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**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)  
EXECUTIVE OFFICER'S REPORT**

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**AGENDA ITEM No. 8**

**DATE:** August 11, 2010

**TO:** Local Agency Formation Commission

**FROM:** Jeff Witte, Executive Officer

**SUBJECT:** **Consider Approval** – Request for a One-Year Extension to Complete Proceedings for the City of Fresno “Whitesbridge-Valentine Southwest Reorganization”. A reorganization submitted by Landowner Petition to annex approximately 115.32 acres to the City of Fresno and detach from the North Central Fire Protection District and the Kings River Conservation District for territory generally located east of S. Brawley Avenue between W. Whitesbridge Road and W. Madison Avenue (**LAFCo File No. RO-06-20**).

**Recommendation:** **Approve One-Year Extension**

Based upon the justification provided by the proponents, it does appear that market conditions have produced an economic hardship which has limited the ability of the proponent to complete this proposal and contributed to the need for this time extension request. Staff therefore recommends that an additional one-year time extension be granted.

**Summary:**

State law requires that all reorganization proceedings shall be completed within one year of approval unless the Commission grants an extension of time prior to the expiration date. Failure to grant an extension will terminate the proceedings. LAFCo Policies, Standards, and Procedures Section 315-03 allows extensions of time to be granted when the imminent need for the proposal still exists, the project is still viable, and progress is being made toward completion.

The City of Fresno’s “Whitesbridge-Valentine Southwest Reorganization” was approved by the Commission on August 16, 2006. The Chief Petitioner for this reorganization is requesting a one-year extension of time to complete proceedings. This is the fourth extension request for this proposal. As per the Commission’s adopted policies, this request has been placed on the Commission’s Agenda as a “public hearing” item rather than the “consent agenda” item since it is the proponent’s fourth one-year extension request.

**Parties of Interest:**

Craig Nagler, Granite Bay Capital, LLC	Geryoung & Mai J. Yang
Eleazar & Yolanda Garcia	Craig Nagler Cencal Holdings LLC
Dirk Poeschel, Representative	Darryll & Gretchen Freedman
Fresno Unified School District	Martin Inchauspe
Kun Ho & Fenging Su Hsueh	

## **Project Description:**

An annexation of 115.32 acres to the City of Fresno and detachment from the North Central Fire Protection District and the Kings River Conservation District for territory generally located east of S. Brawley Avenue between W. Whitesbridge Road and W. Madison Avenue. The City of Fresno has approved two single-family residential subdivisions (Tentative Tract Map Nos. 5463 and 5574) containing 396 lots within the affected territory.

## **Reasons for Request and Actions Taken to Date:**

The proponent has stated that the economy and the failure of the Running Horse project to the east contribute to the economic depression of the immediate area. They have expended a great deal of effort and money to complete the entitlement process and that the City of Fresno has granted time extensions until 2013 for Tentative Tract Map Nos. 5463 and 5574, which cover a majority of the annexation area. However, they have returned the 19.3 acres covered by TTM 5574 (APN 326-100-39) to the owners (Kun Ho & Fenging Su Hsueh). Of the remaining 96 acres 58.37 acres is proposed to be developed as TTM 5463 (for 305 single family residences). 18.65 acres are zoned for agricultural uses and will not be developed and 19 acres are already developed with Madison Elementary School.

## **Staff Analysis:**

Past experience has shown that it is not uncommon for reorganizations to take longer than the initial one-year approval to be completed, and that one or more extensions of time may be required to fulfill all conditions of approval.

Additionally the slowed economy has negatively affected the ability of proponents to complete projects timely. The developer indicates that is also the case with his proposal. The Commission's policies do allow for economic hardships to be considered as a justification for time extension requests.

Based on this information, it does appear that circumstances beyond the control of the City and the developer, including economic hardships due to the current economic conditions, have delayed this reorganization. Based on these circumstances, staff supports an additional one-year extension.

The City of Fresno supports the extension request and has concurred that slow real estate market conditions have negatively impacted the ability for homebuilders to move forward timely. Additionally, the City of Fresno has shown its support of the development by approving tentative tract map extensions until 2013.

## **The Following Have Received Copies of This Report:**

LAFCo Commissioners and Alternates  
Ken Price, LAFCo Counsel, Baker, Manock & Jensen  
Craig Nagler, Cencal Holdings  
Steve Miller, Cencal Holdings  
Dirk Poeschel, Dirk Poeschel Land Development Services  
Mark Scott, City Manager, City of Fresno  
Mike Sanchez, Planning Manager, City of Fresno  
Bernard Jimenez, Planning Manager, Fresno County Development Services Department  
Will Kettler, Fresno County Public Works and Planning  
David Orth, Manager, Kings River Conservation District  
Joel Aranaz, City of Fresno Fire Department (North Central Fire Protection District)

July 20, 2010  
Hand Delivered



Mr. Jeff Witte, Executive Director  
Fresno County Local Agency Formation Commission  
2115 Kern Street, Suite 310  
Fresno, CA 93710

SUBJECT: Whitesbridge – Valentine Southwest Reorganization (R-06-20)

Dear Mr. Witte:

As you know, the above annexation is scheduled to expire on August 16, 2010. On behalf of my client Granite Bay Capital, LLC, I am requesting an extension to the above annexation application. Per your direction Granite Bay Capital Group has provided the enclosed check No. 5603 dated July 13, 2010 in the amount of \$500.00 for the extension request.

As you are aware the real estate market has been severely impacted by the current global economic crisis. The failure of the Running Horse project to the east contributes to the economic depression of the immediate area. Granite Bay Capital, LLC has expended a great deal of effort and money to complete the entitlement process for the subject property. However, due to circumstances beyond the control of our client, the entitlement process has not been completed. My client is committed to the timely completion of the entitlement process to allow recordation of the final tract map. We are optimistic that the residential real estate market will come back. Market conditions have produced economic hardships which have prohibited my client from recording the final map. The City of Fresno has provided an extension of Tentative Tract Map (TTM) 5463 April 15, 2013.

We appreciate your consideration of this request and look forward to discussing with you and the members of LAFCo. In the meantime if you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads 'Dirk Poeschel'.

Dirk Poeschel, AICP




Enclosure

c: Mr. Craig Nagler

# EXHIBIT "A"



## Legend

-  Sphere of Influence
-  City Limits
-  Affected Territory

City of Fresno "Whitesbridge-Valentine  
Southwest Reorganization"  
LAFCo File No. RO-06-20

