CITY OF NEWPORT BEACH CITY COUNCIL STAFF REPORT

Agenda Item No.____ August 14, 2007

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: City Manager's Office Dave Kiff, Assistant City Manager 949/644-3002 or dkiff@city.newport-beach.ca.us

SUBJECT: West Santa Ana Heights Annexation Update

ISSUE:

What's next for the City's effort to annex West Santa Ana Heights?

RECOMMENDATION:

Receive and File.

DISCUSSION:

<u>Background:</u> State law (the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 [Government Code §56000 *et seq.*]) governs the way cities, counties, and special districts address boundary issues like incorporations, annexations, detachments, changes in "spheres of influence" ("SOIs"), mergers and consolidations, and combinations of these actions called "**reorganizations**." Readers can access the Act at <u>www.leginfo.ca.gov</u>. Boundaries for school districts are not set via this Act -- generally, county departments of education follow the California Education Code to set school district boundaries.

The Act describes the membership and role of the Local Agency Formation Commission (LAFCO) in each county. Orange County LAFCO, a seven-member body that meets monthly in Santa Ana, addresses local government boundary changes for our region (<u>www.oclafco.ca.gov</u>).

Newport Beach and Orange County LAFCO have followed the Act to annex the following territory to Newport Beach in recent years:

- The Newport Coast (on January 1, 2002);
- Eastern Santa Ana Heights (on July 1, 2003); and
- Bay Knolls (also on July 1, 2003).

The annexation of these lands meant that almost all properties within Newport Beach's SOI (considered to be the ultimate boundary for a city) had been annexed into the city except for (generally) the Emerson/Churchill tract and the Banning Ranch area of

western Newport Beach. The unincorporated area of Banning Ranch, within the City's SOI, is also bounded by a 1' strip of the City's limits.

Remaining Unincorporated Islands

LAFCO law suggests that cities should ultimately annex territories within spheres of influence. The law suggests that cities are generally more effective providers of municipal services (like libraries, public safety, recreation, and street sweeping) than counties or special districts. As such, the law tells LAFCOs to adopt spheres of influence for all cities within each LAFCO's jurisdiction.

The remaining unincorporated islands between and along Costa Mesa and Newport Beach are as follows:

- The community of West Santa Ana Heights (within the Costa Mesa SOI);
- The Santa Ana Country Club ("SACC" within the CM SOI);
- Several hundred parcels South of Mesa Drive (within the CM SOI), and a
- A small 9-parcel neighborhood called the "Emerson/Churchill Tract" (within Newport Beach's SOI).
- The Banning Ranch located entirely within Newport Beach's SOI and, additionally, within a 1' strip of incorporated Newport Beach.

On February 14, 2006, the City Council adopted a Resolution of Application to direct staff to work with LAFCO to annex West Santa Ana Heights. After long and varied discussions between LAFCO staff, Supervisors Jim Silva and John Moorlach, the Santa Ana Heights Project Advisory Committee, area residents, and the City of Costa Mesa, on July 11th, 2007, the Orange County LAFCO approved the City's application to annex West SAH.

LAFCO's approval on July 11th was a mid-point in the annexation process for WSAH. The next steps are as follows:

- Reconsideration Period (a commissioner that voted for the City's annexation of WSAH can request LAFCO's reconsideration of LAFCO's July 11, 2007 action) – July 19th – August 17th, 2007.
- 2. Map and Legal Description prepared. NOTE: When LAFCO approved the WSAH annexation area, they directed the City to prepare a new Map and Legal Description that:
 - Excluded the JWA Runway Protection Zone (RPZ);
 - Excluded the sidewalks, curbs, and streets of Santa Ana Avenue and Mesa Drive (in other words, the City's boundary would end at the interior side of the road's right-of-way).
- Protest Period (registered voters in the affected area can register a protest against the annexation. If less than 25% of the registered voters protest during the protest period, then the annexation moves forward) – Monday, August 20th – Monday, September 10th
- 4. Protest Hearing Date Monday, September 10th
- 5. LAFCO meets to Record Annexation Wednesday, September 12th, 2007.

- 6. City departments plan for provision of services to WSAH, within the context of the FY 2008-09 City Budget preparation Spring 2008.
- 7. Annexation effective date (City begins providing services) July 1, 2008 (NOTE: Amended in September to January 1, 2008).

For more details about the proposed annexation areas, readers should review staff reports (at <u>www.city.newport-beach.ca.us</u>) dated January 13, 2004 and March 3, 2003.

<u>Environmental Review:</u> The City Council's approval of this Agenda Item does not require environmental review. Annexation itself DOES require CEQA documentation – a negative declaration was prepared and approved on January 13, 2004 for all of the noted areas except the small General Services yard parcel.

<u>Public Notice:</u> This agenda item may be noticed according to the Brown Act (72 hours in advance of the public meeting at which the City Council considers the item).

Submitted by:

Dave Kiff Assistant City Manager

Attachments: A – Map of Proposed Annexation Area (WSAH) B – JWA RPZ

Attachment A



Attachment B

