September 14, 2005

TO:

Members, Formation Commission

FROM:

Martha Poyatos, Executive Officer

SUBJECT:

LAFCo File No. 05-05-Proposed Reorganization of

1616/1624 Annie Street involving Annexation to the City

of Daly City and Detachment from Broadmoor Police

Protection District, Colma Fire Protection District and

Colma Highway Lighting District

Summary

This proposal, submitted by petition with 100% landowner consent, requests annexation of two developed parcels to the City of Daly City and detachment from the Broadmoor Police Protection District, Colma Fire Protection District and County-governed Colma Highway Lighting District. The applicant's stated reason for annexation is to develop housing consistent with the City of Daly City Sullivan Corridor Specific Plan. The proposal is consistent with the City of Daly City sphere of influence and approval of the reorganization is recommended.

Departmental Reports

<u>County Assessor</u>: The net assessed valuation shown in the records of the County Assessor is \$828,714. The boundaries of the annexation as proposed are consistent with lines of assessment and ownership.

<u>County Clerk</u>: The territory has 1 registered voter. Annexation would not conflict with any political subdivision boundaries.

County Public Works: The territory proposed for annexation consists of 0.69 acre. The map and legal description submitted with the proposal do not satisfy the requirements of the State Board of Equalization. The proposal would not necessitate removal from any special districts. Natural boundaries, drainage basins or other topographical features would not affect and would not be affected by this proposal.

Environmental Health: Water service in the area is provided by California Water Service Company. Sewer service is provided by the North San Mateo County Sanitation District, a subsidiary district

of the City of Daly City. The proposal has no adverse environmental health significance.

Colma Fire Protection District: No comments received.

Broadmoor Police Protection District: Upon receipt of the application the District indicated interest in participating in the property tax exchange process, noting that the District may have comments upon completion of the property tax exchange negotiations. To date no comments have been received. Any additional correspondence will be provided to the Commission upon receipt.

City of Daly City: The City of Daly City land use designation is C-R/R (Residential Retail) as designated in the Sullivan Corridor Specific Plan. Annexation is consistent with City General and Specific Plans and adopted plans for extending services. The proposal does not pose potential service delivery problems. The territory will not be taxed for bonded indebtedness or special taxes. The project area is within the boundaries of California Water Service Company (CalWater) service area and will continue to be served by CalWater.

Recommendation: Approval.

County of San Mateo-Long Range Planning Division

The County General Plan land use designation is Medium Density Residential and Medium Density Residential. Zoning includes R-1/S-7 (5,000 square foot minimum). The proposal is consistent with County General Plan Policy 7.24: "Encourage cities to annex urban unincorporated areas within designated spheres of influence."

Background:

This proposal was submitted by 100% signature petition of property owners and requests annexation of two developed residential parcels to the City of Daly City. The annexation area is located in unincorporated Broadmoor, which is surrounded by the City of Daly City and assigned to the City of Daly City sphere of influence. Portions of this area, including the parcels proposed for annexation, were included in the City of Daly City Sullivan Corridor Specific Plan in 1998. The specific plan was adopted with several objectives including establishing the Daly City Civic Center as a governmental and community focal point and improving the economic development potential of surrounding areas. The parcels proposed for annexation and surrounding unincorporated areas are also in the boundaries of the independent Broadmoor Police and Colma Fire Protection Districts

and the County-governed Colma Lighting District and annexation to the City necessitates detachment from these districts.

Sphere of Influence

The sphere of influence of the City of Daly City was adopted by LAFCo in 1976 to include unincorporated Broadmoor, as well as other unincorporated areas. Since that time, the sphere was reaffirmed by LAFCo and approximately 30 reorganization proposals were processed, of which approximately half were completed. Because annexations to Daly City also involve detachment from Broadmoor Police and Colma Fire Protection Districts resulting in reduction in property tax revenue to the districts, the districts have historically opposed the annexations. In 1991, special legislation was passed (Government Code Section 56132), which provides for a district-wide election in city initiated annexations involving detachment from Broadmoor Police District, in cases where the Broadmoor Police District adopts a resolution making a finding of negative fiscal impact to the District.

Current and Proposed Services and Property Tax Exchange

Changes in service that would occur as a result of the reorganization are summarized below:

	Police	Fire	Streets	Water	Sewer	Park&Rec	Library
Current	Broadmoor Police	Colma Fire Dist	City of Daly City	CalWater	No. SM Co. Sanitation District	County	Library J.P.A.
Proposed	City of Daly City	City of Daly City	City of Daly City	CalWater	No. SM Co. Sanitation Dist.	City of Daly City	Library J.P.A.

No change in service delivery patterns will occur for streets, sewer, and water because streets fronting the property are already in the City of Daly City and the property receives sewer and water service consistent with areas in the City of Daly City. Both the County of San Mateo and the City of Daly City are members of the Library Joint Power Authority. Annexation to the City and detachment from Broadmoor Police Protection District and Colma Fire Protection District will result in transfer of service responsibility and associated property tax revenue to the City of Daly City. Both the City of Daly City and the County of San Mateo have adopted resolutions of property tax exchange pursuant to Revenue and Tax Code Section 99. By agreement, upon annexation,

¹ The San Mateo County Library Joint Powers Authority is a joint powers authority for library services which includes San Mateo County and 11 cities including the City of Daly City.

the share of property tax currently collected by Broadmoor Police (0.26492), Colma Fire (0.0495379) and Colma Lighting (0.012454) would be transferred to the City of Daly City. In addition, 0.0324907392 of the County's general share of property tax would also be transferred to the City.

In addition, within the Colma Fire Protection District there is a voter approved \$50.00 per year special tax which will no longer be assessed to the properties upon annexation/detachment and Broadmoor Police Protection District similarly receives \$364 per residential parcel which would no longer apply upon annexation/detachment. The following table reflects transfer of gross revenues (excluding ERAF) based on current assessed value of the annexation parcels.

Current Assessed Value	\$828,714			1% Property Tax	\$8,287
		Increment (Share of 1% Property Tax)	Gross transfer to City	Special Tax Assessed by Districts	Gross Change Dist/County
To City	From BPPD	0.264922466	\$2,195	\$364	\$2,559
To City	From CFPD	0.049537943	\$ 411	\$ 50	\$ 461
To City	From Colma Lighting	0.012454488	\$ 103	N/A	\$ 103
To City	From County Gen'l Prop. Tax	0.032490739	\$ 269	N/A	\$ 269
Total Transfer			\$2,978	\$414	\$3,392

This table demonstrates the current dollar value of transfers from the county and special districts to the City of Daly City before the shift to the Educational Revenue Augmentation Fund (ERAF). It also reflects combined change in revenues for the police and fire districts resulting from transfer of property tax and discontinuation of parcel tax upon detachment from the districts.

Factors to be Considered Pursuant to Section 56668

The following discusses the applicable factors LAFCo must consider in reviewing a proposal.

Population and the likelihood of significant growth in the area, during the next 10 years

The proposal area consists of two occupied, single-family residences. The City's environmental document cites a predicted population increase for the Specific Plan Study Area of 6,000

from 40,000 in 1998 to 46,000 by 2015. Annexation would permit the City of Daly City to implement the Sullivan Corridor Specific Plan, which allows the City to promote economic development and capture additional housing rather than displacing housing with commercial or retail uses.

The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county

As noted above, the annexation allows the City of Daly City to implement the Sullivan Corridor Specific Plan which promotes economic development in the City's civic center area. The annexation results in transfer of property tax revenues related to transfer of service responsibility for the subject area. The detachment of the area from special districts results in a decrease in property tax and special tax revenues. The alternative of no annexation would prohibit the City of Daly City from implementing the specific plans in unincorporated areas of the Specific Plan Study area.

The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development and definiteness and certainty of the boundaries of the territory, the creation of islands or corridors of unincorporated territory

The proposal conforms with LAFCo and County General Plan policies encouraging annexation of areas within city spheres of influence. City boundaries in the surrounding area are irregular in that portions of blocks remain unincorporated. This annexation will also result in a portion of Annie Street remaining unincorporated because neighboring property owners are not willing to annex at this time.

Consistency with city or county general and specific plan and the sphere of influence of any local agency which may be applicable to the proposal being reviewed

As noted above the proposal is consistent with both City and County General Plan policies encouraging annexation of areas in city spheres of influence. Detachment from the special districts is consistent with policies discouraging overlapping service delivery patterns and with the 'zero' spheres of influence of the districts finding that the districts should be dissolved and service should be transferred to the City of Daly City.

The ability of the newly formed or receiving entity to provide

the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change

The proposal area is already receiving water and sewer service consistent with other areas already in the City of Daly City and the City of Daly City indicates that the City has sufficient revenues and resources to serve the property.

The extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the appropriate council of governments

As indicated above, a feature of the Sullivan Corridor Specific Plan is that it allows the city to accommodate additional housing while also accommodating retail and commercial development in the study area.

California Environmental Quality Act (CEQA)

The City of Daly City, in adopting the Sullivan Corridor Specific Plan for the specific plan study area including the annexation parcels, conducted environmental review and found that the project would not have a significant effect on the environment and adopted a negative declaration for the project (attached). As responsible agency under CEQA, the Commission must certify that it has considered the contents of the initial study and negative declaration prepared by the City of Daly City in considering the annexation application.

Recommendation: The proposal is consistent with the sphere of influence of the City and special districts and service delivery patterns in the area. Staff respectfully recommends that the Commission approve the proposal by taking the following actions:

- 1) By motion, certify that the Commission has reviewed and considered the Sullivan Corridor Specific Plan Initial Study and Negative Declaration, prepared by the City of Daly City as lead agency.
- 2) LAFCo File No. 05-05-Proposed Reorganization of 1616/1624 Annie Street involving Annexation to the City of Daly City and Detachment from Broadmoor Police Protection District, Colma Fire Protection District and Colma Highway Lighting District.

PETITION

FOR PROCEEDINGS PURSUANT TO

THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

The undersigned hereby petition(s) the Local Agency Formation Commission of San Mateo County for approval of a proposed change of organization or reorganization, and stipulate(s) as follows:

- 1. This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code (commencing with Section 56000, Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000)
- 2. The specific change(s) of organization proposed (i.e., annexation, detachment, reorganization, etc. is/are: Annexation of 1616 and 1624 Annie Street (006-342-020, 010) to the City of Daly City and detachment from the Broadmoor Police Protection District, Colma Fire Protection District and Colma Highway Lighting District.
- 3. The boundaries of the territory(ies) included in the proposal are as described in Exhibit(s) attached hereto and by this reference incorporated herein.
 - 4. The territory(ies) included in the proposal is/are:

 _____ inhabited (12 or more registered voters) x Uninhabited
 - 5. This proposal is x is not _ consistent with the sphere of influence of the affected city and/or district(s).
- 6. The reason(s) for the proposed <u>reorganization</u> (annexation, detachment, reorganization, etc.) is/are: <u>develop housing</u> consistent with the Sullivan Corridor Specific Plan as adopted by the City of Daly City.
- 7. The proposed <u>Reorganization</u> is requested to be made subject to the following terms and conditions:

None

Petition Page 2 of 2

8. The persons signing this petition have signed as:

registered voters or \underline{x} Owners of land (check one) within the subject territory.

Wherefore, petitioner(s) request(s) that proceedings be taken in accordance with the provisions of Section 56000, et seq. Of the Government Code and herewith affix signatures as follows:

Chief Petitioners (not to exceed three):

		•	•
Date:	Printed Name:	Signature/Residence address	APN*
6/6/05	VAMES PICCININI	Emiterini Redwooddy	006-342-020
96/05	EMMA C. VER Libral	ED XEmmer Linds	<u> 1066342-010</u>
/ /		. (••

^{*}Assessor's Parcel Number of parcel(s) proposed for annexation.

APPLICATION FOR A CHANGE OF ORGANIZATION OR REORGANIZATION TO THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION

A.	GENERAL INFORMATION
1.	Briefly describe the nature of the proposed change of organization or reorganization.
	Annexation of 1624 and 1616 Annie Street (006-342-020, 010) to the City of Daly City and detachment from the Broadmoor Police Protection District, Colma Fire District and Colma Highway Lighting District
2.	An application for a change of organization or reorganization may be submitted by individuals in the form of a petition or by an affected public agency in the form of a certified resolution. This application is submitted by (check one):
	x Landowners or registered voters, by petition An affected public agency, by resolution
	(If this application is submitted by petition of landowners or registered voters in the affected territory, complete the petition form.)
3.	What are the reasons for the proposal?
	develop housing consistent with the Sullivan Corridor Specific Planas adopted by the City of Daly City
4.	Does this application have 100% consent of landowners in the affected area?
	x Yes No
5.	Estimated acreage: 0.69 acre (30,000 square feet)
В.	<u>SERVICES</u>
1.	List the name or names of all existing cities and special districts whose service area or service responsibility would be altered by the proposed change of organization or reorganization.
	City of Daly City
	Broadmoor Police Protection District
	Colma Fire Protection District
	Colma Highway Lighting District

2. List all changes to the pattern of delivery of local services to the affected area. For each service affected by the proposed change(s) of organization, list the present source of service (state "none" if service is not now provided), the proposed source of service and the source of funding for construction of necessary facilities (if any) and operation. Example is given on the first two lines of the space provided for your response.

	PRESENT	PROPOSED	FUNDING	SOURCE :
SBRAVICE	SOURCE	SOURCE.	CONSTRUCTION	OPERATING
Police	Broadmoor Police	Daly City Police	N/A	Taxes
Fire	Colma Fire Dist.	City of Daly City	N/A	Taxes
Street lighting	Colma Hwy. Lighting Dist.	City of Daly City	N/A	Taxes

C. PROJECT PROPOSAL INFORMATION

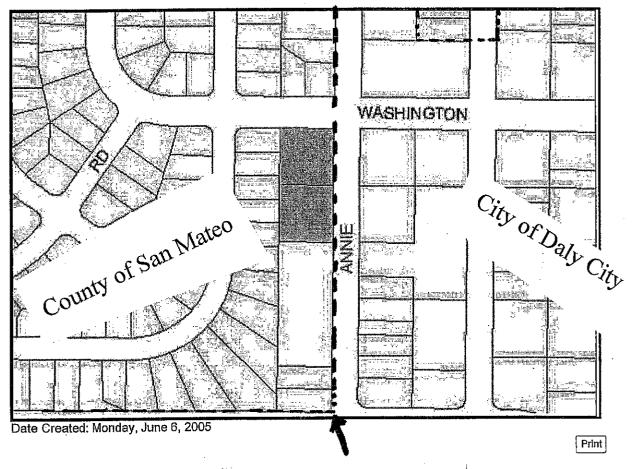
Annie Street at the corner of Was	shington in Unincorporated Broadmoor, San Mateo County
Describe the present land use(s) in	the subject territory.
Residential	
	· ·
Residential	
Residential	
Residential	
How are adjacent lands used?	

	Will the proposed change of organization result in additional development? If so, how is the subject
	territory to be developed?
	Residential development consistent with the City of Daly City Sullivan Corridor Specific Plan
	What is the general plan designation of the subject territory? R-1 Single-Family Residential
	What is the existing zoning designation of the subject territory? S-7 (5,000 square feet minimum lot area per dwelling unit, minimum lot width of 25 feet)
	What prezoning, environmental review or development approvals have already been obtained for
	development in the subject territory? In 1998 the City pre-zoned the area subject to the Sullivan Corridor Specific
	Plan, of which these properties are a part. The City adopted a Negative
	Declaration as a part of that planning process. The prezoning designation
	for the property is Residential Retail Commercial, which encourages mixed-use development.
	What additional approvals will be required to proceed?
	A limited number of commercial uses and residential uses are allowed by
	A limited number of commercial uses and residential uses are allowed by right in this district and additional uses would require a use permit. Subdivision would require
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loti rop IAN	A limited number of commercial uses and residential uses are allowed by right in this district and additional uses would require a use permit. Subdivision would require Planning Commission review and City Council approval. Does any portion of the subject territory contain any of the following —agricultural preserves, sewer or other service moratorium or wetlands subject to the State Lands Commission jurisdiction? No If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how? Sullivan Corridor Specific Plan prezoning specifies minimum lot size of 2,500 square feet. And minimum lot width of 25 feet., maximum Floor Area Ratio is 1.0, providing for potential for subdivision ***********************************

SELECTED PROPERTY Situs: 1624 Annie St , Colma

Owner: Paccinini James, 1624 Annie St, Colma, CA, 94015-

APN: 006342020

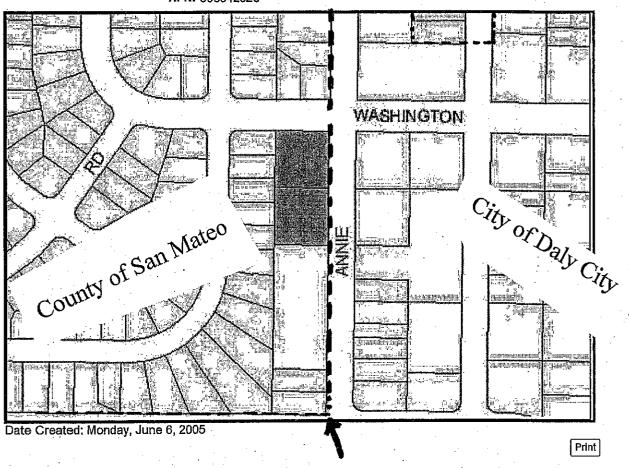


City/County Boundary

SELECTED PROPERTY Situs: 1624 Annie St, Colma

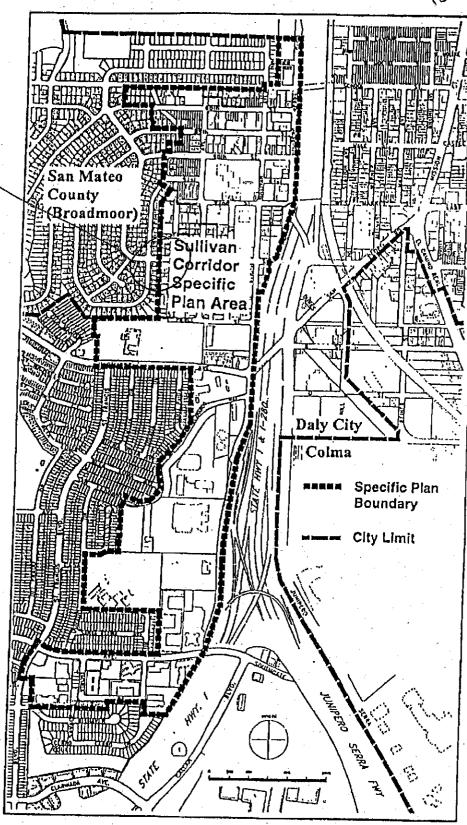
Owner: Paccinini James, 1624 Annie St, Colma, CA, 94015-

APN: 006342020



City/County Boundary

1.0442



WARREN SLOCUM, County Clerk
By

DEPUTY CLERK

ATTACHMENT A
Boundaries of the Daly City Sullivan Corridor Specific Plan