AGENDA REPORT
Public Hearing

May 4, 2020

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Linda Heckenkamp, Analyst I

SUBJECT: Sphere of Influence Updates for the Valley Center Region

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approving sphere of influence updates for three special districts in the Valley Center region. The updates are being presented as part of the Commission’s five-year study requirement to review and – as needed – make changes to spheres in step with designating cities and special districts’ appropriate and near-term service areas. The updates draw on information included in a recently prepared municipal service review and recommends the Commission proceed to affirm all three special districts’ – Valley Center Community Services District, Valley Center Fire Protection District, and Valley Center Municipal Water District – spheres without changes. Two related actions to remove an existing study area and create a new study area involving the Valley Center Municipal Water District are also recommended.

BACKGROUND

Spheres of Influence

LAFCOs establish and maintain spheres of influence for all cities and most special districts to designate the territory it independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the...
spheres of the affected local agencies with limited exceptions. Recent legislation also now requires LAFCOs to review all local agencies’ spheres every five years and update as appropriate and based on information generated as part of a municipal service review.

Informing Document to Sphere Update | Municipal Service Review on Valley Center Region

San Diego LAFCO recently completed a municipal service review on the Valley Center region consistent with the adopted workplan. The municipal service review serves as the Commission’s independent evaluation of the availability, need, and adequacy of public services in the region and specific to the three local agencies under LAFCO oversight: Valley Center Community Services District (CSD); Valley Center Fire Protection Districts (FPD); and Valley Center Municipal Water District (MWD). A final report on the municipal service review was accepted by the Commission at its March 2, 2020 meeting and – among other items – recommended the Commission proceed to affirm the agencies’ spheres without changed.

DISCUSSION

This item is for San Diego LAFCO to consider recommendations to approve updates to the spheres for three special districts under Commission oversight in the Valley Center region. The recommendations are drawn from the recently prepared municipal service review for the Valley Center region and would affirm the existing sphere designations for the three special districts without changes while also taking two related actions on study areas specific to Valley Center MWD. Sphere descriptions and related details follows.

- **Valley Center CSD**
  The sphere was established by San Diego LAFCO in 1986 and last reviewed and updated in 2013. The sphere spans approximately 66.3 square miles covering 42,438 unincorporated acres (parcels and public rights-of-ways) within one contiguous area. The sphere does not include any non-jurisdictional lands. The sphere – however – does exclude 584 jurisdictional acres consisting of seven incorporated parcels that are located within the City of Escondido and represents 1.4% of the District boundary. This incorporated area mostly consists of semi-rural and general commercial uses. There are no existing special study areas. No changes have been identified by staff in reviewing the sphere designation and in consultation with Valley Center CSD representatives at this time. However, and consistent with the earlier municipal service review, revisiting the sphere ahead of the next five-year review may be appropriate should a separately recommended reorganization into a dependent CSA proceed and engender additional considerations.
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- **Valley Center FPD**
  The sphere was established by San Diego LAFCO in 1984 and last reviewed and updated in 2007. The sphere spans approximately 84.6 square miles covering 54,130 unincorporated acres (parcels and public rights-of-ways) within two distinct non-contiguous areas. The sphere does not include any non-jurisdictional lands. The sphere – however – does exclude 4,187 jurisdictional acres consisting of 334 unincorporated parcels that are located within the Escondido sphere of influence and represents 7.7% of the District boundary. Most of the excluded area from the sphere involves the Lake Wolsford and surrounding watershed lands adjacent to the City of Escondido. There are no existing special study areas. No changes have been identified by staff in reviewing the existing sphere designation and in consultation with Valley Center FPD representatives at this time. Changes may be warranted ahead and/or as part of the next scheduled update should – and among other items – a closer and expanded review of first-responder data show Valley Center FPD’s actual service demands merit further alignment with the sphere.

- **Valley Center Municipal Water District**
  The sphere was established by San Diego LAFCO in 1984 and last reviewed and updated in 2014. The sphere spans approximately 100.9 square miles in size covering 64,557 unincorporated acres (parcels and public rights-of-ways) within two contiguous areas. The sphere includes 1,712 non-jurisdictional acres consisting of 62 unincorporated parcels with the majority lying along the southeastern boundary. There are no jurisdictional lands outside the sphere. There is one existing special study area totaling approximately 1,049 acres in size and consists of the now-defunct Gregory Canyon landfill site. No changes have been identified by staff in reviewing the existing sphere designation and in consultation with Valley Center MWD representatives at this time. However, changes to special study areas do appear warranted and involve the following actions:

  - Resolve and eliminate the existing special study area designation for the formerly proposed Gregory Canyon landfill site comprising 21 parcels totaling approximately 1,049 acres. This existing special study area lies immediately outside Valley Center MWD’s sphere and was established in 2004 as part of the proposed Gregory Canyon landfill site. The development is no longer under consideration by the County of San Diego. Eliminating the special study area designation is appropriate.

  - Designate and create a new special study area involving an approximate 384 development site spanning 12 unincorporated parcels. The development site is known as “Meadowood” and was approved by the County of San Diego in 2012. It also presently lies within Valley Center MWD’s sphere and jurisdiction as part of a LAFCO approval in 2014 (No. RO12-11). However, due to physical site constraints, the Meadowood landowners are preparing a new reorganization application proposing detachment from Valley Center MWD and concurrent annexation to Rainbow MWD for water and wastewater services. This proposed reorganization

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1 The smaller area that lies outside of the sphere of influence is approximately 219 acres.
application is pending and the special study area designation is recommended to facilitate the anticipated sphere changes for the affected agencies.

**ANALYSIS**

Proceeding with updates to affirm all three affected special districts’ spheres in the Valley Center region is appropriate and serves to maintain baseline expectations of limited to modest service expansions for the agencies in the next five-year period. The two special study area actions involving Valley Center MWD are also appropriate for reasons detailed. Further, should new information emerge during the next five-year period warranting changes, it would be appropriate for applicants to make requests for individual amendments and allow the Commission to review the merits therein on a case-by-case basis.

**RECOMMENDATION**

It is recommended San Diego LAFCO approve updates to affirm without changes the spheres for the three affected special districts in the Valley Center region while also taking two distinct special study area actions to Valley Center MWD as specified. This recommendation is consistent with Alternative One as outlined in the succeeding section.

**ALTERNATIVES FOR ACTION**

The following alternative actions are available to San Diego LAFCO and can be accomplished through a single-approved motion.

*Alternative One (recommended):*
Adopt the draft resolution provided as Attachment One approving updates to affirm all three affected special districts’ spheres without changes along with taking the following additional actions to Valley Center MWD

  a) Resolve and eliminate an existing special study area involving the Gregory Canyon Landfill site; and

  b) Designate and create a new study area involving the Meadowood site.

*Alternative Two:*
Continue the item and request additional information from staff as needed.
PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO’s agenda for action as part of a noticed public hearing. The following procedures are recommended in the consideration of this item:

1) Receive verbal presentation from staff unless waived.
2) Initial questions or clarifications from the Commission.
3) Open the hearing and invite comments in the following order:
   - representatives from the affected agencies
   - other interested parties and the general public
4) Discuss item and consider the staff recommendation.

On behalf of the Executive Officer,

[Signature]

Linda Heckenkamp
Analyst I

Attachment:

1) Draft Resolution Approving Updates to Affirm Existing Spheres
   - Map of Valley Center Community Services District Shown as Exhibit B
   - Map of Valley Center Fire Protection District as Shown as Exhibit C
   - Map of Valley Center Municipal Water District Shown as District D
RESOLUTION NO.

RESOLUTION OF THE
SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS

SPHERE OF INFLUENCE UPDATES FOR THE VALLEY CENTER REGION

WHEREAS, the San Diego County Local Agency Formation Commission, hereinafter referred to as the “Commission”, is a political subdivision of the State of California with regulatory and planning responsibilities to facilitate orderly growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission is responsible under Government Code Section 56425 to establish spheres of influence for all local agencies under Commission oversight with the added statutory directive that all jurisdictional changes must be consistent with the affected agencies’ spheres with limited exceptions; and

WHEREAS, the Commission is also responsible under Government Code Section 56425 to review and update all local agencies’ spheres of influence every five years as necessary; and

WHEREAS, the Commission completed a municipal service review on public services within an unincorporated area in east San Diego County known as “Valley Center” consistent with statute and includes the Valley Center Community Services District, Valley Center Fire Protection District and the Valley Center Municipal Water District, hereafter referred as the “affected agencies”; and

WHEREAS, the municipal service review on the Valley Center region serves as the informing document for the Commission to proceed with sphere of influence updates for the affected agencies; and

WHEREAS, the Executive Officer’s written report and recommendations on sphere of influence updates for the affected agencies in the Valley Center region was presented to the Commission in a manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting concerning the sphere of influence updates in the Valley Center region on March 2\textsuperscript{nd}, 2020;

WHEREAS, as part of the sphere of influence update process, the Commission is required pursuant to Government Code Section 56425(e) to make a statement of written determinations with regards to certain factors.

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby finds, determines, and orders the following:
1. The Commission determines the sphere of influence updates for the affected agencies in the Valley Center region represent a project under the California Environmental Quality Act, but exempt from further review under the “general rule” provided under State Guidelines 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres of influence are planning policies and any amendments or updates do not make any changes to the environment or authorize any new uses or services.

2. The Commission has considered the Executive Officer’s written report on the sphere of influence updates and recommendations therein for the affected agencies.

3. The Commission makes the statements set forth in Exhibit “A” in determining the spheres of influence for the affected agencies.

4. The Commission APPROVES updates for the affected agencies to affirm with no changes the existing sphere of influence designations and two Special Study Area designation changes for Valley Center Municipal Water District.

   a) The updated sphere of influence for Valley Center Community Services District is affirmed as shown as Exhibit “B”.

   b) The updated sphere of influence for Valley Center Fire Protection District is affirmed as shown as Exhibit “C”.

   c) The updated sphere of influence for Valley Center Municipal Water District is affirmed as shown as Exhibit “D”.

   d) The Gregory Canyon Landfill Special Study Area designation for the Valley Center Municipal Water District is removed as shown as Exhibit “D”.

   e) The Meadowood Special Study Area designation is established for the Valley Center Municipal Water District as shown as Exhibit “D”.

PASSED AND ADOPTED by the Commission on May 4th, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

ATTEST:

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TAMARON LUCKETT
Executive Assistant
EXHIBIT A

SPHERE OF INFLUENCE UPDATES FOR THE VALLEY CENTER REGION

STATEMENT OF DETERMINATIONS
GOVERNMENT CODE SECTION 56425

1. With respect to present and planned land uses in the area as required under Section 56425(e)(1), the Commission independently determines the following.

   a) The areas within the proposed sphere of influence updates are entirely unincorporated and under the land use authority of the County of San Diego. Most of the subject lands have been developed consistent with County land use policy for low-density single-family residential. Remaining land uses in the area are limited and range from commercial to agricultural and open space. Overall there are an estimated 29,603 fulltime residents.

2. With respect to present and probable need for public facilities and services in the area as required under Section 56425(e)(2), the Commission independently determines the following.

   a) The areas within the proposed sphere of influence updates reflect the appropriate current and near-term jurisdictional boundaries as well as service areas of the affected agencies as determined by the Commission.

   b) The existing Special Study Area designation for the Gregory Canyon Landfill project area adjacent to Valley Center Municipal Water District should be removed as the project has been abandoned and the local conditions and circumstances of concern have been resolved.

   c) A Special Study Area designation for the Meadowood project area within the Valley Center Municipal Water District should be established in anticipation of a proposed reorganization with Rainbow Municipal Water District.

3. With respect to present capacity of public facilities and adequacy of public services the agencies’ provide or are authorized to provide as required under Section 56425(e)(3), the Commission independently determines the following.

   a) A comprehensive evaluation of public services and adequacy therein for the areas has been separately prepared by the Commission as part of a municipal service review. The Commission relies on the municipal service review in making all related sphere of influence determinations for the affected agencies.

4. With respect to the existence of any relevant social or economic community of interest in the area as required under Section 56425(e)(4), the Commission independently determines the following.

   a) The areas with the proposed sphere of influence updates have established social and economic interdependencies with the affected agencies through existing or – in limited instances – expected provision of municipal services. These existing interdependencies have been memorialized by the Commission in past actions to include the lands in the spheres of influence of the affected agencies.
5. With respect to the present and probable need for public water, sewer, and fire protection services of any disadvantaged unincorporated communities within or adjacent to the sphere as required under Section 56425(e)(5), the Commission independently determines the following.

   a) There are no areas within the proposed sphere of influence updates that qualify as disadvantaged unincorporated communities under State and local policy.
EXHIBIT B

SPHERE OF INFLUENCE UPDATES FOR THE VALLEY CENTER REGION
VALLEY CENTER COMMUNITY SERVICES DISTRICT

SOI Adopted: 6/2/1986
SOI Updated: 11/7/2005
SOI Affirmed: 8/6/2007
SOI Affirmed: 8/5/2013
SOI = Sphere of influence
EXHIBIT C

SPHERE OF INFLUENCE UPDATES FOR THE VALLEY CENTER REGION
VALLEY CENTER FIRE PROTECTION DISTRICT
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EXHIBIT D

SPHERE OF INFLUENCE UPDATES FOR THE VALLEY CENTER REGION
VALLEY CENTER MUNICIPAL WATER DISTRICT

Valley Center MWD

Proposed Meadowood Special Study Area
Gregory Canyon Landfill Special Study Area
Sphere of Influence

SOI Adopted: 12 / 3 / 1984
SOI Updated: 9 / 8 / 2003
SOI Affirmed: 8 / 6 / 2007
SOI Amended/Affirmed: 4 / 7 / 2014

SOI = Sphere of Influence
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