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

AGENDA ITEM No. 6

- DATE:** February 3, 2010
- TO:** Local Agency Formation Commission
- FROM:** Jeff Witte, Executive Officer
- SUBJECT:** **Consider Approval** – Request for One-Year Individual Extensions to Complete Proceedings for the following:
- A. **City of Sanger “California-Academy Northwest Reorganization”** (LAFCo File No. RO-07-21).
 - B. **City of Fresno “McKinley-Blythe No. 1 Reorganization”** (LAFCo File No. RO-08-2).

The above proposals were previously approved by the Commission, but have not been completed. State law requires that all reorganization and annexation 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.

- A. **City of Sanger “California-Academy Northwest Reorganization.”** (LAFCo File No. RO-07-21).

Parties of Interest:

Lennar Fresno Inc.	Milton & Jacqueline Munro
Redwood Farms Inc.	City of Sanger

Summary:

This reorganization was approved by the Commission on February 6, 2008. Les Peterson, VP, Lennar Fresno, Inc. has requested a one-year extension of time. This is the second request for an extension of time for this application.

Project Description: The reorganization consists of the annexation of 100.53 acres to the City of Sanger and detachment from the Fresno County Fire Protection District, the Kings River Conservation District, and the Consolidated Irrigation District. The affected territory is located at the northeast corner of S. Fairbanks and E. California Avenues (see attached map). A 191-lot single-family residential subdivision is planned for the site.

Reasons for Request and Actions Taken to Date: The proponents stated that they are making progress towards addressing development requirements. They also stated that they have completed preparation of their final map and improvement plans; however, development was delayed in order for the City of Sanger to acquire offsite right-of-way necessary for extending City sewer and water facilities to serve this site. They also indicated that the City has extended their Tentative Tract Map (No. 5385) to April 7, 2012, and have decided to suspend the development of the project until the economy improves.

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.

Recommendation: Approve a one-year extension.

B. City of Fresno “McKinley-Blythe No. 1 Reorganization” (LAFCo File No. RO-08-2).

Parties of Interest:

Daryl and Vicki Nicholson	Robert Ketelsen
Innovative Development LLC	Vic-Nic VI LLC
George and June Streese Trustees	William and Audrey McCarty
Jacques Juan and Denise Ricardo	David and Margaret Franchi
Robert and Cheryl Brown	Marisa Pimentel
DN Associates	Rodney and Marcella Deluca Trust
Joseph and Yvonne Deluca	Elliot and Agnes Chielpegian
Allen and Virginia Greulich	

Summary: This reorganization was approved by the Commission on March 5, 2008. Daryl Nicholson, the developer, has requested a one-year extension of time. This is the second request for an extension of time for this application.

Project Description: This reorganization consists of annexation of 40.89 acres to the City of Fresno and detachment from the North Central Fire Protection District and the Kings River Conservation District. The affected territory is located at the northeast corner of W. McKinley and N. Blythe Avenues (see attached map). An 80-lot single-family residential subdivision is proposed on the easterly 20-acre portion of the affected territory.

Reasons for Request and Actions Taken to Date: The developer has stated that current economic and housing market conditions have delayed them from moving forward with construction. They indicate that they still plan on developing the property and have a valid tract map approved by the City of Fresno.

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. City of Fresno representatives concur with the extension request and have indicated that this project still remains viable. Based on these circumstances, staff supports an additional one-year extension.

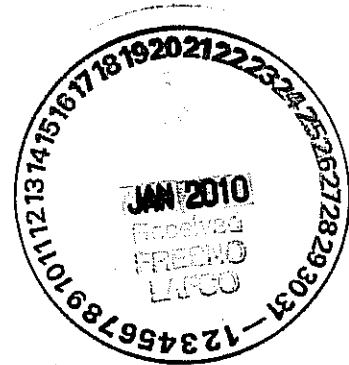
Recommendation: Approve a one-year extension.

The Following Have Received Copies of This Report:

- LAFCo Commissioners and Alternates
- Ken Price, LAFCo Counsel, Baker, Manock, and Jensen
- Bruce O'Neal, Contract Planner, City of Sanger
- Ralph Kachadourian, City of Sanger
- Les Peterson, VP, Lennar Fresno, Inc.
- Andy Souza, City Manager, City of Fresno
- John Dugan, Director, Planning & Development Department, City of Fresno
- Daryl and Vicki Nicholson
- Bernard Jimenez, Manager, Development Services Division, Fresno County Public Works & Planning Department
- Will Kettler, Fresno County Public Works and Planning Department
- Chief Keith Larkin, Fresno County Fire Protection District
- David Orth, Manager, Kings River Conservation District
- Phil Desatoff, Manager, Consolidated Irrigation District

January 4, 2010

Mr. Rick Ballantyne, Executive Director
Fresno County LAFCo
2115 Kern Street, Suite 300
Fresno, California 93721



Subject: California-Academy Northwest Reorganization

Dear Mr. Ballantyne,

Lennar Fresno, Inc. hereby requests a 1 year extension of the approval of the subject reorganization. This reorganization is to facilitate the development of Lennar's Tract No. 5385 in the City of Sanger. Development of this project was proposed to begin approximately 2 years ago, but was delayed due to the necessity to have the City acquire offsite right of way for the extension of the sewer and water facilities. That process is still ongoing by the City's attorney.

Lennar has completed the preparation of the final map and improvement plans and those maps and plans are ready for approval by the City. Unfortunately, due to the current state of the homebuilding economy, Lennar has had to make the decision to delay development of this project until the economy improves. We are, however, proceeding with the acquisition of the offsite right of way so that we will be in a position to begin development when the economic conditions improve.

Tentative Tract No. 5385 was approved by the City of Sanger on April 7, 2005, and that approval has been extended to April 7, 2012. It is our intention to keep the approval of this project current.

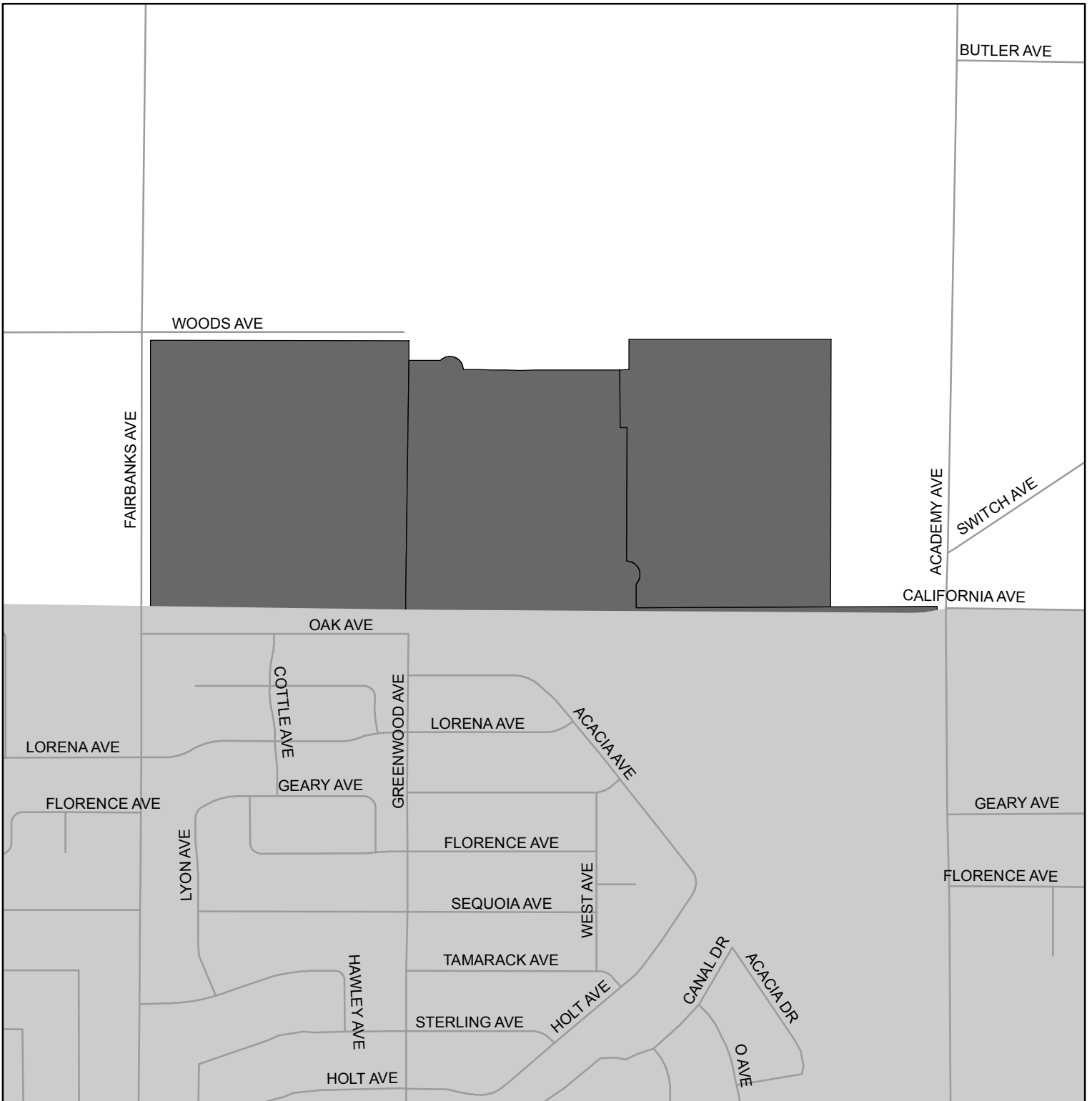
Thank you for your consideration of this matter. Please don't hesitate to contact me if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Les Peterson".



Les Peterson,
Vice President of Community Development

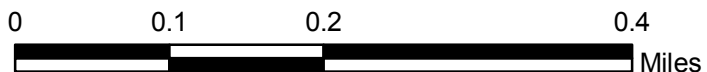
EXHIBIT "A"



City of Sanger "California-Academy
Northwest Reorganization"
LAFCo File No. RO-07-21

Legend

-  City Limits
-  Affected Territory



Hendricks, Samantha

From: Fleming, Candace Lynn
Sent: Thursday, January 28, 2010 1:01 PM
To: Hendricks, Samantha
Subject: FW: McKinley-Blythe No. 1 Reorganization

From: David Braun [mailto:David.Braun@fresno.gov]
Sent: Tuesday, January 26, 2010 1:50 PM
To: Fleming, Candace Lynn
Subject: RE: McKinley-Blythe No. 1 Reorganization

Candie,

The City supports the extension request for the McKinley-Blythe No. 1 annexation and understands that the economic downtown has delayed the development of this and many other projects within the City.

From: Fleming, Candace Lynn [mailto:CFleming@co.fresno.ca.us]
Sent: Tuesday, January 26, 2010 1:18 PM
To: David Braun
Subject: McKinley-Blythe No. 1 Reorganization

Dave,

Could you please send a quick letter to LAFCo saying the City agrees with the attached letter and supports their request for extension? We need to get our staff reports out this Thursday.

Thanks!

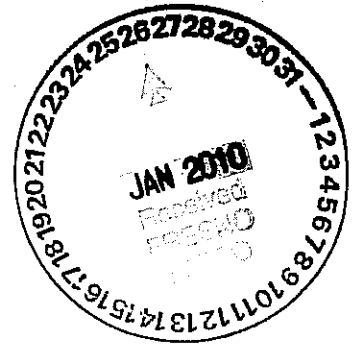
Candice Fleming
Clerk to the Commission
(559) 495-0604

Go to www.fresnolafco.org for agendas, staff reports, forms, and much more.

DARYL & VICKI NICHOLSON
26914 Avenue 140
Porterville, California 93257
(559) 781-7933

Jan 25, 2010

Fresno LAFCO
Candie Fleming
Clerk to the Commission
2115 Kern Street Suite 310
Fresno, CA 93721



Dear Ms. Fleming,

Thank you for your letter and e-mails regarding Tentative Tract Map No. 4983, McKinley-Blythe No. 1 Reorganization.

I would like to request a one-year extension of time to complete the proposed subdivision.

As you are aware the housing market is in desperate condition as a result of a collapse of the housing market and the freezing of credit to builders and developers nationwide.

At the current time there is no market for new homes as foreclosed properties are selling at below building costs. Hopefully this economic crisis will end soon. We will be monitoring the markets closely and will begin development as soon as possible.

Enclosed please find a check for \$500.00 as requested.

I would like to take this opportunity to thank you for you help during this most difficult time in the economy.

Sincerely,



A handwritten signature in black ink, appearing to read 'Daryl Nicholson'.

Daryl Nicholson

EXHIBIT "A"



Legend

-  City Limits
-  Affected Territory

City of Fresno "McKinley-Blythe
No. 1 Reorganization"
LAFCo File No. RO-08-2

