



# STAFF REPORT

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April 8, 2026

File Number 0600-10; A-3585

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## SUBJECT

**PL25-0333 – EMERGENCY OUT-OF-AGENCY SEWER SERVICE AGREEMENT AND ESTABLISHMENT OF RESIDENTIAL ESTATE PREZONING FOR 2417 HAAS STREET**

## DEPARTMENT

Development Services Department, Planning Services

## RECOMMENDATION

Request the City Council adopt Resolution No. 2026-59, authorizing the Mayor to execute an emergency Out-of-Agency Sewer Service Agreement for an approximate 1.09-acre unincorporated property located at 2417 Haas Street (APN 239-330-66-00), and establishing prezoning for the property as Residential Estate (RE-40) in anticipation of a future annexation.

Staff Recommendation: Approval (Development Services: Kevin Snyder, Director of Development Services)

Presenter: Robert Barry, AICP, Senior Planner

**ESSENTIAL SERVICE** – Yes, Sewer; Public Works/Infrastructure

**COUNCIL PRIORITY** –

## FISCAL ANALYSIS

The property owner will be responsible for payment of all City and Local Agency Formation Commission (“LAFCO”) fees associated with the Out-of-Agency Service Agreement, anticipated annexation of the property, connection to the City’s sewer system, and ongoing sewer service charges.

## PREVIOUS ACTION

None

## BACKGROUND

The Out-of-Agency Service Agreement is required for unincorporated property owners requesting connection to City sewer when outside of the City’s boundary but located inside of the City’s sphere of influence and in anticipation of a future annexation.



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Government Code Section 56133 allows a city to provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from LAFCO. The subject Emergency Out-of-Agency Sewer Service Agreement has been requested by the property owner in response to a documented failure of the existing single-family residence's underground septic disposal system.

The subject unincorporated property is addressed as 2417 Haas Street (APN 239-330-66-00) and is located within the Escondido Sphere of Influence, but is not contiguous with the Escondido City boundary (Attachment "1"). The 1.09-acre property was developed in 1990 with one existing single-family residence utilizing an underground septic disposal system.

In a letter dated November 12, 2025, the San Diego County Department of Environmental Health ("DEH") confirmed that the existing septic system has failed and there is limited usable area available for a compliant replacement system (Attachment "2"). DEH has requested connection of the property to the Escondido sewer system "as soon as possible."

The unincorporated parcel is designated as Estate I (E1) in the Escondido General Plan, which allows up to one dwelling unit per 1, 2, 4, or 20 acres, dependent on slope, with a minimum lot size of 40,000 square-feet. Establishment of rezoning is a LAFCO prerequisite for future annexation of the property to Escondido. Therefore, a rezoning designation of Residential Estate (RE-40) is recommended as it correlates with the existing General Plan designation for the property (Attachment "3").

The subject Out-of-Agency Sewer Service Agreement (Exhibit "A" to Resolution No. 2026-59) includes conditions requiring the property owner to: initiate future annexation proceedings with LAFCO and submit all required application materials and fees; agree to an Irrevocable Offer of Annexation, in which the owner and future owners agree to not oppose annexation to the City; and pay all associated City and LAFCO annexation fees. Formal annexation of the property will occur at a later time per the agreement.

San Diego LAFCO policy requires a proposed out-of-agency service agreement to be initiated by written request of the city manager. Accordingly, the Escondido City Manager submitted a written request to LAFCO on March 6, 2026 (Attachment "4"), to provide approval for the subject sewer service agreement. The subject agreement was then conditionally approved by the LAFCO Executive Officer on March 23, 2026 (Exhibit "B" to Resolution No. 2026-59).

### **ENVIRONMENTAL**

The Out-of-Agency Service Agreement and extension of City sewer service to the property are exempt from environmental review under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines section 15303(d) for New Construction or Conversion of Small Structures, specifically related to the extension of a sewer connection of reasonable length, including any associated street improvements.



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### RESOLUTIONS

- a. Resolution No. 2026-59
- b. Resolution No. 2026-59 Exhibit "A" – Out-of-Agency Service Agreement
- c. Resolution No. 2026-59 Exhibit "B" – LAFCO Notice of Conditional Approval, March 23, 2026

### ATTACHMENTS

- a. Attachment "1" – Aerial Map, General Plan Designation, Zoning Designation
- b. Attachment "2" – San Diego County Department of Environmental Health letter, November 12, 2025
- c. Attachment "3" – Proposed Rezoning Designation
- d. Attachment "4" – City of Escondido Request for LAFCO Approval, March 6, 2026