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

AGENDA ITEM No. 7

DATE: December 2, 2009

TO: Local Agency Formation Commission

FROM: Rick Ballantyne, Executive Officer

SUBJECT: **Consider Approval** – Request for One-Year Extension to Complete Proceedings for the City of Reedley “Frankwood-Floral Reorganization” (LAFCo File No. RO-05-32).

Summary: The subject reorganization was approved on December 7, 2005, but has not been completed. 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. This is the fourth request for extension. Cory File, Land Acquisition & Entitlements Manager for Workman Brothers Development Company has requested an additional one-year extension of time and the City of Reedley has expressed its support of the applicant's request.

In accordance with *Fresno LAFCo Policies, Standards and Procedures* Section 315-03, extensions of time may be granted when the imminent need for the proposal still exists, the project is still viable, and progress is being made toward completion.

Project Description: The reorganization consists of the annexation of 54.36 acres to the City of Reedley and detachment from the Fresno County Fire Protection District and the Kings River Conservation District. The affected territory is located at the northeast corner of Frankwood and Floral Avenues (see attached map).

Reasons for Request and Actions Taken to Date: The City of Reedley has indicated that the applicant continues to work with staff to finalize the final map. The City has also indicated that a right-to-farm covenant and CC&Rs are being prepared and that once the City has accepted the final map, the City will request completion of the annexation from LAFCo. The applicant has stated that to their knowledge, no circumstances have changed in the vicinity of the project since the proposal was approved that could affect suitability for annexation.

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, in many recent cases the slowed economy has negatively affected the ability of proponents to timely complete projects. The developer indicates that is also the case with this 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 caused a delay in completing the reorganization. The City of Reedley also believes that this project is still viable. Based on these circumstances, staff supports an additional one-year extension.

Parties of Interest:

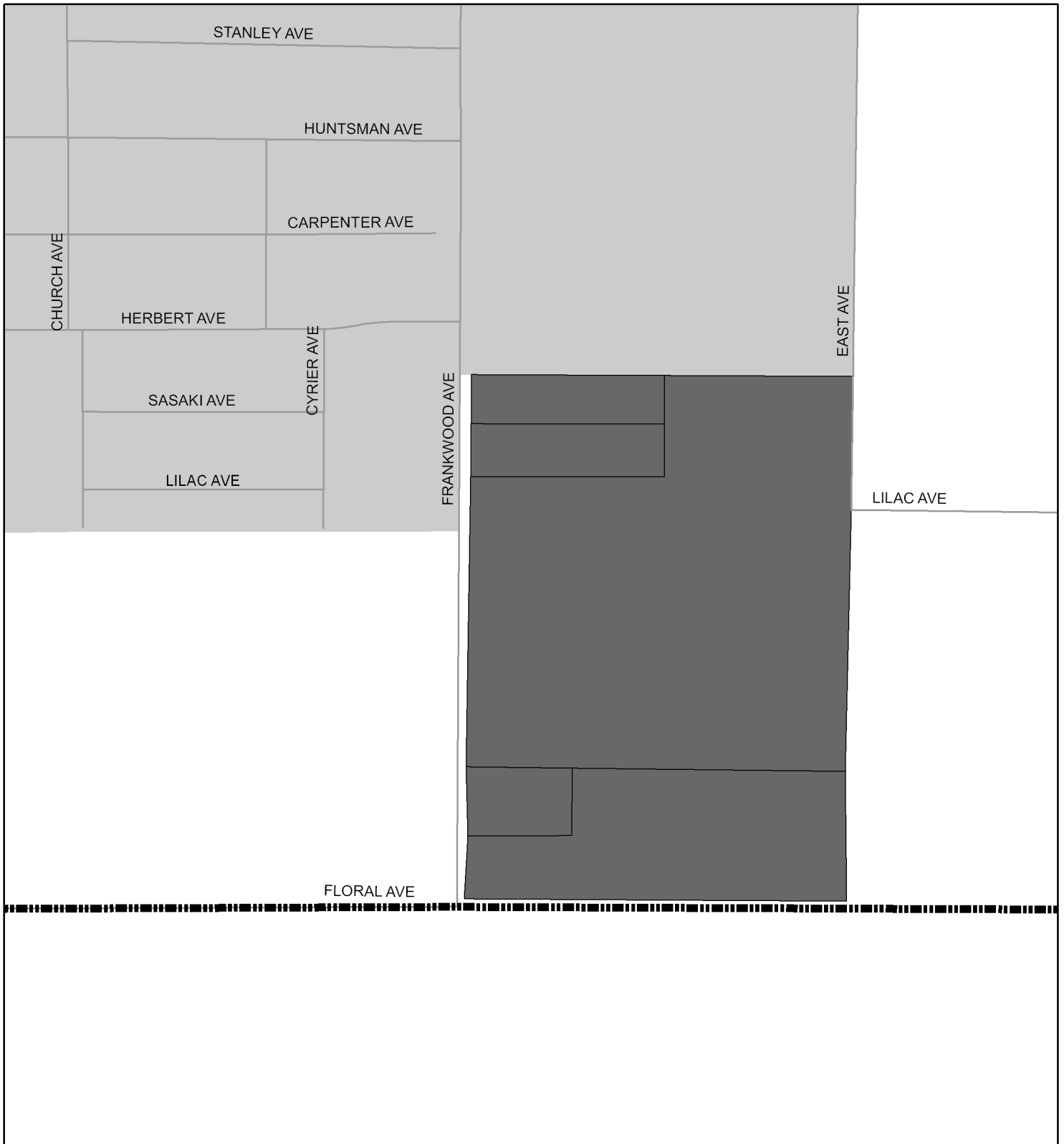
Donald & Lydia Beckenhauer	Workman Brothers Development, Co.	Paul & Doris Ohannesian	David Breletic, City of Reedley
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Recommendation: Approve a one-year extension




The Following Have Received Copies of This Report:

- LAFCo Commissioners and Alternates
- Ken Price, LAFCo Counsel, Baker, Manock, and Jensen
- Keith Larkin, Chief, Fresno County Fire Protection District
- David Orth, Kings River Conservation District
- David Brletic, City of Reedley
- Cory File, Workman Brothers Development, Co.
- Bernard Jimenez, Planning Manager, Fresno County Development Services Department
- Will Kettler, Fresno County Public Works and Planning

EXHIBIT "A"

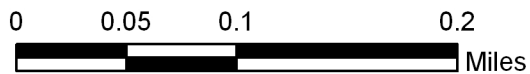


Legend

-  Sphere of Influence
-  City Limits
-  Affected Territory

City of Reedley "Frankwood-Floral Reorganization"

LAFCo Agency No. RO-05-32





City of Reedley

Community Development Department
1733 Ninth Street
Reedley, CA 93654
(559) 637-4200
FAX 637-2139

November 6, 2009

Rick Ballantyne, AICP, Executive Officer
Fresno Local Agency Formation Commission
2115 Kern Street, Suite 310
Fresno, CA 93721



Dear Mr. Ballantyne:

Re: Frankwood-Floral Reorganization, Annexation No. 2004-6

The applicant, Workman Brothers Development, Inc., mailed to you a check in the amount of \$500 to file for a one year extension of time on the LAFCo approval of Frankwood-Floral Reorganization, Annexation No. 2004-6.

Workman Brothers Development, Inc., has prepared and submitted a letter noting progress of Frankwood-Floral Reorganization, Annexation No. 2004-6 and their efforts in moving the project to construction (see attached letter dated November 4, 2009).

1. The applicant continues to work with staff to finalize the final map (see attached letter dated November 4, 2009).
2. The circumstances have not changed in the vicinity of the project since the proposal was approved that could affect its suitability for annexation. Previously annexed parcels adjacent and to the north of the project site are nearing build out.
3. The applicant has submitted a final map. A Right-to-Farm Covenant and CC&R's are being prepared. Once the City of Reedley has accepted the final map, the City of Reedley will request completion of the annexation from LAFCo.
4. Milestone, Tentative Subdivision Map, Tract No. 5417, does not include a condition giving the date of expiration. However, the Subdivision Map Act requires that if a final map is not approved within two years after approval of a tentative map, an extension of time must be filed prior to the expiration date of the tentative map. Milestone, Tentative Map, Tract No. 5417, was set to expire on September 27, 2007; however, Workman Brothers Development Company requested and was granted a two-year extension of time by the Planning commission on August 16, 2007. The tentative map was to expire on September 27, 2009. The State granted an additional year; therefore, the tentative map will expire on September 27, 2010.
5. The City of Reedley supports Workman Brothers Development, Inc.'s, request for extension of Frankwood-Floral Reorganization, Annexation No. 2004-6. The City of Reedley concurs with the applicant's need for extension as stated in the attached November 4, 2009 letter.

If you have any questions or concerns, please contact the Community Development Department at (559) 637-4200, Ext. 222.

Sincerely,

David Brletic
City Planner

Attachment: Letter to David Brletic dated November 4, 2009

c: Corey File
Steve Friedline, Lars Anderson & Associates, Inc.
Rocky Rogers, Public Works Director
Mike Pardo, Sr. Engineering Assistant

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Workman Bros. Development Co.

Real Estate Construction • Development • Brokerage

November 4, 2009

VIA FACSIMILE & US MAIL

Mr. David Brletic
City of Reedley
1733 9th Street
Reedley, CA 93654

Re: Frankwood – Floral Reorganization

Dear David,

The purpose of this letter is to update you on the progress of the referenced project. The tentative tract map was approved by the City of Reedley on September 27, 2005. The tentative map is scheduled to expire September 27, 2010. As you know, engineering for all phases of the map have been completed and approved at staff level. Final maps have been approved by City staff and are ready to record subject to final City Council approval.

We continue to make every effort to get the Milestone project started. We are working with Park Place Land Advisors, one of California's leading residential subdivision consulting firms, in efforts to locate development or joint venture partners for both the residential and multi-family portion of the project.

As you are aware, adverse conditions in the residential housing market have caused many approved projects to be delayed. The foremost negative factors include a large supply of residential lots and unimproved land in the central valley and banks unwilling to extend credit to fund development activities. The housing boom of 2003-2005 led to an oversupply of residential lots throughout the central valley, and homebuilders are working through existing finished lot inventory. Banks have taken back subdivisions, and "vulture" investors have entered the market and purchased fully or partially built out subdivisions with an eye towards holding the land until the housing market comes back.

It remains in our best interests to start the Milestone project as soon as the market permits. We will continue to work together with the City of Reedley in efforts to explore different options which may expedite the project. If you have any questions, please feel free to contact me at 559-650-5454 x113.

Sincerely,



Corey File
Land Acquisition & Entitlements Manager

CC: David Brletic (facsimile only) 559-637-2139