Ventura
Local Agency Formation Commission

AGENDA

Hall of Administration, Board of Supervisors' Hearing Room
800 S. Victoria Avenue, Ventura
9:00 A.M. Wednesday, March 17, 2010

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

4. Commission Presentations and Announcements

COMMENTS FROM THE PUBLIC

5. Public Comments
This is an opportunity for members of the public to speak on items not on the agenda.
(The Ventura Local Agency Formation Commission encourages all interested parties to speak on any issue on this agenda in which they have an interest, or on any matter subject to LAFCo jurisdiction. It is the desire of LAFCo that its business be conducted in an orderly and efficient manner. All speakers are requested to fill out a Speakers Card and submit it to the Clerk before the item is taken up for consideration. All speakers are requested to present their information to LAFCo as succinctly as possible. Members of the public making presentations, including oral and visual presentations, may not exceed five minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission, based on the complexity of the item and/or the number of persons wishing to speak. Speakers are encouraged to refrain from restating previous testimony).

CONSENT ITEMS

6. Minutes of the Ventura LAFCo February 17, 2010 regular meeting
7. Budget to Actual Report for January 2010

RECOMMENDED ACTION: Approve Item 6
Receive and File Item 7

COMMISSIONERS AND STAFF

COUNTY:	CITY:	SPECIAL DISTRICT:	PUBLIC:
Kathy Long, Chair	Carl Morehouse	George Lange	Lou Cunningham, Vice Chair
Linda Parks	Janice Parvin	Vacant	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Thomas Holden	Gail Pringle	Kenneth M. Hess

Executive Officer:	Dep. Exec. Officer	Office Mgr/Clerk:	Office Assistant	Legal Counsel:
Kim Uhlich	Kai Luoma	Debbie Schubert	Martha Escandon	Leroy Smith

PUBLIC HEARING ITEMS

8. LAFCo 09-09 Camarillo Sanitary District Annexation – Navy Housing
A proposal to annex two parcels totaling approximately 35 acres located at 118 N. Calle La Cumbre, Camarillo, to the Camarillo Sanitary District in order to bring existing residential development that is currently being served by the District into the District's boundaries. Assessor Parcel Numbers 164-0-010-07 and 164-0-010-06

RECOMMENDED ACTION: Approval

9. Sphere of Influence Review
Review the sphere of influence of the Ventura Regional Sanitation District and determine that no sphere of influence update or municipal service review is necessary.

RECOMMENDED ACTION: Approval

ACTION ITEMS

10. LAFCo Commissioner's Handbook Amendments and Additions – Divisions 2 and 5
Adopt a resolution amending various Commissioner's Handbook Sections regarding disclosure of political expenditures associated with LAFCo proceedings; public information; records retention; greenbelts; and out of agency service agreements.

RECOMMENDED ACTION: Approval

11. CEQA Initial Study Assessments
Determine whether or not to direct staff to submit comments regarding the County of Ventura's draft update of the CEQA Initial Study Assessment Guidelines to the Board of Supervisors.
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RECOMMENDED ACTION: Discussion and Action

12. Letter of Support for SB 1023
Authorize the Chair to send a letter to Senator Wiggins supporting Senate Bill 1023.

RECOMMENDED ACTION: Approval

EXECUTIVE OFFICER'S REPORT

FPPC Form 700s due to LAFCo by April 1
Next Regular LAFCo Meeting April 21, 2010

COMMISSIONER COMMENTS

ADJOURNMENT

WEB ACCESS:
LAFCo Agendas, Staff Reports and Minutes can be found at:
www.ventura.lafco.ca.gov

Written materials - Written materials relating to items on this Agenda that are distributed to the Ventura Local Agency Formation Commission within 72 hours before they are scheduled to be considered will be made available for public inspection at the LAFCo office, 800 S. Victoria Avenue, Administration Building, 4th Floor, Ventura, CA 93009-1850, during normal business hours. Such written materials will also be made available on the Ventura LAFCo website at www.ventura.lafco.ca.gov, subject to staff's ability to post the documents before the meeting.

Public Presentations - Except for applicants, public presentations may not exceed five (5) minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission. Any comments in excess of this limit should be submitted in writing at least ten days in advance of the meeting date to allow for distribution to, and full consideration by, the Commission. Members of the public who wish to make audio-visual presentations must provide and set up their own hardware and software. Set up of equipment must be complete before the meeting is called to order. All audio-visual presentations must comply with the applicable time limit for oral presentations and thus should be planned with flexibility to adjust to any changes to the time limit established by the Chair. For more information about these policies, please contact the LAFCo office.

Americans with Disabilities Act - In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the LAFCo office (805) 654-2576. Notification 48 hours prior to the meeting will enable LAFCo to make reasonable arrangements to ensure accessibility to this meeting.

Disclosure of Campaign Contributions - LAFCo Commissioners are disqualified and are not able to participate in any proceeding involving an "entitlement for use" if, within the 12 months preceding the LAFCo decision, the Commissioner received more than $250 in campaign contributions from the applicant, an agent of the applicant, or any financially interested person who actively supports or opposes the LAFCo decision on the matter. Applicants or agents of applicants who have made campaign contributions totaling more than $250 to any LAFCo Commissioner in the past 12 months are required to disclose that fact for the official record of the proceeding.

Disclosures must include the amount of the contribution and the recipient Commissioner and may be made either in writing to the Clerk of the Commission prior to the hearing or by an oral declaration at the time of the hearing.

The foregoing requirements are set forth in the Political Reform Act of 1974, specifically Government Code, section 84308.

Ventura
Local Agency Formation Commission

MINUTES

REGULAR MEETING

Wednesday, February 17, 2010, 9:00 A.M.
Hall of Administration, Board of Supervisors' Hearing Room
800 S. Victoria Avenue, Ventura

1. Call to Order
   Chair Lange called the meeting to order at 9:00 A.M.

2. Pledge of Allegiance
   Alternate Commissioner Holden led the pledge of allegiance.

3. Roll Call
   The Clerk called the roll. The following Commissioners and Alternates were present:
   Commissioner Cunningham
   Commissioner Lange
   Commissioner Long
   Commissioner Morehouse
   Commissioner Parks
   Commissioner Parvin
   Alternate Commissioner Hess
   Alternate Commissioner Holden
   Alternate Commissioner Pringle

   As a result of a vacancy created by the passing of late Commissioner Lotts, Alternate Commissioner Pringle sat as a voting special district member.

4. Election of Officers for 2010
   A. Chair
   MOTION: Nomination – Kathy Long for Chair: Parks
   SECOND: Cunningham
   FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
   AGAINST: None
   ABSTAIN: None
   MOTION PASSED 7/0/0

B. Vice Chair

MOTION: Nomination – Lou Cunningham for Vice Chair: Lange
SECOND: Parvin
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

5. Commission Presentations and Announcements

Chair Long presented a Resolution of Appreciation to the family of late Commissioner Bill Lotts to recognize his service to LAFCo and express condolences upon his passing. Commissioner Lotts' widow, Gwen Lotts, accepted the Resolution and expressed appreciation. Chair Long also thanked Commissioner Lange for his service as Chair in 2009 and for his work as a member of the CALAFCO Board of Directors. She then announced that Carl Morehouse was selected by the City Selection Committee to fill a new term as a regular City Member on LAFCo and Alternate Commissioner Gail Pringle would sit as a voting Special District member until the vacant regular Special District Member seat is filled.

COMMENTS FROM THE PUBLIC

There were no comments

CONSENT ITEMS

6. Minutes of the Ventura LAFCo November 18, 2009 regular meeting
7. Budget to Actual Reports for November & December 2009

MOTION: Approval Item 6, Receive and File Item 7: Cunningham
SECOND: Morehouse
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

PUBLIC HEARING ITEMS

8. Sphere of Influence Reviews
   A. Bell Canyon Community Services District
   B. Fox Canyon Groundwater Management Agency

Kim Uhlich presented the staff report. Chair Long opened the public hearing. With no one wishing to speak, Chair Long closed the public hearing.

MOTION: Approval A and B): Parks

SECOND: Parvin
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

ACTION ITEMS

9. LAFCo Audit Report
Melissa Shirah representing Macias, Gini & O'Connell, LLP presented a report on LAFCo's financial statements for the years ended June 30, 2008 and 2009 and informed the Commission that they had issued an unqualified opinion with no exceptions.

MOTION: Receive and File: Morehouse
SECOND: Lange
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

10. LAFCo Commissioner's Handbook Amendments and Additions - Division 2, Chapters 2, 3, & 6
Kai Luoma presented the staff report.

MOTION: Approval: Morehouse
SECOND: Cunningham
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

11. LAFCo - Initiated Dissolutions
Kim Uhlich presented the staff report.

MOTION: Direct staff to work with CEO staff to bring the matter before the Board of Supervisors for discussion: Morehouse
SECOND: Parks
FOR: Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 7/0/0

EXECUTIVE OFFICER'S REPORT

Kim Uhlich reported the following: The enactment of AB 528 now means that, as of January 1, 2010, political contributions and expenditures made for the purpose of influencing a LAFCo proposal or proceeding must be reported to the Fair Political Practices Commission rather than to LAFCo. Although proposals that come before the Ventura LAFCo do not often involve the sort of political spending that is subject to the reporting requirements, it is important for staff and Commissioners to bear in mind that anyone who spends $1,000 or more to support or oppose a LAFCo proceeding must file reports and keep records which account for all payments used to influence the actions of either LAFCo or voters with respect to a boundary change proposal.
With regard to the process through which the late Commissioner Lotts' vacant seat must be filled, a conflict currently exists between the Rules and Regulations of the Special District Selection Committee and state law. The Rules and Regulations provide for automatic succession of the current alternate special district member to a regular member's unexpired term whenever a regular member is unable to complete his/her term. Since state law provides for a vacant special district term to be filled by the Special District Selection Committee, the ballot that will be mailed to the independent special districts will include a revision to the Rules and Regulations to better harmonize them with the law. As of this point in time, Alternate Commissioner Pringle will continue to serve her term as an alternate member but may participate as a voting member until an individual is formally selected through the upcoming election process.

COMMISSIONER COMMENTS

Commissioner Lange gave kudos to Martha Escandon for her assistance in translating some of the LAFCo informational materials into Spanish. He briefed the Commission on the January 15 CALAFCO Board meeting noting that ***the Board asked and he agreed,*** to Chair the conference planning committee for the annual conference at the Hilton Hotel in Palm Springs later this year. Commissioner Parks congratulated Commissioner Lange on receiving the *2009 Director Of The Year* award from the Ventura County Special Districts Association and with the concurrence of the Commission, asked staff to review the CEQA Initial Study Assessments and present their comments to the Commission at a future meeting. Chair Long thanked staff for providing the Commission copies of their comments on various agency projects.

ADJOURNMENT

Chair Long adjourn the meeting at 10:20 A.M. in memory of late Commissioner Bill Lotts.

These Minutes were approved on March 17, 2010

Motion to approve with Commissioner Comments ***corrected***: Cunningham
Second: Parvin

Ayes:	Cunningham, Lange, Long, Morehouse, Parks, Parvin, Pringle
Nos:	None
Abstains:	None

Motion Passed 7/0/0

2-17-10 Kathy Long

Dated: **Chair, Ventura Local Agency Formation Commission**

Ventura
Local Agency Formation Commission

STAFF REPORT

Agenda Item 7

Meeting Date: March 17, 2010
(Consent)

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer

SUBJECT: Budget to Actual Report – January 2010

RECOMMENDATION:

Receive and file the budget report for January 2010.

DISCUSSION:

At the February 17, 2010 LAFCo meeting, the Commission amended their Handbook policies requiring the Executive Officer to provide the Commission with budget reports on a monthly basis rather than a quarterly basis as previously required. The Commission also adopted policy which gives the Executive Officer authority to make adjustments between account codes, when necessary.

The attached report reflects the latest available revenue and expenditure information from the County Auditor-Controller. Since the receipt of this report, staff has made budget adjustments between expenditure account codes 2141, 2172, 2179, 2181 and 2154 in an effort to better reflect actual expenditure needs. These adjustments will be reflected on the February Budget to Actual report. No adjustments or transfers from contingencies are necessary or recommended at this time.

COMMISSIONERS AND STAFF

COUNTY:	CITY:	SPECIAL DISTRICT:	PUBLIC:
Kathy Long, Chair	Carl Morehouse	George Lange	Lou Cunningham, Vice Chair
Linda Parks	Janice Parvin	Vacant	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Thomas Holden	Gail Pringle	Kenneth M. Hess

Executive Officer:	Dep. Exec. Officer	Office Mgr/Clerk:	Office Assistant	Legal Counsel:
Kim Uhlich	Kai Luoma	Debbie Schubert	Martha Escandon	Leroy Smith

Ventura
Local Agency Formation Commission

STAFF REPORT

Meeting Date: March 17, 2010

Agenda Item 8

LAFCo CASE NAME & NO: LAFCo 09-09 Camarillo Sanitary District Annexation – Navy Housing

PROPOSAL: To annex two parcels to the Camarillo Sanitary District in order to bring the site within the boundaries of the District so it can continue to provide sewer service to a residential development.

SIZE: Approximately 34.6 acres.

LOCATION: The site is located at 118 Calle La Cumbre, Camarillo

The proposal area is within the sphere of influence for the Camarillo Sanitary District and is entirely surrounded by the District's boundaries. The territory is also within the City of Camarillo.

PROPONENT: The Camarillo Sanitary District by resolution.

NOTICE: This matter has been noticed as prescribed by law.

PARCEL INFORMATION & PROPONENTS FOR PURPOSES OF THE CALIFORNIA POLITICAL REFORM ACT (FPPC):

Assessor's Parcel Number	Property Address	Property Owner(s)
164-0-010-075	118 Calle La Cumbre	United States of America
164-0-010-061*	No address	Daily, Milton F-Margaret M.
164-0-010-062*	No address	D.B. Maddux Inc.

* According to the County Assessor, the "1" and "2" suffixes on this Assessor Parcel Number denote two different ownership interests in the same parcel. It remains a single parcel.

COMMISSIONERS AND STAFF

COUNTY:
Kathy Long, Chair
Linda Parks
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Tom Holden

SPECIAL DISTRICT:
George Lange
Vacant
Alternate:
Gail Pringle

PUBLIC:
Louis Cunningham, Vice Chair
Alternate:
Kenneth Hess

Executive Officer: Kim Uhlich
Dep. Exec. Officer Kai Luoma
Office Mgr/Clerk: Debbie Schubert
Office Assistant Martha Escandon
Legal Counsel: Leroy Smith

RECOMMENDATION

A. Adopt the attached resolution (LAFCo 09-09) making determinations and approving the Camarillo Sanitary District Annexation – Navy Housing.

GENERAL ANALYSIS

1. Land Use

Site Information:

APN	Land Use Existing	Land Use Approved	Zoning	Camarillo General Plan
164-0-010-075	Multi-family residential	NA	Residential (R10U)	Residential, Low-Medium Density
164-0-010-061 and 062	Well	NA	Residential (R10U)	Residential, Low-Medium Density

No changes are proposed to the land use, zoning, or General Plan designation as part of this proposal.

The parcel owned by the federal government (Navy) comprises approximately 34.5 acres of the 34.6-acre proposal area. The Navy also owns a 16-acre parcel to the west, though this parcel is already within the boundaries of the Camarillo Sanitary District and not part of this proposal. Until recently, these two parcels contained 315 units for Navy personnel. In 2007, the Navy razed the aging 315 multifamily units located on these two parcels and is currently constructing 315 new multi-family units, 75 of which have been completed (though very few are actually occupied). The Navy considers the 315-unit development to be a single project and does not differentiate between the two parcels. Thus it is unknown to staff exactly how many units are located on the 34.5-acre parcel within the proposal area, though staff estimates there to be approximately 200 units.

Surrounding Land Uses and Zoning and General Plan Designations

Surrounding land uses consist of single-family residential development to the north, south, and east. Multi family (Navy personnel housing) abuts to the west. This proposal will have no effect on surrounding land uses, zoning or general plan designations.

Topography, Natural Features and Drainage

The site is relatively flat and slopes gently toward the south.

Conformity with Plans

The residential uses are consistent with the City's General Plan and zoning. However, the federal government, not the City, retains land use authority over the site.

2. Impact on Prime Agricultural Land, Agriculture, and Open Space

Agricultural Land and Agriculture

The site does not meet the definition of prime agricultural land nor is it used for agricultural purposes.

Open Space

The proposal area is not considered open space pursuant to Government Code Sections 56059 and 65560 and therefore will not impact open space lands.

3. Population

According to the County Registrar of Voters, there are fewer than 12 registered voters in the proposal area. As such, the annexation proposal area is considered to be uninhabited.

4. Services and Controls – Need, Cost, Adequacy and Availability

The District has represented that it has the capacity to continue to provide sewer service to the proposal area. The District had been providing sewer service to the 315 units previously located on the site for many years and will continue to serve the new 315 units. Sewer infrastructure currently serves the site and no mainline sewer extensions are required. There will be no change to any other existing services.

5. Boundaries and Lines of Assessment

The boundaries are definite and certain. There are no conflicts with lines of assessment or ownership.

The maps and legal descriptions for this proposal have been forwarded to the County Surveyor but have not yet been certified as being accurate and sufficient for the preparation of a Certificate of Completion pursuant to Government Code Section 57201 and for filing with the State Board of Equalization. As such, the attached Resolution includes a condition that predicates recordation of a Certificate of Completion (completion of annexation proceedings) upon the approval of a map and legal description by the County Surveyor.

6. **Assessed Value, Tax Rates and Indebtedness**

The following lists the assessed land value of the parcels per the 2009-2010 tax roll:

APN	Assessed Value
164-0-010-075	$0.00
164-0-010-061	$354.00
164-0-010-062	$2,375.00

According to the County Assessor, the proposal area takes in tax rate areas 07004 and 07016, each with a tax rate of $1.053100 per $100 of assessed value. Upon annexation, the proposal area will go into new, though not yet known, tax rate areas.

7. **Environmental Impact of the Proposal**

Staff has determined that the proposal is categorically exempt pursuant to CEQA Guidelines Section 15302 (replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced). The new 315 units will have substantially the same purpose and capacity as those 315 units that are being replaced.

8. **Regional Housing Needs**

The proposal area is currently being served by the District. There will be no change to existing land uses or allowable land uses. No additional housing opportunities will be created or eliminated. Therefore, the proposal will have no adverse effect on the City's fair share of the regional housing needs.

9. **Environmental Justice**

Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of sewer service to these two residential parcels.

<u>ALTERNATIVE ACTIONS AVAILABLE:</u>

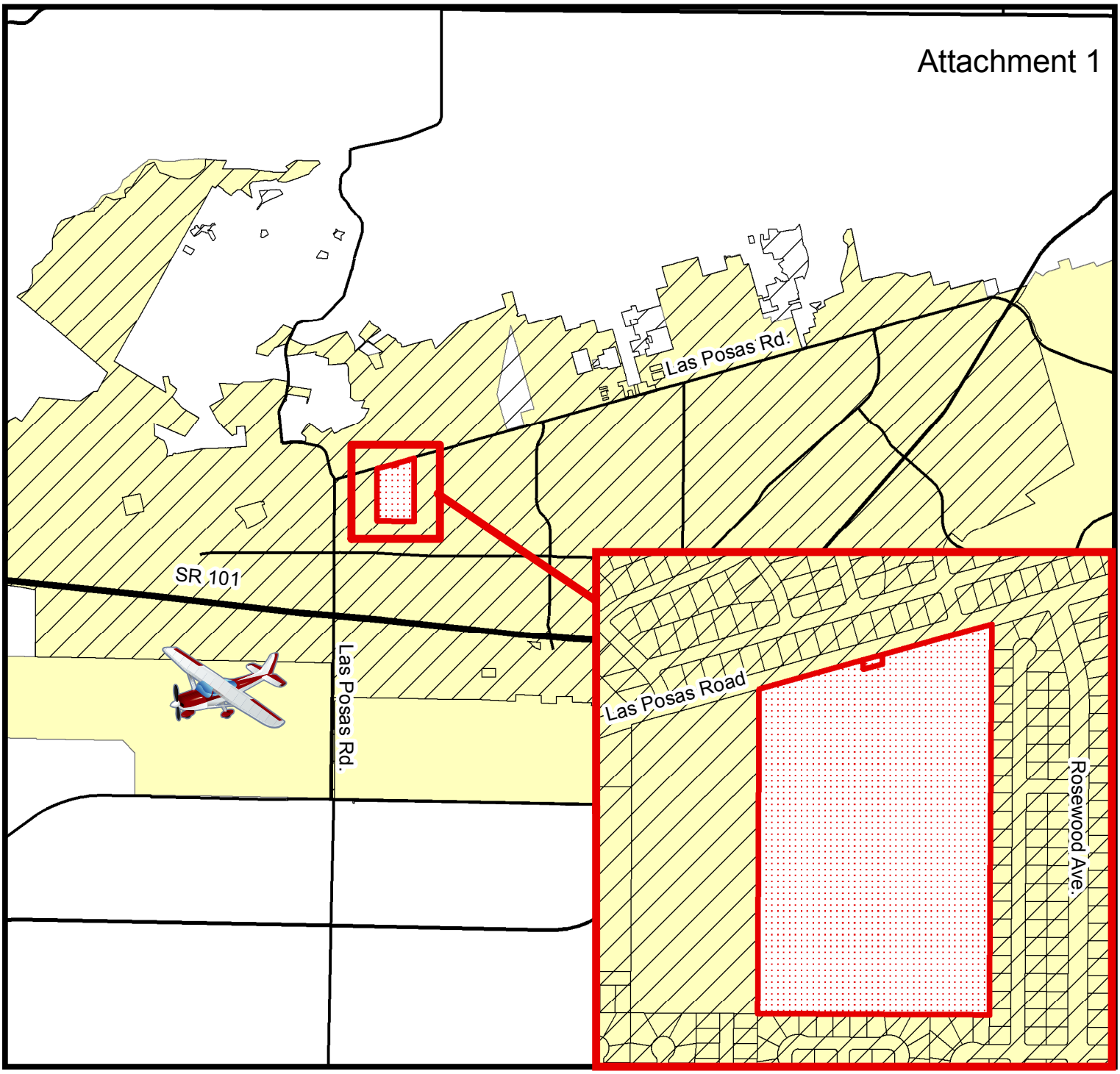
A. If the Commission, following public testimony and review of the materials submitted, determines that further information is necessary, a motion to continue the proposal should state specifically the type of information desired and specify a date certain for further consideration.

B. If the Commission, following public testimony and review of materials submitted, wishes to deny or modify this proposal, a motion to deny or modify should include direction that the matter be continued to the next meeting and that staff prepare a new report consistent with the evidence submitted and the anticipated decision.

BY: _____
Kai Luoma, AICP
Deputy Executive Officer

Attachments: (1) Vicinity Map *****
(2) LAFCo 09-09 Resolution

***** LAFCo makes every effort to offer legible map files with the online- and printed versions of our reports, however sometimes the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



LAFCo 09-09
Camarillo Sanitary District Annexation
Navy Housing

Legend

- Proposal Area
- Camarillo Sanitary District
- City of Camarillo

Ventura
Local Agency Formation Commission

LAFCO 09-09

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING CAMARILLO SANITARY DISTRICT ANNEXATION – NAVY HOUSING

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Ventura Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (Section 56000 of the California Government Code); and

WHEREAS, at the times and in the manner required by law, the Executive Officer gave notice of the proposal as required by law; and

WHEREAS, the proposal was duly considered on March 17, 2010 and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the proposal including, but not limited to, the LAFCo Staff Report and recommendation, the environmental determination, Sphere of Influence and applicable local plans and policies; and

WHEREAS, not all landowners within the affected territory have consented to the proposal; and

WHEREAS, the affected territory has fewer than twelve registered voters and is considered uninhabited; and

WHEREAS, information satisfactory to the Commission has been presented that no subject or affected agencies have submitted written opposition to the proposal; and

WHEREAS, the Commission finds the proposal to be in the best interest of the landowners and present and future inhabitants within the Camarillo Sanitary District and within the affected territory, and the organization of local governmental agencies within Ventura County;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Ventura Local Agency Formation Commission as follows:

(1) The LAFCo Staff Report and Recommendation for approval of the proposal, dated March 17, 2010, is adopted.

(2) Said annexation is hereby approved subject to conducting authority proceedings as prescribed in Government Code Sections 57000 to 57090.

(3) The boundaries of the proposal are found to be definite and certain as approved and set forth in Exhibit A attached hereto and made a part hereof.

(4) The subject proposal is assigned the following distinctive short form designation: **LAFCO 09-09 CAMARILLO SANITARY DISTRICT ANNEXATION – NAVY HOUSING.**

(5) In accordance with staff's determination that the subject proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302 of the California Environmental Quality Act Guidelines, the Commission hereby finds the annexation to be categorically exempt.

(6) The Commission directs staff to file a Notice of Exemption under Section 15062 of the California Environmental Quality Act Guidelines.

(7) The affected territory is uninhabited as defined by Government Code §56046.

(8) The Executive Officer is hereby directed to conduct protest proceedings in accordance with Government Code Section 57050.

(9) The Commission hereby delegates to the Executive Officer the authority to determine the amount of protests pursuant to Government Code Section 57075(b).

(10) **This annexation shall not be recorded until all LAFCo fees have been paid and until fees necessary for filing with the State Board of Equalization have been submitted to the Executive Officer.**

(11) **This annexation shall not be recorded until a map and legal description consistent with this approval and suitable for filing with the State Board of Equalization have been submitted to the LAFCo Executive Officer.**

This resolution was adopted on March 17, 2010.

AYES: Cunningham, Lange, Long, Morehouse, Parks, Parvin, Pringle

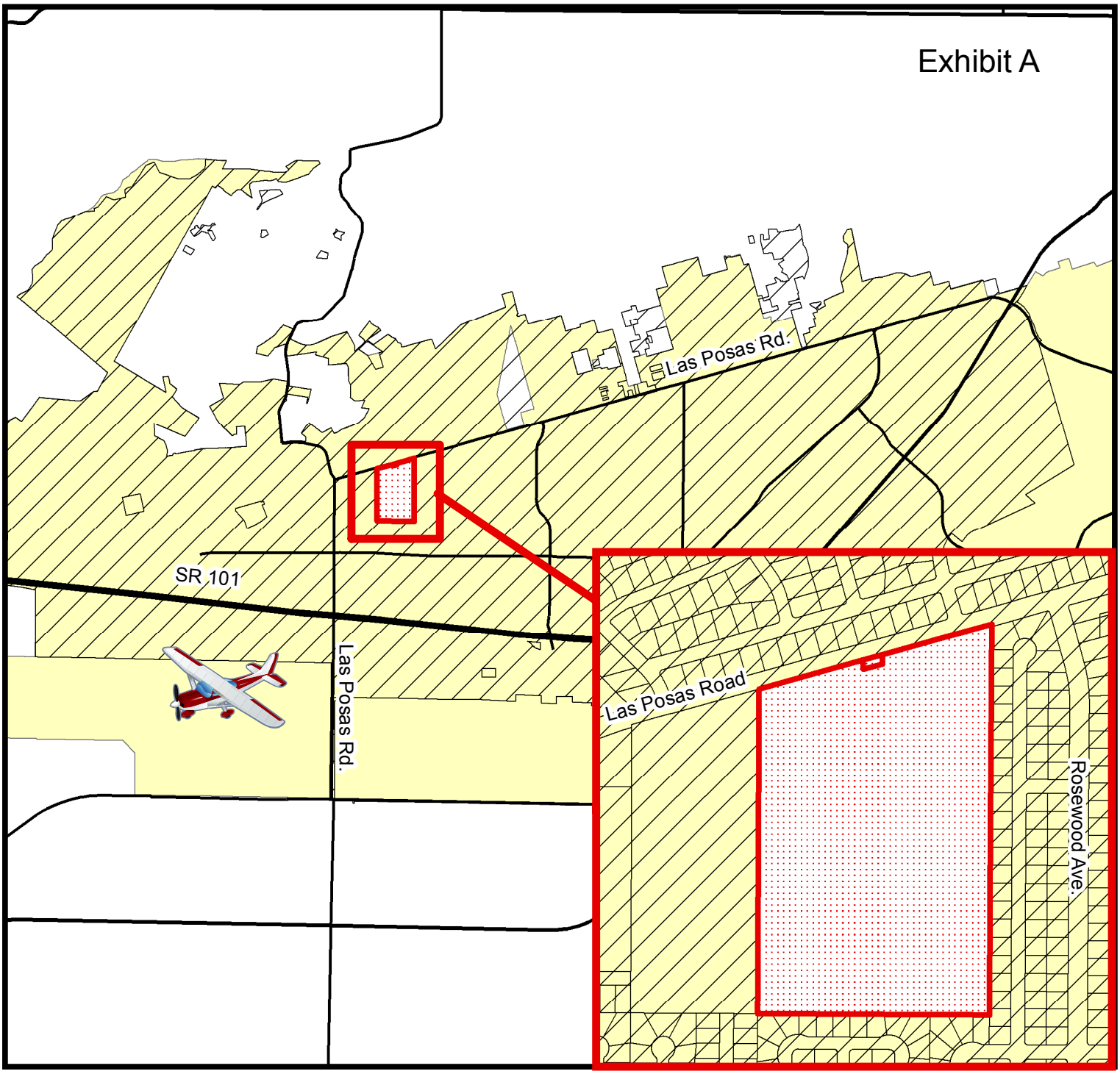
NOES: None

ABSTAINS: None

Dated: _____ _____
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A

Copies: Camarillo Sanitary District
City of Camarillo
Ventura County Assessor
Ventura County Auditor
Ventura County Surveyor



LAFCo 09-09
Camarillo Sanitary District Annexation
Navy Housing

Legend

- Proposal Area
- Camarillo Sanitary District
- City of Camarillo

Ventura
Local Agency Formation Commission

Ventura
Local Agency Formation Commission

STAFF REPORT

Agenda Item 9

Meeting Date: March 17, 2010

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer KU

SUBJECT: Sphere of Influence Review for the Ventura Regional Sanitation District – No Update Necessary

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RECOMMENDATION:

Review the sphere of influence for the Ventura Regional Sanitation District (VRSD) and determine that no sphere of influence update or municipal service review is necessary, and receive and file this report.

DISCUSSION:

For each city and special district, LAFCo must determine and adopt a sphere of influence "on or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence."(Cal. Gov't Code §56425(g)). The Ventura LAFCo has previously reviewed and updated the spheres of all local agencies within its jurisdiction prior to January 1, 2008.

VRSD is an enterprise, dependent district formed in 1970 pursuant to Health and Safety Code §4700 et seq. relating to County Sanitation Districts. VRSD provides support services to various water and wastewater services including the City of Thousand Oaks, the Montalvo Municipal Improvement District, the Saticoy Sanitary District and the Triunfo Sanitary District. In addition, VRSD operates the Toland Road landfill and provides integrated regional waste treatment and disposal services for all of Ventura County, except in the Moorpark and Simi Valley areas. In accordance with the schedule for the next round of sphere of influence reviews included in the municipal service review work plan approved by the Commission in May, 2008, LAFCo staff reviewed and discussed the sphere of influence with VRSD staff in December, 2009.

COMMISSIONERS AND STAFF

COUNTY:	CITY:	SPECIAL DISTRICT:	PUBLIC:
Kathy Long, Chair	Carl Morehouse	George Lange	Lou Cunningham, Vice Chair
Linda Parks	Janice Parvin	Vacant	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Thomas Holden	Gail Pringle	Kenneth M. Hess

Executive Officer:	Dep. Exec. Officer	Office Mgr/Clerk:	Office Assistant	Legal Counsel:
Kim Uhlich	Kai Luoma	Debbie Schubert	Martha Escandon	Leroy Smith

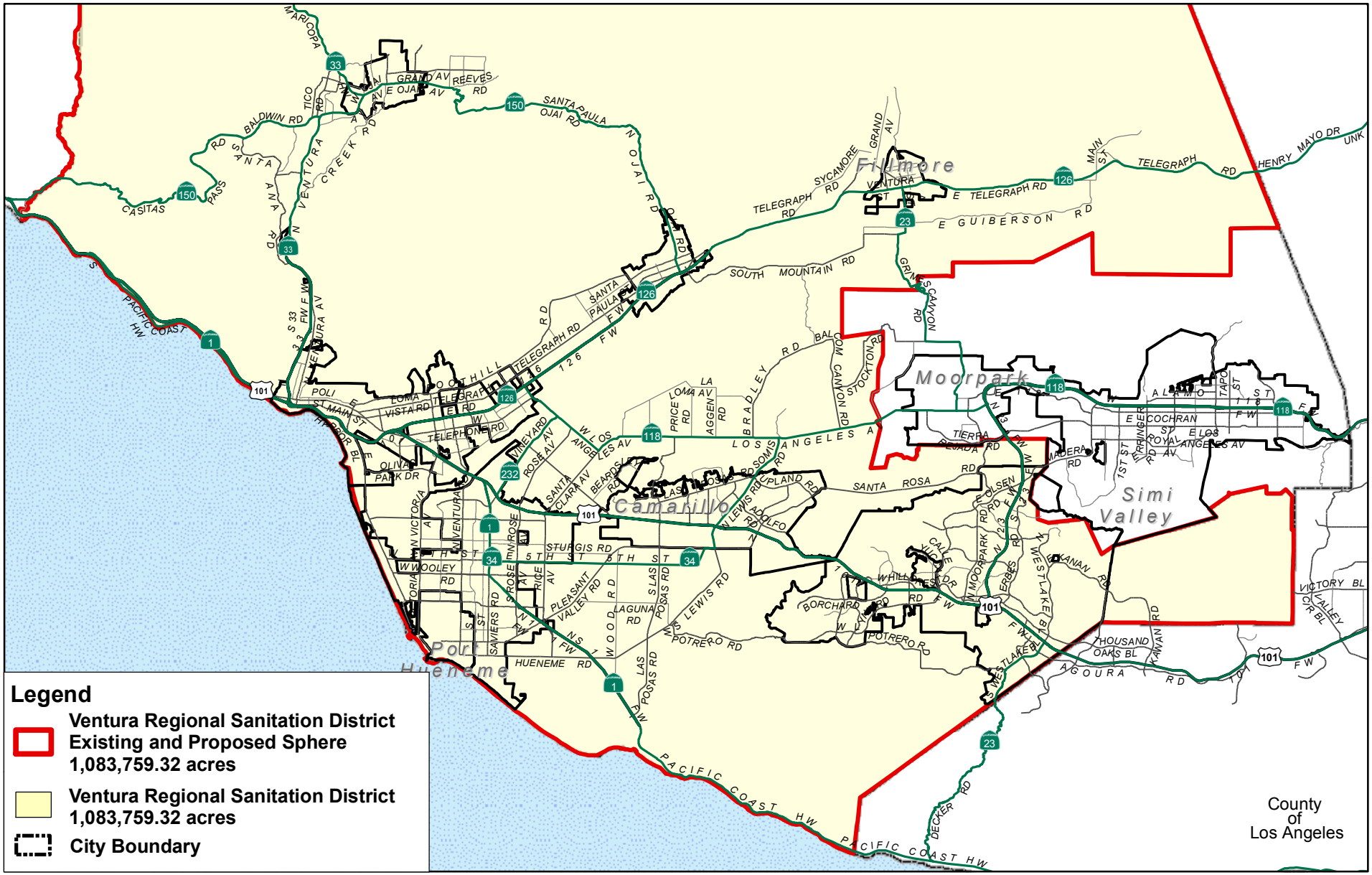
Based on the review and discussion, no sphere issues were identified and staff determined that the current sphere of influence boundary accurately reflects the VRSD's service area. It is therefore recommended that the Commission review the sphere of influence for VRSD and determine that no update is necessary. The effect of this recommendation is that the existing sphere of influence, which is coterminous with the VRSD boundaries, will remain the same as previously approved. Because there would be no changes, the review action by the Commission to receive and file this report is not considered a project subject to CEQA.

Though this recommendation may seem simple and straightforward, it has important policy, budget and work load implications. The Commission is aware the law requires that a municipal service review (MSR) must be conducted prior to, or in conjunction with, a sphere of influence update (Cal. Gov't Code §56430(a)). Thus, sphere of influence updates and MSRs are linked. Unless a sphere of influence update is deemed necessary, there is no separate requirement for the Commission to conduct a MSR.

While not mandated, the Commission does have the authority to conduct a MSR or other special study of any agency with a sphere of influence at any time. However, the recommendation is based on staff's determination that such work is not necessary at this time. LAFCo pays for the preparation of MSRs. To the extent that a sphere of influence update is not deemed necessary for this agency, at least at this time, there will be some cost savings and work efforts can be focused on other districts and the cities. Should circumstances change in the future, the Commission retains the authority to determine that a sphere of influence update is necessary, thereby necessitating a municipal service review at that time. Plus, if the Commission accepts the recommendation, under the law, it must again review the sphere of influence for the District by 2015.

This matter has been noticed as a public hearing and VRSD has been notified. As of the preparation of this report, no objections to the recommendation have been received. A copy of this report and a full-sized map depicting that there are no changes being proposed to the existing sphere of influence will also be provided to the District.

Attachment: Ventura Regional Sanitation District Proposed Sphere of Influence map



Ventura Regional Sanitation District

Ventura LAFCO Proposed Sphere of Influence Review

March, 2010

Prepared by County of Ventura - IT Services Department - GIS Services

State Plane Coordinate System California Zone V - NAD 27

This map was compiled from records and computations

Published: March, 2010

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Ventura
Local Agency Formation Commission

Agenda Item 10

STAFF REPORT

Meeting Date: March 17, 2010

TO: LAFCo Commissioners

FROM: Kai Luoma, AICP
Deputy Executive Officer

SUBJECT: Amendments to Commissioner's Handbook – Division 2, Chapters 1, 4, & 5; and Division 5, Chapter 1

RECOMMENDATION:

Adopt the attached resolution making various amendments to Division 2, Chapters 1, 4, & 5; and Division 5, Chapter 1 of the Commissioner's Handbook.

BACKGROUND:

The Commissioner's Handbook is a compilation of the Commission's By-laws and operational policies. The Handbook is designed to be reviewed and updated periodically as the Commission may want to add or alter policies to deal with new or changed circumstances.

Beginning late last year, staff initiated a comprehensive review of the Handbook in an effort to clarify, update and, in some cases, augment existing LAFCo policies. The review process is now complete and staff has compiled a number of recommended policy revisions to be presented to the Commission for further consideration. Rather than presenting all of the proposed policy revisions at one time, they will be divided into components and presented over a series of several LAFCo meetings. The first in the series was considered by the Commission on February 17. The recommendations that follow comprise the second in the series of recommended amendments.

COMMISSIONERS AND STAFF

COUNTY:	CITY:	SPECIAL DISTRICT:	PUBLIC:
Kathy Long, Chair	Carl Morehouse	George Lange	Louis Cunningham, Vice Chair
Linda Parks	Janice Parvin	Vacant	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Thomas Holden	Gail Pringle	Kenneth M. Hess

Executive Officer:	Dep. Exec. Officer:	Office Mgr/Clerk:	Office Assistant	Legal Counsel:
Kim Uhlich	Kai Luoma	Debbie Schubert	Martha Escandon	Leroy Smith

DISCUSSION:

Each of the recommended policy amendments in the following report is identified and accompanied by a brief discussion. All language that is recommended to be added is indicated in red underline and language recommended to be deleted is indicated with ~~strikeout~~.

DIVISION 2 – OPERATIONAL POLICIES

Amendments to Division 2, Chapter 1 - General

- **CHAPTER 1 – GENERAL**
  Although the first Chapters in Divisions 3, 4 and 5 of the Commissioner's Handbook are titled "General Policies", the first chapter in Division 2 is titled "General". To enhance consistency between chapters, staff is recommending that the Commission approve the addition of the word "policies" to the title of Chapter 1 of Division 2 as follows:

  CHAPTER 1 – GENERAL POLICIES

- **SECTION 2.1.6 DISCLOSURE OF POLITICAL EXPENDITURES REGARDING LAFCO PROCEEDINGS**
  In 2000, LAFCo law was amended to require disclosure and reporting of contributions and expenditures made for political purposes in relation to a LAFCo application initiated by petition. The law was again amended in 2007 to require the same reporting related to petitions that protest LAFCo decisions. In both cases, LAFCo bore the responsibility not only for receiving the disclosure reports but also for enforcing violations of the requirements (which could be accomplished only through the filing of a lawsuit). In response to this new duty, the Commission adopted section 2.1.6 of the Handbook establishing policies regarding disclosure and reporting.

  In 2008, the Political Reform Act was amended to make the reporting requirements related to LAFCo petitions subject to enforcement by the Fair Political Practices Commission (FPPC). And in 2009, both LAFCo law and the Political Reform Act were amended to conform the respective reporting and disclosure requirements. The most recent change in law also expanded the applicability of the disclosure and reporting requirements to all LAFCo proposals and proceedings, including applications initiated by resolution of a legislative body. Now that the FPPC, rather than LAFCo, is responsible for receiving or enforcing the disclosure and reporting requirements there is no longer any need for Handbook Policy 2.1.6. In fact, Handbook Policy 2.1.6 (g) anticipated the 2008 and 2009 legislative changes by providing that the policy shall have no further force and effect upon the effective date of legislation repealing or amending those sections to transfer responsibility for enforcing disclosure of expenditures for political purposes affecting commission proceedings to the FPPC or otherwise terminates the

responsibility of LAFCo to adopt and implement the policy. Staff is therefore recommending that the Commission rescind Section 2.1.6 as follows:

~~SECTION 2.1.6 DISCLOSURE OF POLITICAL EXPENDITURES REGARDING LAFCO PROCEEDINGS~~

~~Pursuant to Government Code Sections 56700.1 and 57009, effective January 1, 2008, expenditures for political purposes related to a proposal for a change of organization or reorganization and contributions in support of or in opposition to any proposal at the conducting authority stage of the LAFCO process are subject to the reporting and disclosure to the same extent as required for local initiative measures under the Political Reform Act, Government Code Section 81000 et seq., and the regulations of the Fair Political Practices Commission implementing that law.~~

~~Ventura LAFCO adopts the following reporting and disclosure requirements to implement Government Code Sections 56700.1 and 57009.~~

~~(a) Definitions~~

~~i. "Contribution" as used herein shall have the same definition as provided in Government Code Section 82015, as amended.~~

~~ii. "Expenditure" as used herein shall have the same definition as provided in Government Code Section 82025, as amended.~~

~~iii. "Independent expenditure" as used herein shall have the same definition as provided in Government Code Section 82031, as amended, except that the term "measure" as used in Section 82031 shall be replaced with the term "proposal for change of organization or reorganization."~~

~~iv. "Political Purposes" as used herein shall mean for the purpose(s) of: influencing public opinion; (ii) lobbying public officials; (iii) influencing legislative or administrative action as defined in Government Code § 82032; and/or, (iv) complying with legal requirements and LAFCO rules for the processing of a proposal, including, but not limited to and by way of example only, preparation of a comprehensive fiscal analysis for an incorporation (Government Code Section 56800) or documents necessary to comply with the California Environmental Quality Act, Public Resources Code Section 21000 et seq., such as a mitigated negative declaration or environmental impact report.~~

~~(b) Disclosure Requirements for Proposals for Change of Organization or Reorganization~~

~~i. Any person or combination of persons who directly or indirectly makes expenditures or independent expenditures for political purposes totaling $1,000 or more in support of, or in opposition to, a change of organization or reorganization submitted to the commission to which Government Code Section 56700.1 applies, shall comply with the reporting and disclosure requirements of the Political Reform Act (Government Code §§ 81000 et seq.), to the same extent and subject to the same requirements as for local initiative~~

~~measures. Such reporting and disclosure requirements, except as otherwise excluded herein, extend to those required by the Fair Political Practices Commission Regulations regarding such disclosures and shall include disclosure of contributions, expenditures and independent expenditures.~~

~~ii. Disclosures made pursuant to this Section shall be filed with the commission's executive officer as designated in Section (e) below.~~

~~iii. For purposes of determining the deadlines by which such reports and disclosures must be filed, the term "election" as used in the Political Reform Act for determining such deadlines shall mean the date of the originally scheduled commission hearing on a proposal for organization or reorganization. If no hearing date has been scheduled at the time a person becomes subject to disclosure under this policy, he or she shall request that the executive officer establish a date to serve as the "election" date for this purpose. The executive officer shall establish a date, such as, but not limited to, the date which is 6 months after the first filing with the commission regarding the proposal, and inform the requestor of that date in writing.~~

~~iv. In the event the originally scheduled hearing date for the proposal for organization or reorganization is rescheduled or continued to a later date, the obligation to file continues reports shall be filed on or before the 10th day of each month following the original hearing date with respect to contributions and expenditures received in the previous calendar month up to and including the third calendar month following final action by the commission on the proposal.~~

~~(c) Disclosure Requirements for Conducting Authority Proceedings~~

~~i. Any person or combination of persons who directly or indirectly makes expenditures or independent expenditures for political purposes totaling $1,000 or more related to conducting authority proceedings for a change of organization or reorganization to which Government Code Section 57009 applies, or in support of or in opposition to those conducting authority proceedings, shall comply with the reporting and disclosure requirements of the Political Reform Act (Government Code §§ 81000 et seq.), to the same extent and subject to the same requirements as for local initiative measures. Such reporting and disclosure requirements, except as otherwise excluded herein, extend to those required by the Fair Political Practices Commission Regulations regarding such disclosures and shall include disclosure of contributions, expenditures and independent expenditures.~~

~~ii. Disclosures made pursuant to this Section shall be filed with the commission's executive officer as designated in Section (e) below.~~

~~iii. For purposes of determining the deadlines by which such reports and disclosures must be filed, the term "election" as used in the Political Reform Act for determining such deadlines shall mean the date of the originally scheduled conducting authority hearing on the proposal for a change of organization or reorganization. If no hearing date has been scheduled at the time a person becomes subject to disclosure under this policy, he or she shall request that the executive officer establish a date to serve as the "election"~~

~~date for this purpose. The executive officer shall establish a date, such as, but not limited to, the date which is 6 months after the first filing with the commission regarding the proposal, and inform the requestor of that date in writing.~~

~~iv. In the event the originally scheduled conducting authority hearing date for a proposal for a change of organization or reorganization is rescheduled or continued to a later date, the obligation to file continues and reports shall be filed on or before the 10th day of each month following the original hearing date with respect to contributions and expenditures received in the previous calendar month up to and including the third calendar month following final action by the commission on the proposal.~~

~~(d) Certain Reports and Disclosures Excluded: This policy requires only that the persons subject to it disclose via reports to the commission's executive officer contributions, expenditures and independent expenditures with respect to expenditures for political purposes related to a proposal for an organization or reorganization and does not impose on such persons the regulations regarding the names of campaign committees, disclosures of the sources of mass mailings, and disclosures of the source of automated telephone calls under Government Code Sections 84501 et seq. and the regulations of the Fair Political Practices Commission implementing those sections.~~

~~(e) Where to File: All reports and disclosures required hereunder shall be filed with The LAFCo Executive Officer.~~

~~(f) Reporting requirements are non-exclusive: The disclosure and reporting requirements herein are in addition to any other requirements that may be otherwise applicable under provisions of the Political Reform Act or by local ordinance.~~

~~(g) Sunset provision: This policy is intended to implement Government Code Sections 56700.1 and 57009 and shall be of no further force and effect upon the effective date of legislation repealing or amending those sections to transfer responsibility for enforcing disclosure of expenditures for political purposes affecting commission proceedings to the Fair Political Practices Commission or otherwise terminates the responsibility of this commission to adopt and implement this policy. *(Adopted1/16/08)*~~

Should the Commission adopt staff's recommendation, the Commissioner's Handbook will no longer contain any reference to the statutory requirements regarding the reporting of political contributions and expenditures for LAFCo proposals and protest proceedings. However, staff believes that it is important for the public and other local agencies to be aware of the law as it might apply to their involvement in a LAFCo proposal. Staff will therefore post information about the new law on the LAFCo website and provide a link to the FPPC website for additional information.

Amendments to Division 2, Chapter 4 – Public Notice and Information

CHAPTER 4 – PUBLIC NOTICE AND INFORMATION

- **SECTION 2.4.2 NOTICE**
  There are several types of LAFCo actions that are required to be publicly noticed before a final determination is made by the Commission. These include, but are not limited to, public hearings for changes of organizations and sphere of influence amendments, protest hearings, certain CEQA determinations, and changes to the Fee Schedule. State law dictates the minimum noticing requirements for each type of action and typically outlines what information is to be contained in the notice, where the notice is to be posted, and to whom the notice is to be mailed. The noticing requirements can differ depending on the type of action and which section of state law applies (LAFCo law, CEQA, Brown Act, etc.). Pursuant to the Commission's current policy regarding noticing (Section 2.4.2), staff routinely exceeds many of the minimum noticing requirements provided for in state law. However, the current policy language is very broad and, read literally, is without limits. The recommended revisions to Section 2.4.2 would allow the Executive Officer discretion over the extent to which noticing exceeds state minimum requirements.

  In its current form, Section 2.4.2 includes language regarding notice of meeting cancellations, requiring that such notice be sent to the County, cities, and independent special districts. Noticing for meeting cancellations is subject to different provisions than the noticing for Commission actions discussed above. Thus, staff recommends that the portion of the policy regarding meeting cancellations be moved to a separate new subsection (see 2.4.2.2 below).

  Staff also recommends the addition of subsection 2.4.2.3 regarding protest hearings. Many Commission actions are subject to both reconsideration requests and to protest proceedings. In some cases, the timing of these two processes can conflict, as follows:

  - Reconsideration: Pursuant to LAFCo law, upon the Commission's adoption of a resolution making determinations, a 30-day period begins during which any person or agency can file a request for reconsideration. If a timely request is received, the Executive Officer must schedule the item for the next Commission meeting for which notice can be given. The Executive Officer must take no further action until the Commission has acted on the request.

  - Protest Proceedings: Unless specific criteria are met, Commission approvals of changes of organization are subject to protest proceedings. Within 35 days of the Commission's adoption of a resolution making determinations, the Executive Officer must schedule a date for, and provide notice of, a protest hearing. During the period between the date of the notice and the protest hearing, property owners and/or voters

within the affected territory may submit written protests. The value of the protests received is determined at the protest hearing. In most cases, the protest hearing must occur no fewer than 21 days from the date of the notice. However, the hearing cannot occur before the expiration of the 30 day reconsideration period.

To expedite the process, staff normally schedules the notice period for the protest process to run concurrently with the reconsideration period. The protest hearing can then occur soon after the reconsideration period ends. However, if a request for reconsideration is submitted toward the end of 30-day reconsideration period after the protest hearing has been noticed (and possibly after written protests have been submitted), protest proceedings would have to cease, the protest hearing cancelled, and no further action taken until the Commission acts on the request for reconsideration. To avoid this circumstance, staff is recommending that the Commission adopt new policy language which directs the Executive Officer to defer scheduling a protest hearing until after the expiration of the reconsideration period for proposals that will likely be subject to the filing of a request for reconsideration.

The above-discussed policy revisions and additions to Section 2.4.2 are as follows:

SECTION 2.4.2 NOTICE

2.4.2.1 Option to Exceed Minimum Requirements: Notice of LAFCo actions shall be provided in the method and manner, and within the time frames, as required by state law. LAFCo will ~~endeavor to provide the widest possible dissemination of notice and will~~ not necessarily be limited to the minimums required by law if the Executive Officer determines that noticing beyond that required by state law would be in the public interest. ~~Notice of the cancellation of any meeting shall be sent to the County of Ventura and all cities and independent special districts in Ventura County.~~

2.4.2.2 Meeting Cancellations: Notice of the cancellation of any meeting shall be sent to the County of Ventura and all cities and independent special districts in Ventura County.

2.4.2.3 Protest Hearing: If, based on public interest or controversy, the Executive Officer determines that a valid and timely request for reconsideration of a resolution making determinations is likely to be filed, scheduling of the protest hearing (if required) will occur no sooner than the deadline for filing such a reconsideration request and no later than the 35th day following adoption of the Commission's resolution making determinations.

- **SECTION 2.4.6 RECORDS RETENTION**

Currently, the Handbook contains no policies regarding records retention. Until recently, a single hard copy of all files dated after approximately 1987 were retained in the LAFCo

office. Pre-1987 files, which are retained on microfiche, were also stored in the LAFCo office. Under this system, there were no backup files in the event that the original files are damaged or lost.

For these reasons, all case files older than three years, including those on microfiche, are now stored in a secure County records storage facility and are available to staff upon request. Case files from the last three years are kept in the LAFCo office to provide for more convenient access. Also, as the Commission is aware, staff is in the process of creating electronic copies of the most important documents from all case files. As documents are scanned, they are saved on a secure County computer network drive which is accessible to LAFCo staff. In addition to case files, LAFCo retains files on each city and district. These files will be electronically scanned and stored and the original record will continue to be stored in LAFCo offices, to allow for more convenient access by staff. The following recommended policy reflects staff's practice regarding records retention:

SECTION 2.4.6 RECORDS RETENTION

Record retention shall occur in the following manner:

(a) Storage of case files: It is LAFCo's intent to retain an original paper copy of all case file records indefinitely, as follows:
   i. The original full record for each case file from the previous three years will be retained in the LAFCo office.
   ii. The original full record for case files older than three years will be stored in a secure records storage facility operated by the County of Ventura.
   iii. Case file records prior to 1987 have been transferred to microfiche and the original records destroyed. A microfiche copy of each of these records will be retained in the LAFCo office. A second microfiche copy of each record will be stored in a secure record storage facility operated by the County of Ventura.

(b) Electronic storage of case files: It is LAFCo's intent to copy and retain selected documents from each case file in an electronic format, including, but not limited to, the Certificate of Completion, resolution, map, legal description, and staff report. Electronic files will be stored on a computer network drive maintained by the County of Ventura and accessible to LAFCo staff.

(c) City/District Files: The original full record for each city and district file shall be retained in the LAFCO office. One complete electronic copy of the full record shall be stored on a computer network drive maintained by the County of Ventura and accessible to LAFCo staff.

- **CHAPTER 4 – PUBLIC NOTICE AND INFORMATION**
  To recognize the addition of the record retention policies recommended by staff, staff is recommending that the title of Chapter 4 of Division 2 be changed to more clearly describe its contents as follows:

CHAPTER 4 – PUBLIC ~~NOTICE AND~~ INFORMATION AND RECORDS RETENTION

Amendments to Division 2, Chapter 5 – Local Plan and Policies

CHAPTER 5 – LOCAL PLANS AND POLICIES

- **SECTION 2.5.3 GREENBELTS**
  Staff is recommending no substantive changes to the existing policies providing for consistency between LAFCo proposals and local greenbelt agreements except for a minor amendment to correct a grammatical error in Section 2.5.3 relating to Greenbelts as follows:

  SECTION 2.5.3 GREENBELTS
  The County of Ventura and various cities in the County have adopted Greenbelt Agreements for the purposes of preserving agriculture and/or open space, providing separation between cities, and/or limiting the extension of urban services. The Ventura LAFCO is not a direct party to these Greenbelt Agreements, but has endorsed them as statements of local policy. As such, LAFCO will not approve a proposal from a city that is in conflict with any Greenbelt Agreement unless exceptional circumstances are shown to exist. LAFCO encourages that Greenbelt Agreements be amended by all parties involved prior to the filing of any proposal that may be in conflict with the Agreements ~~is considered by~~ ~~LAFCO~~.

DIVISION 5 – OUT OF AGENCY SERVICE AGREEMENTS

Amendments to Division 5, Chapter 1 – General Policies

- **SECTION 5.1.2 APPLICATIONS**
  Sate law prohibits cities and special districts from providing service outside of their boundaries without first requesting and obtaining approval of an out of agency service agreement (OASA) from LAFCo. Oftentimes a property owner's request for new service is associated with a proposed development project and/or the creation of new lots. Since the initiation of service is predicated on the approval of an application for development and/or subdivision, it has been the practice of LAFCo staff to require any applicable land use approvals before accepting any application for an out of agency

service agreement. Staff is therefore recommending that the Commission approve new policy language to acknowledge current practice.

SECTION 5.1.2 APPLICATIONS

5.1.2.1 Eligibility and requirement for copy of agreement: Applications to LAFCo for consideration of out of agency service agreements shall be filed by the agency that is seeking approval to provide the service outside its boundaries and shall include a service agreement signed by all parties.

5.1.2.2 Land use approvals required: No application for out of agency service involving the provision of service to a proposed subdivision or lot line adjustment and/or development project should be accepted before the associated tentative map, parcel map waiver and/or land use entitlement is approved by the agency with jurisdiction over the project.

- **SECTION 5.1.5 STANDARDS**
  LAFCo law provides factors to be considered by the Commission when making a determination for a change of organization or sphere of influence amendment. In addition, the Handbook contains local standards for the Commission's consideration for these same actions. Although the current Handbook policies pertaining to OASAs provide specific findings to ensure preservation of agricultural and open space lands, staff believes that other standards applicable to changes of organization proposals should also be considered. More specifically, the standards should include: the agency's ability to provide service, the efficiency of the service, the availability of alternative service providers, consistency with the applicable general plan, and the legality of the associated lot or lots. Staff recommends that the Commission approve the addition of a section to provide factors by which to evaluate proposed OASAs, as follows:

SECTION 5.1.5 STANDARDS

5.1.5.1 Factors favorable to approval:

(a) The city or district has demonstrated that there is adequate capacity to provide the proposed service and the service is consistent with the agency's adopted service plans.

(b) The existing or proposed land use is consistent with the applicable general plan and any applicable specific plan.

(c) The territory to which the service is proposed to be extended involves only legal lots.

5.1.5.2 Factors unfavorable to approval:

(a) A more cost efficient alternative for providing the service is available.

(b) The service would be provided in a tsunami inundation zone, wildfire hazard zone, FEMA designated floodway or floodplain, or other hazardous area designated by any federal, state or local public agency and the associated hazard cannot be adequately mitigated.

(c) The basis for the proposed service is solely to accommodate the creation of a new lot or lots without a corresponding development proposal.

- **SECTION 5.1.6 TIME LIMIT ON SERVICE INITIATION**

  Government Code Section 56133 provides that an out of agency service agreement may be authorized by LAFCo "in anticipation of a later change of organization." Although the statute provides relatively little guidance as to the timeframe within which LAFCo should "anticipate" a later annexation, it would seem that the Legislature considered service extensions via OASAs to be temporary measures in advance of annexation. It is largely for this reason that Commissioner's Handbook Section 5.1.7 currently provides that all service agreements between service providers and property owners must include a stipulation requiring the current property owner and all future owners to consent to future annexation. A closely related issue concerns the length of time between LAFCo's approval of an OASA and the point at which service is actually initiated, which can sometimes be significant. For example, staff is currently in discussions with staff from the City of Ventura and the County regarding a request by the Brooks Institute of Photography to receive additional water service from the City of Ventura for an expansion of their facility in the unincorporated area. The entitlements that are being sought would allow up to ten years for construction to begin. Thus, initiation of the service might not occur for up to ten years. In this case, it is possible that the city could become ready to move forward with annexation of the Brooks property before the OASA is even initiated.

  Currently, the Handbook does not include policies regarding time limitations on OASA approvals. For OASAs approved by the Executive Officer, the approval is usually conditioned to expire unless the service provider initiates service within six months. Likewise, for OASAs approved by the Commission, staff recommends an effective date of six-months. Since the Handbook does not currently address time limitations and the standard expiration limit currently applied by staff may not allow sufficient time in all cases for a property owner and service provider to complete the process to initiate service, staff is recommending that the Commission adopt specific policies as reflected below in Sections 5.1.6.1 and 5.1.6.2.

  Finally, the Handbook contains no provisions regarding time extensions for OASAs. Staff therefore is recommending that the Commission adopt a time extension policy to accommodate those projects that may be delayed due to factors beyond the proponent's control. The recommended language is reflected below in Section 5.1.6.3.

SECTION 5.1.6 TIME LIMIT ON SERVICE INITIATION

5.1.6.1 Recordation required: LAFCo approval of an application for out of agency service will not become effective until the service agreement is recorded by the Ventura County Recorder. Any approval of a request for out of agency service will be conditioned to require recordation no later than six (6) months following the date of approval.

5.1.6.2 Deadline for obtaining a building permit: Whenever a building permit is required to authorize construction of a property improvement to which the requested service is intended to be provided, LAFCo will not approve an application for out of agency service unless the service agreement contains language which expressly limits the time period for obtaining a building permit to no more than one (1) year following the date of recordation.

5.1.6.3 Request for Time Extension: The agency intending to provide the service may request one twelve (12) month extension of the one-year deadline set forth in Section 5.1.6.2 either as part of the initial LAFCo application or within one (1) year of the date of recordation of the approved service agreement provided that all of the following can be demonstrated:

(a) The service provider has amended the service contract accordingly;
(b) The proponents of the project that is to receive the service have diligently pursued all necessary permits to begin construction of the project, but due to factors beyond their control, permits have not yet been obtained.
(c) There is a reasonable expectation that the permits necessary to commence construction can be obtained within a reasonable timeframe, as determined by the Executive Officer.

- **SECTION 5.1.5 AGRICULTURE AND OPEN SPACE PRESERVATION**
  Division 5 of the Handbook essentially repeats Divisions 3 and 4 regarding the policies which set forth the criteria under which LAFCo may find that the conversion of prime agricultural and open space lands will lead to planned, orderly and efficient development. Since the last "clean up" of the Handbook, staff discovered that the first sentence of Section 5.1.5.1 erroneously includes some words of verbatim text from Section 4.1.3.1. The sentence currently refers to an "amendment or update", which pertains to a sphere of influence rather than an out of agency service. Staff therefore recommends that the words "out of agency service" be substituted for "amendment or update" as shown below in the red font.

  Staff is also recommending that the Commission substitute a new criterion for those currently set forth in Sections 5.1.5.1(b) and 5.1.5.2. As already indicated, these criteria

are primarily intended to apply to proposals for changes of organization and sphere of influence amendments that affect prime agricultural and open space lands. Essentially these policies require applicants to submit a detailed alternative site analysis in conjunction with such a proposal for a change of organization or sphere amendment that will convert agricultural or open space land to an urban use. The purpose is to steer development toward vacant non-prime land rather than annexing agricultural or open space land. Although this principle can be applied to proposals for boundary changes, OASAs are exclusively site dependent and therefore cannot be relocated. Staff is therefore recommending that the Commission adopt a substitute criterion that we believe is more applicable to applications for OASAs on agricultural or open space lands as shown below in the red font and identified as Section 5.1.7.1 (b).

SECTION 5.1.~~5~~ 7 AGRICULTURE AND OPEN SPACE PRESERVATION

5.1.~~5~~ 7.1 Findings and criteria for prime agricultural and open space land conversion: LAFCo will approve out of agency service agreements which are likely to result in the conversion of prime agricultural or open space land use to other uses only if the Commission finds that the ~~amendment or update~~ out of agency service will lead to planned, orderly, and efficient development. For the purposes of this policy, an out of agency service agreement leads to planned, orderly, and efficient development only if all of the following criteria are met:

(a) The territory is already developed or will be developed immediately upon the connection of the requested out of agency service and has been designated for non-agricultural use by applicable general and specific plans.

(b) ~~Insufficient non-prime agricultural or vacant land exists within the sphere of influence of the agency that is planned and developable for the same general type of use and that is readily annexable~~. Provision of the service would not result in a premature intrusion of urbanization into a predominantly agricultural or rural area.

(c) The out of agency service agreement will have no significant adverse effects on the physical and economic integrity of other prime agricultural or open space lands.

(d) The use or proposed use of the territory involved is consistent with local plans and policies.

~~5.1.5.2 Findings that insufficient non-prime agricultural or vacant land exists: The Commission will not make affirmative findings that insufficient non-prime agricultural or vacant land exists within the boundaries of the agency unless the applicable jurisdiction has prepared a detailed alternative site analysis which at a minimum includes:~~

~~i. An evaluation of all non-prime agricultural and vacant lands within the sphere of influence and within the boundaries of the jurisdiction that could be developed for the same or similar uses.~~

~~ii. An evaluation of the re-use and redevelopment potential of developed areas within the boundaries of the jurisdiction for the same or similar uses.~~

~~iii. An evaluation of all land that is readily annexable to the jurisdiction that could be developed for the same or similar uses.~~

~~iv. Determinations as to why vacant, non-prime agricultural lands and potential re-use and redevelopment sites are unavailable or undesirable for the same or similar uses, and why conversion of prime agricultural or open space lands are necessary for the orderly development of the jurisdiction.~~

- **SECTION 5.1.6 ADDITIONAL FACTORS FOR APPROVING AGREEMENTS**

  To approve an OASA, one of the three determinations outlined in this policy must be made. The first determination states:

  > "Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries."

  As stated in previous section of this report, Pursuant to Government Code 56133, OASAs may be authorized in anticipation of a future annexation. Pursuant to state law and local polices, annexations should result in orderly boundaries. Thus, an OASA should be approved only for parcels that would result in orderly boundaries. The above noted determination contradicts this by authorizing OASAs that do not follow lines of assessment or ownership. Staff is therefore recommending that the Commission delete this determination as indicated below:

  SECTION 5.1.~~6~~ 8 ADDITIONAL FACTORS FOR APPROVING AGREEMENTS

  In addition to the factors required by law and other factors required by these policies, in order to approve out of agency service agreements LAFCo must also make favorable determinations regarding one ~~or more~~ of the following additional factors:

  ~~i. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries.~~

  i. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on applicable general and specific plans, these policies, and other entitlements for use.

  ii. Emergency or health related conditions require prompt action versus waiting for the processing of a proposal for a change of organization or reorganization.

Ventura
Local Agency Formation Commission

STAFF REPORT

Agenda Item 12

Meeting Date: March 17, 2010

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer

SUBJECT: Letter of Support for SB 1023

RECOMMENDATION:

Authorize the Chair to send a letter to Senator Wiggins supporting Senate Bill 1023.

DISCUSSION:

Between the mid-1950s and 1960, the Legislature created several special districts called Municipal Improvement Districts (MIDs) to deliver public services to particular communities, some of which supported specific development projects. As of today, there are five remaining MIDs in the state:

Montalvo MID	Ventura County
Bethel Island MID	Contra Costa County
Embarcadero MID	Santa Barbara County
Estero MID	Foster City, San Mateo County
Guadalupe Valley MID	Brisbane, San Mateo County

The Montalvo Municipal Improvement District is an independent special district formed in 1955 to provide wastewater service to unincorporated areas surrounding the City of Ventura. Currently, the District provides wastewater collection and treatment services for the Montalvo community and portions of the Ventura Auto Center. Pursuant to the special act under which it was formed, the District's powers include the following: acquire…maintain and operate street and highway lighting facilities and facilities for the collection, treatment and disposal of sewage, industrial wastes, storm waters, garbage

COMMISSIONERS AND STAFF

COUNTY:	CITY:	SPECIAL DISTRICT:	PUBLIC:
Kathy Long, Chair	Carl Morehouse	George Lange	Lou Cunningham, Vice Chair
Linda Parks	Janice Parvin	Vacant	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Thomas Holden	Gail Pringle	Kenneth M. Hess

Executive Officer:	Dep. Exec. Officer	Office Mgr/Clerk:	Office Assistant	Legal Counsel:
Kim Uhlich	Kai Luoma	Debbie Schubert	Martha Escandon	Leroy Smith

and refuse; and the production… treatment and distribution of water for public and private purposes.

Approximately one year ago, a staff member from the Senate Local Government Committee requested, and LAFCo staff provided, feedback on a draft bill that would establish an expedited process through which MIDs and resort improvement districts (RIDs) could be converted to community services districts. The concern is that the MID and RID governing acts are archaic, making it difficult for these special districts' boards and managers to govern themselves and deliver public services with transparency and accountability. In contrast, the Legislature significantly modernized the *Community Services District Law* (Government Code §61000, et seq.) in 2005 to authorize CSDs to deliver a wide variety of public facilities and services. However, before a CSD can activate its latent powers and offer a new public service, it must receive LAFCo's approval (§61106 & §56824.1). Pursuant to current state law, the process to convert either a MID or RID to a community services district (CSD) requires LAFCo approval of a reorganization to dissolve the existing district and form a new CSD. As this can be complicated, time consuming and expensive, the bill proposes to streamline the LAFCo process by eliminating the requirement for protest proceedings and an election (which would otherwise need to occur if the number of protests exceed a specified threshold). Since receiving comments from the LAFCo staff in each county that includes a MID or RID, Senate Bill 1023 (Wiggins) (attached) was drafted and introduced on February 11, 2010.

In general, SB 1023 creates an expedited procedure for converting MIDs and RIDs into community services districts without substantive changes to their powers, duties, finances, or service areas.

More specifically, SB 1023 allows for expedited reorganizations with these features:

- Standard procedures for applying to LAFCo (i.e., a petition or a formal resolution).
- The LAFCo retains its existing discretion to approve or disapprove.
- The RID or MID can stop the conversion up until the time of LAFCo approval.
- If the LAFCo approves, there is no protest hearing and no election.
- If LAFCo approves, it must impose the terms and conditions listed in the proposed bill.
- The terms and conditions transfer all assets, debts, etc. to the new CSD, without any changes.
- LAFCo can change the terms and conditions, but only after notifying the RID or MID.
- The bill applies only to RIDs and independent MIDs, not to city-dependent MIDs.
- The new law will sunset these special procedures after seven years, on January 1, 2018.

Staff has reviewed the bill text and believes that the creation of a simplified process through which the Montalvo Municipal Improvement District can reestablish itself as a CSD is logical and worthwhile. Although the conversion to a CSD would increase the

array of potential powers that the MMID would be authorized to exercise beyond those its governing act currently authorizes, LAFCo review and approval of a request for the exercise of latent powers would first be required. As the bill currently provides, the conversion of the MMID to a CSD would result in no change to the District's jurisdictional boundary; its governing board and staff; the share of property tax revenue to which it is currently entitled; and to its powers to acquire property, enter into contracts, incur bonded indebtedness, exercise eminent domain, etc. The bill does not compel any district or LAFCo to initiate the process for the expedited reorganization; it is entirely voluntary. Should the bill be enacted, it is not clear at this point whether the MMID would choose to pursue the expedited reorganization process since there would still be a cost, albeit less than that for a typical reorganization, to do so. Nevertheless, in the interest of good governance, staff recommends that the Commission send a letter of support for SB 1023.

Attachments: (1) Senate Bill 1023
(2) Draft Letter of Support for SB 1023

SENATE BILL No. 1023

Introduced by Senator Wiggins
(Coauthor: Assembly Member Evans)

February 11, 2010

An act to amend Section 57077 of, and to add and repeal Section 56853.5 of, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 1023, as introduced, Wiggins. Special districts: consolidation and reorganization.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission to approve, without an election, a consolidation or reorganization of 2 or more local agencies, if a majority of the members of each of the legislative bodies of the agencies adopt substantially similar resolutions of application making proposals either for the consolidation of districts or for the reorganization of all or any part of the districts into a single local agency, as specified.

The Community Services District Law authorizes the organization of a community services district for various purposes, including, among others, the collection, treatment, or disposal of sewage, wastewater, recycled water, and storm water, providing fire protection services, and providing public library services.

This bill would, until January 1, 2018, authorize the local agency formation commission to approve or conditionally approve an expedited reorganization of specified districts into a community services district, with the same powers, duties, responsibilities, obligations, liabilities, and jurisdiction of the district proposed to be dissolved, unless the governing body of the district proposed to be dissolved files a resolution of objection with the commission, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 56853.5 is added to the Government Code, to read:

56853.5. (a) In the case of an expedited reorganization, notwithstanding any provision of this division or the Community Services District Law (Division 3 (commencing with Section 61000) of Title 6), unless the governing body of the subject agency files a resolution of objection with the commission before the close of the hearing held pursuant to Section 56666, the commission may approve, disapprove, or conditionally approve, the expedited reorganization. If the commission approves or conditionally approves the expedited reorganization, the commission shall order the expedited reorganization without an election.

(b) If the governing body of the subject agency files a resolution of objection with the commission before the close of the hearing held pursuant to Section 56666, the commission shall disapprove the proposed expedited reorganization.

(c) The commission may order any material change to the terms and conditions of the expedited reorganization set forth in the proposal. The commission shall direct the executive officer to give the subject agency mailed notice of any change prior to ordering a change. The commission shall not, without the written consent of the subject agency, take any further action on the expedited reorganization for 30 days following that mailing.

(d) A proposal for an expedited reorganization shall include proposed terms and conditions that shall include at least all of the following:

(1) The proposed community services district is declared to be, and shall be deemed a community services district as if the district had been formed pursuant to the Community Services District Law (Division 3 (commencing with Section 61000) of Title 6). The exterior boundary and sphere of influence of the proposed community services district shall be the exterior boundary and sphere of influence of the district proposed to be dissolved.

(2) The proposed community services district succeeds to, and is vested with, the same powers, duties, responsibilities,

obligations, liabilities, and jurisdiction of the district proposed to be dissolved.

(3) The status, position, and rights of any officer or employee of the district proposed to be dissolved shall not be affected by the transfer and shall be retained by the person as an officer or employee of the proposed community services district.

(4) The proposed community services district shall have ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, the district proposed to be dissolved.

(5) The unexpended balance as of the effective date of the expedited reorganization of any funds available for use by the district proposed to be dissolved shall be available for use by the proposed community services district.

(6) No payment for the use, or right of use, of any property, real or personal, acquired or constructed by the district proposed to be dissolved shall be required by reason of the succession pursuant to the expedited reorganization, nor shall any payment for the proposed community services district's acquisition of the powers, duties, responsibilities, obligations, liabilities, and jurisdiction be required by reason of that succession.

(7) All ordinances, rules, and regulations adopted by the district proposed to be dissolved in effect immediately preceding the effective date of the expedited reorganization, shall remain in effect and shall be fully enforceable unless amended or repealed by the proposed community services district, or until they expire by their own terms. Any statute, law, rule, or regulation in force as of the effective date of the expedited reorganization, or that may be enacted or adopted with reference to the district proposed to be dissolved shall mean the proposed community services district.

(8) All allocations of shares of property tax revenue pursuant to Part 0.5 (commencing with Section 50) of the Revenue and Taxation Code, special taxes, benefit assessments, fees, charges, or any other impositions of the district proposed to be dissolved shall remain in effect unless amended or repealed by the proposed community services district, or they expire by their own terms.

(9) The appropriations limit established pursuant to Division 9 (commencing with Section 7900) of Title 1 of the district proposed to be dissolved shall be the appropriations limit of the proposed community services district.

(10) Any action by or against the district proposed to be dissolved shall not abate, but shall continue in the name of the proposed community services district, and the proposed community services district shall be substituted for the district proposed to be dissolved by the court in which the action is pending. The substitution shall not in any way affect the rights of the parties to the action.

(11) No contract, lease, license, permit, entitlement, bond, or any other agreement to which the district proposed to be dissolved is a party shall be void or voidable by reason of the enactment of the expedited reorganization, but shall continue in effect, with the proposed community services district assuming all of the rights, obligations, liabilities, and duties of the district proposed to be dissolved.

(12) Any obligations, including, but not limited to, bonds and other indebtedness, of the district proposed to be dissolved shall be the obligations of the proposed community services district. Any continuing obligations or responsibilities of the district proposed to be dissolved for managing and maintaining bond issuances shall be transferred to the proposed community services district without impairment to any security contained in the bond instrument.

(e) If a board of supervisors is the governing body of a resort improvement district pursuant to Chapter 1 (commencing with Section 13000) of Division 11 of the Public Resources Code, then, notwithstanding paragraph (3) of subdivision (d), the proposed terms and conditions may provide for the election of an initial board of directors of a community services district pursuant to Chapter 1 (commencing with Section 61020) of Part 2 of Division 3 of Title 6.

(f) As used in this section, “expedited reorganization” means a reorganization that consists solely of the formation of a community services district and the dissolution of any of the following:

(1) A resort improvement district formed pursuant to the Resort Improvement District Law, Division 11 (commencing with Section 13000) of the Public Resources Code.

(2) The Montalvo Municipal Improvement District formed pursuant to Chapter 549 of the Statutes of 1955.

(3) The Bethel Island Municipal Improvement District formed pursuant to Chapter 22 of the Statutes of 1960.

(4) The Embarcadero Municipal Improvement District formed pursuant to Chapter 81 of the Statutes of 1960.

(g) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later statute which is enacted before January 1, 2018, deletes or extends that date.

SEC. 2. Section 57077 of the Government Code is amended to read:

57077. (a) ~~Where~~ *If* a change of organization consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, the commission shall do either of the following:

(1) Order the change of organization subject to confirmation of the voters, or in the case of a landowner-voter district, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district or otherwise authorized pursuant to Section 56854.

(2) Order the change of organization without election if it is a change of organization that meets the requirements of Section 56854, 57081, 57102, or 57107; otherwise, the commission shall take the action specified in paragraph (1).

(b) ~~Where~~ *If* a reorganization consists of one or more dissolutions, incorporations, formations, disincorporations, mergers, establishments of subsidiary districts, consolidations, or any combination of those proposals, the commission shall do either of the following:

(1) Order the reorganization subject to confirmation of the voters, or in the case of landowner-voter districts, subject to confirmation by the landowners, unless otherwise authorized pursuant to Section 56854.

(2) Order the reorganization without election if it is a reorganization that meets the requirements of Section *56853.5*, 56854, 57081, 57102, 57107, or 57111; otherwise, the commission shall take the action specified in paragraph (1).

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Ventura
Local Agency Formation Commission

March 17, 2010

The Honorable Patricia Wiggins
California State Senate
State Capitol, Room 4081
Sacramento, California 95814

Subject: Support for SB 1023

Dear Senator Wiggins:

I am pleased to inform you that the Ventura Local Agency Formation Commission supports your Senate Bill 1023 which makes it easier to convert special districts formed under outdated laws into community services districts.

The state laws that govern resort improvement districts and municipal improvement districts are archaic, making it hard for those districts' governing boards and managers to deliver quality public services. While it is possible to use current law to convert these districts into more modern community services districts, the statutory procedures are expensive, complicated, and time consuming.

Your SB 1023 allows local officials to set up community services districts to replace the RIDs and MIDs without substantive changes to their powers, duties, financing, or service areas. The expedited procedures in SB 1023 promote accountability and transparency without imposing fiscal burdens on taxpayers and other local governments.

Please include our name on the list of those who support SB 1023. We appreciate your leadership on this issue.

Sincerely,

Kathy Long
Chair, Ventura LAFCo

cc: Members, Senate Local Government Committee
Ryan Eisberg, Senate Republican Caucus
Senator Fran Pavley
Senator Tony Strickland
Senator George Runner
Assemblywoman Julia Brownley
Assemblyman Pedro Nava
Assemblyman Cameron Smyth
Assemblywoman Audra Strickland
Bill Chiat, Executive Director, CALAFCO

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