

EXECUTIVE OFFICER'S REPORT

To The

Local Agency Formation Commission

TO:

| | | | | | |
|--------------|------------------------------|----------------------------|--------------|------------------------------------|--------------|
| Commissioner | DON CAMPBELL | [City] | Commissioner | MICHAEL KELLEY (Vice-Chair) | [Supervisor] |
| Commissioner | JASON JACKSON (Chair) | [City] | Commissioner | RAY CASTILLO | [Supervisor] |
| Commissioner | DAVID WEST | [Public] | | | |
| | Alt Commissioner | JACK TERRAZAS | | | [Supervisor] |
| | Alt Commissioner | MARIA NAVA-FROELICH | | | [City] |
| | Alt Commissioner | RALPH MENVIELLE | | | [Public] |

REPORT DATE: August 30, 2015

FROM: Jurg Heuberger, AICP, CEP, Executive Officer

PROJECT: City of Imperial Equestrian Center Annexation (IM 1-15)

HEARING DATE: October 8, 2015 **TIME:** 8:45

AGENDA ITEM NO: 10

HEARING LOCATION: El Centro City Council Chambers, 1275 Main Street, El Centro, CA

RECOMMENDATION(S) BY THE EXECUTIVE OFFICER (In Summary & Order)

- OPTION #1:** Approve the proposed annexation as presented by the Executive Officer.
- OPTION #2:** Approve the annexation as requested with modifications, following the hearing by the Commission.
- OPTION # 3:** Continue the hearing for not to exceed 70 days, (end date Dec. 18, 2015).
- OPTION # 4:** Deny the Annexation.

Project Data:

DATA & FACTS:

| | | |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Project ID | IM 1-15 | |
| Project Name: | City of Imperial Equestrian Center Annexation | |
| Applicant/Proponent: | City of Imperial | |
| Application Type: | Petition | EXHIBIT "A" |
| Application Filed: | January 9, 2015 | |
| Certificate of Filing: | February 10, 2015 | EXHIBIT "B" |
| Area/Size: | See Application for detailed description of project and project area. | |
| Location/Legal: | Maps of the City Limits Boundary and the SOI are included in this report. . | |
| Population: | Current Population is about 16,708 (2014 est.) with an estimated growth for 2035 to about 26,923. | |
| Proposed Project: | Annexation of land for development by the City of Imperial into a Regional Park and Equestrian Center with associated uses, including an RV Park and industrial as well as farming areas. | |
| MSR/SAP: | The most recent version of the Imperial MSR/SAP is Sept. 2015. | |

TAX AGREEMENT:

| | | |
|------------------------------|-----------------------------------------------------------------------------------|-------------|
| Board of Supervisors Action: | Tax & Fiscal Impact Agreement | EXHIBIT "C" |
| City Resolution: | City Council Approved June 17, 2015 as item # 3 of the Equestrian Center Project. | EXHIBIT "D" |
| Tax Split: | See attached! | EXHIBIT "E" |

CEQA:

| | | |
|----------------|--------------------------------|-------------|
| Lead Agency: | City of Imperial | |
| Documentation: | Mitigated Negative Declaration | EXHIBIT "F" |

ANALYSIS

I: Project Description:

The City of Imperial Redevelopment Agency (Redevelopment Agency) proposes to develop the Project site with a variety of recreation uses including a Regional Park and Equestrian Center. The proposed Project includes a 22.98 acre Sportsplex Regional Park with tournament level sports fields; 56.5 acres for an equestrian facility which includes a 160,000 square-foot covered arena, outdoor arena, stables, and a Recreational Vehicle Park with 200 parking spaces; two open space parks (Park #1=9.5 acres, Park #2=5.27 acres) totaling 14.77 acres; 4.4 acres of Commercial Center with 15,000 square feet for restaurants and equestrian-related retail stores; and 6.25 acres for an olive orchard and mill. As a regional park, this facility would serve residents from the City of Imperial, City of Brawley, City of El Centro and the incorporated and unincorporated areas of the County. The park would provide "recreation tourism" in attracting visitors to the park from outside the Imperial Valley into the incorporated City boundaries. The overall goal of this Project is to spur economic development through tourism by attracting visitors from outside the region.

II: County Land Use:

- 1) *County General Plan:* Under the County's General Plan, the area being proposed for annexation is shown to be Urban for the future expansion of Imperial.
- 2) *County Zoning:* A-2-U
- 3) *Surrounding Land Uses:* The project is contiguous to the City of Imperial at the south side and is fully surrounded by un-incorporated land on the west, north and east.

III: Sphere of Influence:

EXHIBIT – "G"

The proposed project is within the boundary limits of the current Sphere of Influence for the City of Imperial.

IV: CEQA:

The City of Imperial acting as lead agency prepared and certified a Negative Declaration of Environmental Impacts pursuant to CEQA requirements.

LAFCO as a responsible Agency is using this MND for its consideration of this annexation.

V: City Resolutions:

Resolution 2015-41: Certifying the Mitigated Negative Declaration, approving the Tentative Parcel Map, approving a General Plan Amendment and approving an annexation of the Imperial Regional Park and Equestrian Center.

EXHIBIT "H"

Ordinance # 785: An Ordinance of the City Council of the City of Imperial, California approving the pre-Zoning of the Imperial Regional Park and Equestrian Center Project Area in conformance with the Land Use Policies of the Imperial General Plan and in preparation of an application for annexation into the City of Imperial. **EXHIBIT "I"**

Cortese/Knox/Hertzberg Reorganization Act of 2000:

Government Code Section 56668 specifically requires that certain factors be considered in the review of any proposal, and shall include but not be limited to Items A through P.

- (A) *Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.*

Comment: The proposed project is to accommodate the extension of city services and the development of a Regional Park and Equestrian Center by the City.

- (B) *Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.*

'Services,' as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

Comment: The change will result in the availability of city service to be provided to this area, including but not limited to a regional park and associated public facilities.

- (C) *The effect of the proposed action and of alternative actions, on adjacent area, on mutual social and economic interests, and on the local governmental structure of the County.*

Comment: The proposed project is not likely to affect social or economic interest.

- (D) *The conformity of both the proposed and its anticipated effect with both the adopted Commission policies on providing planned, orderly, efficient pattern of urban development, and the policies and priorities set forth in Section 56377.*

Comment: The proposed project is certainly within the Sphere of Influence of Imperial and consistent with Gov. Code § 56377.

- (E) *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.*

Comment: This project will remove designated agricultural land, however the area is part of the SOI for Imperial and part of the Urban area.

- (F) *The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or of corridors of unincorporated territory and other similar matters affecting the proposed boundaries.*

Comment: This project is consistent with the intent of LAFCO polices and the CHK.

- (G) *A regional transportation plan adopted pursuant to Section 65080, and consistency with City and County General and Specific Plans.*

Comment: The project is considered consistent with the Imperial County General Plan, and with the GPA by the City, the project will be consistent with the City's plans.

- (H) *The Sphere of Influence for any local agency, which may be applicable to the proposal being reviewed.*

Comment: This area is within the City of Imperial's Sphere of Influence.

(I) *The comments of any affected local agencies.*

Comment: No significant adverse comments have been received for this project by any responsible agency.

(J) *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.*

Comment: The City has indicated that it has adequate capacity to service this project area and that is shown by the City's SAP.

(K) *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.*

Comment: The project as analyzed by the City of Imperial indicates that the City does have adequate water for this project.

(L) *The extent to which the proposal will affect a city or cities and the county in achieving their respective far shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.*

Comment: This project will not have an effect on the regional housing plans or needs.

(M) *Any information or comments from the landowner or owners, voters, or residents of the affected territory.*

Comment: None received as of the writing of this report.

(N) *Any information relating to existing land use designations.*

Comment: N/A

(O) *The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.*

Comment: The proposed project is not considered to have an impact on environmental justice.

(P) *Other considerations!*

Comment: NA

VI: Public Notice:

Public notice for the proposed project hearing before the Imperial County Local Agency Formation Commission has been given, according to Section § 56427. Notice was issued in the form of a publication in the IV Press at least twenty-one (21) days prior or said hearing, and posted on our webpage.

VII: Report:

In accordance with Section § 56665, the Executive Officer has prepared a report, and presented said report to your Commission and to any public member requesting such report. In addition, a copy of said report has been issued to the City of Imperial and any party requesting a copy.

VIII: Conflict of Interest Statement:

To date (at the writing of this report, August 31, 2015) no Commissioner has indicated that there is any conflict of interest with regard to this project, nor has any Commissioner reported any communications with the Applicant, Proponent or Opponent. The Commissioners will be asked to declare that during and prior to the public hearing.

The Executive Officer does not have any type of known conflict of interest or financial gain as a result of this project and owns no property in the vicinity.

EXECUTIVE OFFICERS RECOMMENDATION

RECOMMENDATION:

It is the recommendation of the Executive Officer that LAFCO conduct a public hearing and consider all information presented in both written and oral form. The Executive Officer then recommends, assuming no significant public input warrants to the contrary, that LAFCO take the following action;

Approve the annexation as requested by the applicant and per the attached conditions.

- 1: Certify the Mitigated Negative Declaration as approved by the City of Imperial.
- 2: Make the finding that this project with the conditions imposed herein (or as modified) is in substantial compliance with the provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000 and the Imperial County LAFCO Policy and Procedures.
- 3: Make the findings pursuant to Gov. Code § 56375 that:
 - a) The project has been pre-zoned under the City of Imperial current zoning Ordinance.
 - b) The project is prohibited per section 56375 (e) from being “re-zoned” for a period of two years following annexation. If a re-zone is enacted by the City within the next ten years, the City shall notify the County and LAFCO.
 - c) The project is contiguous to the City, does not create an island, and is a logical extension of the City within the sphere of Influence, and or urban area plan.
 - d) The protest proceedings pursuant to Part 4 commencing with Section 57000 are hereby initiated, and are in compliance with the resolution of approval by the Commission.
- 4: Approve the **Annexation**/subject to all of the following conditions:
 - A. Authorize the Executive Officer to forward the Resolution of approval to the City of Imperial as an information item and for compliance with all relevant conditions imposed herein. (*Pursuant to the Cortese/Knox/Hertzberg Reorganization Act of 2000, enacted through AB 2838, a conducting authority process, i.e. the City being the Conducting Authority, no longer exists and the LAFCO has been delegated the Conducting Authority Process*).
 - B: Pursuant to Cortese-Knox-Hertzberg, authorize the Executive Officer to record the annexation with the County Recorder and the State Board of Equalization, **ONLY** upon compliance by the applicant and the City, with all applicable conditions, payment of requisite fees, and receipt of all documents necessary and required from the proponents, the City and/or other agencies.
 - C: The Annexation boundary shall be as per map and legal description (**Exhibit – J**) attached hereto. The annexation shall include all contiguous Roads; Road Right of Ways; Canals, Canal Right of Ways; and Public Easements. The final annexation map shall be prepared by a California Licensed Engineer licensed to practice in the Category of work to be performed. Said final map shall be reviewed by the Surveyor of the County of Imperial and the Public Works Director of the City of Imperial to assure that the map complies with the correct boundary and surveying requirements, as well as legal descriptions.
 - D: The City of Imperial shall transmit to the Executive Officer **certified copies** of all approvals given or required to be given by the City of Imperial in approving the land use projects reported herein, including tax agreements unless that information has already been submitted.

- E: The City of Imperial shall within 90 days of the hearing by LAFCO, approving the annexation, submit to the LAFCO a full City Boundary Map depicting the new annexation as part of the overall City Boundary. This City Boundary map shall be signed by a licensed Engineer and shall be submitted as follows;
- a) A digital copy in AutoCAD 2009 or later format
 - b) A 24" x 36" or larger copy
 - c) A 18" x 24" copy.
- F: Upon receipt of the City Boundary Map required in condition E, the Executive Officer shall transmit said map to all affected public agencies, utility providers, including but not limited to law enforcement, Assessor, etc.
- G: The applicant (petitioner) and/or the City as appropriate shall provide to LAFCO the following items in order to complete the processing of the annexation.
- 1: Eight (8) copies of the Annexation maps and legal descriptions prepared by the licensed engineer, and one "Mylar" copy meeting the size established by the County Recorder's office.
 - 2) Check made payable to the State Board of Equalization as required by Statute.
- Check payable to LAFCO as determined by the Executive Officer to fully offset the cost of processing the application, including all costs incurred by County or City departments charged with the responsibility to review any portion of this project.
- 4) A letter from the Petitioners agreeing to the terms and conditions of the LAFCO and waiving all rights to an appeal, or reconsideration of the LAFCO decision, unless petitioner can show that a technical error occurred that would have or could have altered the decision of the LAFCO.
- H: The annexation shall not be recorded until all conditions have been completed and all costs paid in full.
- I: The City of Imperial shall not change any of the zone(s) within the boundary of the project annexation area for a period of two years from the date of recordation, subject to the Government Code section in the Cortese-Knox-Hertzberg Reorganization Act of 2000. The City shall notify the LAFCO and County of any proposed change of zone within the Boundary area at least 90 days prior to any such Council Hearing, if such is requested prior to the termination of 24 months from recordation. If the City does change the zone or the envisioned land use analyzed within this land use process, in the future and it affects any tax split agreements with other agencies, then the City shall be required to make the appropriate adjustments, with County and as applicable the other agencies.
- J: The City shall not enter this property into a "redevelopment" program or such other program that would adversely change the Fiscal impacts or in any way affect any fiscal impacts or tax sharing agreements with other agencies. IF the City following annexation and after recordation does change the project so as to change the Fiscal information/outcome upon which LAFCO and/or other agencies relied, the City shall be required to fund any deficit that may occur as a result of their change.
- K: All conditions of approval made by or given by the City as evidenced by the Resolutions or Ordinances adopted by the City shall be part of the Conditions of LAFCO in this annexation as if written herein.
- L: The City shall require all IID canals and drains that are within or contiguous to the project, to be under grounded (or eliminated), except for the canals or drains identified by the IID as not feasible. Applicant shall provide to LAFCO assurance acceptable to the Executive Officer which may include bonds or other surety. This annexation shall not record until the City has provided the requisite assurances that the canals/drains will be undergrounded.
- M: The annexation shall not record until the City provides to LAFCO a hard copy as well as a digital copy of the "mitigation" measures that will be required to be implemented for this project. These mitigation

measures will be made a part of the Resolution of approval by LAFCO and to the extent applicable will be required to be implemented or bonded for as appropriate. The Executive Officer shall have the authority to withhold recordation until this has been assured.

N: The annexation shall not record until the City provides to LAFCO a certified statement from the City engineer that the City has the capacity to provide sewer and water services to this project.

LAFCO Policy:

The proposed Sphere of Influence and Service Area Plan appears to be consistent with the Cortese-Knox-Hertzberg Reorganization Act of 2000, the Imperial LAFCO Policies and Procedures and the County of Imperial General Plan (Chapter IV. B. of LAFCO's Policies, Standards and Procedures). Furthermore, the City has (according to the Service Area Plan) the ability to supply the necessary public service, and has assured LAFCO that it has the capacity to service the areas.

NOTE: All "cc" submittals are the Executive Officer's Report only. Attachments are generally too voluminous and are only supplied on CD. Information about the project may also be found on the LAFCO web page at www.iclafco.com.

CC: City of Imperial

ATTACHMENTS:

EXHIBIT A – Application
EXHIBIT B – Certificate of Filing
EXHIBIT C – Tax Agreement
EXHIBIT D – City Resolution
EXHIBIT E – Tax Split
EXHIBIT F – Mitigated Negative Declaration
EXHIBIT G – Sphere of Influence
EXHIBIT H – Resolution 2015-41
EXHIBIT I – Ordinance #785