



ITEM 5

July 10, 2013

TO: Members, Formation Commission

FROM: Martha Poyatos
Executive Officer

SUBJECT: LAFCo File No. 13-02--Proposed Annexation of the 299 Club Drive to the City of San Carlos (6.38 Acres)

Summary

This application submitted by 100% landowner petition, requests annexation of 6.38 acres to the City of San Carlos. The City of San Carlos has approved pre-zoning and annexation of the proposal area consisting of one parcel consisting of one newly constructed single family home to be subdivided into three lots. The subdivision maintains the existing home and creates two newly created lots each be developed in the future with one single-family home and one 500 hundred square foot second dwelling unit. The proposal area is located in the unincorporated Devonshire area in the sphere of influence of the City of San Carlos and contiguous to the City boundary. Annexation is requested in order to receive sewer and other city services from the City of San Carlos.

Agency and Departmental Reports

County Assessor: The net assessed valuation of the land included in the annexation area as shown reported by the Assessor is \$2,627,070. The boundaries of the proposal do not divide lines of assessment or ownership.

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

County Public Works: The map and legal description submitted with the proposal are being reviewed for compliance with the requirements of the State Board of Equalization.

County Environmental Health: The California Water Service Company (CalWater) provides water in the City of San Carlos and surrounding unincorporated areas. Sewer service is provided

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by the City of San Carlos. Connection of the existing home to City sewer requires a septic tank abandonment permit. The proposal appears to have no adverse environmental health significance.

County Planning and Building Division: The County's General Plan designation is Low Density Residential and zoning is Residential, minimum 5,000 square feet lot size (R-1/S-71/DR). General Plan Policy 7.24 encourages cities to annex urban unincorporated areas within designated spheres of influence.

City of San Carlos:

The proposal is consistent with the City's General Plan and is compatible with planned extension of service and capital improvement projects. In considering the development proposal, actions taken by the City Council include a General Plan Amendment and pre-zoning of the territory to RS-3 Single Family/Low Density (3 dwelling units per acre), adoption of a Mitigated Negative Declaration, Mitigation Measures, conditions of approval including application to LAFCo for annexation and adoption of a property tax exchange. Subsequent development on the two newly created parcels will require additional review by the City.

Report and Recommendation

Submitted by petition with 100% landowner consent, this proposal requests annexation to the City of San Carlos of an existing single family residence on Club Drive. As noted above, the parcel totals 6.38 acres, is accessed from Club Drive and is approved for subdivision to create two additional lots that are each proposed for future development of a single family home and a second dwelling unit. The annexation area is characterized by steep slopes. Each resulting lot will be at least 2 acres in size and will require some grading for development. Water service is provided by California Water Service Company and the only available sewer is the City of San Carlos sewer system. The nearest County-operated sewer system is Devonshire Canyon Sanitation District has no additional sewage treatment capacity and a coterminous sphere of influence prohibiting annexation.

The City of San Carlos fiscal analysis of the annexation concluded the City would receive a fiscal net benefit based on the annexation involving new development. Taking into consideration average household size of 2.41 persons as reported by the Association of Bay Area Governments, the annexation and subsequent construction of two additional homes with second units, estimated population growth would be 9 to 10 persons. In regard to adequacy of service and capacity of service, the City of San Carlos and California Water Service Company maintain infrastructure in the area and developers pay all costs associated with infrastructure improvements. City services are funded through property tax and sewer service charges and CalWater recovers costs through water rates. The existing home and proposed residences are

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consistent with city land use and annexation is consistent with the adopted sphere of influence and County General Plan policies encouraging cities to annex territory in need City spheres.

Environmental Review

The City of San Carlos, acting as lead agency under the California Environmental Quality Act (CEQA), prepared and adopted the "Initial Study and Mitigated Negative Declaration for 299 Club Drive Annexation and Subdivision, March 2013" which included pre-zoning, General Plan Amendment and annexation.

The Mitigated Negative Declaration identified several potentially significant impacts related to construction that could be reduced to less than significant 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 City of San Carlos, a responsible agency, required mitigation measures, which were found to reduce impacts to a less than significant level. Please see attached City of San Carlos Resolution Adopting the Mitigated Negative Declaration and Mitigation Measures concerning the project at 299 Club Drive.

As responsible agency under CEQA, the Commission must consider the Initial Study and Mitigated Negative Declaration prepared by the City of San Carlos (Attached). If an impact is outside the responsibility of the Commission and was previously mitigated by the lead agency or another responsible 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 there no opposition from 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. The City has not opposed waiver of the protest hearing.

Recommendation:

The subject area is contiguous to City boundaries, is within the sphere of influence of the City and is accessed from City of San Carlos streets and responds to demand for service sewer service that is not available from the County of San Mateo. Annexation is consistent with the

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general plans of the City of San Carlos and the County and would facilitate service delivery under a single jurisdiction. 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 “Initial Study and Mitigated Negative Declaration for 299 Club Drive Annexation and Subdivision, March 2013” prepared by the City of San Carlos and finds as follows:

The Commission has considered the findings made by the City of San Carlos for the 299 Club Drive Annexation and the Mitigation measures adopted by the City of San Carlos and find that the mitigation measures are within the responsibility of the City of San Carlos and not LAFCo and such changes have been or should be adopted by the City of San Carlos. (CEQA Guidelines 15091 subd. (a)(2).

Recommended Commission Action, by Resolution:

- 1 . Approve LAFCo File No. 13-02--Proposed Annexation 299 Club Drive to the City of San Carlos
- 2 . Waive conducting authority proceedings pursuant to Government Code Section 56663(c).

**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 3 Parcels into the City of San Carlos, Sewer District, and all City Service. The (3) Parcels consist of (1) Existing Home and (2) additional Proposed Parcels.

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):

Yes 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?

To Annex into the City of San Carlos, Sewer District, and all related City Services. New Subdivision of (3) parcels of which (1) has an existing Home.

4. Does this application have 100% consent of landowners in the affected area?

Yes

5. Estimated acreage: 6.38 Acres

B. SERVICES

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.

County of San Mateo,
City of San Carlos

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.

SERVICE	PRESENT SOURCE	PROPOSED SOURCE	FUNDING SOURCE	
			CONSTRUCTION	OPERATING
Sewer	None	City of San Carlos	Proponent	Fees
Police Services: Sheriff	Sheriff	City of San Carlos (Contract with Sheriff's)		Taxes
Fire	County/ Calfire	City of San Carlos		Taxes

C. PROJECT PROPOSAL INFORMATION

1. Please describe the general location of the territory which is the subject of this proposal. Refer to major highways, roads and topographical features.

The Parcel/ Proposed Subdivisions is located on Club Dr in San Carlos 94070. The Parcel Can be reached from Hwy 280 by taking the Edgewood Exit, Making a left onto Crestview, and a right onto Club Dr. Alternatively Club Dr can be reached going South on Alameda by making a right onto Club Dr. The cross Street for 299 Club Dr is Whiteridge Rd which becomes Hastings Dr. entering into Belmont.

2. Describe the present land use(s) in the subject territory.

(1) Single Family Dwelling with attached garage.

3. How are adjacent lands used?

North: **Street (Club Dr)**

South: **Open Space**

East: **Single Family Dwelling**

West: **Town Houses**

4. Will the proposed change of organization result in additional development? If so, how is the subject territory to be developed?

Yes, two additional Single Family Dwellings with detached garages and inlaw units to be built on (2) proposed Parcels.

5. What is the general plan designation of the subject territory?

Medium Density

6. What is the existing zoning designation of the subject territory?

R-1 S-71 D.R

7. What rezoning, environmental review or development approvals have already been obtained for development in the subject territory?

The Project is slated for a Planning Commission Hearing for April 14, 2013, City Council Hearing April 22nd, and LAFCo Hearing May 15, 2013.

8. What additional approvals will be required to proceed?

**Planning,
City Council,
County of San Mateo LAFCo**

9. 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?
-

10. If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how?

Yes, the annexation and subdivision of this Parcel will create (3) Parcels. (2) of the proposed parcels will have (2) new Houses with detached garages (1 house per parcel).

* * * * *

LAFCo will consider the person signing this application as the proponent of the proposed action(s). Notice and other communications regarding this application (including fee payment) will be directed to the proponent at:

NAME: **California Pacific Bank**
Alan Chi

ADDRESS: **250 Montgomery St.**
Suite 500
San Francisco, CA 94104 TELEPHONE: **(415) 399-8000**

Signature of Proponent:  3-14-13

Applica_blk.doc
(10/6/2000)

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 into the City of San Carlos and all City Services.

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) YES Uninhabited

5. This proposal is consistent with the sphere of influence of the affected city and/or district(s).

6. The reason(s) for the proposed annexation is/are:

To Annex into the City of San Carlos and all City Services including the Sewer District per Subdivision Plan for (3) Parcels.

7. The proposed Annexation is requested to be made subject to the following terms and conditions:

8. The persons signing this petition have signed as:

registered voters **or** yes Owners of land (check one) within the subject territory.

Petition
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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

3/14/13 California Pacific Bank
Alan Chi



299 Club Dr. San Carlos, CA 94070

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

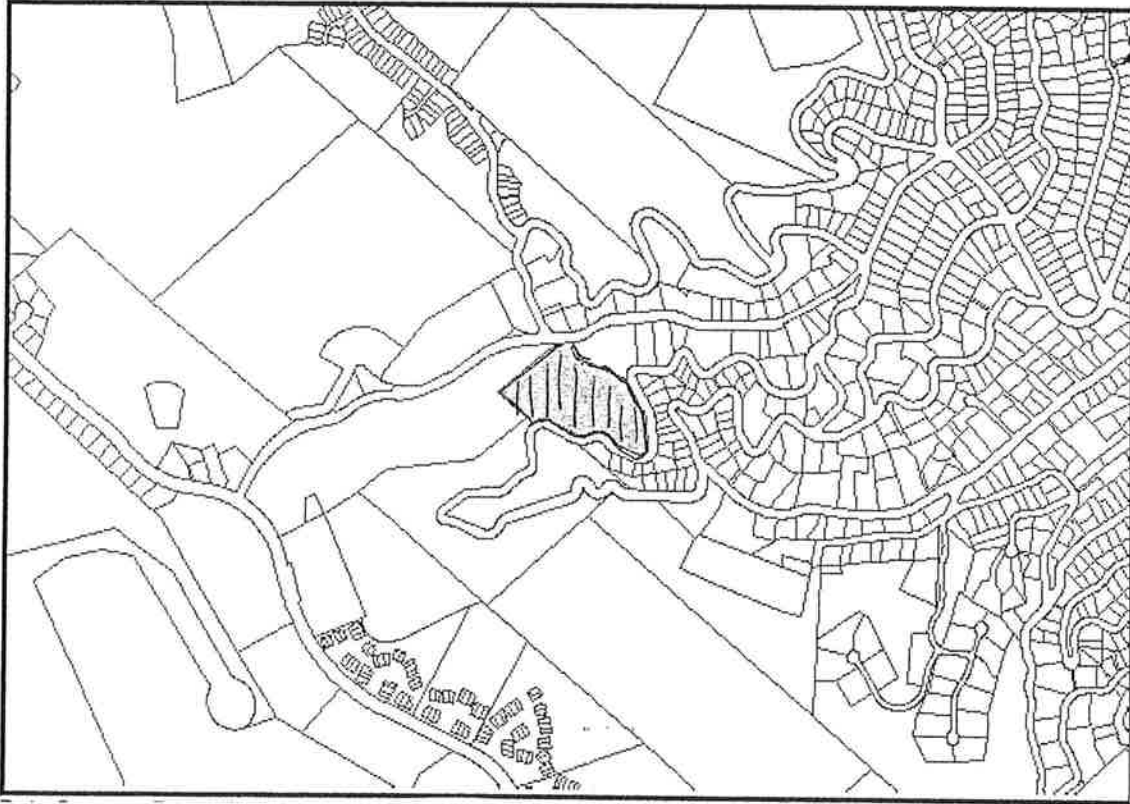
049-012-070

**SELECTED
PROPERTY**

Situs: 299 Club Dr , San Carlos

Owner: California Pacific Bank, 250 Montgomery St Ste 500, San Francisco, CA,
94104-

APN: 049012070



BELMONT

CHARLETTOWN AVE

299 CLUB DRIVE

CLUB DRIVE

SAN CARLOS

DEVONSHIRE UNINCORPORATED

UNINCORPORATED

DAVEY AVE

DEVONSHIRE BLVD

DEVONSHIRE BLVD

