

March 12, 2012

TO:

Members, Formation Commission

FROM:

Martha Poyatos
Executive Officer

SUBJECT:

LAFCo File No. 11-07--Proposed Minor Sphere of Influence Amendment and Annexation of a Portion of APN 041-101-290 Known as Proposed Lots 1-4 of the Ticonderoga LLP/Chamberlain Group to County Service Area No. 1 (Highlands)

(0.246 Acres)

Summary

This application submitted by landowner petition requests annexation of four proposed lots totaling 0.246 acres to County Service Area 1 (Highlands) (CSA 1). On April 27, 2010, the County of San Mateo approved a subdivision proposal consisting of eleven residential parcels totaling approximately 4.534 acres with a remaining 93.42 acres designated as open space. (Please see Maps A and B.) Due to the economic downturn, the project is being developed in phases. This annexation application requests annexation to CSA 1 of the first phase of four homes located on Bunkerhill Drive. Annexation of remaining homes will be submitted as development advances. The proposal area is located in the unincorporated Highlands Area in the sphere of influence of the City of San Mateo. Annexation is requested in order to receive enhanced police and fire/emergency response from County Service Area 1. The territory is already in the service area of the Crystal Springs County Sanitation District and will receive other basic municipal services from the County of San Mateo consistent with surrounding areas. Commission approval of the proposed minor sphere amendment and annexation is recommended.

Agency and Departmental Reports

<u>County Assessor</u>: The net assessed valuation of the annexation area shown in the records of the Assessor is \$278,189. The boundaries of the proposal do not divide lines of assessment or ownership.

<u>County Clerk</u>: The territory has no registered voters. Annexation would not conflict with any political subdivision boundaries.

<u>County Public Works</u>: The map and legal description meeting requirements of the State Board of Equalization is not yet available and can be reviewed as a condition of approval of the annexation.

County Environmental Health: The California Water Service Company provides water in the

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surrounding area. Sewer service is provided by the Crystal Springs County Sanitation District. The proposal appears to have no adverse environmental health significance.

<u>County Planning and Building Division</u>: The County's General Plan designation is Medium-low density Residential and zoning was recently re-zoned to Planned Unit Development. General Plan Policy 7.16 states that land use designations should maximize efficiency of public services and utilities.

On April 27, 2010, the Ticonderoga Partners, LLC/Chamberlain group received approval from the San Mateo County Board of Supervisors for a County-proposed text amendment, a rezoning, lot line adjustment, major subdivision, resource management permit and a grading permit resulting in the creation and development of 11 residential lots totaling 4.53 acres and creation of a 92.47 acre parcel subject to a conservation easement. The 11 residential parcels are located at the perimeter of the 97-acre site with Lots 1 through 4 located on Bunker Hill Drive, Lots 5 through 8 along Ticonderoga Drive, Lots 9 and 10 at the east end of Cobblehill Place and Lot 11 at the Northeastern end of Cowpens Way. Subsequently, Lots 1 through 4 were approved with a minor modification resulting in reduced house and garage size. Conditions of approval of the project included a condition that the applicant shall apply to LAFCo for annexation of the residential parcels to the appropriate county-governed districts including CSA 1. 1

Report and Recommendation

This application was submitted by petition with 100% landowner consent and requests a minor sphere of influence amendment and annexation of 0.246 acres to CSA 1, which provides enhanced police and fire/emergency response to the surrounding unincorporated Highlands area.

CSA 1 was formed in 1955 to provide for enhanced fire protection to the newly constructed Highlands neighborhood. Formation recognized that the area was physically remote from other areas prior to construction of Highways 92 and 280 and prior to development of surrounding areas in San Mateo. Services were funded with a special assessment. In 1966 enhanced police services by contract with the County Sheriff were added by the Board of Supervisors. With passage of Proposition 13, the property tax received by the District was reduced and in 1982 a ballot measure for a parcel tax not to exceed \$110 per parcel was approved by the voters. The special tax was renewed in 1986 and 1991 with a not to exceed amount of \$110. In 1996, due to the ongoing actual rate of \$65 a parcel, the not to exceed amount on the ballot was adjusted to \$65 per parcel. A \$65 per parcel maximum tax was subsequently approved by

¹ The applicant indicated a preference for deferring to future property owners on the question of annexation to the Highlands Recreation District. The Municipal Service Review and Sphere Update for Highlands Recreation District currently underway will address potential a sphere amendment and annexation of both the residential parcels and open space parcel.

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district voters in 1996, 2000, 2004 and 2007. The current parcel tax expires in July 2012 and has been placed on the June 5, 2012 ballot by the Board of Supervisors.

The four undeveloped parcels proposed for annexation total 0.246 acre. They are contiguous with the Highlands residential community and CSA 1. Actual assessor parcels would be created by final issuance of a parcel map. This application to LAFCo for annexation complies with the condition of approval of the Board of Supervisors. Because annexation recordation requires distinct Assessor's Parcels that would be created by the County's recordation of the parcel map, LAFCo approval must be conditioned upon County approval and recordation of the final parcel map for Lots 1-4. In essence because the project is being developed in phases and each phase results in distinct assessor's parcels, the district annexation must be conditioned upon approval of the parcel maps in phases.

The County of San Mateo has adopted a resolution agreeing to an exchange of property tax revenues between the County's general share of the 1% property tax and CSA 1, pursuant to Section 99 of the Revenue and Tax Code. The parcels would also be subject to the \$65 parcel tax.

Environmental Review

As Lead Agency under the California Environmental Quality Act (CEQA), the County adopted the Highland Estates Recirculated Draft and Final Environmental Impact Report (EIR) and Mitigation Monitoring Plan. In doing so the County adopted findings and conditions of approval. The Highlands Estates EIR identified several potentially significant impacts that could be reduced to a less than significant level with mitigation in the following areas: aesthetics and visual resources; air quality; cultural resources; hazards and hazardous materials; hydrology and water quality; noise; and transportation and traffic. In approving the project, the County of San Mateo adopted the recommended mitigation measures, which were found to reduce impacts to a less than significant level.

As responsible agency under CEQA, the Commission must consider the Highlands Estates Final EIR and Recirculated Draft EIR prepared by the County. If an impact is outside the responsibility of the Commission and was previously mitigated by the lead agency, the Commission may make the finding that the impact is within the responsibility of another public agency and not LAFCo and that mitigation measures have been adopted by another agency or can and should be adopted by another agency.

Waiver of Conducting Authority Proceedings

Paragraph [c] of Section 56663 specifies that the Commission may waive conducting authority proceedings for annexations of uninhabited territory with 100% landowner consent, provided

² Highlands Estates Final EIR and Recirculated Draft EIR may be found on the LAFCo website linked to the March 21, 2012 agenda item.

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there is written consent from all gaining agencies. The purpose of the conducting authority proceeding is to measure landowner or voter protest within the affected territory. Paragraph [c] was added by the legislature in 1993 to streamline annexation proceedings in which landowners had already given consent to uninhabited annexation proceedings. The proponents have requested that the Commission waive the conducting authority proceedings if the proposal is approved.

Recommendation:

The subject area is contiguous to CSA 1 boundaries and part of a larger unincorporated territory already served by CSA 1. Annexation is consistent with service delivery patterns in the area and would promote orderly growth and development by facilitating development and public safety service delivery under a single service provider. Staff therefore respectfully recommends that the Commission approve the proposed annexation by taking the actions listed below.

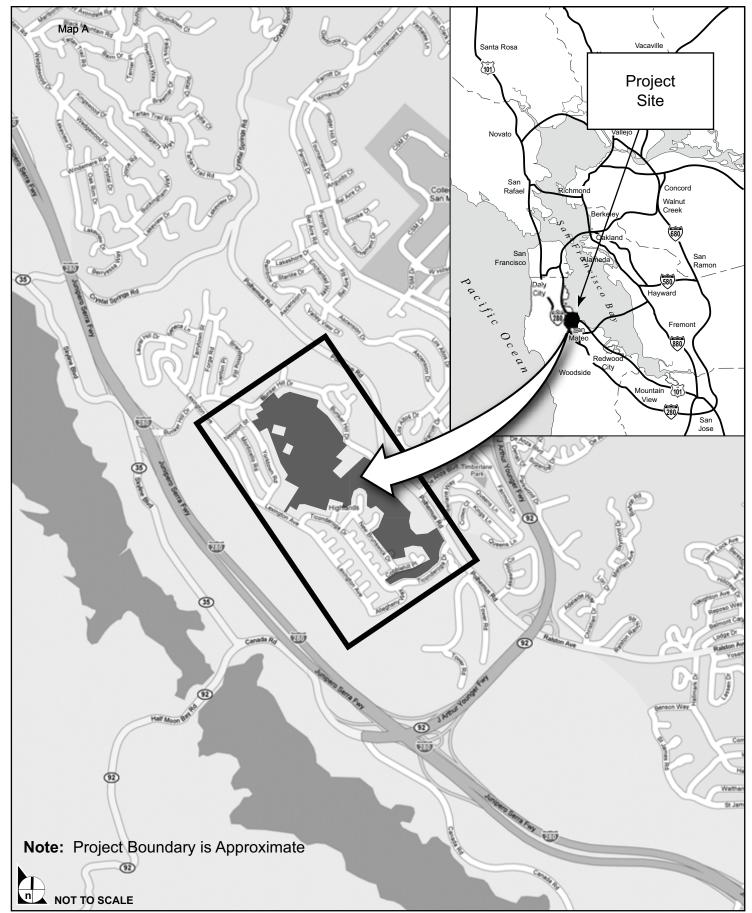
Recommended Commission Action, by Motion:

Pursuant to Sections 15096(g) (2) and 15096(h) of the State CEQA Guidelines, the Commission has considered the Highlands Estates Recirculated Draft EIR and Final EIR prepared by the County of San Mateo and finds as follows:

The Commission has considered findings made by the County of San Mateo for the Highlands Estates Recirculated Draft EIR and Final EIR pursuant to Sections 15091 and 15093 and the Mitigation Monitoring Program prepared by the County, and finds that such changes or alterations are within the responsibility and jurisdiction of the County of San Mateo and not LAFCo and such changes have been or should be adopted by the County. (CEQA Guidelines, § 15091, subd. (a)(2).)

<u>Recommended Commission Action, by Resolution:</u>

- 1. Approve LAFCo File No. 11-07--Proposed Sphere Amendment and Annexation of a Portion of APN 041-101-290 known as Proposed Lots 1-4 of the Ticonderoga LLP/Chamberlain Group to County Service Area No. 1 (Highlands) (0.246 Acres) with the following condition:
 - a. Recordation of the final parcel map for Parcels 1-4 and submittal of a map and legal description that meets the requirements of the State Board of Equalization.
- 2. Waive conducting authority proceedings pursuant to Government Code Section 56663(c).



SOURCE: George Miers & Associates – August 2005

 $\mathsf{FIGURE}\, \mathbf{3.0-1}$



Proposed Site Plan