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

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**AGENDA ITEM No. 11**

**DATE:** September 8, 2010  
**TO:** Local Agency Formation Commission  
**FROM:** Jeff Witte, Executive Officer  
**SUBJECT:** **Consider Approval** – Request for One-Year Extension to Complete Proceedings for the City of Fresno “California-Temperance No. 3 Reorganization” (LAFCo File No. RO-06-28).

**Recommendation:** Approve One-year Extension

**Summary:**

The subject reorganization was approved on October 11, 2006, 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. The City of Fresno and the project developer have requested an additional one-year extension of time. This is the fourth request for extension.

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. The Commission’s Policies further state that the Commission may consider economic hardships beyond the control of the proponents as justification supporting the extension request.

**Project Description:**

This affected territory is located south of E. California Avenue, east of S. Armstrong Avenue, and west of S. Temperance Avenue. The reorganization consists of the annexation of 82.5 acres to the City of Fresno and detachment from the Fresno County Fire Protection District and the Kings River Conservation District. Centex Homes is planning to build a 328-lot single-family residential subdivision within the affected territory.

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

The final map has been reviewed by the City of Fresno and a significant amount of offsite improvement work has been completed, including installation of collector sewer mains in Church and Armstrong Avenues. Pulte Homes is hopeful to be able to move forward with this project in the near future.

**Staff Analysis:**

Jeffrey O’Neal, Provost & Pritchard, requested a one-year extension on behalf of their client, Pulte Homes (formerly Centex Homes). He stated that Pulte Homes to date has been unable to satisfy the conditions of approval for this annexation due to market conditions. Pursuant to Commission Policies, the City confirms that since this reorganization’s approval in 2006, there have been no changes or circumstances in the vicinity of the affected territory that could affect its suitability for annexation.

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 Polices 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 finalizing this reorganization. It also appears that the City still believes this to be a viable project. Based on these circumstances, staff supports an additional one-year extension.

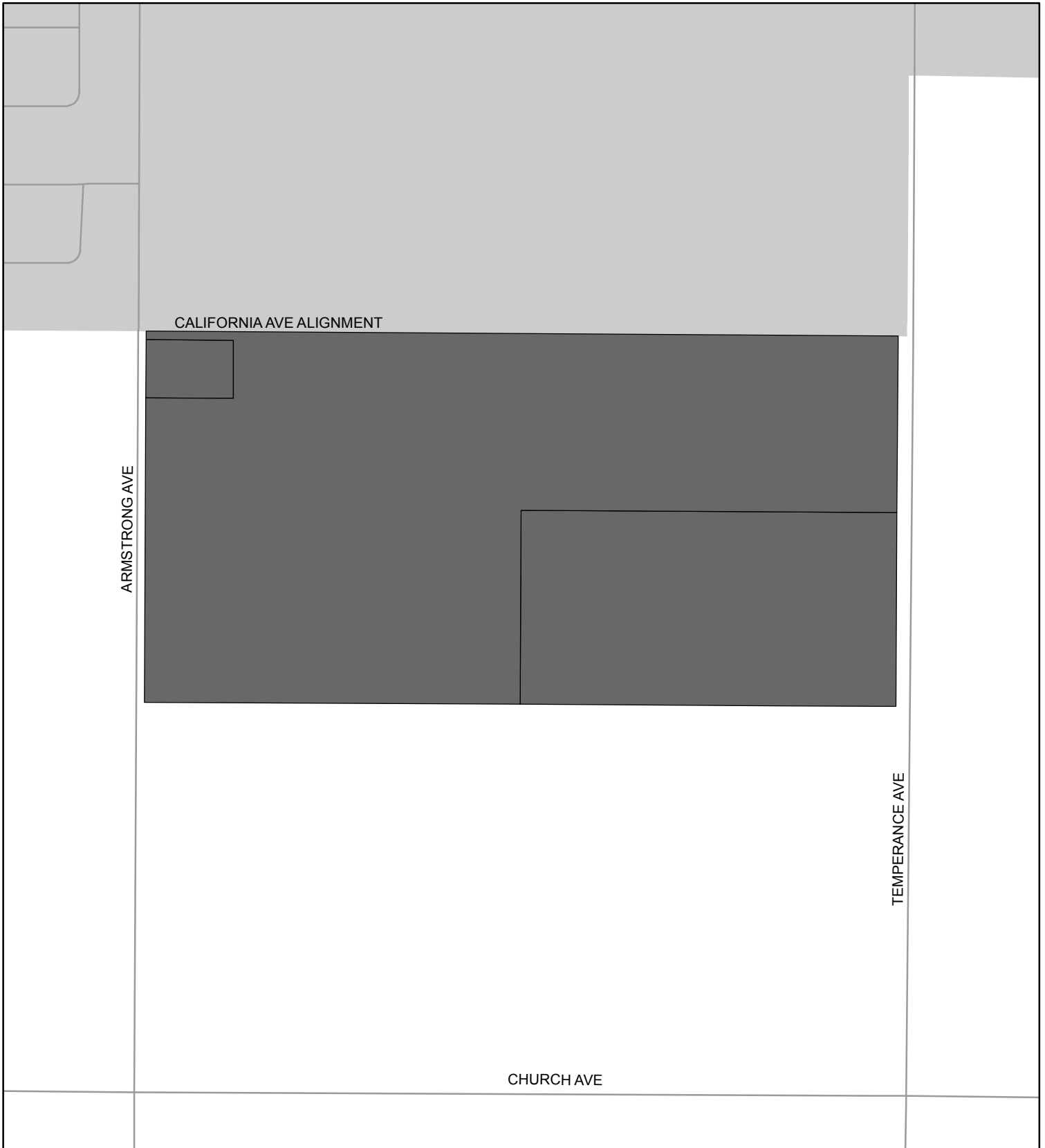
**Parties of Interest:**

Walter and Doris Halemeier	Paul and Christine Raymond and Elizabeth Hudson	Centex Homes
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**The Following Have Received Copies of This Report:**



- LAFCo Commissioners and Alternates
- Ken Price, LAFCo Counsel, Baker, Manock, and Jensen
- 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
- Chief Keith Larkin, Fresno County Fire Protection District
- David Orth, Kings River Conservation District
- Jeff O’Neal, Provost & Pritchard

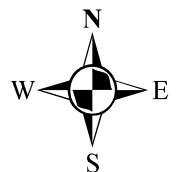
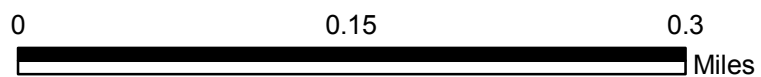
# EXHIBIT "A"



City of Fresno "California-Temperance  
No. 3 Reorganization"  
LAFCo File No. RO-06-28

## Legend

-  City Limits
-  Affected Territory





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FRESNO · CLOVIS · VISALIA · BAKERSFIELD

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559 449-2700  
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September 2, 2010

Jeff Witte  
Executive Officer  
Fresno Local Agency Formation Commission  
2115 Kern Street, Suite 310  
Fresno, CA 93721



Subject: California-Temperance No. 3 Reorganization

Dear Mr. Witte:

On behalf of our client, Pulte Homes (formerly Centex Homes), Provost & Pritchard Consulting is requesting a one-year extension to the approval of the California-Temperance No. 3 Reorganization. Due to market conditions, Pulte has been unable to satisfy the conditions of approval for this annexation. This project was most recently granted a one-year extension valid through October 11, 2010.

Since the approval of this reorganization, the unprecedented decline in the housing market has shown little sign of improvement, although of late, there are indications of an upswing. To date, the grading, sewer, and water improvement plans have been approved by the City of Fresno, and the final map has been reviewed. Additionally, a significant amount of offsite improvement work has been completed, including installation of collector sewer mains in Church and Armstrong Avenues.

Given the possibility that Pulte Homes will be able to move forward with this project in the near future, we request that LAFCo grant an additional one-year extension. Please do not hesitate to contact me at 559.449.2700 or at [joneal@ppeng.com](mailto:joneal@ppeng.com) with any questions. Thank you.

Sincerely,

Jeffrey O'Neal, AICP  
Provost & Pritchard