



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

7b

AGENDA REPORT
 Business | Action

June 2, 2025

TO: Chair Whitburn and Commissioners

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

**SUBJECT: Proposed “Moody – Lemon Avenue Out-of-Agency Wastewater Services” |
 City of La Mesa (OAS26-05)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a request from the City of La Mesa to extend out-of-agency wastewater service to an approximately 0.3-acre unincorporated parcel located within the Valle de Oro community. The affected territory consists of one undeveloped legal parcel with no assigned situs address and is immediately adjacent to both the City’s incorporated boundary and its sphere of influence. The request is intended to facilitate the provision of public wastewater service to support the planned development of one single-family residence and one accessory dwelling unit as allowed under County of San Diego zoning regulations. Approval of the request requires the Commission to make two separate policy determinations: the proposed out-of-agency service extension is preferable to annexation given local conditions, and the extension reasonably addresses an impending threat to public health and safety. Staff believes both findings are substantiated and recommends approval of the request. Staff further recommends that the Commission find the project categorically exempt from environmental review under State CEQA Guidelines Section 15319(b).

Administration Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619.321.3380 E lafco@sdcountry.ca.gov www.sdlafco.org	Joel Anderson County of San Diego Jim Desmond County of San Diego Vacant, Alt. County of San Diego	Kristi Becker City of Solana Beach Dane White City of Escondido John McCann Alt. City of Chula Vista	Chair Stephen Whitburn City of San Diego Marni von Wilpert, Alt. City of San Diego	Vice Chair Barry Willis Alpine Fire Protection Jo MacKenzie Vista Irrigation David Drake, Alt. Rincon del Diablo	Vacant General Public Brigitte Browning, Alt. General Public
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BACKGROUND

Out-of-Agency Services Statute and Local Implementing Policies

Government Code Section 56133 prohibits cities or special districts from providing new or extended services by contracts outside of their jurisdictional boundaries without prior LAFCO review and approval less certain and limited exemptions. In addition, cities or districts may only provide services by contract outside of their boundaries and within their spheres of influence in anticipation of later annexations. If the affected territory lies outside the subject agencies’ spheres, outside-of-agency services may only be extended in response to documented threats to public health and/or safety as determined by LAFCO.

In May 2024, San Diego LAFCO approved a policy to formalize rules and related procedures in receiving, evaluating, and acting on local agencies’ requests to provide new or extended out-of-agency services other than fire protection. Materially, the policy specifies LAFCO will consider out-of-agency service requests whenever otherwise merited new or extended services cannot be reasonably accommodated through annexations or other jurisdictional changes. The policy also authorizes the Executive Officer to proceed on their own to approve out-of-agency services in response to documented health, safety, or welfare impacts. Otherwise, all out-of-agency approvals require formal Commission action.

Applicant Request

San Diego LAFCO received a request from the City of La Mesa in February 2025 – on behalf of interested landowners (Dennis and Sarah Moody) – for approval to provide new wastewater services by contract to a 0.3-acre undeveloped parcel located outside its jurisdictional boundary. The affected territory lies along Lemon Avenue within the unincorporated community of Valle de Oro. The parcel is identified by the County of San Diego Assessor’s Office as 495-151-55 with no assigned situs address. The request is premised on supporting the planned construction of one single-family residence and an accompanying accessory dwelling unit.

A map showing the affected territory is provided as Attachment One.

DISCUSSION

This item is presented for San Diego LAFCO to consider approving the City of La Mesa’s request under Government Code Section 56133 to provide new out-of-agency wastewater services (collection, treatment, and disposal classes) to the affected territory. The Commission retains discretion to approve the request with or without conditions, provided such conditions do not directly regulate land use, property development, or subdivision standards. Although the request could be administratively approved by the Executive Officer, staff believes the first two of the four required policy determinations - outlined in the following section - are most appropriately considered and acted upon by the full Commission.

Additional discussion on proposal purpose, land use policies, and Commission focus follows.

Proposal Purpose

The purpose of the request is to establish out-of-agency wastewater service from the City of La Mesa to the affected territory in support of the landowner’s planned construction of one single-family residence and one accessory dwelling unit.

Current and Planned Land Uses

The affected territory consists of a single undeveloped parcel located in unincorporated Valle de Oro. The County of San Diego designates the parcel as Semi-Rural Residential (SR-0.5), with a corresponding zoning designation that establishes a minimum lot size of 0.5 acres. While this zoning precludes further subdivision of the parcel, it permits the development of one single-family residence and one accessory dwelling unit. The City of La Mesa has not pre-zoned this parcel given it lies outside of their sphere of influence.

Commission Focus

Staff has identified four central and sequential policy considerations for San Diego LAFCO in evaluating the merits of the City of La Mesa’s request to provide new out-of-agency wastewater services to the affected territory:

1. Comparative Merits of Out-of-Agency Service vs. Annexation
Whether extending service outside City of La Mesa’s boundary is preferable to annexation under the current circumstances.
2. Public Health and Safety Considerations
Whether the proposed extension reasonably addresses an existing or impending threat to public health and safety under statute and local policy.
3. Availability and Adequacy of Service
Whether the City of La Mesa has the capacity and infrastructure to provide adequate and reliable wastewater service.
4. Appropriateness of Discretionary Terms
Whether any discretionary conditions should be included as part of the Commission’s approval.

ANALYSIS

The following analysis addresses the four policy considerations outlined in the preceding section that are most relevant to San Diego LAFCO’s evaluation of the City of La Mesa’s request to provide out-of-agency wastewater services to the affected territory.

Comparative Merits of Out-of-Agency Service vs. Annexation

Annexation remains the preferred method under LAFCO law and local policy for formalizing the relationship between territory and municipal service provision, unless local conditions indicate otherwise. In this case, staff believes local conditions support an out-of-agency service extension as the most effective and appropriate means of providing wastewater service to the affected territory. Annexation - along with the necessary sphere of influence amendment - would result in the creation of an island or otherwise irregular boundary, which would not constitute an orderly or logical expansion of La Mesa’s jurisdiction. These potential outcomes are among the specific factors the Commission is directed to consider under LAFCO statute when evaluating proposals for jurisdictional change.¹

Public Health and Safety Considerations

The approval is premised on abating an impending threat to public health and safety, with the City of La Mesa attesting the wastewater extension serves the best interests of the public health, safety, and welfare of the subject property and surrounding private properties. This determination is supported by the impracticality of constructing an on-site wastewater treatment system due to the parcel’s limited size, the proximity of an existing City-owned sewer main in Lemon Avenue, and alignment with applicable City policies.² Further, this approval is in alignment with Commission practice to proactively address potential welfare impacts on communities in step with facilitating otherwise planned and responsive housing.

Availability and Adequacy of Service

The affected territory consists of a single undeveloped legal parcel totaling approximately 0.3 acres located within the unincorporated community of Valle de Oro. The City of La Mesa is requesting approval to extend new wastewater service to the parcel by contract in support of the planned construction of two dwelling units - a single-family residence and an accessory dwelling unit. Staff has verified that wastewater service is readily available to the affected territory via an existing sewer main located along Lemon Avenue, which can be accessed through the construction of a private lateral connection. The projected average daily wastewater demand following development is approximately 480 gallons per day. This demand can be readily accommodated by City of La Mesa’s wastewater system by representing only 0.145% of the system’s existing available capacity and posing no adverse impact to service levels or infrastructure performance.³

¹ Reference to Government Code Section 56668.(f)The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

² As a condition of La Mesa’s approval, the property owner must obtain an encroachment permit for the construction of a private sewer lateral within Lemon Avenue, a public street owned by the City of La Mesa. Issuance of the permit is contingent upon proof of a valid County of San Diego building permit for the residence and approvals for the ADU.

³ One single-family residence and one accessory dwelling unit generate an approximate 480 gallons per day (gpd) and divided by 240 gpd per unit. The City of La Mesa’s capacity is 5.03 million gallons per day (MGD) and its average daily flow is 4.7 MGD.

Appropriateness of Discretionary Terms

The application of standard approval terms appears sufficient in this case. This includes requiring the applicant to pay any outstanding fees necessary to complete the approval as provided under the San Diego LAFCO fee schedule. Conversely, consistent with established practice, consideration has been given to include a condition requiring the landowner to file an annexation proposal with LAFCO for future processing. However, staff believes it is appropriate to proceed without this otherwise common term given local conditions and the impracticality of timing a future annexation in light of the preceding factors.⁴

RECOMMENDATION

It is recommended San Diego LAFCO conditionally approve the requested out-of-agency wastewater service authorization allowing the City of La Mesa to provide new service to the affected territory to accommodate the construction of a single-family residence and accessory dwelling unit. This recommendation is consistent with Alternative One below.

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):

- (a) Approve the requested out-of-agency wastewater service authorization between the City of La Mesa and landowner of the affected territory as detailed and subject to the scope and terms provided in the preceding sections.
- (b) Authorize the Executive Officer to file a Notice of Exemption consistent with finding the request qualifies as a “project” under the California Environmental Quality Act (CEQA) but exempt from further review under State CEQA Guidelines Section 15319(b) given the approval will not accommodate no more than two dwelling units.

Alternative Two:

Continue item to a future meeting.

Alternative Three:

Disapprove the request.

⁴ La Mesa has conditioned approval of the outside-of-agency service agreement on the execution of an Irrevocable Offer of Annexation, which precludes the landowner from objecting to annexation in the future.

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.
- 2) Invite any interested parties to testify.
- 2) Discuss item and consider recommendation.

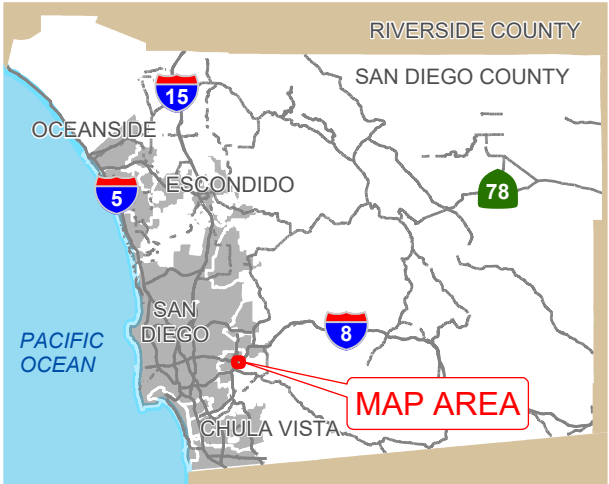
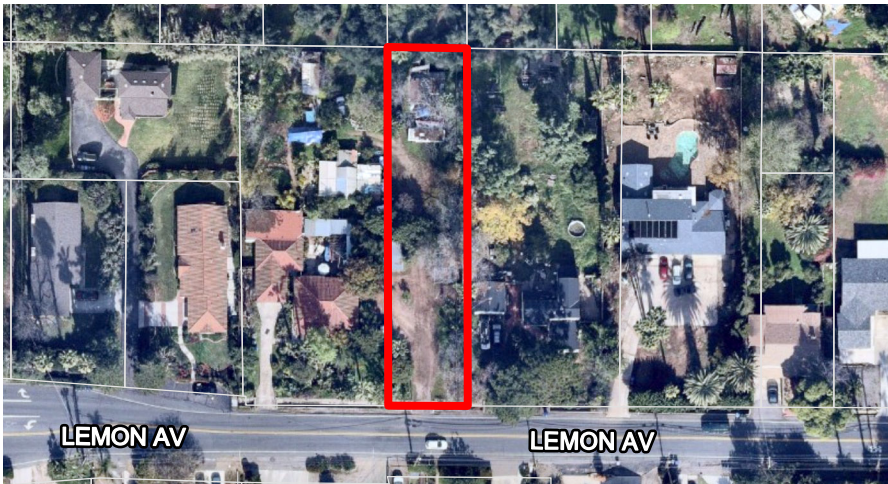
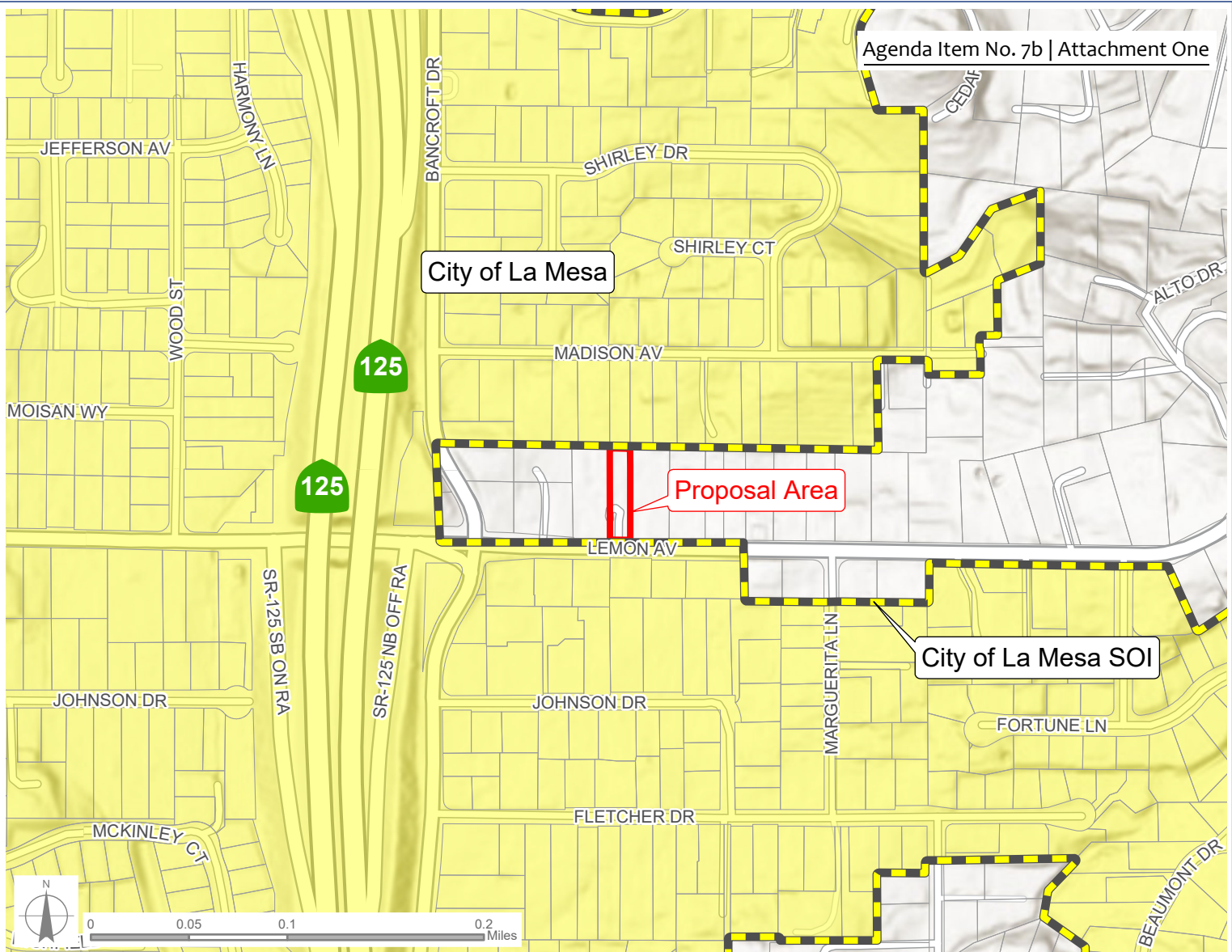
On behalf of the Executive Officer,






Michaela Peters
Analyst II

Attachments:

- 1) Map of the Affected Territory
- 2) Related Requested Documents



OAS25-06 "MOODY - LEMON AVENUE OUT-OF-AGENCY WASTEWATER SERVICES" | CITY OF LA MESA

-  City of La Mesa SOI
 -  Proposal Area
 -  City of La Mesa
- SOI = Sphere of Influence



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Local Agency Formation Commission
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Created by Dieu Ngu -- 4/23/2025

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CONTRACTUAL SERVICE AGREEMENT APPLICATION FORM

In addition to the materials required for any change(s) of organization, submit the following items:

1. One copy of either an approved Resolution of the City Council/District Board of Directors or a letter from the City Manager/District General Manager requesting approval for a contractual service agreement.
2. One copy of the contract or agreement stipulating the terms and conditions of extending service to the property signed by the property owner(s) and the agency that is to provide the service.
3. LAFCO processing fee. Contact the LAFCO office or refer to fee schedule.

Print/Type Name: _____

Property Address: _____

Phone #: _____ Date: _____

This application is used by LAFCO staff to provide supplemental information for contractual service agreement requests.

1. What type or types of public service(s) will be provided? _____
2. Why is the service needed? If the service agreement is in response to an emergency health and safety situation, such as a failed septic system, provide information documenting the circumstances (e.g., letter from the County Department of Environmental Health).
3. If a jurisdictional change, such as annexation, is not possible at this time, explain the circumstances that prevent annexation and when the jurisdictional change is anticipated. _____
4. Are there any jurisdictional issues associated with the YES NO proposed contractual service agreement?
(If yes, please complete the LAFCO [Policy L-107 form](#))

San Diego Local Agency Formation Commission
2550 Fifth Ave., Suite 725
San Diego, CA 92103
(619) 321-3380



February 4, 2025

San Diego County LAFCO
Attn: Keene Simonds
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

Re: Out of Area Service Agreement Request
Parcel between 9160 and 9210 Lemon Avenue
APN 495-151-55-00

Dear Mr. Simonds:

The City of La Mesa, at the behest of property owners Dennis and Sarah Moody, is requesting approval from San Diego LAFCO to provide wastewater services to a vacant parcel between 9160 and 9210 Lemon Avenue (APN 495-151-55-00), which is outside of the City of La Mesa municipal boundary. The property is not located within the City's Sphere of Influence.

City of La Mesa public sewer infrastructure is available in the adjacent public right-of-way and has adequate capacity to provide service to the property. Extension of sanitary sewer service outside of the City limits to allow for the construction of a residence with an accessory dwelling unit (ADU) has been determined by the City Engineer to be consistent with City Council Resolutions No. 15521 and No. 2024-131. An Out-of-Area Agreement for Sanitary Sewer Service will be recorded in the Office of the County Recorder.

I appreciate your consideration in this manner. Please reach out to the Director of Community Development, Lynnette Santos, at 619-667-1187 or lsantos@cityoflamesa.us with any questions.

Sincerely,

Greg Humora
City Manager

cc: File

RECORDING REQUESTED BY:
La Mesa City Clerk
FEE EXEMPT PER
GOVERNMENT CODE SECTION 27383

WHEN RECORDED, RETURN TO:

Megan Wiegelman, City Clerk
City of La Mesa
P. O. Box 937
La Mesa, CA 91944-0937

(Space Above for Recorder's Use Only)

AGREEMENT FOR SANITARY SEWER SERVICE
(Unaddressed lot on Lemon Ave, APN: 495-151-55-00)

THIS AGREEMENT, made and entered into this _____ day of _____, 2025 by and between the **City of La Mesa, a Municipal Corporation**, hereinafter referred to as the "City", and **Dennis Moody and Sarah Moody** hereinafter referred to as the "Owners",

WITNESSETH:

WHEREAS, the City Council adopted Resolution No. 15521 on June 23, 1987, adopting a policy for extension of sanitary sewer to serve residents outside the City limits;

WHEREAS, the City Council adopted Resolution No. 2024-131 on October 22, 2024, updating the policy for extension of sanitary sewer to serve residents outside the City limits;

WHEREAS, the 2012 General Plan Policy LU-7.1.3 is to work with the Local Agency Formation Commission (LAFCO) when residents outside the City request annexation or connection to City sanitary facilities;

WHEREAS, the owners desires to utilize the wastewater transportation and treatment facilities of the City for property located outside the City limits;

WHEREAS, the City Engineer has determined that sanitary sewer service for the subject property is necessary to protect the health and safety of the areas residents; and

WHEREAS, the City has and is operating a sanitary sewer system so situated and of sufficient capacity to transport and treat the wastewater from the owner's property.

NOW, THEREFORE, for and in consideration of the promises herein and for further good and valuable consideration hereinafter set forth, IT IS MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

SECTION 1. The property of the owners proposed to be connected to the City's sanitary sewer system, at a point approved by the City Engineer, shall be that area in a territory located within the City limits and shown in **Attachment A**.

SECTION 2. The owners may discharge wastewater into the City's sanitary sewer system, from the property described in Section 1 hereof, upon condition, however, that no waste oil, acid and other matter that may be detrimental to the treatment process employed in the City sanitary sewer system, nor any storm or ground waters, shall be permitted to be discharged into said connecting line, or lines, If any permitted discharge through said sewer system is contrary to limitations provided in this paragraph, the City may make such repair, mitigation or maintenance work at the expense of the owners and the owners agrees to pay the expense of such repair, mitigation or maintenance work. Further, the Owner shall comply with all codes, ordinance or policies relating to sanitary sewer service within the City of La Mesa.

SECTION 3. The owners shall prepare plans and specifications for the development of the lot and/or lots for which the sewer system extension is required, specifically the construction of a new single family residence with an accessory dwelling unit. These plans and specifications shall be reviewed and approved by the City Engineer prior to the review of plans and specifications for the extension of the sewer. Plan review by the City Engineer shall be in accordance with current fee schedules and established procedures. This agreement is predicated on the development of the property.

SECTION 4. If a public sanitary sewer main is required to be installed, then the owners shall prepare plans and specifications for installation of a public sanitary sewer collection system, which shall meet the City's Design Criteria and shall be approved by the City Engineer. The owners shall install public sanitary sewer main lines in the public streets or in an approved easement granted to the City, from the owner's property to the existing public sanitary sewer system. Private sanitary sewer main and/or service laterals when installed shall be by the property owners. The applicant/owners shall be responsible to acquire private sewer easements if required. In addition, charges shall be paid by owner as follows: (***per current fee schedule established by the City Council**).

*A. A review fee payable to City at Planning Department.

*B. A plan check fee based on approved Engineer's estimate for reviewing plans for sanitary sewer collection system.

*C. An inspection fee based on approved Engineer's estimate of construction cost for inspecting construction of the public sanitary sewer collection system.

*D. A lump sum payment to the City, representing a sewer capacity charge to connect the City's existing facilities, and a lump sum payment representing the City's current connection fee based on equivalent dwelling units shall be paid.

*E. A yearly or monthly service charge to reimburse the City for treatment cost and maintenance of the sewer main collector system serving the property. Said service charge shall be as established by ordinance or resolution.

*F. Any sewer connection fees or reimbursement fees established by City to recover the cost of extending the public sanitary sewer system.

SECTION 5. The owners shall dedicate the newly constructed public sanitary sewer facilities determined by the City Engineer to be public facilities to the City in exchange for valuable consideration and the permission to connect to the City's sanitary sewer system.

SECTION 6. The City shall not be responsible or liable in any way for acts of God or any other act, or acts, beyond the control of the City which may in any way cause interruption or discontinuance of the sanitary sewer service provided for hereunder.

SECTION 7. The owners specifically agrees that all maintenance on the private sewer lateral and private sewer mains from owner's premises to the public sewer main shall be Owner's responsibility.

SECTION 8. This agreement shall be terminated and the City shall disconnect service, upon the owner's breach of or failure to perform in terms of this agreement.

SECTION 9. The owners further agrees that in the event that an annexation proceeding be initiated, which includes the property described in Section 1 of this agreement, the owners will not object to inclusion in an annexation, and will be considered to be in favor of said annexation.

SECTION 10. The owners further agrees that no new construction, development, or subdivision of property affected by this agreement aside from what is described in Section 3 shall be served by sanitary sewer extended under terms of this agreement. Per Resolution 2024-131, an ADU as authorized pursuant to local and state law shall not be considered new development.

SECTION 11. This agreement shall be binding upon any successors, heirs, or assigns of the owners.

SECTION 12. The parties agree that this Agreement for Sanitary Sewer Service shall be recorded in the office of the County Recorder of San Diego County and that the provisions contained herein relative to the real property described in **Section 1** shall operate as covenants and restrictions thereof.

SECTION 13. This agreement shall be null and void and any lien or cloud on title shall be released upon annexation of subject property to the City of La Mesa, notice of which shall be recorded.

IN WITNESS WHEREOF, the parties hereto have hereunto executed this agreement the day and year first above written.

Dennis Moody Date

Sarah Moody Date

CITY OF LA MESA, a Municipal Corporation

BY _____
Mark Arapostathis, Mayor Date

BY _____
Megan Wiegelman, City Clerk Date

Attachments:
Attachment A – Parcel Map
Attachment B – City Engineer Special Permit

E:\0400 AgrmtsCntrts\90 Sewer Service Agreements\SWR Svc. - Lemon Ave - Moody.doc

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On _____, 2025, before me, Megan Wiegelman, City Clerk, personally appeared Mark Arapostathis, Mayor, City of La Mesa, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

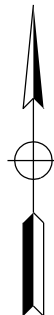
WITNESS my hand and official seal.

Megan Wiegelman, CMC
City Clerk of the City of La Mesa

(SEAL)

COUNTY OF SAN DIEGO

APN: 495-151-55-00



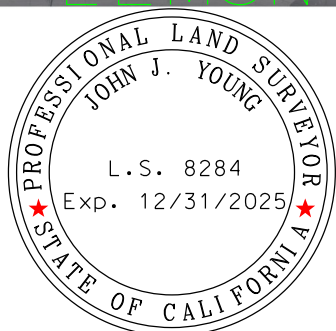
SURVEYOR'S NOTES:

ALL DISTANCES BASED ON RECORD DIMENSIONS PER MAP 2111

BASED ON SURVEY OF SITE ON 3/21/2024

SITE FREE OF ANY BUILDINGS OR STRUCTURES

THE PARCEL BOUNDED BY THE COLOR RED IS THE APN NOTED ABOVE



This map has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature *John J. Young*

Date 03/25/2024

SCALE NONE
SHEET 1 OF 1



January 14, 2025

Special Permit Issued by City Engineer for Extension of Sanitary Sewer Service Outside of City Limits

APN 4951515500
Parcel between 9160 and 9210 Lemon Avenue
Unincorporated County of San Diego
La Mesa, CA 91941

At the request of the Community Development Department, I have, as City Engineer, performed a review of relevant information pertaining to the subject parcel on the north side of Lemon Avenue, a residential property outside the La Mesa City limits. This information includes the current site conditions, plans to construct a new single family residence with an accessory dwelling unit (ADU), a request to connect to the City of La Mesa sewer main to allow for the construction dated January 1, 2025 from the property owner describing relative impracticability of constructing an on-site wastewater treatment system due to parcel size, the proximity of an existing sewer main owned and operated by the City of La Mesa in Lemon Avenue, and consultation with appropriate City staff.

Consequently, I have determined that, as the City Engineer of the City of La Mesa, the requested extension of sanitary sewer service to allow for the construction of the residence and ADU complies with City Council Resolutions 15521 and 2024-131 and serves the best interests of the health, safety and welfare of the adjacent private properties.

It is further determined that the property owner shall secure an encroachment permit for the private lateral to be constructed in Lemon Avenue, a public street owned by the City of La Mesa, said private lateral being designed and constructed in accordance with City of La Mesa sewer lateral policy and engineering standards issued by the City of La Mesa Public Works Department. The encroachment permit shall be secured prior to connection of the private sewer lateral to the City of La Mesa sewer main. Proof of a building permit for the dwelling units and all necessary approvals from the County of San Diego for the accessory dwelling unit are required prior to the issuance of the City of La Mesa encroachment permit.

Michael Throne, PE
Director of Public Works/City Engineer

La Mesa City Infrastructure

Official Website GIS Data Hub Map Instructions Contact Form

4951515500

Parcels
4951515500
World
115MS4951515500

State Route 125

State Route 125

Bancroft Dr

Lemon Ave

Layer List

Layers

- Benchmarks
- Bike Network
- Building Footprints
- Contours
- Electrical Services
- Facilities
- Gas Meters
- Irrigation
- Legal Maps
- Maintenance Zones
- Parks
- Road Moratorium
- Sewer
- Sidewalk
- Signal Intersections
- Street Lights
- Street Striping
- Street Sweeping
- Storm Water
- Warning Signals