



# San Diego County Sanitation District

## GOVERNING BODY

VACANT  
First District

JOEL ANDERSON  
Second District

TERRA LAWSON-REMER  
Third District

MONICA MONTGOMERY STEPPE  
Fourth District

JIM DESMOND  
Fifth District

## AGENDA ITEM

**DATE:** March 12, 2025

# SA01

**TO:** Board of Directors, San Diego County Sanitation District

### SUBJECT

**GENERAL SERVICES – ADOPTION OF RESOLUTION FOR ANNEXATION INTO THE SAN DIEGO COUNTY SANITATION DISTRICT FOR THE TROY STREET SLEEPING CABINS SITE AND RELATED CALIFORNIA ENVIRONMENTAL QUALITY ACT EXEMPTION (DISTRICT:4)**

### OVERVIEW

On July 16, 2024 (21), the San Diego County Board of Supervisors (Board) approved the Troy Street Sleeping Cabins Site (Site), part of the Compassionate Emergency Solutions and Pathways to Housing (CESPH) project (Project), to expand emergency housing for people experiencing homelessness in the unincorporated communities. The Troy Street Property is located on the corner of Troy Street and Sweetwater Road in Lemon Grove and is owned by the California Department of Transportation (Caltrans). The County of San Diego (County) plans to lease an approximately two-acre portion of the property from Caltrans for the Site (see Attachment A, Vicinity Map).

Currently, the entire property is situated within the service area of the Lemon Grove Sanitation District (LGSD), an independent sanitation district formed and operating under the County Sanitation District Act, Health & Safety Code section 4700, et seq. LGSD does not have infrastructure near the Site. There is, however, a San Diego County Sanitation District (SDCSD) sewer main adjacent to the Site in Sweetwater Road that the Site can tie into. Prior to tying into the SDCSD sewer main, the San Diego Local Agency Formation Commission (LAFCO) must approve the provision of service. It is proposed that the provision of service be accomplished by a change of organization approved by LAFCO whereby the Project site is detached from the LGSD and annexed to the SDCSD. Alternatively, LAFCO approval to provide service may be sought pursuant to an out-of-agency agreement under Government Code section 56133.

The recommendations before the Board of Supervisors of the County are to (1) find the Project is categorically exempt from the California Environmental Quality Act and (2) authorize the CAO to execute the County Sanitation District Sewer Service Agreement.

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The recommendation before the SDCSD Board of Directors (Board of Directors) includes adoption of a Resolution of Application (Attachment B) to initiate a change of organization requesting LAFCO take action to annex the Site into the SDCSD. Annexation into the SDCSD would allow the Site to connect to the adjacent sewer main and avoid the cost and delay of installing duplicative infrastructure to the nearest point of connection to the LGSD system. Annexation ensures the Site has a way to collect, convey, treat, and dispose of wastewater in an environmentally safe and efficient manner that promotes healthy communities and improves the quality of life for people experiencing homelessness.

The recommendation before the Board of Directors also includes approval of a Sewer Service Agreement (Service Agreement) between the County and SDCSD specifying the conditions under which SDCSD can provide service to the Project (Attachment C). The County would agree to reimburse the SDCSD for costs incurred supporting the County's Project and to abide by conditions specified by SDCSD to connect to and use SDCSD sewer facilities. The Service Agreement delegates authority to SDCSD staff to pursue alternative courses of action with LAFCO to allow for the provision of sewer service to the Project by SDCSD. As a possible alternative procedure to a change of organization initiated by the Resolution of Application, it is possible that the Service Agreement could be approved as an out-of-agency agreement by LAFCO pursuant to Government Code section 56133 to allow SDCSD to provide sewer service to the Project. Therefore, the Board of Directors of the Sanitation District is requested to (1) authorize the Director Department of Public Works, or designee, acting on behalf of the Sanitation District to execute the Service Agreement and (2) approve a Resolution of Application for submittal to LAFCO.

**RECOMMENDATION(S)**

**CHIEF ADMINISTRATIVE OFFICER**

**Acting as the Board of Supervisors of the County of San Diego:**

- ~~1. Find that the proposed actions are categorically exempt from the California Environmental Quality Act (CEQA) and the State CEQA Guidelines pursuant to sections 15301, 15303, 15304, 15311, and 15269(c) for the reasons set forth in the Notice of Exemption filed July 16, 2024 (attached as Attachment D).~~
- ~~2. Approve and authorize the Chief Administrative Officer, or designee to execute on behalf of the County the SEWER SERVICE AGREEMENT BETWEEN THE SAN DIEGO COUNTY SANITATION DISTRICT AND COUNTY OF SAN DIEGO FOR COMPASSIONATE EMERGENCY SOLUTIONS AND PATHWAYS HOUSING PROJECT: TROY STREET CABINS (attached as Attachment C).~~

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**~~Acting as the Board of Directors of the San Diego County Sanitation District:~~**

- ~~1. Adopt the attached Resolution (Attachment B) entitled “A RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF SAN DIEGO COUNTY SANITATION DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS FOR THE PROPOSED TROY CHANGE OF ORGANIZATION.”~~
- ~~2. Approve and authorize the Director, Department of Public Works, or designee to execute on behalf of the San Diego County Sanitation District the SEWER SERVICE AGREEMENT BETWEEN THE SAN DIEGO COUNTY SANITATION DISTRICT AND COUNTY OF SAN DIEGO FOR COMPASSIONATE EMERGENCY SOLUTIONS AND PATHWAYS HOUSING PROJECT: TROY STREET CABINS (attached as Attachment C).~~

**EQUITY IMPACT STATEMENT**

The 2024 Point-in-Time Count of persons experiencing homelessness identified 10,605 individuals living on the streets or in San Diego County shelters on one night. Of this number, 6,110 individuals were reportedly unsheltered, approximately 44% of whom reported chronic homelessness, 28% were female, 9% were veterans, 2% were families, 8% were youth. Of those experiencing homelessness, 16% identified as Black, African, or African American, which is more than three times the proportion of African Americans in San Diego County; 2% identified as American Indian, which is double the proportion of American Indians in San Diego County. Of the 6,110 unsheltered individuals, over 200 were counted in the unincorporated areas of San Diego County.

The County of San Diego (County) Framework for Ending Homelessness (Framework) was created to provide a strategic path for County’s impact on ending homelessness across five strategic domains and ensures an equitable approach to service delivery. Ensuring racial and social equity in all aspects of homelessness prevention and response is one of the key drivers guiding the Framework efforts. Securing equitable housing, supports, and funding will assist those who are at-risk of or experiencing homelessness throughout the region. The County has conducted lived experience forums in the North, East, and South Regions to gain valuable information on shaping programs and has implemented regular lived experience feedback questionnaires.

The County Health and Human Services Agency, Office of Homeless Solutions administers Compassionate Emergency Solutions and Pathways to Housing (CESPH) programs, which serve people experiencing homelessness in the unincorporated communities. It is anticipated that CESPH will provide needed housing and support to people across the unincorporated areas of San Diego County, including youth and those who are disproportionately represented in the homeless system, including people who are justice-involved, and people with a range of health and social needs, as well as Black, Indigenous and People of Color. This item advances the County Framework for Ending Homelessness by ensuring our most vulnerable community members have access to housing, care coordination, and connections to more stable housing opportunities.

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### **SUSTAINABILITY IMPACT STATEMENT**

Today's proposed action supports the County of San Diego (County) Sustainability Goal #1 to engage the community in meaningful ways and continually seek stakeholder input, Sustainability Goal #2 to provide just and equitable access to services and resources, and Sustainability Goal #4 to protect the health and well-being of everyone in the region. People at-risk of or experiencing homelessness, impacted community members, community partners, and other key stakeholders are engaged during the development of County plans to address homelessness, and their feedback is valued and incorporated into the development of programs. Today's actions related to the Compassionate Emergency Solutions and Pathways to Housing program support the most vulnerable community members in the unincorporated communities to have just and equitable access to housing, services, and resources. This includes ensuring access to and facilitating connections to health services and behavioral health support.

### **FISCAL IMPACT**

Funds for this request are included in the Fiscal Year 2024-25 Operational Plan for the Major Maintenance Capital Outlay Fund (MMCOF) for MMCOF Project 1027096, Troy Sleeping Cabins. If approved, this request will result in total estimated costs and revenue of \$72,859. There is a minor fiscal impact of \$14,732 in Local Agency Formation Commission (LAFCO) fees associated with the recommendations to approve a resolution requesting annexation into the San Diego County Sanitation District for the Troy Street Sleeping Cabins Site and approve a sewer service agreement to allow the Sanitation District to serve the County's project for an estimated total of \$58,127 on a one-time basis. The funding source is American Rescue Plan Act (ARPA) available within the Homeless Services component of the ARPA Framework. There will be no change in net General Fund cost and no additional staff years.

### **BUSINESS IMPACT STATEMENT**

Expenditures for the design and construction of the Troy Street Sleeping Cabins will create private-sector jobs and economic opportunities in San Diego County. The Construction Manager at Risk, who will build the facility, will also comply with the Board Policy B-39a, Veteran Owned Business and Disabled Veterans Business Enterprise (DVBE) program, which requires at least three percent DVBE participation.

**THIS ITEM HAS BEEN WITHDRAWN AT THE REQUEST OF THE CHIEF ADMINISTRATIVE OFFICER.**

### **ADVISORY BOARD STATEMENT**

The Troy Street Sleeping Cabins site (Site) is within the incorporated limits of the City of Lemon Grove and is not under the jurisdiction of a Community Planning Group (CPG).

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## **BACKGROUND**

On July 16, 2024 (21), the San Diego County Board of Supervisors (Board) approved the Troy Street Sleeping Cabins site (Site)—part of the Compassionate Emergency Solutions and Pathways to Housing (CESPH) project (Project) to expand emergency housing options for people experiencing homelessness in the unincorporated communities. There is an immediate public need for the Site, evidenced by the 2024 Point-in-Time Count of persons experiencing homelessness, which identified 10,605 individuals living on the streets in San Diego County, and of this number, 6,110 individuals were reportedly unsheltered.

The Site is located on a two-acre portion of property at 2800 Sweetwater Road, Lemon Grove, CA 91945, and will include approximately 60 sleeping cabins for use as emergency shelters for people experiencing homelessness, as well as admin offices for on-site services, storage units, restrooms/showers, hand washing stations, water fountains, a food storage unit, fencing, lighting, landscaping/irrigation and other miscellaneous items. The site is located on the corner of Troy Street and Sweetwater Road and is owned by the California Department of Transportation (Caltrans). The County of San Diego (County) plans to lease an approximately 2 acre-portion of the property from Caltrans in accordance with Streets and Highways Code section 104.30 for the work. In order to finalize the lease on the property, the County must demonstrate how it will access water and sewer services.

Currently, the entire property is situated within the service area of the Lemon Grove Sanitation District, an independent sewer district formed and operating under the County Sanitation District Act, Health & Safety Code section 4700, et seq. (LGSD). LGSD does not have infrastructure near the Site. The closest connection to LGSD's sewer main is approximately 650' north on Sweetwater Road. This connection would be uphill requiring a pump station, significant trenching in the right of way and road closures. This work would add several hundred thousand dollars to the overall cost of the project. There is, however, a San Diego County Sanitation District (SDCSD) sewer main adjacent to the site in Sweetwater Road which the Site can tie into. Since the Site is located outside the boundaries of the SDCSD, Local Agency Formation Commission (LAFCO) approval is required for the provision of sewer service to the Site by SDCSD.

The State of California delegates many growth management duties and responsibilities to LAFCO through the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. This law empowers LAFCO to regulate, plan, and realign cities' and special districts' service areas according to community needs. This law also establishes different procedures that may be used to obtain LAFCO approval for the provision of services, including a change of organization such as an annexation implemented by the adoption of a Resolution of Application, or approval of an out-of-agency agreement pursuant to Govt. Code Section 56133. With respect to service availability and capacities, SDCSD has available and sufficient wastewater capacities to accommodate the projected service demands in the affected territory for its planned uses.

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The recommendation before the Board of Directors today is to adopt a resolution (Attachment B) requesting LAFCO take action to annex the Site into the SDCSD. Initiating an annexation process does not prohibit other courses of actions, such as pursuing LAFCO approval of an out-of-agency agreement, should that approach be more expedient or effective at allowing SDCSD to serve the Site. Annexation into the SDCSD would allow the Site to connect to the adjacent sewer main and avoid the cost and delay of installing duplicative infrastructure to the nearest point of connection to the LGSD system. Annexation ensures the Site has a way to collect, convey, treat, and dispose of wastewater in an environmentally safe and efficient manner that promotes healthy communities and improves the quality of life for people experiencing homelessness. Annexation advances the County Framework for Ending Homelessness by ensuring our most vulnerable community members have access to housing, care coordination, and connections to more stable housing opportunities.

The recommendation also includes a request to approve a sewer service agreement by the Board of Supervisors and Board of Directors to establish the conditions under which the SDCSD can sewer the County's project. The agreement provides for reimbursement of SDCSD costs and addresses the circumstances under which the County may utilize the SDCSD's facilities. The sewer service agreement can also potentially serve as an out-of-agency agreement under Government Code section 56133, which provides an alternative means to obtain LAFCO approval for the SDCSD to serve the Project. The sewer service agreement delegates authority to SDCSD staff to pursue alternative means of obtaining LAFCO approval for the provision of sewer service to the Site.

**ENVIRONMENTAL STATEMENT**

In accordance with Streets & Highways Code section 104.30, the State of California acting through its Department of Transportation has proposed to lease a site for homeless shelter purposes to the County. Section 104.30(h), provides that, "for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), the lessee is the lead agency for any action undertaken pursuant to this section." Since the County is leasing the Project Site from the State pursuant to Section 104.30, the County is the lead agency for this Project.

Pursuant to the Notice of Exemption for the Troy Street Sleeping Cabin Project approved by the County Board of Supervisors on July 16, 2024 (Attachment D), today's proposed action is statutorily exempt from environmental review pursuant to Section 15269(c), among other provisions, because it is a specific action necessary to prevent or mitigate San Diego County's shelter crisis, as declared by the San Diego County Board of Supervisors (Board) on September 11, 2018 (6), along with declaring homelessness a public health crisis on September 27, 2022 (21). Additionally, the City of Lemon Grove declared an emergency shelter crisis on July 18, 2023 (4). Together, the unexpected and dramatic increase in homelessness without the ability to obtain

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shelter, exacerbated by the COVID-19 pandemic, risks of communicable disease, and recent flooding events, is an emergency in unincorporated San Diego County.

Between 2022 to 2023, San Diego County saw a 20% increase in homelessness. Furthermore, data from the Homeless Management Information System (October 2022 to September 2023) published by the Regional Task Force on Homelessness found that, on average, for every 10 persons that find housing, 16 new persons experience homelessness. This situation presents documented dangers to health, life, and property and a burden on, and loss of access to, essential public services, which presents as an emergency, as defined by CEQA. The health and safety of unsheltered persons in the unincorporated area of San Diego County are threatened by a lack of shelter. The project is necessary to avoid and prevent the emergency by providing shelter and services to occupants of the shelter that are experiencing homelessness, and by facilitating their transition from homelessness to this shelter, and then on to long-term housing. The Troy Sleeping Cabins site is a critical short-term project that will address the high-risk issues facing people experiencing homelessness. The project, therefore, is statutorily exempt from CEQA under Public Resources Code, Section 21080(b)(4), as a specific action necessary to prevent or mitigate an emergency, and as reflected in Article 18 of the State CEQA Guidelines, Section 15269(c) because it prevents and mitigates such imminent loss and damage.

Pursuant to the Notice of Exemption for the Troy Street Sleeping Cabin Project approved by the County of Board of Supervisors on July 16, 2024 (Attachment D), today's proposed action is also categorically exempt from environmental review pursuant to Sections 15301, 15303, 15304, and 15311 of the CEQA Guidelines. The project is exempt pursuant to Section 15301 because it involves demolition and removal of existing fencing. Pursuant to Section 15303, the project is exempt because it involves exterior alterations to existing utility lines and associated street improvements. The project is exempt from CEQA pursuant to Section 15304 as it involves minor alterations to land including minor grading, minor utility extensions (e.g., electrical, water, and sewer), irrigation lines, and pavement improvements. Accessory structures, including privacy fencing with pedestrian and vehicle entry gates, security lighting, administrative trailers, security stand, and restrooms and hand washing stations, considered appurtenant to the Troy Street Sleeping Cabins site, are exempt from CEQA pursuant to Section 15311. Additionally, the project site is not considered environmentally sensitive and none of the exceptions to the exemptions described in CEQA Guidelines Section 15300.2 prohibit the use of the categorical exemption for the Troy Street Sleeping Cabins site. There would not be successive projects of the same type in the same place that would result in cumulative impacts, no unusual circumstances that create the reasonable possibility of significant effects, no impacts to scenic resources, the site is not identified as being affected by hazardous wastes or clean-up problems and would not cause a substantial adverse change in the significance of a historical resource.

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**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's action supports the County of San Diego 2025-2030 Strategic Plan initiatives of Sustainability (Resiliency), Equity (Economic Opportunity), and Community (Quality of Life) by continuing to provide low barrier housing options and resources for anyone experiencing or at-risk of experiencing homelessness, which also supports improved quality of life and economic opportunity within the community.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Dahvia Lynch', with a stylized flourish extending to the right.

**DAHVIA LYNCH**

Deputy Chief Administrative Officer

**ATTACHMENT(S)**

Attachment A – Troy Street Project Vicinity Map

Attachment B – A RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF SAN DIEGO COUNTY SANITATION DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS FOR THE PROPOSED TROY CHANGE OF ORGANIZATION, including Exhibit A Legal Description, Exhibit B Boundary Plat, and Exhibit C Terms and Conditions

Attachment C – SEWER SERVICE AGREEMENT BETWEEN THE SAN DIEGO COUNTY SANITATION DISTRICT AND COUNTY OF SAN DIEGO FOR COMPASSIONATE EMERGENCY SOLUTIONS AND PATHWAYS HOUSING PROJECT: TROY STREET CABINS

Attachment D – Troy Street Project Notice of Exemption