



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

5f

**AGENDA REPORT**  
 Consent | Information

March 2, 2020

**TO:** Commissioners

**FROM:** Robert Barry, Chief Policy Analyst  
 Linda Heckenkamp, 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 a summary of pending proposal submittals. The item is for information only and concurrently satisfies LAFCO’s reporting requirement to affected agencies for special district annexation proposals that are submitted by landowners or registered voters.

**BACKGROUND**

**Processing Procedures and Timelines**

LAFCO proceedings for consideration of proposed changes of organization or reorganizations – which may 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 to the applicants within 30 days. If additional documentation is required, proposals are deemed incomplete and the status letters will itemize the needed information. Once

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Escondido</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
---	---	---	---	---	--

complete, proposals are scheduled for Commission consideration and placed on the agenda as consent, business, or hearing items based on noticing requirements.<sup>1</sup> 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 the 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.<sup>2</sup>

### Active Proposals & Related Notifications

There are 15 active proposals currently on file with San Diego LAFCO as of date. The active proposals range in scope from pre-Commission (13) to post-Commission (2) 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 January involving a requested annexation to the Vallecitos Water District for the provision of wastewater service and is identified below.

- “Anthony Heights – Lupa Change of Organization” |  
Annexation to the Vallecitos Water District (CO20-01)

The notification of the preceding proposal submittal starts a 60-day period for Vallecitos Water District to transmit a resolution to LAFCO requesting termination of the annexation proceedings. The termination resolution must cite financial or service-related concerns supported by substantial evidence in the record as justification for the request.

### Pending Proposals

There are six substantive proposals anticipated to be submitted to San Diego LAFCO in the next few months based on ongoing discussions with proponents.<sup>3</sup> Three of these pending proposals involve city annexations in North County to accommodate relatively large residential subdivision projects and include Harvest Hills (Escondido), Sager Ranch (Escondido), and Rancho Lomas Verdes (Vista). Proposal submittals are also anticipated by Fallbrook Public Utility District and Rainbow Municipal Water District to detach from the San Diego County Water Authority and annex to Eastern Municipal Water District. A proposal

---

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

submission to form a new County Service Area to assume water service duties for a private for-profit provider in Live Oak Springs (Boulevard) is also expected shortly.

## **ANALYSIS**

San Diego LAFCO remains active in processing over one dozen applicant proposals. Most submitted proposals are on file for less than one calendar year and actively progress through the review process. This includes two recent and substantive proposals involving requested latent powers activation by Fallbrook Public Utility District and various actions associated with the Valiano development proposal. Several proposals on file with the Commission for more than five years are anticipated to be considered abandoned and terminated pending additional contact from the applicant. To this end, and consistent with earlier Chair direction, staff anticipates presenting draft policy language to authorize the Executive Officer to terminate or otherwise abandon proposals non-active for five years. 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 is necessary.

## **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 Heckenkamp

Analyst I

### Attachment:

- 1) Active and Pending Proposals as of March 2, 2020

**Blank for Photocopying**

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
<b>ACTIVE PROPOSALS   PENDING COMMISSION ACTION</b>			
1	DA08-10 “Avocado Way-Potter Annexation” - Vallecitos WD (Annexation)	Robert Barry	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.
2	RO08-09 “South Mollison Ave-Snyder Reorganization” - City of El Cajon (Annexation)	Robert Barry	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.
3	RO08-15 SA08-15 “Crestlake Estates Reorganization” - San Diego County SD (Annexation) - Lakeside FPD (Annexation) - CSA 69 (Annexation)	Robert Barry	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.
4	DA12-02 “Lorch Annexation” - Borrego WD (Annexation)	Robert Barry	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.
5	RO06-17 “Tobacco Road Reorganization” - City of Escondido (Annexation)	Robert Barry	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.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
6	DA16-10 "CSA 17 Harmony Grove Annexation" - CSA 17 (Annexation)	Linda Zambito	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.
7	RO16-11 "Rancho Hills Annexation" - Rancho Santa Fe CSD (Annexation)	Robert Barry	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.
8	Ro19-04 "Ortega – Olde Highway 80 Change of Organization" - San Diego County Sanitation District (Annexation)	Linda Zambito	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.
9	RO19-15 OAS19-15 "Hamilton-Felicita Reorganization" - City of Escondido (Annexation) - CSA No. 135 (Detachment) - Rincon del Diablo MWD (ID"E") (Exclusion)	Linda Zambito	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.
10	SA19-26 RO19-26 OAS19-26 "Valiano - Eden Valley Reorganization" City of Escondido (Sphere Amendment, Contractual Wastewater Service Agreement) San Marcos FPD (Annexation) Rancho Santa Fe FPD (Sphere Amendment, Detachment)	Robert Barry	Proposal submitted in November 2019 by landowner petition and the City of Escondido for reorganization of one unincorporated parcel totaling approximately 10.76 acres involving annexation to the San Marcos Fire Protection District (FPD) and concurrent detachment and sphere exclusion from the Rancho Santa Fe FPD; and, amendments to the spheres of influence for the Cities of Escondido (inclusion) and San Marcos (exclusion) for two noncontiguous unincorporated parcels totaling 82.9 acres and subject to a 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 Escondido sphere. The submitted proposal application is incomplete and pending staff's analysis. On January 27, 2020, the San Diego Superior Court overturned the County development approvals for the project. The proposal processing will be suspended pending appeal or withdrawal by the applicant.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
11	LP(E)19-27 “Fallbrook Public Utility District Latent Power Expansion Park & Rec et,al.”	Robert Barry	Proposal submitted in November 2019 by Board resolution, involves the activation of the Fallbrook PUD’s latent power to exercise park and recreation, street lighting and roads and street functions within its boundaries. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
12	CO19-29 “Orpheus Avenue – Gupta Change of Organization” -Leucadia Wastewater District (Annexation)	Linda Zambito	Proposal submitted in December 2019 by Board resolution, involves the annexation of approximately 0.995 acres within its boundaries for connection to public wastewater service. The submitted proposal application is scheduled for the March 2 <sup>nd</sup> Commission hearing.
13	CO20-01 “Anthony Heights - Lupa Change of Organization” – Vallecitos Water District (Annexation)	Robert Barry	Proposal submitted in February 2020 by landowner petition, involves the annexation of one residential lot totaling approximately 1.35 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.

**ACTIVE | POST COMMISSION ACTION**

14	SA16-20 LP16-20 “CSA 135 Islands Reorganization” - CSA 135 – LP Fire Area (Latent Powers Expansion) - Bonita-Sunnyside FPD (Annexation) - Lakeside FPD (Annexation) - San Miguel FPD (Annexation) - Ramona MWD (Annexation)	Robert Barry	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 annexation to the subject agencies and expansion of CSA No. 135’s latent 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.
15	SA18-07 OAS18-07 “Carmichael Drive – Wyman Service Agreement” - City of La Mesa (Sphere Amendment, OAS)	Robert Barry	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.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
<b>PENDING PROPOSAL SUBMITTALS</b> (No project manager; inquiries should be direct to Robert Barry)			
16	Pending “Harvest Hills Reorganization” - City of Escondido		This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido with submittal to LAFCO anticipated for late 2020. 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. Project was originally titled as “Safari Highlands.”
17	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.
18	Pending “Sager Ranch Reorganization” - City of Escondido		This anticipated reorganization involves annexation of approximate 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.
19	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. On January 27, the San Diego Superior Court overturned the County development approvals for the project.
20	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).
21	Pending Boulevard CSA – County of San Diego		This anticipated reorganization involves the creation of a new County Service Area to take responsibility of a failing private water company located in the unincorporated community of Live Oak Springs in the south eastern portion of San Diego County.