are also proposed. The County of San Diego Assessor’s Office identifies the two subject parcels comprising the affected territory as 563-252-23 and 563-252-28 with situs addresses of 2311 and 2305 Sweetwater Road, respectively.

Affected Territory

The following map shows the approximate location of the affected territory in context to the greater National City region. Attachment One shows the affected territory relative to the proposed boundary changes involving the subject agencies.

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1 Both subject parcels comprising the affected territory in the applicant’s proposal were previously developed with one single-family residence that have been subsequently demolished and are now vacant.
Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves five subject agencies: City of National City; CSA No. 135 – Regional Communications; Lower Sweetwater FPD; San Diego County SD; and South Bay ID. Summaries of all five subject agencies in terms of resident population, municipal service functions, and financial standing follows.

- National City was incorporated in 1887 and spans 9.2 square miles or 5,888 acres in southwest San Diego County. National City is generally bounded by the City of San Diego to the north and east, the unincorporated community of Bonita to the southeast, the City of Chula Vista to the south, and the City of Coronado and the San Diego Bay to the west. It also substantially surrounds the unincorporated island community of Lincoln Acres. National City is governed by a five-member city council consisting of a directly elected mayor and four councilmembers elected by district and oversee the City’s six primary municipal service functions: community planning; fire protection; parks and recreation; police protection; public works; and wastewater. LAFCO estimates the current resident population is 62,257 with an average annual growth rate of 0.8% since 2010. LAFCO established a sphere of influence for National City in 1985, which was last updated in 2014 with a larger-than-agency designation to include approximately 284 non-jurisdictional acres and equal to 4.6% of the City. National City’s audited net position is $146.9 million as of June 30, 2018 with ($33.6) million designated as unrestricted. The net position overall has increased by 16.3% over the prior three fiscal years.

- CSA No. 135 is a dependent special district formed in 1994 and spans 3,740 square miles or 2,393,600 acres and includes all unincorporated lands and 10 of the 18 local cities in San Diego County. The County of San Diego Board of Supervisors serves as the Board of Directors and oversees CSA No. 135’s two municipal service functions: (a) regional communications and (b) fire protection and emergency medical with the latter confined to an internal latent power zone. LAFCO estimates the current resident population within CSA No. 135 is 1,065,313 with an average annual growth rate of 0.77% since 2010. LAFCO established a sphere of influence for CSA No. 135 in 1994 to be coterminous with the San Diego County boundary. The sphere was last reviewed and affirmed in 2007. The audited net position of the County is $2.9 billion as of July 30, 2018 with ($1.19) billion designated as unrestricted. The net position overall has increased by 0.3% over the prior three fiscal years.

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2 Approximately 20% of National City are submerged San Diego Bay lands.
3 The negative unrestricted portion of National City’s net position is attributed to accrued pension liabilities.
4 CSA No. 135’s regional communication services involve funding an 800 MHz public safety radio system and includes the affected territory. The affected territory lies outside CSA No. 135’s latent fire protection service area.
5 The negative unrestricted portion of the County of San Diego’s net position is attributed to accrued pension liabilities.
Lower Sweetwater FPD is an independent special district formed in 1944 and spans 0.44 square miles or 280 acres and primarily overlaps with the unincorporated community of Lincoln Acres in southwest San Diego County. The jurisdictional boundary – notably – is surrounded by the City of National City. An elected three-member Board of Directors oversees Sweetwater FPD’s lone integrated municipal service function – fire protection and emergency medical – and contracted out to National City. LAFCO estimates the current resident population is 2,170 with an average annual growth rate of (2.0%) since 2010. LAFCO established a transitional (zero) sphere of influence for Lower Sweetwater FPD in 1985, which was last updated and affirmed in 2013 and reflects a standing policy expectation that the FPD ultimately dissolve. Lower Sweetwater FPD’s last published audited net position tallied $1.310 million as of July 30, 2017 with ($0.240) million designated as unrestricted.

San Diego County SD is a dependent special district governed by the County of San Diego and spans 46 square miles or 29,571 acres. The lone active municipal service function is wastewater. The jurisdictional boundary is divided between seven distinct service areas located throughout southcentral and east unincorporated San Diego County with a combined LAFCO estimated resident service population of 149,798. The affected territory lies in the Spring Valley service area. This is the largest service area with an estimated resident service population of 92,717 and an accompanying average annual growth rate of 0.63% since 2010. LAFCO established a sphere of influence for San Diego County SD at the time of its formation in 2011 with a smaller-than-agency designation to exclude approximately 9,141 jurisdictional acres and equals 30.9% of the District boundary. This includes excluding jurisdictional lands in the Spring Valley service area that concurrently lie in the spheres of influence for the Cities of Chula Vista and National City. The audited net position of the County is $2.9 billion as of July 30, 2018 with ($1.19) billion designated as unrestricted. The net position overall has increased by 0.3% over the prior three fiscal years.

South Bay ID is an independent special district formed in 1951 and spans 32 square miles or 20,558 acres in southwest San Diego County and overlaps the western portion of the City of Chula Vista and the unincorporated communities of Bonita and Lincoln Acres. An elected five-member Board oversees South Bay ID’s lone municipal service function – water – and operated through the Sweetwater Authority; a joint-powers entity of the District and Cities of Chula Vista and National City. LAFCO estimates the current resident population is 135,646 with an average annual growth rate of 1.0% since 2010. LAFCO established a sphere of influence for South Bay ID in 1985, which was last updated in 2007 with a larger-than-agency designation to include approximately 945 non-jurisdictional acres and equals 4.4% of the jurisdictional boundary. South Bay ID’s last published audited net position tallied $0.813 million as of June 30, 2017 with all $0.813 million designated as unrestricted.

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6 San Diego County SD utilizes approximately 266 miles of collection lines in the Spring Valley service area to convey flows into the City of San Diego’s adjacent collection system and thereafter to the Point Loma Treatment Facility; the latter operated by the Metro Wastewater Joint Powers Authority with the District as one of the signatories.

7 The District does not have operating revenues and relies on cash reserves and interest income for operating expenses.
Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of 10 local agencies directly subject to San Diego LAFCO. These agencies qualify as “affected agencies” under statute relative to the proposed reorganization and listed below.8

- City of National City (sphere only)
- CSA No. 135 - Regional Communications
- Lower Sweetwater FPD
- Metropolitan Water District of Southern California
- Resource Conservation District of Greater San Diego County (sphere only)
- San Diego County Flood Control District
- San Diego County Sanitation District
- San Diego County Street Lighting District
- San Diego County Water Authority
- South Bay ID

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and the principal action to annex the affected territory to the City of National City. Associated boundary changes to detach from CSA No. 135, Lower Sweetwater FPD, San Diego County SD, and South Bay ID are also part of the requested reorganization. The Commission may also consider applying conditions of approval so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose, associated development potential, and Commission focus follows.

Proposal Purpose

The purpose of the proposed reorganization before San Diego LAFCO is to facilitate the development of the affected territory as part of a 5,500 square foot commercial retail project. This planned development extends into three additional and adjacent parcels that are presently within National City and collectively produce an approximate 0.8-acre “project site.”9 The reorganization – pertinently – is necessary to capture all of the subject parcels included in the project site under National City’s land use authority. Concurrent boundary changes to detach the affected territory from four special districts are also proposed to consolidate fire protection, regional communications, wastewater, and water services through National City.

8 State law defines “affected local 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.

9 The other three parcels comprising the project site are located at 3320, 3330, and 3336 Orange Street.
Development Potential

The affected territory was previously planned for residential uses under both the County of San Diego and City of National City’s General Plans, albeit to different density uses. National City has recently adopted an amendment to its General Plan to transition the affected territory from Low-Medium Density Residential to Major Mixed-Use. National City has similarly changed the prezoning from Small Lot Residential to Major Mixed Uses in conjunction with tentatively approving an application to develop the affected territory as part of a 5,500 square foot commercial retail center to include a drive-through business (Starbucks). No further density/intensity would be allowed within the affected territory at buildout under prezoning.

Commission Focus

San Diego LAFCO’s current sphere of influence designation for the City of National City includes the affected territory and can readily accommodate the proposed reorganization without amendment. No sphere amendments involving the other four subject agencies are similarly necessitated to accommodate the reorganization. These existing sphere determinations narrows the Commission’s consideration of the reorganization to two central and sequential policy items. These policy items take the form of determinations and serve to orient the Commission to consider the stand-alone merits of the (a) timing of the reorganization and (b) whether discretionary boundary modifications or approval terms are appropriate. The Commission must also consider other relevant statutes in and outside LAFCO law as detailed.

ANALYSIS

The analysis of the reorganization is organized into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and specifically analyzing the merits of reorganization and associated boundary changes as well as whether modifications and/or terms are appropriate in further addressing Commission goals and policies. The second subsection considers other germane issues required under LAFCO law or other applicable State statutes and marked by making findings under the California Environmental Quality Act (CEQA).

(continued)

10 The reorganization proposal affects four other subject agencies. The existing sphere designations for two of these other four subject agencies – CSA No. 155 and South Bay ID – include the affected territory as part of larger regional designations and do not require amendments to reflect parcel-specific changes other than perimeter adjustments. The existing sphere designations for the other two subject agencies – San Diego County SD and Lower Sweetwater PPD – already excludes the affected territory.
Central Policy Items

Item No. 1 | Reorganization Timing

The timing of the reorganization – and specifically the primary action to annex the affected territory to National City coupled with secondary actions to detach from several special districts – appears appropriate. This conclusion draws from the analysis of the factors required for consideration under statute anytime jurisdictional changes are proposed along with locally adopted Commission policies. Most of the prescribed factors under statute focus on the impacts on the service and financial capacities of the receiving agency: National City (emphasis added). No single factor is determinative. A summary of the key conclusions generated in review of these items follows with additional analysis provided in Appendix A.

- **Service Needs**
  The affected territory’s planned land uses would be appropriately aided by the reorganization and annexation to National City given its ability to provide a range of urban-supporting services to the subject lands. Additional details follow.

  - The Commission has previously designated the City of National City as the ultimate land use authority and primary service provider for the affected territory through the standing inclusion in the City sphere. Annexation to National City memorializes this standing expectation and accommodates the expressed interest of the affected landowner as evident by their initiation of the reorganization proceedings.

  - The landowner’s intention to develop a commercial project covering three incorporated parcels and the affected territory helps to quantify the timing of the reorganization and annexation to the City of National City is appropriate by synching the boundary changes with a known development action.

- **Service Capacities and Levels**
  The City of National City would directly assume central municipal service responsibilities for the affected territory upon reorganization and this includes most notably community planning, fire protection, police protection, and wastewater. A review of existing capacities for these central municipal service functions indicates National City has sufficient controls and resources to readily accommodate demands in the affected territory at its planned and maximum uses. Additional details follow.

  - With respect to community planning, National City contemplates the development and use of the affected territory for mixed urban uses consistent with other adjacent uses along Sweetwater Road. National City has similarly prezoned the affected territory as part of a tentatively approved development application that includes three adjacent parcels to utilize the site as part of a 5,500 square foot commercial strip mall to include a retail drive-through. Should the Commission approve the reorganization, National City is prohibited from changing the zoning
for the affected territory for a period of no less than two years unless special findings are made at a public hearing. 11

- With respect to fire protection services, the present service provider – Lower Sweetwater FPD – contracts with the City of National City. Accordingly, should the Commission approve the reorganization, there would be no substantive change in fire protection coverage for the affected territory other than eliminating the current contract administrator role of Sweetwater FPD. National City would continue to provide first responder service to the affected territory out of Station No. 31 located at 2333 Euclid Avenue. This is one of two National City Fire Department stations and houses one paramedic engine company and one paramedic ambulance and staffed 24 hours. The station is approximately 1.0 miles from the affected territory. Travel times from Station 31 to the affected territory are expected to meet the 7-minute standard (dispatch to scene) in the National City General Plan’s Safety Element.

- With respect to police protection services, the affected territory is currently served by the County Sherriff with regular patrol services operated out of the Lemon Grove substation located at 3240 Main Street in Lemon Grove. This substation is approximately 10.1 miles to the affected territory and as such first responses for all high-emergency calls would be most likely provided by National City through an existing mutual aid arrangement. Should the Commission approve the reorganization, National City would directly assume police protection for the affected territory out of its police station at 1200 National City Boulevard, which is 2.7 miles away in distance. Travel times from the police station to the affected territory are expected to meet the 7-minute standard (dispatch to scene) in the National City General Plan’s Safety Element.

- With respect to water services, the affected territory currently lies within South Bay ID and has established connections to the District’ water system through the site’s previous development and use as single-family residences. South Bay ID water system is operated by the Sweetwater Authority, which is a joint-powers authority that includes South Bay ID and the Cities of Chula Vista and National City as member agencies. Accordingly, should the Commission approve the reorganization, no substantive change would result with Sweetwater Authority continuing to be responsible for the delivery of water service to the affected territory through existing infrastructure and supplies with the latter generated through a combination of local and imported sources. Further, demands within the affected territory are expected to align with previous usage generated and can be readily accommodated without expansions or impacts.

11 Reference to Government Code Section 56375(e).
- With respect to wastewater services, the affected territory is currently within the San Diego County SD with both subject parcels having previously established connections to the SD main located along Sweetwater Road. Should the Commission approve the reorganization, National City would assume wastewater responsibilities and this includes overseeing connection of the parcels to the City’s own main also located within the Sweetwater Road. The City provides wastewater service citywide and receives inflows from the City of San Diego and the United States Navy in route to the regional South Metro Interceptor (SMI). National City has approximately 97 miles of wastewater collection pipes that drain westerly to the SMI, and ultimately convey to the Point Loma Wastewater Treatment Plant for treatment and disposal. The City’s development approvals indicate adequate wastewater capacity exists for servicing the affected territory and proposed commercial development.

• Service Funding and Costs
The City of National City has adequate financial resources to provide an appropriate level of municipal services to the affected territory in support of the planned commercial development. This comment is drawn from the staff analyses of National City’s recent audited statements and reflected by the City experiencing an overall increase of 16.3% in its net position over the last three audited fiscal years coupled with an average total margin of 5.4%.

**Conclusion | Merits of Reorganization Timing**

The timing of the reorganization and related transfer of land use authority and other specified services to the City of National City is sufficiently warranted. Justification is marked by synching a known development project with the Commission’s designated long-term land use authority’s jurisdiction in National City in step with attesting all accommodating urban-supporting services – including fire and police protection, wastewater, and water – can be provided without expansion of public facilities or adverse impacts to existing City constituents. Additional analysis supporting the conclusion – including the factors required under statute – is provided in Appendix A.

**Item No. 2 | Modifications and Terms**

One discretionary modification to the proposed reorganization proposal has been identified by staff during the analysis phase and merits consideration by San Diego LAFCO at this time. The modification involves expanding the affected territory – i.e., the area to be annexed to the City of National City and concurrently detached from CSA No. 135, San Diego County SD, South Bay ID, and Sweetwater FPD – to include an additional 50.5 acres of adjacent unincorporated

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12 Close to two-fifths of the recommended addition to the affected territory – or 20.2 acres – that make up the adjacent public right-of-ways and I-805/SR 54 interchange is also within San Diego County SD.
and uninhabited territory. This expansion involves the adjacent public right-of-way on Sweetwater Road as well as the State’s I-805/SR-54 interchange. The modification is consistent with all subject agencies’ spheres of influence and – markedly – substantively reduces an existing unincorporated island and provides more orderly jurisdictional boundaries in the region going forward. The recommended modification area is shown below and does not trigger protest hearings given all of the land is publicly owned and used for public purposes.

A larger modification to the proposed reorganization also has been identified by staff given prompt under statute and adopted policy but is not recommended. The larger modification would involve expanding the affected territory to include all approximate 280 acres of the unincorporated Lincoln Acres area and its 2,409 estimated residents and in doing so eliminate an entire existing unincorporated island and its associated service inefficiencies. Modification to include all of Lincoln Acres would separately and advantageously eliminate a “disadvantaged unincorporated community” or DUC. Staff believes proceeding with this larger modification, however, is not sufficiently merited given local conditions. This includes recognition and deference to historical interest among Lincoln Acres’ residents to retain unincorporated community identify and parallel disinterest in annexing to the City of National City. It is similarly reasonable to assume – and in the absence of a successful outreach effort to address community concerns – adding the area to the reorganization would terminate any approval due to protest proceedings.\textsuperscript{13} Alternatively, staff believes it would be appropriate

\textsuperscript{13} It is also noted the addition of the entire Lincoln Acres island to the reorganization would likely require a stand-alone property tax negotiation between the County of San Diego and City of National City with no statutory timeline to complete.
and timely to consider performing outreach within Lincoln Acres in consultation with the County and National City to gauge interest in future annexation as part of the scheduled municipal service review for the region in 2020-2021.

### Conclusion | Modifications and Terms

One discretionary modification to the affected reorganization territory appears merited at this time to provide more orderly and enhanced governmental boundaries going forward in the region. This modification adds approximately 50.5 unincorporated acres of adjacent and uninhabited land entirely owned and used for public purposes — including the I-805/SR-54 interchange — and measurably reduces the size of an existing unincorporated island and the associated service inefficiencies.

### Other Statutory Considerations

#### Exchange of Property Tax Revenues

California Revenue and Taxation Code (RTC) Section 99(b)(6) requires the adoption of a property tax exchange agreement by the subject local agencies before LAFCOs can consider proposed jurisdictional changes. Subsection (d) also allows a master property tax exchange agreement to govern the exchange of property tax revenues between the county and an annexing city. To this end, San Diego LAFCO has confirmed an existing master property tax agreement between the County of San Diego and National City applies to the reorganization and all associated boundary changes. The substantive result means 46% of the combined revenue presently allocated to the County and the detaching special districts as part of the 1% property tax would be transferred to National City if the reorganization is approved.

#### Environmental Review

CEQA requires San Diego LAFCO to assess whether impacts would result from activities approved under the Commission’s statutory authority. Accordingly, San Diego LAFCO is tasked with making two distinct determinations as responsible and lead agency under CEQA in considering the proposed reorganization. Staff’s analysis and recommendations follow.

- The City of National City serves as lead agency under CEQA for the reorganization proposal submitted by the applicant and boundary changes to annex the affected territory to National City along with concurrent detachments from CSA No. 135 - Regional Communications, Lower Sweetwater FPD, San Diego County SD, and South Bay ID. National City has determined this activity and underlying development entitlements is a project under CEQA and prepared and certified a Negative Declaration (ND) as part of a noticed hearing held on June 18, 2019. The ND attests the project will not have a significant and adverse impact on the environment. Staff believes this finding is appropriate and merits incorporation into the Commission’s findings as the responsible agency under CEQA.
San Diego LAFCO
December 2, 2019 Meeting
Agenda Item No. 7a | Sweetwater Road Reorganization (City of National City)

- The Commission serves as lead agency under CEQA should it proceed with the recommended discretionary modification of the reorganization proposal to include adjacent uninhabited public lands used as public rights-of-way. The Commission finds this activity is a project under CEQA but is exempt from further environmental review under State CEQA Guidelines Section 15320. This exemption appropriately applies given the modification involves changes in the organization of local agencies’ boundaries with no growth accommodation therein and does not alter the geographic area in which existing powers are exercised.

Protest Proceedings

Protest proceeding for the reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under statute. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agencies have not filed objections, and the landowner has consented to the underlying actions as the petitioner. It is further noted the recommended modification to the applicant proposal to include 50.5 acres of adjacent uninhabited unincorporated lands is entirely owned and used for public purposes and does not qualify as “landowner” under LAFCO statute.

RECOMMENDATION

Staff recommends approval of the applicant’s reorganization proposal with a discretionary modification to add 50.5 acres of adjacent uninhabited unincorporated land entirely comprising publicly owned and used lands – including the I-805/SR-54 interchange – along with standard terms. This recommendation is consistent with Alternative One in the proceeding section and would generate the following jurisdictional changes in San Diego County:

- Annexation of approximately 50.75 acres (0.23 acres proposed by applicant and 50.5 acres added by the Commission) to National City.
- Concurrent detachment of approximately 50.75 acres (0.23 acres proposed by the applicant and 50.5 acres added by the Commission) from CSA No. 135, Lower Sweetwater FPD, and South Bay ID.
- Concurrent detachment of approximately 20.44 acres (0.23 acres proposed by the applicant and 20.2 acres added by the Commission) from the San Diego County SD.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single motion:

14 Reference to Government Code Section 56662.
15 LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.
Alternative One (recommended):
Adopt the attached draft resolution approving the reorganization proposal with one discretionary modification as recommended along with standard terms.

Alternative Two:
Continue consideration to the next regular meeting and provide direction to staff with respect to providing additional information as specified.

Alternative Three:
Disapprove the 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 the agenda as part of the regular business calendar. The following procedures, accordingly, are suggested in the consideration of this item:

1) Receive verbal presentation from staff unless waived;
2) Invite comments from the applicant and subject agencies; and
3) Discuss item and consider action on recommendation.

On behalf of the Executive Officer,

Robert Barry, AICP
Chief Policy Analyst

Appendices:
A) Analysis of Boundary Change Factors

Attachments:
1) Vicinity Map of Affected Territory with Recommended Modification
2) Draft Resolution of Approval
3) Landowner Petition
4) ND by National City (online only)
Agenda Item No. 7a | Sweetwater Road Reorganization (City of National City)
APPENDIX A
Government Code Section 56668
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 other populated areas; the likelihood of significant growth in next 10 years.

The affected territory as proposed by the applicant totals approximately 0.23 acres and part of the unincorporated island community of Lincoln Acres. It includes two vacant parcels owned by the applicant and previously developed with single-family residences. These parcels are located at 2311 (563-252-23) and 2305 Sweetwater Road (563-252-28) and are approximately 0.13 and 0.10 acres, respectively, and subject to a tentatively approved commercial retail project consistent with National City prezoning. Topography is flat and surrounded by low to moderate urban residential and commercial development. The Sweetwater River channel is adjacent to the south. The current assessed value of the two subject parcels is $431,479 with corresponding annual property tax revenue of $4,315. No significant new growth is expected in the area over the next 10 years. Staff is recommending a discretionary modification to add approximately 50.5 acres of adjacent and uninhabited land that is entirely owned and used for public purposes with the majority tied to the I-805/SR-54 interchange. The addition of the modification area would reduce an existing unincorporated island and provide connectivity with the adjacent I-805 and SR-54 segments presently located within National City. None of the recommended modification area has assessed value.16

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.

The affected territory is part of the existing approximate 280-acre unincorporated island community of Lincoln Acres surrounded by the National City jurisdictional boundary. Central urban-supporting municipal services to be provided by National City following annexation involve community planning, fire protection, police protection, and wastewater. A review of existing capacities for these central municipal services indicates National City has sufficient controls and resources to readily accommodate demands in the affected territory with or without the recommended modification as further detailed below.

- With respect to community planning, National City contemplates the development and use of the affected territory for mixed urban uses consistent with other adjacent uses along Sweetwater Road. National City has similarly prezoned the affected territory as part of a tentatively approved development application that includes three adjacent parcels to utilize the site as part of a 5,500 square foot commercial strip mall to include

16 The discretionary modification also includes a State owned parcel beneath the interchange and used as a waterway improvement for the Sweetwater River channel. The County of San Diego Assessor’s Office identifies the State-owned parcel as 563-330-41.
a retail drive-through (Starbucks). Should the Commission approve the reorganization National City is prohibited from changing the zoning for the affected territory for a period of no less than two years unless special findings are made at a public hearing.\footnote{Reference to Government Code Section 56375(e).}

- With respect to fire protection services, the present service provider – Lower Sweetwater FPD – contracts its services with the City of National City. Accordingly, should the Commission approve the reorganization, there would be no substantive change in fire protection coverage for the affected territory other than eliminating the current contract administrator role of Sweetwater FPD. National City would continue to provide first responder service to the affected territory out of Station No. 31 located at 2333 Euclid Avenue. This is one of two National City Fire Department stations and houses one paramedic engine company and one paramedic ambulance and staffed 24 hours. The station is approximately 1.0 miles from the affected territory. Travel times from Station 31 to the affected territory are expected to meet the 7-minute standard (dispatch to scene) in the National City General Plan’s Safety Element.

- With respect to police protection services, the affected territory is currently served by the County Sherriff with regular patrol services operated out of the Lemon Grove substation located at 3240 Main Street in Lemon Grove. This substation is approximately 10.1 miles to the affected territory and as such first responses for all high-emergency calls would be most likely provided by National City through an existing mutual aid arrangement. Should the Commission approve the reorganization, National City would directly assume police protection for the affected territory out of its police station at 1200 National City Boulevard, which is approximately 2.7 miles away in distance. Travel times from the police station to the affected territory are expected to meet the 7-minute standard (dispatch to scene) in the National City General Plan’s Safety Element.

- With respect to water services, the affected territory currently lies within South Bay ID and will be detached from the ID as part of the reorganization with National City. The South Bay ID water system is operated by the Sweetwater Authority, which is a joint-powers authority that includes South Bay ID and the Cities of Chula Vista and National City as member agencies. The affected territory has established connections to the Sweetwater Authority’s water system through the site’s previous development and use as single-family residences. Accordingly, should the Commission approve the reorganization, no substantive change would result with Sweetwater Authority continuing to be responsible for the delivery of water service to the affected territory through existing infrastructure and supplies with the latter generated through a combination of location and imported sources. Further, demands within the affected territory are expected to align with previous usage generated and can be readily accommodated without expansions or impacts.
With respect to wastewater services, the portion of the affected territory as submitted by the applicant is currently within the San Diego County SD with both subject parcels having previously established connections to the SD main located along Sweetwater Road. Should the Commission approve the reorganization National City would assume wastewater responsibilities and this includes overseeing connection of the parcels to the City’s own main also located within the Sweetwater Road. The City provides wastewater service city-wide and receives inflows from the City of San Diego and the United States Navy in route to the regional South Metro Interceptor (SMI). National City has approximately 97 miles of wastewater collection pipes that drain westerly to the SMI, and ultimately convey to the Point Loma Wastewater Treatment Plant for treatment and disposal. The City’s development approvals indicate adequate capacity exists for servicing the affected territory and proposed commercial development.

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.

Approval of the reorganization as submitted by the applicant would recognize existing and expanding economic and social ties between the affected territory as proposed and National City. The Commission has previously designated National City as the future and long-term land use authority and primary service provider for the affected territory through the standing inclusion in the City’s sphere of influence. Annexation now to National City memorializes this standing expectation and accommodates the expressed interest of the affected landowner as evident by their initiation of the reorganization proceedings. Further, modifying the affected territory as recommended by including approximately 50.5 acres of adjacent public rights-of-way and the I-805/SR-54 interchanges measurably enhances the reorganization and provides more orderly boundaries for all subject agencies while concurrently reducing the size of an existing island without affecting residents within Lincoln Acres. Additional modifications beyond the adjacent public rights-of-way and interchange, however, are not recommended without sufficient community outreach and consent given – among other factors – the residents’ known interest to remain unincorporated.

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.

Approval of the reorganization proposal as submitted by the applicant provides for orderly boundary changes that appropriately consolidates core municipal service provision for the affected territory with the City of National City in step with facilitating a commercial development in an urbanizing area. The recommended modification to include approximately 50.5 unincorporated acres within the National City sphere of influence consisting of adjacent public rights-of-way and the I-805/SR-54 interchange measurably enhances the reorganization by reducing an existing unincorporated island and eliminating potential jurisdictional confusion regarding maintenance and emergency service provision. None of the affected

Close to two-fifths of the recommended addition to the affected territory – or 20.2 acres – that make up the adjacent public right-of-ways and I-805/SR-54 interchange is also within San Diego County SD.
territory as submitted or as modified contains open-space lands per LAFCO law and therefore
does not conflict with the policies and priorities prescribed under Government Code Section
56377. Additional analysis concerning three Commission policies – L-102, L-105, and L-107 –
applicable to the reorganization follow.19

- L-102 provides prescription to San Diego LAFCO in establishing and updating spheres of influence for all local agencies and relatedly encourages cities to reconcile land use
conflicts with the County when proposing annexations. A land use discrepancy underlies the reorganization and sourced to the County contemplating residential uses for the two privately-owned parcels comprising the affected territory compared to commercial uses by National City. This discrepancy is recent and attributed to National City approving a General Plan amendment to redesignate the subject lands from residential uses to commercial and reflects the evolution of retail uses along Sweetwater Road. The General Plan amendment followed noticed public hearing and did not generate written objections from the County.

- L-105 addresses San Diego LAFCO’s task under statute to avoid the creation of new
unincorporated islands entirely or substantially surrounded by cities as well as reduce/eliminate existing unincorporated islands. The proposed reorganization as submitted involves a modest reduction of the existing Lincoln Acres island and in-and-of-itself complies with the policy. The policy is further effectuated with the staff recommendation to increase the reduction to approximately 18% of the Lincoln Acres island by adding all adjacent public right-of-ways and the I-805/SR-54 interchange. Further reduction of the island – importantly – is not recommended at this time given the standing preference of the inhabited portion of the island to remain “county” and the reasonable assumption therein of triggering successful protest proceedings.

- L-107 requires all applicants to disclose and address potential jurisdictional issues
associated with their proposals and if applicable require a consultation process with the
affected agencies, interested parties, or organizations to help remedy concerns unless waived. No jurisdictional disputes or related concerns were disclosed by the applicant or identified by subject and affected agencies 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 as submitted by the applicant does not qualify as “prime agricultural
land” under LAFCO law. Specifically, the lands are not 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. The recommended

19 One other policy – L-111 – merits acknowledgment but does not apply to the proposed reorganization. This policy directs San Diego LAFCO to identify disadvantaged unincorporated communities (DUCs) and includes procedures in implementing statute to include adjacent DUCs in considering city annexation proposals of more than 10 acres. While adjacent to a DUC (Lincoln Acres), this policy does not apply to the reorganization given the requested city annexation is less than 10 acres as submitted. The Commission separately retains discretion under Government Code 56375(a)(1) to approve proposals with modifications. The recommended modification to the reorganization, further, comprises uninhabited public agency lands consisting of public right-of-ways that on its own does not qualify as a DUC.
modification area including approximately 50.5 acres of adjacent public rights-of-way and the I-805/SR-54 interchange also does not qualify as prime agricultural land. Accordingly, approval of the reorganization with or without the recommended modification would have no effect on maintaining the physical and economic integrity of agricultural lands in San Diego County.

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.

San Diego LAFCO is in receipt of draft maps and geographic legal descriptions of the affected territory as submitted by the applicant that details metes and bounds covering all of the proposed boundary changes consistent with the standard of the State Board of Equalization. Approval would be conditioned on final maps and descriptions conforming to the referenced standards as well as reflecting any modifications approved by the Commission. This includes potentially addressing the recommended modification by staff to expand the affected territory for addition of approximately 50.52 acres of the adjacent unincorporated public rights-of-way for Sweetwater Road and the I-805/SR-54 interchange. The proposed modification would provide continuity and consistency with the adjacent Sweetwater Road and I-805/SR-54 rights-of-way presently located within National City to the immediate east and west of the affected territory and – significantly – reduce an existing unincorporated island.

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

The reorganization proposal as submitted by the applicant is intended to facilitate the development of the two subject parcels as part of a tentatively approved commercial retail project within an urban area and immediately adjacent to major transportation corridors. It is recommended to modify the proposal to include approximately 50.5 acres of adjacent unincorporated land that includes some of these corridors and marked by the I-805/SR-54 interchange. Accordingly, approval of the reorganization with or without the recommended modification would not conflict with the regional transportation plan prepared and adopted by San Diego Association of Governments or SANDAG. The affected territory lies within an existing urban area and immediately adjacent to major transportation corridors.

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

The two private parcels within the affected territory are currently planned for residential use under the County of San Diego General Plan with a maximum of 4.3 dwelling units per acre and a minimum lot size of 10,000 square feet. National City recently approved an amendment to its General Plan to redesignate the subject parcels from Low-Medium Density Residential to Major Mixed-Use in conjunction with approving an application to develop a 5,500 square-foot commercial retail project. (An associated prezoning change has also been approved by National City.) The recommended modification to include the adjacent public right-of-way on Sweetwater Road and the I-805/SR-54 interchange does not conflict with the General Plans.

20 SANDAG was provided notice of the reorganization proposal and did not provide any written comments during interagency review period.
i) The sphere of influence of any local agency affected by the proposal.

The affected territory as proposed is entirely located within the National City sphere of influence and no amendments would be necessary to facilitate and/or otherwise accommodate annexation to the City. Similarly, no sphere of influence amendments would be needed to accommodate the associated detachments from the other subject agencies. The recommended modification to include the adjacent public right-of-way on Sweetwater Road and the I-805/SR-54 interchange similarly does not require sphere amendments.

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

Staff provided notice of the proposed reorganization to all subject and affected agencies as required under statute. The notice included identifying the staff recommendation to expand the affected territory to include the adjacent public right-of-way on Sweetwater Road and the I-805/SR-54 interchange. No written comments were received ahead of preparing this agenda report and its posting date of November 22, 2019.

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 reorganization proposal indicates the City of National City – as the receiving entity – has established sufficient financial resources to extend municipal services to the affected territory – with or without the recommended modification – without adversely impacting current constituents. This comment draws from staff analysis of National City’s recent audited statements through 2017-2018 and supported by the following factors.

- National City’s last audit (2017-218) showed the District’s net position at $146.9 million with ($33.6) million categorized as unrestricted. The negative unrestricted figure is attributed the City’s net pension liability. Overall, National City has increased its net position by 16.3% over the prior three fiscal years.

- National City’s has achieved a positive average total margin over the last three audit years of 5.4%.

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

The reorganization would transfer direct water service responsibility for the affected territory from South Bay ID to National City; however, National City is a partner agency with South Bay ID and the City of Chula Vista as the Sweetwater Authority. Therefore, the transfer of service responsibility will not change the delivery of water service from the Sweetwater Authority to the affected territory. The transfer – pertinentely – also retains the San Diego County Water
Authority as the principal wholesale provider for the affected territory. The Water Authority’s most recently adopted urban water management plan attests it has sufficient water supplies to meet its member agencies needs through the planning horizon of 2035 under normal and single-year conditions. Conservation measures, however, would likely be needed during severe and multiple dry-year conditions. To this end, National City, through the Sweetwater Authority, has established a contingency plan to reduce water demands in the event of supply shortages consistent with recommendations from the Water Authority.

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 as determined by the appropriate council of governments.

The proposed reorganization – with or without the recommended modification – is intended to facilitate a commercial development and would not affect any local agencies in accommodating their regional housing needs assigned by the region’s council of governments, SANDAG.

n) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The affected territory – with or without the recommended modification – is uninhabited as defined under LAFCO statute. The landowner supports the proposed reorganization and has provided their written consent to the proceedings.

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.

As used in this review factor, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The reorganization – with or without the recommended modification – does not include locating any new public facilities. Approval is not anticipated to directly influence the promotion of environmental justice within the affected territory.

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 affected territory – with or without the recommended modification – is not presently identified as part of a State Responsibility Area (SRA) or mapped within a high fire hazard zone by the County of San Diego or City of National City.
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PROPOSED "SWEETWATER ROAD REORGANIZATION"
ANNEXATION TO CITY OF NATIONAL CITY

MAP 2 PROPOSED DETACHMENT FROM SAN DIEGO COUNTY SD
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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING AND ORDERING A REORGANIZATION

“SWEETWATER ROAD REORGANIZATION”
CONCURRENT ANNEXATION TO THE CITY OF NATIONAL CITY AND DETACHMENTS FROM COUNTY SERVICE AREA NO. 135 - REGIONAL COMMUNICATIONS, LOWER SWEETWATER FIRE PROTECTION DISTRICT, SAN DIEGO COUNTY SANITATION DISTRICT, AND SOUTH BAY IRRIGATION DISTRICT

LAFCO FILE NO. RO19-16

WHEREAS, on August 20, 2019, the landowner, Roy Murakoa, 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 (Government Code § 56000, et seq.); and

WHEREAS, the application seeks approval for reorganization of approximately 0.23 acres of unincorporated territory and includes the principal action to annex all of the affected territory to the City of National City; and

WHEREAS, the reorganization application also seeks concurrent actions to detach the affected territory from County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District; and

WHEREAS, the affected territory is located within the National City sphere of influence and no conforming sphere of influence amendments are necessary for the concurrent detachments of the affected territory from County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District; and

WHEREAS, an applicable master property tax transfer agreement dated December 14, 1982 between the County of San Diego and the City of National City applies to the proposed reorganization; 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 proposed reorganization has 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 meeting on December 2, 2019

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

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 meeting, the Commission called for, heard, and considered all public comments by interested parties and read and considered the Executive Officer’s report.

3. The Commission serves as both responsible and lead agency under the California Environmental Quality Act (CEQA) in considering two distinct “projects” associated with the reorganization proposal and as detailed in the Executive Officer’s report. The Commission’s independent findings follow.

   a) The City of National City serves as lead agency under CEQA for the reorganization proposal submitted by the applicant and boundary changes to annex the affected territory to National City along with concurrent detachments from County Service Area No. 135 (Regional Communications), Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District. National City has determined this activity and underlying development entitlements is a project under CEQA and prepared and certified a Negative Declaration (ND) as part of a noticed hearing held on June 18, 2019. The ND attests the project will not have a significant and adverse impact on the environment. The Commission has independently reviewed the ND and concurs and incorporates herein National City’s findings as a responsible agency.

   b) The Commission serves as lead agency under CEQA for the discretionary modification of the reorganization proposal submitted by the applicant to amend the affected territory to include adjacent uninhabited public lands used as public rights-of-way. The Commission finds this activity is a project under CEQA but is exempt from further environmental review under State CEQA Guidelines Section 15320. This exemption appropriately applies given the modification involves changes in the organization of local agencies’ boundaries with no growth accommodation therein and does not alter the geographic area in which existing powers are exercised.

4. The Commission APPROVES the proposed reorganization with a discretionary modification as described below and subject to conditions as provided. Approval involves all of the following:

   a) The affected territory is modified to include the adjacent unincorporated public rights-of-way for Sweetwater Road and the I-805/SR-54 interchange including APN 563-330-41-00.

   b) Annexation of all 50.75 acres of the affected territory as modified to the City of National City as shown in “Exhibit A-1” and described in “Exhibit A-2.”

   c) Detachment of all 50.75 acres of the affected territory as modified from County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, and South Bay Irrigation District as shown in “Exhibit A-1” and described in “Exhibit A-2.”

   d) Detachment of 20.44 acres of the affected territory as modified from the San Diego County Sanitation District as described in “Exhibit B-1” and described in “Exhibit B-2.”

5. The Commission CONDITIONS the approvals on the following terms being satisfied by December 2, 2020 unless an extension is requested and approved by the Executive Officer:

   a) Completion of the 30-day reconsideration period provided under Government Code § 56895.

   b) Submittal to the Commission of final maps and geographic descriptions of the affected territory and the associated boundary changes as approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Division.
c) Submittal to the Commission of the following payments:

- A check made payable to LAFCO in the amount of $100.00 to reimburse for filing notices with the County-Clerk Recorder’s Office consistent with the findings in this resolution.
- A check made payable to the State Board of Equalization for processing fees in the amount of $1,200.00.

6. The proposal is assigned the following distinctive short-term designation:

   “Sweetwater Road Reorganization” to the City of National City

7. The affected territory shall not be re-zoned by the City of National City for a period of no less than two years following the recordation of a Certificate of Completion unless exempting procedures are satisfied under Government Code § 56375(e).

8. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046. All subject landowners have provided written consent to the proposal and no subject has submitted written opposition to a waiver of protest proceedings.


10. County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District are registered-voter districts.

11. City of National City, County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, San Diego County Sanitation District, and South Bay Irrigation District all utilize the regular assessment roll of the County of San Diego.

12. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the City of National City as provided under Government Code § 57328, and will be subject to any previously authorized taxes, benefit assessments, fees, or charges of the City of National City as provided under Government Code Section 57330.

13. The effective date of the proposal shall be the date of recordation of the Certificate of Completion following completion of all terms.

14. 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.

15. All general terms governing annexations and detachments authorized under Government Code Section 57300-57354 apply to this reorganization.

**
PASSED AND ADOPTED by the Commission on 2nd of December 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**

Approve to Form:

________________
Holly Whatley,
Commission Counsel

Attest:

________________
Keene Simonds
Executive Officer
EXHIBIT A-1

Placeholder for Recordation
Map of Affected Territory, as Modified and Annexation to City of National City with Concurrent Detachment from County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, and South Bay Irrigation District
Placeholder for Recordation
Description of Affected Territory, as Modified and Annexation to City of National City with Concurrent Detachment from County Service Area No. 135 - Regional Communications, Lower Sweetwater Fire Protection District, and South Bay Irrigation District
EXHIBIT B-1

Placeholder for Recordation
Map of Affected Territory, as Modified and Detachment from San Diego County Sanitation District
EXHIBIT B-2

Placeholder for Recordation
Description of Affected Territory, as Modified and Detachment from San Diego County Sanitation District
PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: Annex the two single family residential parcels

known as assessor parcels #563-252-23-00 & #563-252-28-00, street addresses 2305 and 2311 Sweetwater Rd., National City, annex to the City of National City.

2. The reason(s) for the proposal are: These two parcels are to be combined with three existing parcels currently within the City of National City to provide the land area for a 5,500 square foot commercial retail development, previously approved by the National City City Council.

Murasaki Enterprises, Inc. & Mr. Roy Murasaki
Proponent's Name (print)

1425 2nd Avenue Office
Chula Vista, CA 91911
Proponent's Address
City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on _____________________________

Date

Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than $250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at [http://www.sandiego-lafco.org] or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes $1,000 or more, or expend $1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes $1,000 or more, or expends $1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.
Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are: from the County of San Diego to the City of National City

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions: to be determined

(d) The reason(s) for the proposal is/are: for the development of the commercial retail project described in paragraph 2 above.

(e) Signers of this petition have signed as (select one): ☑ landowner; ☐ registered voter.

(f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

1. Muraoka Enterprises, Inc. 1425 2nd Avenue, Chula Vista, CA 91911
   Name of chief proponent (print) mailing address

2. Mr. Roy Muraoka 1425 2nd Avenue, Chula Vista, CA 91911
   Name of chief proponent (print) mailing address

3. Name of chief proponent (print) mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) ☑ is ☐ is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) ☑ uninhabited (11 or less registered voters)

(j) If the formation of a new district(s) is included in the proposal:
   1. The principal act under which said district(s) is/are proposed to be formed is/are:
   2. The proposed name(s) of the new district(s) is/are:

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:
   1. The name of the proposed city is:
   2. Provisions are requested for appointment of: ☐ city manager ☐ city clerk ☐ city treasurer

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is:
Part IVb: LANDOWNER PETITION

**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.

<table>
<thead>
<tr>
<th>Name of Signer</th>
<th>Assessor's Parcel Number(s)</th>
<th>Date Signed</th>
<th>Official Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sign</td>
<td>563-252-23-00</td>
<td>10-29-19</td>
<td></td>
</tr>
<tr>
<td>Print</td>
<td>Muraoka Enterprises, Inc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sign</td>
<td>563-252-28-00</td>
<td>10-30-19</td>
<td></td>
</tr>
<tr>
<td>Print</td>
<td>Roy Muraoka</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reorganization—Signatures must comply with the applicable signature requirements for each of the changes proposed (Govt. Code § 56864.1).

District Formation—Signatures as required by the principal act under which the new district is proposed to be formed (Govt. Code § 56860).

Dissolution of a District—For registered voter district: signatures by (a) not less than 10% of the registered voters within the district; or (b) not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.

—For landowner-voter districts: signatures by not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.

—If dissolution is for inactivity, the petition must be signed by three or more registered voters or landowners within the subject district and include statement and recitations as required by Govt. Code 56871 (Govt. Code § 56870).

Consolidation of Districts—For registered voter districts: signatures by not less than 5% of the registered voters within each of the districts.

—For landowner-voter districts: signatures by landowners-voters constituting not less than 5% of the number of landowner-voters owning land within each of the several districts who also own not less than 5% of the assessed value of land within each of the districts (Govt. Code § 56865).

Merger of District with City or Establishment of a Subsidiary District—For a registered voter district: signatures by (a) 5% of the registered voters of the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district.

—For a landowner-voter district: signatures by (a) 5% of the number of landowner-voters within the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district (Govt. Code § 56866).

District Annexation or Detachment—For a registered voter district: signatures by (a) not less than 25% of the number of registered voters within the territory proposed to be annexed or detached; or (b) not less than 25% of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory.

—For a landowner-voter district: signatures by not less than 25% of the number of landowners owning land within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory (Govt. Code § 56864).

Incorporation of a City—Signatures by: (a) not less than 25% of the registered voters residing in the area to be incorporated; or (b) not less than 25% of the number of owners of land within the territory proposed to be incorporated who also own not less than 25% of the assessed value of land within the territory proposed to be incorporated (Govt. Code § 56764).

Disincorporation of a City—Signatures by not less than 25% of the registered voters residing in the city proposed to be disincorporated (Govt. Code § 56766).

Consolidation of Cities—Signatures by not less than 5% of the registered voters of each affected city (Govt. Code § 56766).

Annexation to a City—Signatures by: (a) not less than 5% of the number of registered voters residing within the territory proposed to be annexed; or (b) not less than 5% of the number of owners of land within the territory proposed to be annexed who also own 5% of the assessed value of land within the territory (Govt. Code § 56767).

Detachment from a City—Signatures by: (a) not less than 25% of the number of registered voters residing within the territory proposed to be detached; or (b) not less than 25% of the number of owners of land within the territory proposed to be detached who also own 25% of the assessed value of land within the territory (Govt. Code § 56768).
1. **PROJECT TITLE/PROJECT #:** 2017-13 GPA, ZC, CUP, ANNEX - General Plan Amendment and Zone Change for the rezoning of property at located at 3320, 3330, 3336 Orange Street (City of National City) and 2311 and 2305 Sweetwater Road (County of San Diego), annexation for the properties at 2311 and 2305 Sweetwater Road into the City, in order to construct a 5,500 square-foot commercial strip center, and Conditional Use Permit for a drive-through coffee shop.

2. **LEAD AGENCY:** City of National City Planning Department 1243 National City Boulevard National City, CA 91950
   
   **Contact:** Martin Reeder, AICP – Principal Planner
   **Phone:** (619) 336-4313

3. **PROJECT LOCATION:** North side of Sweetwater Road between Orange Street and Olive Street, National City, CA 91950

4. **PROJECT PROPOONENT:** Muraoka Enterprises, Inc.

5. **ZONING DESIGNATION:** Small Lot Residential (RS-2) – City of National City and pre-zone (RS-2) – County of San Diego properties

6. **PROJECT DESCRIPTION:** The applicant wishes to amend the General Plan land use designation to change the subject property from Low-Medium Density Residential (and pre-zone for the County of San Diego properties) to Major Mixed-Use, and to change the zoning designation from RS-2 (Small Lot Residential) and pre-zone RS-2 to MXD-2 (Major Mixed-Use District) and pre-zone (MXD-2) in order to develop a 5,500 square-foot commercial strip center including a drive-through coffee shop. The coffee shop would be 1,500 square feet in size with the remaining 4,000 square feet being specialty retail. Once the rezoning is in place, the two properties at 2311 and 2305 Sweetwater Road are proposed to be annexed into the City of National City. In addition, the National City Municipal Code requires a Condition Use Permit (CUP) for drive-through businesses. Local Agency Formation Commission (LAFCO) approval will be required for the proposed annexation to the City.

7. **SURROUNDING LAND USES AND SETTING:** The project site is comprised of five separate parcels located at 3320, 3330, and 3336 Orange Street in National City, along with 2311 and 2305 Sweetwater Road, which are located in the County of San Diego. The parcels are contiguous to one
The City properties are zoned Small Lot Residential (RS-2) and the County properties are pre-zoned as RS-2. All of the properties are considered Low-Medium Density Residential on the General Plan Land Use map. The whole project area is approximately 34,000 square feet in size, or roughly 0.8 acres, and is undeveloped, with the exception of 2305 Sweetwater Road, which is developed with a single-family residence. The lots located at 3320 Orange Street and 2311 Sweetwater Road were previously developed with single-family residences since demolished.

8. OTHER AGENCIES WHOSE APPROVAL MAY BE REQUIRED (AND PERMITS NEEDED): San Diego Local Agency Formation Committee (LAFCO), County of San Diego.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a “Potentially Significant Impact” or is “Potentially Significant Unless Mitigated,” as indicated by the checklist on the following pages.

☐ Aesthetics ☐ Agriculture and Forestry Resources ☐ Air Quality
☐ Biological Resources ☐ Cultural Resources ☐ Geology / Soils
☐ Greenhouse Gas Emissions ☐ Hazards & Hazardous Materials ☐ Hydrology / Water Quality
☐ Land Use / Planning ☐ Mineral Resources ☐ Noise
☐ Population / Housing ☐ Public Services ☐ Recreation
☐ Transportation / Traffic ☐ Utilities / Service Systems ☐ Mandatory Findings of Significance

DETERMINATION:
(To be completed by the Lead Agency)
On the basis of this Initial Evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared. ☒

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared. ☐

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required. ☐
I find that the proposed project **MAY** have a significant effect(s) on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or is "potentially significant unless mitigated." An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effect that remains to be addressed.

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Signature]</td>
<td>May 22, 2019</td>
</tr>
</tbody>
</table>

Printed Name: Martin Reeder, AICP  
Title: Principal Planner

**EVALUATION OF ENVIRONMENTAL IMPACTS:**

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to the project. A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards.

2. All answers must take account of the whole action involved. Answers should address off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence than an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less than Significant w/ Mitigation Incorporated" applied where the incorporation of a mitigation measure has reduced an effect from "Potentially Significant Impact" to "Less than Significant Impact". The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level.

5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D).

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). References to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8. This in only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whichever format is selected.

9. The explanation of each issue should identify:
   a) The significance criteria or threshold, if any, used to evaluate each question; and
b) The mitigation measure identified, if any, to reduce the impact to less than significance.

ISSUES with Supporting Documentation & Sources

I – AESTHETICS - Would the project:

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Have a substantial adverse effect on a scenic vista? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>c) Substantially degrade the existing visual character or quality of the site and its surroundings? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>d) Create a new source of substantial light or glare which would adversely affect day or nighttime Views in the area? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

The project site is a flat vacant lot in a disturbed state. One lot is developed with a single-family residence, with two lots having had previous single-family residences since demolished. The pad foundations for the two previous homes are still located on site. The remaining lots have historically been unpaved and used for recreation and personal vehicle parking. The property is surrounded by existing urban development, including single-family residences, a duplex, a six-unit apartment, and a 7-Eleven respectively. Uses beyond the 7-Eleven to the east along Sweetwater Road are also commercial in nature. There are no land uses to the west and south except for mostly landscaped areas around the Interstate 805/State Route 54 interchange, which is higher than the project site. There are no scenic vistas or resources in the area that would be affected by the project. The existing visual character is low due to the existing mixed residential and commercial development uses nearby, as well as the freeway interchange. The design of the development would include compliance with all lighting design standards in the Municipal Code, which will ensure no light or glare impacts on adjacent properties.
### II – AGRICULTURE AND FORESTRY RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation & Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state’s inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? (Sources: 1, 2, 3, 7)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>b) Conflict with existing zoning for agricultural use, or a Williamson Act contract? (Sources: 1, 2, 3, 7)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? (Sources: 1, 2, 3, 7)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>d) Result in the loss of forest land or conversion of forest land to non-forest use? (Sources: 1, 2, 3, 7)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use? (Sources: 1, 2, 3, 7)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
</tbody>
</table>

The City of National City does not contain farmland or agricultural resources, forest land, nor any land zoned for agricultural use. In addition, the properties in the County of San Diego are not designated for farming, agriculture, or forestry. Although the County RU (Residential Urban) zoning designation does allow such uses with the issuance of a Minor Use Permit, no such uses or permits are in place, or Williamson Act contracts entered into, for the two County of San Diego properties. As such, approval of this project will have no impact on such lands or resources.
III – AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan? (Sources: 1, 2, 3) [X]

b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation? (Sources: 1, 2, 3) [X]

c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? (Sources: 1, 2, 3, 4, 7) [X]

d) Expose sensitive receptors to substantial pollutant concentrations? (Sources: 1, 2, 3) [X]

e) Create objectionable odors affecting a substantial number of people? (Sources: 1, 2, 3) [X]

The City does not have any applicable air quality plan or standards that would apply in this case. Air quality is under the purview of the San Diego County Air Pollution Control District. The County of San Diego and National City are in attainment for all California Clean Air Act (CCAA) pollutants with the exception of ozone. Approval of this project will not conflict with or obstruct the implementation of the San Diego County Regional Air Quality Strategy (RAQS) to manage air quality in our region. The existing density in the area would allow up to 13 residential units (including accessory dwelling units), which could be expected to generate 130 average daily trips (ADT). The project, as proposed, would generate approximately 1,390 ADT, 639 of which would be pass-by trips. The project would therefore could be reasonably expected to generate 621 additional ADT. This amount does not trigger any threshold for a focused traffic study or traffic impact analysis. As such, overall, approval of this project will have a less than significant impact on air quality.

IV – BIOLOGICAL RESOURCES

Would the project:

a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? (Sources: 5) [X]

b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or US Fish and Wildlife Service? (Sources: 6) [X]
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? (Sources: 6)  

\[\boxed{X}\]


d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? (Sources: 5)  

\[\boxed{X}\]


e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (Sources: 1)  

\[\boxed{X}\]

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? (Sources: 1)  

\[\boxed{X}\]

The project site is in a previously disturbed state. One lot is developed with a single-family residence, with two lots having had previous single-family residences since demolished. The pad foundations for the two previous homes are still located on site. The remaining lots have historically been unpaved and used for recreation and personal vehicle parking. The site contains no native or non-native vegetation. Also, no jurisdictional wetlands, other sensitive habitat, or sensitive species are located on the property; and data provided by the U.S. Fish & Wildlife Service indicate the proposed project site contains no jurisdictional wetlands or jurisdictional waters of U.S. or state-defined streambeds.

The project site is located completely within an urbanized area, surrounded by development and contains no sensitive habitats or biological resources that are protected by local policies or ordinances. There are also no adopted habitat conservation plans within the City of National City.; therefore, the proposed development would have no impact on biological resources.

**V – CULTURAL RESOURCES**

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant Impact w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5? (Sources: 3)</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
</tr>
<tr>
<td>b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5? (Sources: 3)</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
</tr>
<tr>
<td>c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? (Sources: 3)</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
</tr>
<tr>
<td>d) Disturb any human remains, including those interred outside of formal cemeteries? (Sources: 3)</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
<td>[\boxed{X}]</td>
</tr>
</tbody>
</table>

No historical or archaeological resources as defined in Section 15064.5 are known to exist on the proposed project site. The whole project site is previously developed or otherwise disturbed and no land in its natural state remains.

State and federal law requires that if any cultural resources are found during construction, work is to stop and the lead agency and a qualified archaeologist be consulted to determine the importance of the find and its
appropriate management. In the event of the accidental discovery or recognition of any human remains during construction, the applicant is required take all appropriate steps as required by relevant federal, state, and local laws. Therefore, the proposed project would not result in a significant impact to cultural resources.

VI - GEOLOGY AND SOILS

Would the project:

<table>
<thead>
<tr>
<th>Potential Impact</th>
<th>Less Than Significant Impact w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>ii) Strong seismic ground shaking? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>iii) Seismic-related ground failure, including liquefaction? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>iv) Landslides? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>b) Result in substantial soil erosion or the loss of topsoil? (Sources: 2, 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water? (Sources: 9)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

California Geological Survey information indicates the site is not located within an Alquist-Priolo Special Studies Zone, and there are no known active or potentially active faults that intercept the project site; therefore, the potential for ground rupture at this site is considered low. The nearest active fault to the site is the La Nacion Fault, located approximately a mile to the northeast. Accordingly, the site is not considered to possess a significantly greater seismic risk than that of the surrounding area in general. The site is not within an area susceptible to landslides and not within a fault zone, slide prone area or an area susceptible to liquefaction; therefore there is no impact or increased exposure to landslides due to the proposed project.

It should be recognized that Southern California is an area that is subject to some degree of seismic risk and that it is generally not considered economically feasible nor technologically practical to build structures that are totally resistant to earthquake-related hazards. Construction in accordance with the minimum requirements of the Uniform Building Code should minimize damage due to seismic events. Due to the number and nature of the active and non-active fault lines within the southern California region, it cannot be known when earthquakes will occur; therefore, there is a less than significant impact.
The property is flat in nature and all design and construction will require conformance with City's stormwater ordinance and grading regulations. Therefore, there is no impact or increased substantial erosion due to the proposed project.

The proposed project site would have traditional sewer laterals, which will connect with the existing sewer system that serves the City. There would be no use of septic tanks or alternative waste water disposal systems; therefore, no impact.

VII – GREENHOUSE GAS EMISSIONS

<table>
<thead>
<tr>
<th>Would the project:</th>
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<th>Less Than Significant w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
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<tr>
<td>(Sources: 1, 7, 10, 11)</td>
<td></td>
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<tr>
<td>b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>(Sources: 1, 10, 11)</td>
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</table>

GHG emissions contribute, on a cumulative basis, to the significant adverse environmental impacts of global climate change. No single project could generate enough GHG emissions to noticeably change the global average temperature. The combination of GHG emissions from past, present, and future projects contributes substantially to the phenomenon of global climate change and its associated environmental impacts and as such is addressed only as a cumulative impact. The project’s GHG emissions would occur over the short construction duration, and would consist primarily of emissions from equipment exhaust. There would also be long-term regional emissions associated with project-related new vehicular trips and indirect source emissions, such as energy usage. The existing density in the area would allow up to 13 residential units (including accessory dwelling units), which could be expected to generate 130 average daily trips (ADT). The project, as proposed, would generate approximately 1,390 ADT, 639 of which would be pass-by trips. The project would therefore could be reasonably expected to generate 621 additional ADT. This amount does not trigger any threshold for a focused traffic study or traffic impact analysis. As such, overall, approval of this project will have a less than significant impact on air quality. As such, although the project would contribute to airborne pollutants, this project will have a less than significant impact on air quality.

California has adopted several policies and regulations for the purpose of reducing GHG emissions. On December 11, 2008, CARB adopted the AB 32 Scoping Plan to achieve the goals of AB 32 that establishes an overall framework for the measures that will be adopted to reduce California’s GHG emissions. The proposed project is subject to compliance with AB 32, which is designed to reduce statewide GHG emissions to 1990 levels by 2020.

In addition, in 2012 the City of National City adopted its Climate Action Plan and associated targets to reduce GHG emissions by 15 percent below 2005/2006 levels by 2020, with additional reductions by 2030. Some of the primary provisions of the Climate Action Plan are to promote greater density and infill development, water conservation, energy efficiency, and waste reduction strategies. The proposed project would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of GHG emissions, as contained in the Climate Action Plan. Based on the above, therefore no impact.

VIII – HAZARDS & HAZARDOUS MATERIALS

<table>
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<tr>
<th>Would the project:</th>
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</table>
The proposed project is a 5,500 square-foot commercial strip center located completely within an urbanized area, surrounded by a mix of residential and commercial development near a freeway interchange. No transport, use, or disposal of hazardous materials is expected. A commercial strip center with specialty retail and a drive-through coffee shop will likewise not cause any reasonably foreseeable upset or accident condition involving the release of hazardous materials into the environment.

The project is not expected to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste in general, and is not within one-quarter mile of an existing or proposed school. The site is mostly vacant and has previously been developed. Furthermore, it is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. As a result the project would not create a significant hazard to the public or the environment. Therefore, there would be no impact.

There is no adopted emergency response plan or emergency evacuation plan in the City, although there are local considerations that are included as appendices to the Unified San Diego County Emergency Services Organization approved Annex Q of the Operational Area Emergency Plan. The project does not conflict with any of the considerations or plans in the Area Emergency Plan, thus no conflict.

The site is not on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5; there are no airports or airstrips in the vicinity; the project would not interfere with an adopted emergency response plan or emergency evacuation plan; and the project is not adjacent to any wildlands or land subject to wildland fires; therefore there would not be any significant risk of loss, injury or death involving wildfires. Therefore, there is no impact.
IX – HYDROLOGY / WATER QUALITY

Would the project:

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<th>No Impact</th>
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<tbody>
<tr>
<td>a)</td>
<td>X</td>
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<tr>
<td>b)</td>
<td>X</td>
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<td>c)</td>
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<td>j)</td>
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</tbody>
</table>

The project will be subject to water quality and discharge requirements through the City’s Jurisdictional Runoff Management Plan (JRMP). Design of the project will require compliance with all storm water handling, storage, drainage, and hydromodification regulations. The property is not located within a 100-year flood hazard area or an area influenced by any levee or dam failure, seiche, tsunami, or mudflow; therefore, no impact.

X – LAND USE AND PLANNING

Would the project:

<table>
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<tr>
<th></th>
<th>Potentially Significant Impact</th>
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<th>Less Than Significant Impact</th>
<th>No Impact</th>
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<tbody>
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<td></td>
</tr>
</tbody>
</table>

197
a) Physically divide an established community? (Sources: 1, 2, 3, 8)  

b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? (Sources: 1, 2, 6, 15)  

c) Conflict with any applicable habitat conservation plan or natural community conservation plan? (Sources: 1, 2, 8)

The surrounding area is varied in nature. The two properties adjacent to the north of the project site are low-density in nature. 3255 Olive Street is developed with a single-family residence and 3312 Orange Street is developed with a duplex. Directly opposite the project site, the four properties on the east side of Orange Street are developed with two single-family residences, a six-unit apartment, and a 7-Eleven respectively (from north to south). Uses beyond the 7-Eleven along Sweetwater Road are also commercial in nature. There are no land uses to the west and south except for mostly landscaped areas around the Interstate 805/State Route 54 interchange. Lincoln Acres, located to the north, is an unincorporated community of San Diego County and is zoned as RU or Residential Urban. The area between the project area to the south and La Vista Cemetery to the north is predominantly single-family in nature. There is no connection between the developments and development of the site would not physically impact the existing community due to being at the periphery of the community to the north. Therefore, there would be no impact to established communities.

While the request includes a zone change and general plan amendment, the project would be a commercial use in an area of other commercial uses. The zone change and amendment would allow for a resident and visitor-serving commercial strip center on the perimeter of a residential area near a freeway interchange. Zoning to the east of the property is also commercial (mixed-use) in nature. The use would be allowed (conditionally-allowed in the case of the drive-through business) in the MXD-2 zone and consistent with both the General Plan and the Land Use Code; therefore, there would be no conflict with said plans. The Local Coastal Plan is not applicable to this area.

The proposed project includes approximately 0.22 acres of unincorporated territory located on the North side of Sweetwater Road between Orange Street and Olive Street (2311 and 2305 Sweetwater Road), within the National City sphere of influence. Annexation of the affected territory would involve concurrent detachments from County Service Area No. 135 (Regional Communications) and the Lower Sweetwater Fire Protection District, as the City of National City would assume responsibility for those services following annexation.

The Local Agency Formation Commission (LAFCO) is enumerated with the authority over the establishment of spheres of influence and changes of organization for cities and special districts. As such, LAFCO approval would be required for annexation to the City of National City. With the understanding that National City would be proposing to adopt a Negative Declaration regarding the project’s environmental review, LAFCO would assume the role of responsible agency under CEQA for the associated reorganization with National City.

The two unincorporated properties have a County of San Diego zoning designation of Urban Residential (RU). This designation is applied to areas where adequate levels of public services are available. The existing residential use is a conforming use. The properties are pre-zoned as Small Lot Residential (RS-2) on the City’s Zoning Map. 2305 Sweetwater Road is currently developed with a single-family residence. 2311 Sweetwater Road was previously developed with a single-family residence, but it has since been demolished. The lot remains vacant.

There are no applicable habitat conservation plan or natural community conservation plans in the City or County in this location, therefore no impact.
XI – MINERAL RESOURCES

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significantly Impact</th>
<th>Less Than Significantly Impact w/ Mitigation Incorporation</th>
<th>Less Than Significantly Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (Sources: 1)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? (Sources: 1)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

The project site is located completely within an urbanized area and surrounded by development. The site contains no known mineral resources on the proposed project site or delineated on a local plan for the site; therefore, there is no impact to mineral resources.

XII – NOISE

Would the project result in:

<table>
<thead>
<tr>
<th>Would the project result in:</th>
<th>Potentially Significantly Impact</th>
<th>Less Than Significantly Impact w/ Mitigation Incorporation</th>
<th>Less Than Significantly Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? (Sources: 1, 2, 3)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? (Sources: 1, 2, 3)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? (Sources: 1)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? (Sources: 1, 2, 3)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? (Sources: 1, 2, 3)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? (Sources: 1, 2, 3)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

The proposed project area is in an urbanized area and is a residential use in an area of mixed residential and commercial development. The use is not expected to exceed the ambient noise in this area. Sweetwater Road in this location is a four-lane arterial street with a current ADT of 27,000. In addition, the area is immediately adjacent to the interchange of Interstate 805 and State Route 54. The General Plan Noise Element current noise levels are at least 65 decibels. The drive-through portion of the project would be subject to a Conditional Use Permit (CUP), which would have conditions for noise-attenuating speakers at the ordering window. This type of speaker automatically adjusts its volume to compensate for ambient noise (streets, vehicles, etc.). Therefore, the volume is lower during quieter periods, such as at night. This has been a standard condition on this type of CUP and would be case should an application be processed. Furthermore, the location of the proposed...
order area is on the property line opposite of the nearest residential property. Finally, the project is subject to the limitations contained in the City's Noise Ordinance; therefore, no impacts are expected.

The associated construction on the project site would create temporary noise impacts. Modern construction equipment, properly used and maintained, should not exceed the noise limits contained in the City's Noise Ordinance. All noise generated by the project would be required to comply with the City's Noise Ordinance and be limited to specific hours of operation. No significant impact from the project would occur.

The proposed project site is not located within an airport land use plan or within two miles of a public use airport or private airstrip; therefore, there is no impact to those people working on the project site.

**XIII – POPULATION AND HOUSING**

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant Impact w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?  (Sources: 1, 2, 3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?  (Sources: 1, 2, 3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?  (Sources: 1, 2, 3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

The property is currently developed with one single-family residence, which is unoccupied. While the residence is likely able to be occupied, the demolition of the home would not displace a substantial amount of housing or people. The proposed commercial use would cater equally to visitors and area residents, thus not inducing a substantial population increase. Therefore, there will be no impact.

**XIV – PUBLIC SERVICES**

Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

<table>
<thead>
<tr>
<th>Would the project:</th>
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<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire protection?  (Sources: 1, 3, 15)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Police protection?  (Sources: 1, 3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Schools?  (Sources: 1, 3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
Parks? (Sources: 1, 3) ☐ ☐ ☐ X
Other public facilities? (Sources: 1, 3) ☐ ☐ ☐ X

The proposed project would not result in adverse impacts to public services. The affected territory is within the Lower Sweetwater Fire Protection District (FPD) for fire protection services and a concurrent detachment from the FPD is required with annexation to the City. The Lower Sweetwater FPD contracts with National City for fire protection services, therefore detachment from the FPD will not affect the fire service arrangement to the affected territory. While annexation of the affected territory (2305 and 2311 Sweetwater Road) would involve detachment from the Lower Sweetwater Fire Protection District, the City of National City would assume responsibility for those services following annexation. The project area will be served by the National City Fire and Police Department. The closest Fire Station is approximately a one mile away on Euclid Avenue, and the Police Station at 12th Street and National City Boulevard is three miles away. Typical response time for this area would not be adversely impacted, as plans do not involve changes to public streets adjacent to the site and since plans include retaining emergency access throughout the project area. Also, the development will generate impact fees specifically slated for public services that will supplement any additional requirements brought about by the development; therefore, there is no significant impact. Park and school fees will also be paid as part of the development to offset any increase in need generated by the project, thus no impact.

XV – RECREATION

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? (Sources: 1, 2, 3)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
</tbody>
</table>

Parks and schools would not be impacted, as there are none in the area and no increase in population that would add to school attendance or park use would occur, thus no impact.

XVI – TRANSPORTATION AND TRAFFIC

Would the project:

<table>
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<tr>
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<th>Potentially Significant Impact</th>
<th>Less Than Significant w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? (Sources: 1, 2, 3, 4)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td>b) Conflict with an applicable congestion management program,</td>
<td></td>
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</table>
including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways? (Sources: 1, 2, 3)

c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? (Sources: 1, 2, 3, 7)

d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (Sources: 1, 2, 3, 7)

e) Result in inadequate emergency access? (Sources: 1, 2, 3, 7)

f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities? (Sources: 1, 2, 3, 7)

There are no plans, ordinances, or policies that measure circulation system current effectiveness or performance, thus no impact. There is also no congestion management program that the project would conflict with. Lastly, there are no established air traffic patterns in the area that would be affected by the project; there is no restricted airspace over National City. Therefore there is no impact.

This segment of Sweetwater Road (I-805/Euclid Avenue to Valley Road) currently has an ADT rate 27,000 and a capacity of 40,000 ADT. The segment operates at a current Level of Service (LOS) of C and is expected to operate at an LOS of D in 2030. According to trip generation rates published by the San Diego Association of Governments (SANDAG), a commercial strip of this size with a drive-through component would generate approximately 1,390 ADT, 639 of which would be pass-by trips. The project could therefore be reasonably expected to generate 621 additional ADT. This amount would not normally trigger any threshold for a focused traffic study or traffic impact analysis. The traffic analysis summarized as follows:

Per the applied regional significance thresholds and the analysis methodology presented in this report, the addition of project related traffic to the street system would not result significant direct or cumulative impacts to study area intersections and street segments.

Site access is satisfactory with two driveways, and enhanced by the existing two-way left-turn lane on Sweetwater Road that provides a refuge lane for turning vehicles... no issues with on-site circulation/queuing are expected given the [nine]-position queuing drive-thru lane, and the average customer load anticipated given the proximity to five other Starbucks stores. Based on the above findings, no mitigation measures are required or proposed.

A queuing study was performed for two local area Starbucks locations (24th Street and Hoover Avenue, and “L” Avenue and Plaza Blvd. The maximum queuing, which was during the morning peak hour, was 15 vehicles. The driveway, as proposed, can accommodate approximately 11 vehicles. The design of the drive-through entrance is such that vehicles may only enter westbound from within the parking lot (via the eastern driveway, which is approximately 250 feet from Orange Street). Therefore, there would be room on site to accommodate vehicle queuing, which would ensure no impact to adjacent City streets.

No change in road design is proposed which would cause a safety risk or hinder emergency access. The project would not conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities, as there are no such activities existing or planned in this area, thus no impact.
Would the project:

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? (Sources: 1, 12)

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (Sources: 1, 12)

c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (Sources: 1, 12)

d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? (Sources: 1, 12, 15)

e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments? (Sources: 1, 12)

f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? (Sources: 1, 13, 14)

g) Comply with federal, state, and local statutes and regulations related to solid waste? (Sources: 1, 13, 14)

The proposed project would be designed and constructed using Best Management Practices (BMPs) to appropriately handle wastewater and not exceed wastewater treatment requirements of the San Diego Regional Water Quality Control Board; therefore, there is no impact.

The affected territory is located within the Sweetwater Authority for water service. The Sweetwater Authority is a Joint Powers Authority (JPA) of the City of National City and the South Bay Irrigation District; therefore, annexation to National City will not require a concurrent detachment from the Sweetwater Authority.

As part of their annexation, the properties at 2305 and 2311 Sweetwater Road will not be required to detach from the water district currently serving the area, as both the City of National City and the unincorporated properties in this area are served by the same water service provider (Sweetwater Authority). Thus, annexation from San Diego County to National City will not significantly affect the existing utility networks. Also, all necessary improvements will be included with the project approval and construction will be undertaken in accordance with the National Pollutant Discharge Elimination System (NPDES) regulations; therefore, there would not be a significant effect on existing utility networks.

The proposed project site would be served by EDCO, the local waste collection and recycle company. EDCO has a contract with the City to handle City residents' waste disposal and recycling needs. According to EDCO staff, the company utilizes several landfill sites for the disposal of waste collected in National City, with the most common being Otay Mesa, Sycamore, and Miramar Landfills, with an additional 12, 26 and 9 years of...
capacity remaining respectively; therefore, there is a less than significant impact. There are two other landfill sites in San Diego County – the Ramona landfill, which is full, and Borrego Springs landfill, which has an additional 30 years capacity remaining. In addition, the proposed project would comply with all federal, state, and local statutes and regulations related to solid waste.

**XVIII – MANDATORY FINDINGS of SIGNIFICANCE**

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<tr>
<th>Potential Impact</th>
<th>Less Than Significant w/ Mitigation Incorporation</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
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</table>

Discussion: No significant impacts to the environment as a result of this project have been identified. There is no habitat on site or nearby and there is no established neighborhood that would be affected. The property is changing from a mostly vacant and previously disturbed area, surrounded by a mix of residential and commercial development near a freeway interchange, to a small commercial strip center. Approval of the project is not expected to have any significant impacts, either long-term or short-term, nor will it cause substantial adverse effect on human beings, either directly or indirectly.
REFERENCE SOURCES:

<table>
<thead>
<tr>
<th>Reference #</th>
<th>Document Title</th>
<th>Available for Review at</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>National City General Plan</td>
<td>National City Planning Department 1243 National City Boulevard National City, CA 91950</td>
</tr>
<tr>
<td>2</td>
<td>City of National City Municipal Code</td>
<td>National City Planning Department</td>
</tr>
<tr>
<td>3</td>
<td>Case File 2017-13 GPA, ZC, ANNEX</td>
<td>National City Planning Department</td>
</tr>
<tr>
<td>4</td>
<td>SANDAG trip generation by land use</td>
<td><a href="http://www.sandag.org">www.sandag.org</a></td>
</tr>
<tr>
<td>7</td>
<td>Transportation Impact Analysis for Sweetwater Road Commercial project (Linscott Law &amp; Greenspan engineers)</td>
<td>National City Planning Department</td>
</tr>
<tr>
<td>8</td>
<td>County of San Diego Zoning Ordinance</td>
<td><a href="https://www.sandiegocounty.gov/pds/zoning/index.html">https://www.sandiegocounty.gov/pds/zoning/index.html</a></td>
</tr>
<tr>
<td>10</td>
<td>City of National City Final Climate Action Plan</td>
<td>National City Planning Department</td>
</tr>
<tr>
<td>11</td>
<td>Environmental Protection Agency</td>
<td><a href="https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator">https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator</a></td>
</tr>
<tr>
<td>13</td>
<td>EDCO Disposal website</td>
<td><a href="https://www.edcodisposal.com/corporate/">https://www.edcodisposal.com/corporate/</a></td>
</tr>
<tr>
<td>14</td>
<td>Landfill Management – County of San Diego</td>
<td><a href="https://www.sandiegocounty.gov/content/sdc/dpw/inactvlandfill.html">https://www.sandiegocounty.gov/content/sdc/dpw/inactvlandfill.html</a></td>
</tr>
<tr>
<td>15</td>
<td>Local Agency Formation Commission (LAFCO) response to Legal Notice of Intent and Availability For Environmental Review and Comment, dated May 20, 2019</td>
<td>National City Planning Department</td>
</tr>
</tbody>
</table>
December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: Approval of Independent Audit Expense | Associated with Selection of New Outside Accounting Firm

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approval of an independent audit expense in the amount of $9,950. Approval of the expense is required under Commission policy and associated with the completion of a competitive request for proposal process and selection therein by the Executive Officer for R.J. Ricciardi and Associates to audit LAFCO's financial statements beginning with 2018-2019. The Executive Officer recommends the Commission approve the audit expense.

BACKGROUND

Adopted Policies | Selection of Independent Auditor and Expense Approval

San Diego LAFCO's adopted policies authorize the Executive Officer to engage the services of an outside accounting firm to audit the Commission's financial statements on an annual basis. The Commission separately establishes procurement allowances for the Executive Officer and includes competitive bid procedures for transactions at or above $10,000 and separate Commission approval for transactions at or above $125,000. The procurement policies apply
for all transactions with the exception of requiring Commission approval for any independent audit expense regardless of the amount.

**Adopted Workplan | Selection of New Auditor Beginning with 2018-2019 Fiscal Year**

San Diego LAFCO’s current workplan was adopted at a noticed hearing held on April 3, 2019 and outlines specific project goals for the fiscal year. Two of the projects included in the workplan relate to auditing services. The first related goal involves selecting a new outside auditor through a formal request for proposal (RFP) process given audits dating back to 2008-2009 have been performed by Davis Farr (formerly Mayer, Hoffman, & McCann). The second related goal involves proceeding with an independent audit for 2018-2019.

**DISCUSSION**

This item is for San Diego LAFCO to consider a recommendation from the Executive Officer to approve an independent audit expense for R.J. Ricciardi and Associates to review the Commission’s financial statements for 2018-2019. The expense totals $9,950 and includes the preparation of the audit report, management letter, and all related travel expenses. The item also provides an opportunity for the Commission to review the associated RFP process as summarized in the succeeding section and provide related direction. This includes possible direction to the Executive Officer to request the outside auditor address additional items of interest and/or reissue a new RFP for outside auditing services.

**ANALYSIS**

The recommended expense approval for independent audit services to review San Diego LAFCO’s financial statements in 2018-2019 can be accommodated through the adopted budget and is informed by a competitive RFP process. The process commenced in late June with the preparation of an RFP by the Executive Officer for auditing services beginning with 2018-2019 with one-year options through 2022-2023. The RFP was directly circulated to 15 established accounting firms as well as posted on the LAFCO website. The RFP generated four written responses and were subsequently reviewed for completeness by the Executive Officer. All four responders proceeded to participate in interviews with the Executive Officer and Administrative Assistant Erica Blom in early August and relative to staff considering four distinct criteria factors: (a) completeness of the written proposal; (b) firm qualifications; (c) client references; and (d) costs. All four responders receive relatively high and equal marks with respect to the evaluation of the first three criteria factors (i.e., proposal completeness, qualifications, and references). The fourth criteria – costs – proves to be the primary separator between the responders with a range of $7,125 to $12,000; a difference of more than

---

1 The selection of Mayer, Hoffman, & McCann was made by the Commission in February 2012 following an RFP process overseen by an Audit Committee. The initial agreement with Mayer Hoffman McCann included preparing five fiscal year audits starting with 2008-2009 and extending through 2012-2013. (The Commission did not previously perform annual audits.) The Commission approved extending the agreement in August 2013 for coverage through 2017-2018.

2 The Administrative Assistant position is responsible – and among other tasks – to maintain accounting records and coordinate monthly outside bookkeeping services provided under contract with Leaf and Cole LLP.
two-thirds. The lowest bid – however – also allocates the least number of hours to the audit at 65 with only 11 involving a firm manager. The second lowest bid tallies $9,950 and allocates 89 total hours with 31 involving a firm manager. The second lowest bid is with R.J. Ricciardi and Associates (San Rafael) and has been selected by the Executive Officer to prepare an independent audit in 2018-2019 subject to the Commission approving the expense. Markedly, R.J. Ricciardi and Associates offers San Diego LAFCO the best combination of costs and dedicated staff time – including more management participation – in preparing the outside audit and helping to ensure all appropriate standards are followed and/or appropriately identified. The Executive Officer also draws on prior and positive experience working with R.J. Ricciardi and Associates while employed with Marin LAFCO.\(^3\)

A summary of all four responses with respect to costs and project hours follows with copies of each written proposal provided as attachments for Commissioners only.

<table>
<thead>
<tr>
<th>Name</th>
<th>Cost 2018-19</th>
<th>Cost 2019-20</th>
<th>Cost 2020-21</th>
<th>Cost 2021-22</th>
<th>Cost 2022-23</th>
<th>Mgt. Hours</th>
<th>Total Hours</th>
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<tr>
<td>San Diego Firm</td>
<td>$7,125</td>
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<td>$7,706</td>
<td>$8,015</td>
<td>$8,335</td>
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<td>65</td>
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<tr>
<td>R.J. Ricciardi *</td>
<td>$9,950</td>
<td>$9,950</td>
<td>$9,950</td>
<td>$9,950</td>
<td>$9,950</td>
<td>31</td>
<td>89</td>
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<td>Roseville Firm</td>
<td>$11,500</td>
<td>$11,905</td>
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<td>San Bernardino Firm</td>
<td>$12,000</td>
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<td>$12,800</td>
<td>$13,200</td>
<td>$13,600</td>
<td>n/a</td>
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</tr>
</tbody>
</table>

* Executive Officer selection

Should the Commission proceed with approving the outside audit expense R.J. Ricciardi and Associates are expected to be onsite by the first full week in January 2020.\(^4\) It is also expected a complete draft report will be provided to the Executive Officer for review by February 15\(^{th}\).

**RECOMMENDATION**

It is recommended that San Diego LAFCO approve the independent audit expense with R.J. Ricciardi and Associates in the amount of $9,950 to provide an audit report for 2018-2019. This recommendation is consistent with Alternative One in the proceeding section.

**ALTERNATIVES FOR ACTION**

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

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\(^3\) The Executive Officer was employed with Marin LAFCO between September 2013 and September 2017 and during the latter period R.J. Ricciardi began performing the agency’s outside audit. R.J. Ricciardi and Associates continues to prepare outside audits for Marin as well as several other LAFCOs in the San Francisco Bay Area.

\(^4\) R.J. Ricciardi and Associates were initially scheduled to be onsite at San Diego LAFCO during the first week of December 2019. However, this initial schedule did not account for the need under policy for the Commission to separately approve the audit expense. The Executive Officer identified the need for Commission approval in November and suspended the onsite visit accordingly.
Alternative One (recommended):
Approve the independent audit expense with R.J. Ricciardi and Associates consistent with the selection of the firm by the Executive Officer to prepare an audit for 2018-2019 as provided under policy.

Alternative Two:
Continue consideration to a future meeting and provide direction to staff concerning additional information or related tasks.

PROCEDURES
This item has been placed on the agenda for action as part of San Diego LAFCO’s business calendar. The following procedures are suggested in the consideration of this item:

1) Receive verbal report from staff unless waived; and
2) Discuss item and consider recommendation.

Respectfully,

Keene Simonds
Executive Officer

Attachments:

1) San Diego LAFCO Rule No. 1.8
   - Authorization to Executive Officer to Engage Outside Auditor
2) San Diego LAFCO Rule No. 8.1
   - Commission Approval of Audit Expenses
3) San Diego LAFCO RFP for Auditing Services
4) RFP Reponses (Commission Only)
   – These documents will be provided to Commissioners under separate cover
LAFCO RULES

1.8 EXECUTIVE OFFICER

There is hereby established the position of Executive Officer. The duties of the Executive Officer shall be to:

1. Execute the policies and directives of the Commission;
2. Conduct and perform the day-to-day business of the Commission;
3. Execute payment of claims and expenses, consistent with Commission policy and directives;
4. Prepare and present the annual budget;
5. Prepare the agenda for each meeting of the Commission;
6. Act as custodian of all official books, records, documents, and correspondence of the Commission;
7. Represent the Commission, as directed;
8. Perform such other duties as may be assigned by the Commission;
9. Appoint Commission employee;
10. Administratively approve out-of-agency service agreements, if all conditions of approval have been met in accordance with Government Code Section 56133, and the applicant has satisfactorily demonstrated the existence of public health, safety, or welfare impacts. The Executive Officer is required to inform the Commission at the next available LAFCO meeting about any administratively approved service agreements;
11. Approve his/her own expense claims (e.g., general, travel, or non-travel) up to $500 for any single claim, consistent with Commission budget policy and direction. The Executive Officer is required to submit a summary of all self-approved claims and to the full Commission on a quarterly basis. Beginning in FY 2008-09 and every fiscal year thereafter, the Executive Officer is authorized to engage the services of an outside auditor to review applicable expenditure accounts of the Commission. The estimated cost and scope of the outside audit will be addressed in the Commission’s annual budget; and
12. Approve step adjustments after above-standard employee performance evaluations, consistent with LAFCO budget policy and Commission direction (See also section 6.8).
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LAFCO RULES

8.1 PURCHASING, PROCUREMENT, AND BIDDING PROCEDURES FOR GOODS AND SERVICES

LAFCO Purchasing, Procurement, and Bidding Procedure establishes the Commission’s purchasing, procurement, and bidding procedures. The Commission shall procure goods and services in accordance with the following procedures (except Independent Auditor Services, which must have commission approval at any level):

8.2 REQUISITIONS LESS THAN $1,000

If the estimated value of the purchase of supplies, services or equipment is less than $1,000, the LAFCO purchasing clerk may:

a. Select a vendor, without bid upon receiving approval from the Executive Officer;
b. Complete the purchase transaction;
c. Process the invoice for payment; and
d. After supplies, services or equipment have been received or ordered, submit the invoice to the Executive Officer for approval.

8.3 REQUISITIONS MORE THAN $1,000 AND LESS THAN $10,000

If the estimated value of the purchase of supplies, services or equipment is more than $1,000, but less than $10,000, the LAFCO purchasing clerk shall:

a. Obtain two (2) comparative cost estimates and document the reason for the selected vendor.
b. Prepare and submit a requisition or similar document to the Executive Officer for approval.
c. The Executive Officer will either approve or deny the purchase order to the selected vendor.
d. After supplies, services or equipment have been received, or ordered through online purchasing, submit the invoice or similar document to the Executive Officer for payment.

8.4 REQUISITIONS $10,000 TO $124,999

If the estimated value of the purchase of supplies, services or equipment is $10,000 or more, but less than $125,000, the purchasing clerk shall follow procedures a-h below. If the value of the purchase is greater than $124,999, then the proposed purchase shall be subject to Commission approval:
a. Post a notice inviting bids/proposals on the Commission’s website; advertise in public notice/legal section of 3 local general distribution newspapers, and direct mail to prospective contractors at least ten days before the date of opening of the bids.
b. Solicit bids/proposals by written and telephonic request to prospective vendors.
c. Require bids/proposals to be in writing.
d. Seek at least three bids/proposals.
e. Recommend the responsible vendor with the lowest bid price in conformity with the specifications and/or qualifications as appropriate.
f. Prepare and submit a requisition or similar document to the Executive Officer for review and approval.
g. The Executive Officer will issue a purchase order to the selected vendor.
h. After supplies, services or equipment have been received, submit the invoice to the Executive officer for payment.
i. Where otherwise required by this Chapter, the following procurements, contracts or transactions are exempted from the provisions of this section, at the discretion of the Executive Officer:
   1. Emergency procurements for construction, equipment or repairs;
   2. Goods or services that can be reasonably obtained from a single source;
   3. Sufficient, satisfactory bids are not received;
   4. Items required to match or be compatible with other goods, furnishings, materials or equipment previously purchased by the Commission;
   5. Utility services and related charges;
   6. Goods, services and/or professional services obtained from or through agreement with any governmental, public or quasi-public agency where the agency contracted for goods, services and/or services through a competitive process;
   7. Real property leases or purchases and related title and escrow fees, to the extent permitted by law or Commission authorization;
   8. Insurance and bonds;
   9. Advertising in magazines, newspapers or other media;
   10. Library collection materials or services or other books or periodicals;
   11. Membership dues, conventions, training, travel arrangements including hotels, car rentals and airfare;
   12. Surplus personal property owned by another government, public or quasi-public entity;
   13. Situations where solicitations of bids or proposals for goods, services and/or professional services would be impractical, unavailing, impossible, or not in the best interests of the Commission.
REQUEST FOR PROPOSALS

Audit Services

Issuance Date
Monday, June 17, 2019

Submittal Deadline
Monday, July 15, 2019
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Request for Proposals: Audit Services
Issuance Date of June 17, 2019

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I. Overview

The San Diego County Local Agency Formation Commission (LAFCO) is requesting proposals from qualified accounting firms to audit the agency’s financial statements for the fiscal year ending on June 30, 2019 with four (4) one-year options to extend through June 30, 2023. The audit is to be performed in accordance with generally accepted principles as set forth by the Governmental Auditing Standards Board and issued by the Comptroller General of the United States. This project shall include an (a) individual audit report and (b) separate management letter issuing opinions and identifying any significant findings.

Past auditing services at San Diego LAFCO have been satisfactorily provided by the same accounting firm for the last six fiscal years. The change in accounting firms reflects only the interest of LAFCO to ensure a regular rotation of the outside review of its financial records.

It is the responsibility of each firm to obtain a thorough understanding of San Diego LAFCO’s accounting system, the scope of the audit, and the work to be performed in order to successfully complete the audit prior to submitting their proposal.

II. Agency Description

San Diego LAFCO is a political subdivision of the State of California and delegated regulatory and planning powers in matching municipal services with community needs. This includes managing governmental boundary lines and service areas by approving or disapproving proposals involving the formation, expansion, consolidation, or dissolution of cities, towns, and special districts. San Diego LAFCO also regularly conducts studies to evaluate the level and range of local governmental services in step with informing its regulatory duties. In all, San Diego LAFCO has explicit jurisdiction over 100 local governmental agencies that collectively provide services to approximately 3.5 million residents.

Decision-making at San Diego LAFCO is directly vested with the 13-member Commission. The Commission is divided between eight regular voting members and five alternate voting members. Representation on the Commission is also divided between five distinct appointee categories: (a) three appointees from the County of San Diego; (b) three appointees from the cities/towns less the City of San Diego; (c) two appointees from the City of San Diego; (d) three appointees from the independent special districts; and (e) two appointees from the general public. State law specifies all Commission members shall exercise their independent judgment on behalf of the interests of the public as a whole. The Commission appoints an at-will Executive Officer to manage all agency activities.

San Diego LAFCO’s audited total fund balance as of June 30, 2018 was $1.607 million. Nearly all assets are categorized as current and tied to cash and investments. LAFCO’s financial records are managed directly by staff with assistance – including use of Oracle software – provided by the County of San Diego.
III. Project Scope

The audits are to be performed in accordance with generally accepted principles as set forth by the Governmental Accounting Standards Board (GASB) and issued by the Comptroller General of the United States. This includes addressing GASB 68 (pension) and 75 (other post-employment benefits) requirements. The audit will include a written report consisting of the audited financial statements, notes to the financial statements, and required supplementary information. The audit will also include a management letter addressing the firm’s evaluation of the adequacy of the internal control system. The management letter shall identify whether any material weaknesses have been identified and outline any related recommendations. The audit firm shall also be available to present the report to the Commission at a public meeting if requested by the Executive Officer.1

The auditing firm shall submit a draft of the report no later than December 15th for the fiscal year ending on June 30, 2019. Draft reports for subsequent fiscal years shall be provided no later than October 15th of each year.

San Diego LAFCO staff and its contract bookkeeper will provide normal cooperation and assistance during the audit process. This includes compiling and refilling of supporting documents and reconciliations of major asset and liability balances. LAFCO staff will also be available during the audit process to explain and/or clarify existing management practices. LAFCO will provide the firm with a reasonable workspace as well as access to a telephone, copier, and the internet for all scheduled onsite visits.

IV. Project Budget

San Diego LAFCO has earmarked up to $50,000 for audit work for the next five fiscal years beginning with the fiscal year ending on June 30, 2019. LAFCO encourages interested firms to identify an appropriate scope of work within the budgeted means of the agency while not excluding qualified firms from submitting responses above the referenced threshold if conditions and needs warrant.

V. Proposal Format and Content

All proposals must be accompanied by a cover letter. The cover letter must identify the complete name of the firm and office location submitting the proposal along with its federal identification number. The cover letter must also summarize the proposal in terms of (a) scope of work, (b) schedule and (c) cost. The cover letter must also identify and briefly describe whether there is any potential conflict of interest.

1 San Diego LAFCO currently holds regular meetings on the first Monday of each month at 9:00 a.m. at the County of San Diego’s Administration Center at 1600 Pacific Highway in San Diego.
As for the actual proposal, it should address the content sections presented below in narrative format. Information should be as concise as possible. Any supporting material included with the proposal should be directly related to one of the context sections.

- **Firm Description and Statement of Qualifications**
  Provide a description of the firm, including type of business, years in operation, employee total, and office locations. Include a statement clearly outlining the firm’s qualifications – including certification – to prepare an audit for San Diego LAFCO.

- **Project Team**
  Identify the key staff members that would be assigned to the project and their respective office locations. Briefly describe each member’s responsibility and relevant work experience.

- **Related Work Experience and References**
  Provide a summary of the firm’s previous work experience in preparing audits and familiarity with accounting standards for governmental agencies. Provide no less than three client references for contact by San Diego LAFCO.

- **Scope of Services**
  Propose a scope of services to complete the project based on the firm’s experience and understanding of San Diego LAFCO’s needs.

- **Project Costs and Timeline**
  Identify the total and all-inclusive cost to complete the project both in terms of the immediate task of preparing an audit for the fiscal year ending on June 30, 2019 along with options to extend the term to cover audits for the four subsequent fiscal years.

**VI. Selection Process**

Responses to this Request for Proposal (RFP) must be submitted in writing and received by San Diego LAFCO no later than 5:00 p.m. Pacific standard time (PST) on Monday, July 15, 2019. No changes or adjustments to the deadline shall be made without a written addendum to this RFP signed by the Executive Officer and circulated to all respondents. Proposal submittals by e-mail are encouraged and should be directed to Keene Simonds at keene.simonds@sdcounty.ca.gov.

San Diego LAFCO staff will screen all proposals submitted for completeness relative to the RFP requirements. The highest ranked consultants will be invited to interview in person or by video conferencing at no cost to San Diego LAFCO to discuss the project on the week of July 22, 2019 unless amended by notice of the Executive Officer. Failure to participate in the interview may result in a proposal being found non-responsive and given no further consideration. The evaluation will be based on the following criteria.
VII. Other Information

- **Questions**
  All questions seeking clarification on the RFP must be received in writing no later than 5:00 p.m. PST on Tuesday, July 2, 2019. Responses to submitted questions will be prepared by San Diego LAFCO and sent to all respondents no later than 5:00 p.m. PST on Tuesday, July 9, 2019. All questions should be e-mailed to Keene Simonds at keene.simonds@sdcounty.ca.gov.

- **Contract**
  The selected respondent’s proposal will become part of the negotiated contract. Price quotations and other time dependent information contained in any proposal shall remain firm for a minimum of 90 days from the proposal submission deadline.

- **Property of San Diego LAFCO**
  All proposals received will become the property of San Diego LAFCO and will not be returned. San Diego LAFCO reserves the right to copy the materials for internal evaluation purposes.

- **Collusion Among Respondents**
  In submitting a proposal all respondents certify they are not party to any collusive actions relating to this RFP.

- **Expenses Incurred**
  There is no expressed or implied obligation for San Diego LAFCO to reimburse respondents for any expenses associated with this RFP.

The Executive Officer will award the contract. It is anticipated a negotiated contract will be awarded no later than July 31, 2019. Although cost is a factor, the Executive Officer is under no obligation to award the project to the consultant offering the lowest price. San Diego LAFCO also reserves the right to adjust its timeline as it deems necessary. Notification of adjustments to the timeline shall be provided to all respondents.
• **Withdrawal of Proposal**
  Respondents may withdraw all or portions of their proposal up to the ratification of a contract between San Diego LAFCO and the selected firm.

• **Withdrawal of RFP**
  San Diego LAFCO retains the right to withdraw, modify, or amend this RFP.

**VIII. Contact Information**

All questions and related inquiries to this RFP should be addressed to the following contact:

Mr. Keene Simonds  
9335 Hazard Way, Suite 200  
San Diego, California 92123

T: 858-614-7755  
E: keene.simonds@sdcounty.ca.gov
December 2, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: Chair and Vice Chair Appointments

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will consider making officer appointments and select a Chair and Vice Chair for 2020 as required under adopted policy.

BACKGROUND

Adopted Policies

San Diego LAFCO’s policies direct the Commission to annually select a Chair and Vice Chair ahead of the first meeting of the new calendar year. Terms are one year unless otherwise specified by a vote of the Commission. Recent appointments follow.

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Chairperson</th>
<th>Vice Chairperson</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Bill Horn (County)</td>
<td>Sam Abed (City)</td>
</tr>
<tr>
<td>2016</td>
<td>Bill Horn (County)</td>
<td>Sam Abed (City)</td>
</tr>
<tr>
<td>2017</td>
<td>Sam Abed (City)</td>
<td>Jo MacKenzie (District)</td>
</tr>
<tr>
<td>2018</td>
<td>Jo MacKenzie (District)</td>
<td>Ed Sprague (District)</td>
</tr>
<tr>
<td>2019</td>
<td>Jo MacKenzie (District)</td>
<td>Dianne Jacob (County)</td>
</tr>
</tbody>
</table>
DISCUSSION

This item is for San Diego LAFCO to appoint a Chair and Vice Chair for 2020. The Chair and Vice Chair actively work with the Executive Officer throughout the calendar year and provide feedback on various administrative items and this includes setting meeting agendas. The Chair and Vice Chair also serve on the Executive Officer Compensation Committee and responsible for conducting an annual performance review of the Executive Officer in August.

ANALYSIS

San Diego LAFCO’s policies provide the membership broad discretion in selecting a Chair and Vice Chair each year; there is no formal rotation or otherwise slotting system. However, it has been the Commission's standing practice to either reappoint the Chair and Vice Chair and/or promote the Vice Chair with the latter necessitating a follow up appointment.

RECOMMENDATION

It is recommended San Diego LAFCO consider the merits of proceeding with past practice in selecting a Chair and Vice Chair as described in the preceding section.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

- **Alternative One (recommended)**
  Make appointments to the Chair and Vice Chair positions as appropriate.

- **Alternative Two**
  Continue the item to a future meeting and provide direction to staff with respect to any additional analysis or information requested.

PROCEDURES

This item has been placed on the agenda for action as part of San Diego LAFCO’s business calendar. The following procedures are suggested in the consideration of this item:

1) Receive verbal report from staff unless waived; and
2) Discuss item and consider recommendation.

Respectfully,

Keene Simonds
Executive Officer
December 2, 2019

TO: Commissioner

FROM: Keene Simonds, Executive Officer

SUBJECT: Approval of Meeting Schedule for Calendar Year 2020

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approving a meeting schedule for the upcoming calendar year. It is recommended the Commission approve regular meetings for each month with the exception of February, July, and September. No special meetings are proposed at this time.

BACKGROUND

Scheduling Meetings | Policy and Practice

San Diego LAFCO’s adopted policy specifies the Commission shall hold regular meetings every month on the first Monday unless provided otherwise due to holidays and/or anticipated lack of business. The policy also provides all regular meetings of the Commission be held at 9:00 a.m. in the County of San Diego Administration Center at 1600 Pacific Highway, Room 302 in San Diego. It is also the practice of the Commission to review its upcoming workload each December and formally approve a meeting schedule for the upcoming calendar year. Special meetings are also scheduled either in advance by the
Commission as part of the annual calendar or as needed or through the Chair; examples of the former include holding retreats or topic-specific workshops.

DISCUSSION

This item is for San Diego LAFCO to consider approving a meeting schedule for the upcoming calendar year. This includes considering anticipated workload and needs therein for scheduling regular and/or special meetings over the next 12-month period. Also – and implicitly – this item serves as an opportunity for the Commission to review its policies and practices in conducting meetings (place, time, location, frequency, etc.) and provide related direction to staff for possible actions at a future meeting.

ANALYSIS

San Diego LAFCO’s adopted workplan coupled with current and expected proposal activities suggests it would be appropriate to schedule regular meetings for each except for February, July, and September. Scheduling these three “dark” months in the regular meeting calendar, markedly, follows recent practice and helps provide predictability with respect to keeping the other nine regular meeting dates by reducing the potential for cancelations due to a lack of business. Scheduling dark months also provides staff the opportunity to focus on scheduled municipal service reviews and other workplan projects that are time-intensive. No special meetings are proposed at this time.¹

On a related matter, staff has been informed Room 302 will substantively revert to its prior seating capacity once the remodeling project for the third floor at the County Administration Center is complete. The County anticipates the remodeling will be finished by the end of this calendar year and will facilitate the return of approximately 20 audience seats to Room 302. Accordingly, and in contrast to earlier expectations, the Commission will be able to continue to hold its regular meetings in Room 302 unless the membership prefers otherwise.

RECOMMENDATION

It is recommended San Diego LAFCO schedule regular meetings for each month in 2020 except for February, July, and September. This action is provided as Alternative Action One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

¹ Should the need for a special meeting develop staff will work with the Chair to schedule a time/place.
**Alternative One (recommended):**
Approve regular meetings on the following dates in 2020:

- Monday, January 6\textsuperscript{th}
- Monday, March 2\textsuperscript{nd}
- Monday, April 6\textsuperscript{th}
- Monday, May 4\textsuperscript{th}
- Monday, June 1\textsuperscript{st}
- Monday, August 3\textsuperscript{rd}
- Monday, October 5\textsuperscript{th}
- Monday, November 2\textsuperscript{nd}
- Monday, December 7\textsuperscript{th}

**Alternative Two:**
Continue to the next regular meeting and provide direction to staff as needed.

**PROCEDURES**

This item has been placed on San Diego LAFCO’s agenda as part of the business calendar given interest from Commissioners to discuss the topic in more detail. The following procedures are suggested in the consideration of this item:

1) Receive verbal report from staff unless waived; and
2) Discuss item and consider recommendation.

Respectfully,

\[Signature\]

Keene Simonds
Executive Officer

Attachments: none
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