



CITY COUNCIL STAFF REPORT



November 1, 2022

ITEM TITLE

Annexation: Support a Property Owner Application to the San Diego Local Agency Formation Commission for Annexation of Otay Ranch Village 13 from the County of San Diego to the City of Chula Vista

Report Number: 22-0287

Location: Otay Ranch Village 13

Department: Development Services

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act (CEQA) State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Adopt a resolution supporting an application submitted by the property owners, Lakeview 1 LLC and Lakeview 2 LLC, c/o Baldwin and Sons and Moller Otay Lakes Investments, LLC, to the San Diego Local Agency Formation Commission ("LAFCO") requesting annexation of the 1,869-acre territory, known as Otay Ranch Village 13, from the County of San Diego to the City of Chula Vista.

SUMMARY

The property ownership of Otay Ranch Village 13 Lakeview 1 LLC and Lakeview 2 LLC, c/o Baldwin and Sons and Moller Otay Lakes Investments, LLC, submitted an application to LAFCO for their consideration of annexation of the territory from the County of San Diego into the City of Chula Vista. The LAFCO application process requires a City Council resolution as part of the required documents when considering such requests.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with CEQA and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

On September 27, 2022, the property ownership of Otay Ranch Village 13, Lakeview 1 LLC and Lakeview 2 LLC, c/o Baldwin and Sons and Moller Otay Lakes Investments, LLC, submitted an application to LAFCO for their consideration of annexation of the territory from the County of San Diego into the City of Chula Vista. The LAFCO application process requires a City Council resolution as part of the required documents when considering such requests.

The territory proposed to be annexed, known as Otay Ranch Village 13 or the Resort Focus Area within the Proctor Valley District of the Unincorporated East Otay Ranch Subarea within the City's adopted General Plan (Attachment 1), consists of approximately 1,869 acres generally located Northeast of Lower Otay Lake Reservoir with access provided via Otay Lakes Road. This territory is adjacent to the eastern boundaries of the City with future services anticipated to be provided by the City for the development of this territory.

Otay Ranch Village 13 is within the City's adopted General Plan and has a land use designation of Planned Community, approved via Ordinance No. 2578, dated November 9, 1993 (Attachment 2). This land use designation applies as "pre-zoning" of the territory that is a requirement of consideration of annexation into the City.

The proposed annexation is consistent with General Plan Policies LUT 68.1 and 68.2 (Attachment 3). Policy LUT 68.1 states *"Ensure that services and infrastructure are adequate to accommodate development in Villages 13, 14 and 15 of the Otay Ranch General Development Plan"* and Policy LUT 68.2 states *"Evaluate for annexation into the City all development areas within those portions of Villages 13, 14 and 15 that require urban-level services."* The City's adopted General Plan contemplated potential annexation actions for these Villages. Should LAFCO approve the annexation of Otay Ranch Village 13 into the City of Chula Vista, city staff will ensure the proposed development is consistent with these General Plan policies.

Staff recommends that the City Council support the requested action to approve the resolution in support of the proposed annexation.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, *et seq.*).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

All costs incurred by the City preparing this resolution are borne by the applicant, resulting in no net impact to the General Fund or the Development Services Fund. Should the annexation proceed, all costs incurred processing the annexation and associated entitlements would similarly be borne by the applicant.

ONGOING FISCAL IMPACT

Approving the resolution indicates preliminary support for the subject annexation; it is not an approval.

Should the annexation proceed, all costs incurred processing the annexation and associated entitlements would be borne by the applicant, resulting in no net impact to the General Fund or the Development Services Fund.

The fiscal impacts of the annexation would be analyzed and presented to the City Council in conjunction with consideration of the annexation and associated entitlements, including projected revenue generation and costs of providing services to the annexation area. Any projected fiscal deficits would be addressed as part of the project approvals, ensuring no negative fiscal impacts to the City as a result of the annexation.

ATTACHMENTS

Attachment 1 – Map of Village 13

Attachment 2 – Ordinance No. 2578, dated November 9, 1993

Attachment 3 – General Plan Policies

Staff Contact: Laura C. Black, AICP, Director of Development Services