

**EXECUTIVE OFFICER'S AGENDA REPORT
AUGUST 22, 2018**

TO: LAFCO Commissioners

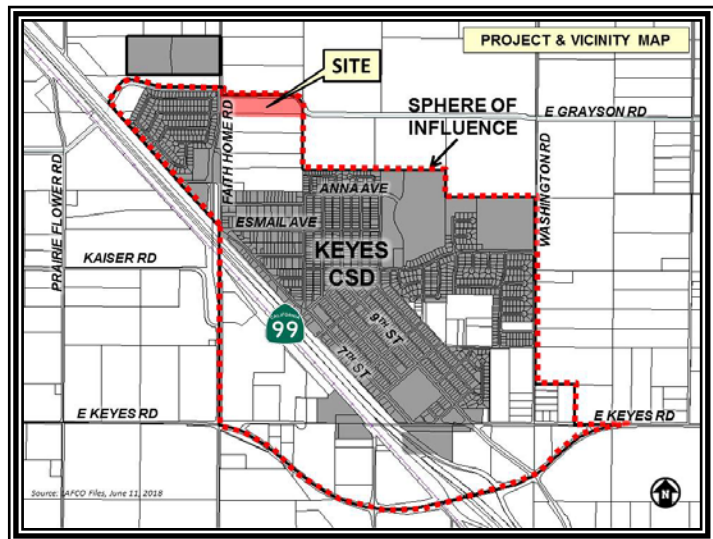
FROM: Javier Camarena, Assistant Executive Officer

SUBJECT: LAFCO APPLICATION NO. 2018-03 – ORCHARD VILLAGE MOBILE HOME PARK CHANGE OF ORGANIZATION TO KEYES COMMUNITY SERVICES DISTRICT

PROPOSAL

The project is a proposal to annex an 8.45 acre mobile home park to the Keyes Community Services District (CSD). The annexation will include the abandonment of two existing wells and connection to the Keyes CSD public water system in order to address high levels of arsenic.

1. Applicant: Keyes Community Services District (Keyes CSD)
2. Location: The project area is located at 4920 Faith Home Road on the east side of Faith Home Road, south of and adjacent to TID Lateral No. 2 ½, within the Keyes CSD Sphere of Influence (See Project & Vicinity Map)
3. Parcels Involved and Acreage: The project includes Assessor's Parcel Number (APN) 045-002-003 totaling approximately 8.45 acres (See Exhibit "A" maps and Legal Description).
4. Reason for Request: The project is requested in order to annex the Orchard Village Mobile Home Park into the Keyes CSD. The annexation will address health and safety issues related to the existing water system exceeding maximum contaminant levels for arsenic.



ENVIRONMENTAL REVIEW

The Keyes CSD, as "Lead Agency" under the California Environmental Quality Act (CEQA) filed a Notice of Exemption for the project based on Government Code Section 15303(d). LAFCO, as a Responsible Agency, must consider the environmental documentation prepared by the Keyes CSD. The proposed annexation will not result in a change of land use under the current zoning, which is under Stanislaus County jurisdiction.

BACKGROUND

The Orchard Village Mobile Home Park (MHP) was issued a violation for the exceedance of arsenic maximum contaminant level (MCL) by the State Water Resources Control Board. Due to the emergency health and safety situation, LAFCO approved an out-of-boundary request for the MHP with the understanding that the MHP would apply for annexation within a year. The Keyes CSD is currently out to bid for construction of the water connection and is scheduled to

begin construction in October of 2018.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires several factors to be considered by a LAFCO when evaluating a proposal. The following discussion pertains to the factors, as set forth in Government Code Section 56668 and 56668.3:

- a. *Population and 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.***

The proposed annexation will serve the existing Orchard Village Mobile Home Park (MHP). The MHP has approximately 125 residents and 50 mobile home units on 8.45 acres.

The extension of Keyes CSD water will not induce any further growth. The annexation and water extension is being proposed in order to address arsenic levels exceeding required standards.

The project site is zoned A-2-10 (General Agriculture) in the Stanislaus County Zoning Ordinance and is designated Urban Transition in the County's General Plan. The existing MHP is a legal non-conforming use. Annexation to the District will not change or lead to change in the zoning. The subject parcel is located in Tax Code Area: 072-011. The current total assessed value for the parcel within the proposed annexation area is \$2,291,567.

- b. *The 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.***

The proposed annexation will provide water service to the existing Orchard Village Mobile Home Park (MHP). The water service improvement project is funded by the California State Water Resources Control Board Drinking Water State Revolving Fund Project No. 5010009-003C and 5010009-004C. The Keyes CSD has indicated that it has the capacity to serve the MHP with the requested water service.

- c. *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.***

There are no social or economic communities of interest as defined by the Commission in the area. The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of governmental services.

- d. *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 the policies and priorities set forth in Section 56377.***

The parcel is located within an area that is zoned A-2-10 (General Agriculture) by Stanislaus County. The existing use is legal non-conforming to the County's Zoning Ordinance. The proposed annexation will provide water service to the Orchard Valley Mobile Home Park. There are no plans to change the land uses.

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

The proposal will not result in the loss of agricultural land and will not affect the physical and economic integrity of agricultural land. The land is currently zoned for agricultural uses by Stanislaus County; however, the existing mobile home park is a non-conforming and allowed use.

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 corridors of unincorporated territory, and other similar matters affecting proposed boundaries.*

Government Code section 61000 et seq., the principal enabling act for community services districts (CSDs), allows CSDs to include lands that are contiguous or non-contiguous to existing district boundaries upon approval of the Commission. The proposed boundary includes one parcel that is contiguous the existing District boundary on one side, creating a slight peninsula; however, the proposal is fully within the current Sphere of Influence of the District and is clearly defined.

g. *A regional transportation plan adopted pursuant to Section 65080*

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region's transportation system. The annexation will not change traffic or transportation routes for the area as the use of the property will remain the same.

h. *The proposal's consistency with city or county general and specific plans*

The proposal is consistent with the Stanislaus County General Plan's "Urban Transition" land use designation and will continue serving as a non-conforming use in the A-2-10 (General Agriculture) Zoning District.

i. *The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.*

The territory is within the Keyes Community Services District's Sphere of Influence. The proposal is consistent with those adopted spheres of influence and Commission policies.

j. *The comments of any affected local agency or other public agency.*

All affected agencies and jurisdictions have been notified pursuant to State law requirements and the Commission adopted policies. A letter of support was received from

the State Water Resources Control Board and a "No Comment" letter was received from the Stanislaus County Environmental Review Committee. No additional comments have been received from any other local or public agencies.

- k. *The ability of the receiving entity to provide services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.***

As mentioned previously, the water service improvement project is being funded by the California State Water Resources Control Board Drinking Water State Revolving Fund Project No. 5010009-003C and 5010009-004C. Service and maintenance will be financed through the collection of water charges.

- l. *Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5.***

Keyes CSD has indicated that in conjunction with the planned water service improvement project, it has the necessary contractual and design capacity to provide water service to the proposed area.

- m. *The extent to which the proposal will affect a city or cities and the county in achieving their respective fair 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.***

The mobile home park provides a supply of land and adequate sites suitable, feasible, and available for housing sufficient to help meet housing needs for all income levels and is essential to achieving the state's housing goals.

- n. *Any information or comments from the landowner or owners, voters, or residents of the affected territory.***

The owner of the mobile home park property has consented to the proposed annexation. No information or comments, other than what was provided in the application, have been received as of the drafting of this report.

- o. *Any information relating to existing land use designations.***

The property within the proposal is zoned A-2-10 (General Agriculture) within the Stanislaus County Zoning Ordinance and is designated as "Urban Transition" in the General Plan. The mobile home park is considered a legal non-conforming use. There are currently no plans to change the land uses.

- p. *The extent to which the proposal will promote environmental justice.***

As defined by Government Code §56668, "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. 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 services within the proposal area.

DISCUSSION

Based on the information provided by the Keyes CSD, annexation of the Orchard Village Mobile Home Park can be considered a logical extension of the District's boundaries. Staff has determined that the proposed annexation is consistent with Government Code and LAFCO policies.

Waiver of Conducting Authority Proceedings

Pursuant to Government Code Section 56663, the Commission may waive conducting authority proceedings entirely when the following conditions apply:

1. Landowners and registered voters within the affected territory have been notified via mail pursuant to section 56157 of the Cortese/Knox/Hertzberg (CKH) Act.
2. The mailed notice discloses that unless written opposition to the proposal is received prior to the commission proceedings that the commission intends to waive the protest proceedings.
3. No written opposition to the proposal from landowners or registered voters is received.

As all the above conditions for the waiver of conducting authority proceedings have been met, the Commission may waive the conducting authority proceedings in their entirety.

ALTERNATIVES FOR COMMISSION ACTION

Following consideration of this report and any testimony or additional materials that are submitted at the public hearing for this proposal, the Commission may take one of the following actions:

Option 1 APPROVE the proposal, as submitted by the applicant.

Option 2 DENY the proposal.

Option 3 CONTINUE this proposal to a future meeting for additional information.

STAFF RECOMMENDATION

Approve Option 1. Based on the information and discussion contained in this staff report, and the evidence presented, it is recommended that the Commission adopt attached Resolution No. 2018-13, which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by the Keyes Community Services District as Lead Agency;

**EXECUTIVE OFFICER'S AGENDA REPORT
AUGUST 22, 2018
PAGE 6**

- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Waives protest proceedings pursuant to Government Code Section 56663; and,
- d. Approves LAFCO Application 2018-13 – Orchard Village Mobile Home Park Change of Organization to the Keyes Community Services District as outlined in the resolution.

Respectfully submitted,

Javier Camarena

Javier Camarena
Assistant Executive Officer

Attachments - Exhibit A: Maps and Legal Description
Exhibit B: Notice of Exemption
Exhibit C: Keyes CSD Will Serve Letter
Exhibit D: LAFCO Resolution No. 2018-13

EXHIBIT A

Maps and Legal Description

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EXHIBIT "A"
LEGAL DESCRIPTION

ALL that certain real property, being a portion of and situate in the southwest quarter of Section 19, Township 4 South, Range 10 East, Mount Diablo Meridian, County of Stanislaus, State of California, being more particular described as follows:

COMMENCING at the southwest corner of said Section 19; thence along the South line of said southwest quarter, South 89°27'19" East 30.00 feet to a point on the East right-of-way line of Faith Home Road, being also the southwest corner of Parcel D, as said parcel is shown on that certain map, filed for record in Book 3 of Parcel Maps, at Page 12, Stanislaus County Records, and the TRUE POINT OF BEGINNING;

1. thence along said right-of-way line, being also the West line of said Parcel D, North 00°17'15" West 274.09 feet to the Northwest corner of said Parcel D;
2. thence along the North line of said Parcel D South 89°37'30" East 1170.42 feet;
3. thence continuing along said North line southeasterly 206.18 feet along the arc of a curve concave to the southwest having a radius of 175.00 feet through a central angle of 67°30'10";
4. thence continuing along said North line along a non-tangent line South 22°07'22" East 121.45 feet to a point on the East line of the southwest quarter of said southwest quarter;
5. thence along last said East line South 00°40'06" West 57.91 feet, more or less, to the southeast corner of said Parcel D, being also a point on said South line of the southwest quarter;
6. thence along the South line of said Parcel D, being also said South line of the southwest quarter, North 89°27'19" West 1377.87 feet to the Point of Beginning.

Containing 8.45 acres (NET), more or less.

The Basis of Bearings for this description is South 00°17'15" West for the centerline of Faith Home Road, as shown on that certain map, filed for record on March 3, 1967 in Book 3 of Parcel Maps, at Page 12, Stanislaus County Records.

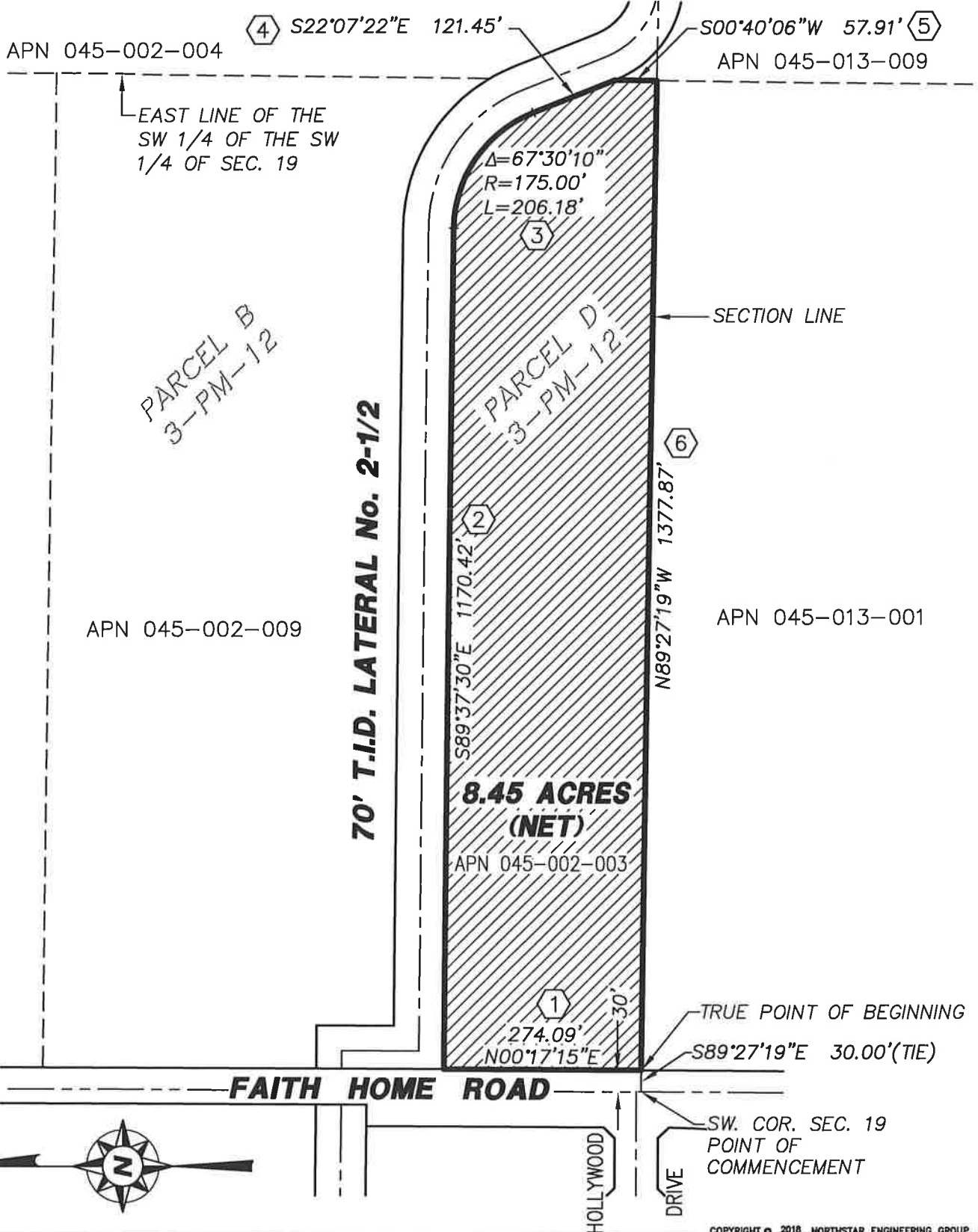
All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



Rien Groenewoud, P.L.S. 6946



4/16/18



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 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

EXHIBIT 'B'

BEING A PORTION OF THE SOUTHWEST 1/4 OF SECTION 19,
 TOWNSHIP 4 SOUTH, RANGE 10 EAST, MOUNT DIABLO MERIDIAN
STANISLAUS COUNTY CALIFORNIA

JOB: J18-2139
 DATE: 04/13/18
 SCALE: 1"=200'
 DRAWN: RG
 DESIGN: RG
 CHK'D: RG

SHEET
01
 OF 01

EXHIBIT B

**Keyes Community Services District
Notice of Exemption**

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2017128439

NOTICE OF EXEMPTION

TO: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

FROM: (Public Agency)
Keyes Community Services District
5601 7th Street
Keyes, CA 95328

2017 DEC 13 PM 4:08

County Clerk/Recorder
County of Stanislaus
1021 I Street, Suite 101
Modesto, CA 95354

STANISLAUS CO. CLERK-RECORDER
Linda Fernandez

FILING OF NOTICE OF EXEMPTION UNDER CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

PROJECT TITLE: Keyes Community Service District Consolidation Project

PROJECT LOCATION: Keyes, Stanislaus County, CA

- Mobile Plaza Mobile Home Park: 4812 Esmar Road, Ceres 95307
- Green Run Mobile Estates: 5061 Nunes Road #1, Turlock 95382
- Countryside Mobile Home Park: 4124 W Barnhart Road, Turlock 95382
- Faith Home Teen Ranch: 3855 Warner Road, Ceres 95307
- Orchard Village Mobile Home Park: 4920 Faith Home Road, Ceres 95307

PROJECT DESCRIPTION: Consolidation of the following water systems with Keyes Community Service District: Mobile Plaza Mobile Home Park (0.5 mi); Green Run Mobile Estates (0.31 mi); Countryside Mobile Home Park (0.85 mi); Faith Home Teen Ranch (0.72 mi); Orchard Village Mobile Home Park (<0.5 mi), in order to provide potable water compliant with State regulations by extension of existing water service by construction of water main pipelines ranging from 8-inches to 12-inches in diameter to each project location. Each segment of pipeline extension consists of less than one mile of pipeline construction. There is no significant impact to the environment from the project, as construction will occur within existing pre-disturbed, developed County right of way and private property.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Keyes Community Services District

EXEMPT STATUS: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 5269(b)(c));
- Categorical Exemption: Section 15303(d) New Construction or Conversion of Small Structures
- Statutory Exemption

REASONS WHY PROJECT IS EXEMPT: The project is exempt because it is a project for extension of water mains of reasonable length, under Class 3 Categorical Exemption Section 15303(d).

LEAD AGENCY CONTACT PERSON: Ernie Garza, General Manager

AREA CODE/TELEPHONE/EXTENSION: (209) 668-8341

If filed by applicant:

- 1. Attach certified document of exemption finding.
- 2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: Ernie Garza

Date: 12-10-17

Title: General Manager

- Signed by Lead Agency
- Signed by Applicant

DEC 19 2017

STATE CLEARINGHOUSE

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EXHIBIT C

**Keyes Community Services District
Will Serve Letter**

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**KEYES COMMUNITY SERVICES DISTRICT
5601 7TH STREET
P O BOX 699
KEYES, CA 95328**

November 22, 2017

Orchard Village Mobile Home Park
c/o Storz Management
9152 Greenback Lane
Orangevale, CA 95662

Re: Will Serve Letter Request For Orchard Village MHP, 4920 Faith Home Road,
Ceres, CA 95307, APN: 045-002-003-000

Dear Mr. O'Brien:

The Keyes Community Services District is willing to provide the requested water service on the following conditions:

1. All water service lines must be installed to District standards and according to plans approved by the District, at the expense of the owner.
2. All applicable District connection, facilities and inspection fees must be paid upon application for connections.
3. The owner must comply with all District rules and regulations.
4. This will-serve commitment will expire on November 22, 2018 unless construction has commenced by that date.
5. This Will Service Letter is valid only upon approval by Stanislaus County Local Agency Formation Commission (LAFCO) and compliance with all LAFCO stipulations regarding this request.

Sincerely,



Ernie Garza
General Manager

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EXHIBIT D

**Draft LAFCO Resolution
No. 2018-13**

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: August 22, 2018

NO. 2018-13

SUBJECT: LAFCO Application No. 2018-03 – Orchard Village Mobile Home Park Change of Organization to the Keyes Community Services District

On the motion of Commissioner _____, seconded by Commissioner _____, and approved by the following vote:

Ayes: Commissioners:
Noes: Commissioners:
Absent: Commissioners:
Ineligible: Commissioners:

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, the applicant has requested to annex acreage located at 4920 Faith Home Road within the Keyes Community Services District Sphere of Influence;

WHEREAS, the Keyes Community Services District has provided a “Will Serve Letter” stating that the District is willing to provide water service to the project site;

WHEREAS, the Commission has conducted a public hearing to consider the proposal on August 22, 2018, and notice of said hearing was given at the time and in the form and manner provided by law;

WHEREAS, the territory is considered inhabited as it contains more than 12 registered voters;

WHEREAS, Stanislaus County, as Lead Agency, prepared and subsequently approved Mitigated Negative Declarations for the proposal in compliance with the California Environmental Quality Act (CEQA);

WHEREAS, the proposal would not result in the loss of agricultural land, as the development is already an existing use; and,

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, the factors set forth in Government Code Section 56668 and 56668.3, and testimony and evidence presented at the meeting held on August 22, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Certifies, in accordance with CEQA, as a Responsible Agency, that it has considered the Notice of Exemption prepared by Keyes Community Services District.

2. Determines that: (a) the subject territory is within the Keyes Community Services District's Sphere of Influence; (b) approval of the proposal is consistent with all applicable spheres of influence, overall Commission policies and local general plans; (c) there are more than twelve (12) registered voters within the territory and it is considered inhabited; (d) all the owners of land within the subject territory have given their written consent to the annexation; (e) no subject agencies have submitted written protest to a waiver of protest proceedings; and (f) the proposal is in the interest of the landowners within the territory.
3. Approves the proposal subject to the following terms and conditions:
 - a. The applicant shall pay State Board of Equalization fees, pursuant to Government Code Section 54902.5.
 - b. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void or annul LAFCO's action on a proposal or any action relating to or arising out of such approval, and provide for the reimbursement or assumption of all legal costs in connection with that approval.
 - c. In accordance with Government Code Sections 56886(t) and 57330, the subject territory shall be subject to the levying and collection of all previously authorized charges, fees, assessments or taxes of the Keyes Community Services District.
 - d. The effective date of the change of organization shall be the date of recordation of the Certificate of Completion.
 - e. The application submitted has been processed as a change of organization consisting of annexation to the Keyes Community Services District.
4. Designates the proposal as the "Orchard Village Mobile Home Park Change of Organization to the Keyes Community Services District".
5. Waives the protest proceedings pursuant to Government Code Section 56663 and orders the change of organization subject to the requirements of Government Code Section 57200 et. seq.
6. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, upon receipt of a map and legal description prepared pursuant to the requirements of the State Board of Equalization and accepted to form by the Executive Officer, subject to the specified terms and conditions.

ATTEST:

Sara Lytle-Pinhey
Executive Officer