



STAFF REPORT

April 8, 2026
File Number 0600-10; A-3587

SUBJECT

PL24-0263 – OUT-OF-AGENCY SEWER SERVICE AGREEMENT AND ESTABLISHMENT OF RESIDENTIAL ESTATE PREZONING FOR 452 BEAR VALLEY PARKWAY

DEPARTMENT

Development Services Department, Planning Services

RECOMMENDATION

Request the City Council adopt Resolution No. 2026-57, authorizing the Mayor to execute an Out-of-Agency Sewer Service Agreement for an approximate 0.62-acre unincorporated property located at 452 Bear Valley Parkway (APN 239-060-05-00), and establishing prezoning for the property as Residential Estate (RE-20) in anticipation of a future annexation.

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

In 2022, an emergency request for an Out-of-Agency Service Agreement was approved for a single-family residence at 450 Bear Valley Parkway (PL23-0385) due to a documented failure of the residence’s septic disposal system. Approval of Resolution No. 2022-36 authorized the Mayor to execute the Out-of-Agency Service Agreement.



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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.

In 2024, the property owner of 450 Bear Valley Parkway (APN 239-060-05-00) received approval from San Diego County for an urban lot split under Senate Bill 9 (SB9) to develop a 3,771 square-foot single-family residence with an attached 1,008 square-foot garage on a second parcel. As part of the SB9 lot split application submittal to the County, the property owner obtained a service availability acknowledgement from the Escondido Utilities Services Department; however, the service availability form was addressed as 450 Bear Valley Parkway. As the new home and garage are on a new, separate parcel, addressed as 452 Bear Valley Parkway, a separate connection to the sewer system is required; therefore, the new development requires its own LAFCO and City approvals for out-of-agency sewer service. While the new Out-of-Agency Service Agreement was not requested in response to a documented health and safety emergency, the request was accepted in anticipation of a later annexation and subject to the terms and conditions of the Out-of-Agency Service Agreement (Exhibit "A" to Resolution No. 2026-57).

The 0.62-acre unincorporated parcel is designated as Estate II (E2) in the Escondido General Plan, which allows up to two dwelling units per acre with a minimum lot size of 20,000 square-feet (Attachment "1"). Establishment of rezoning is a LAFCO prerequisite for future annexation of the property to Escondido. Therefore, a rezoning designation of Residential Estate (RE-20) is recommended as it correlates with the existing General Plan designation for the property. (Attachment "2").

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. 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 September 13, 2024 (Attachment "3") to provide administrative approval for the subject sewer service agreement. The subject agreement was then conditionally approved by the LAFCO Executive Officer on August 8, 2025 (Exhibit "B" to Resolution No. 2026-2026-57). The LAFCO service agreement approval expands the prior OAS Agreement's conditional approval for 450 Bear Valley Parkway to allow for service connection for the second dwelling unit, and a potential accessory dwelling unit, at 452 Bear Valley Parkway via private lateral to the City's existing sewer infrastructure located within Bear Valley Parkway.

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



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to the extension of a sewer connection of reasonable length, including any associated street improvements.

RESOLUTIONS

- a) Resolution No. 2026-57
- b) Resolution No. 2026-57 Exhibit "A" – Out-of-Agency Service Agreement
- c) Resolution No. 2026-57 Exhibit "B" – LAFCO Notice of Conditional Approval

ATTACHMENTS

- a) Attachment "1" – Aerial Map, General Plan Designation, Zoning Designation
- b) Attachment "2" – Proposed Rezoning Designation
- c) Attachment "3" – City of Escondido Request for LAFCO Approval, September 13, 2024