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July 14, 2010 (Agenda)

July 14, 2010
 Agenda Item 9

Contra Costa Local Agency Formation Commission
 651 Pine Street, Sixth Floor
 Martinez, CA 94553

County Service Areas M-30 and R-7 Sphere of Influence Updates

Dear Members of the Commission:

BACKGROUND

On April 21, 2010, the Commission conducted a public hearing on the Cemetery, Parks & Recreation Municipal Service Review (MSR) and corresponding sphere of influence (SOI) updates. The MSR report addresses services provided by the Alamo Lafayette Cemetery District (ALCD), Byron Brentwood Knightsen Union Cemetery District (BBKUCD), Ambrose Recreation & Park District (ARPD), Pleasant Hill RPD (PHRPD), Rollingwood Wilart Park RPD (RWPRPD), and County Service Areas (CSAs) M-16, M-17, M-29, M-30, R-4, R-7, R-9, and R-10. The Final MSR report is available on the LAFCO website at www.contracostalafco.org.

The Commission accepted the MSR report, and subsequently updated the SOIs for most agencies covered in the report, with the following exceptions:

- ❖ Deferred SOI updates for RWPRPD and CSA R-4 to allow an additional 12 months for ongoing coordination with the affected agencies, and
- ❖ Deferred updates for CSAs M-30 and R-7 pending further review and discussions with affected agencies. Directed LAFCO staff to report back to the Commission in July.

DISCUSSION

On June 18, a group comprising representatives from District III Supervisor Mary Nejedly Piepho's office, County Public Works and LAFCO staff met to discuss governance and SOI options relating to CSAs M-30 and R-7, as summarized below and in the attached.

CSA M-30 – The MSR report presented two options: 1) retain the existing coterminous SOI, and 2) adopt a zero SOI indicating future dissolution of M-30 in anticipation of combining M-30 and R-7 and creating a separate zone for the former M-30.

The group discussed issues relating to possible duplication in service; intricacies associated with the M-30 service area, such as accessibility (the Alamo Springs subdivision, a portion of which is located

in Danville and a portion in Alamo, is accessible only through Danville) and the benefit assessment structure; variation in services provided by M-30 and R-7; and the complexities of the governance options of either expanding R-7's powers to include additional services provided by M-30 and not currently provided by R-7 (i.e., law enforcement, street maintenance, street lighting), then creating a zone specifically for the M-30 area, or keeping M-30 intact and deactivating its park related services.

The group also discussed the park & recreation services, programs, facilities and events provided by the County (R-7) and the Town of Danville, and generally agreed that these activities complement one another rather than duplicate services. The group tentatively agreed that the preferred action is to retain the existing SOI and service area for M-30. However, the group thought it would be beneficial to receive further input from the Alamo Municipal Advisory Council (MAC). District III staff advises that this issue has not yet been discussed with the Alamo MAC.

CSA R-7 (Zone A) – The MSR report included four SOI options for CSA R-7: 1) reduce R-7's SOI to remove the CSA M-30 area, 2) combine R-7 and M-30 and create a separate zone for M-30, 3) expand R-7's SOI to include the Green Valley Recreation & Park District (GVRPD) to facilitate a future consolidation of the two districts, and 4) expand R-7's SOI to include Round Hill. In addition, the MSR report recommended that LAFCO and County staff coordinate on the dissolution of CSA R-7 Zone B (Bishop Ranch) as it is inactive.

With regard to options #1 and #2, as indicated above, the group seeks additional input from the Alamo MAC regarding options involving CSA M-30.

With regard to option #3, and as noted in the MSR report, there is little or no interest on the part of the County (R-7) and GVRPD to combine the two districts.

With regard to option #4, the group discussed the potential of annexing Round Hill to CSA R-7, as Round Hill is an island within CSA R-7. As noted in the MSR report, Round Hill residents utilize R-7 parks and programs. In addition, Round Hill residents have the option to join the Round Hill Country Club which provides various park and recreational amenities, including a golf course, tennis courts, aquatic facilities and programs, a fitness center, and other recreational and social activities. One of the issues the group discussed was the fiscal impact of the annexation of Round Hill to R-7. CSA R-7 relies primarily on property tax for funding; there are no benefit assessments. Based on preliminary estimates, the annexation of Round Hill to CSA R-7 would result in approximately \$50,000 - \$100,000 per year in additional property tax revenue.

With regard to the dissolution of Zone B, given that the County has the authority to create and dissolve zones within a County Service Area, County Public Works staff indicated that they would pursue dissolution of CSA R-7 Zone B.

RECOMMENDATIONS

Receive report and provide input and direction to staff as desired.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution

Attachments: Governance Structure and SOI Table

Agency	SOI Options	Governance Options	Consultant Recommendations	LAFCO Staff Recommendations
CSA M-30	<ol style="list-style-type: none"> 1. Retain existing coterminous SOI 2. Adopt a zero SOI 	<p>M-30 is a city-administered CSA. CSA R-7 encompasses the bounds of CSA M-30 with the exception of approximately seven acres adjacent to the Town of Danville. Residents of M-30 pay a benefit assessment to the County, which is transferred to the Town for enhanced parks & recreation, law enforcement, street maintenance, landscaping, and street lighting services. Residents of M-30 also pay property taxes to CSA R-7 for park & recreation services. One governance option is to remove the M-30 territory from CSA R-7 to eliminate duplication of services. Another option is to consolidate the two CSAs into a single CSA, and create a zone for the area formerly within CSA M-30 to maintain the financing mechanism for enhanced services by the Town of Danville per the agreement between the Town and the County.</p>	<ul style="list-style-type: none"> • Option #1 	<ul style="list-style-type: none"> • Option #1
CSA R-7 (Zone A)	<ol style="list-style-type: none"> 1. Retain existing coterminous SOI 2. Reduce SOI to remove CSA M-30 area 3. Expand SOI to include the Green Valley Recreation & Park District (GVRPD) territory 4. Expand SOI to include the Round Hill area 	<p>The following options were identified: 1) remove CSA M-30 territory from the R-7 bounds, 2) combine R-7 and M-30 and create a separate zone to maintain M-30 funding, 3) expand R-7 SOI to include GVRPD to facilitate a future consolidation of the two districts, and 4) expand R-7 SOI to include Round Hill.</p> <p>CSA R-7 encompasses the bounds of CSA M-30 with the exception of approximately seven acres adjacent to the Town of Danville. As discussed above for CSA M-30, M-30 residents are paying for park & recreation services to two CSAs and there are no park facilities within the CSA. The nearest park facility is</p>	<ul style="list-style-type: none"> • Option #2 signaling future detachment of the M-30 area from R-7. • Recommend that the County and LAFCO take action to address the Zone B issue. 	<ul style="list-style-type: none"> • Defer SOI update • Direct LAFCO staff to work with affected parties on issues involving CSA M-30, Round Hill, and Zone B issues, and report back to the Commission as soon as possible.

<p>CSA R-7 (Zone A) (cont'd)</p>		<p>Hap Magee Ranch Park, which lies partially within the Town and partially in the unincorporated area; and is jointly owned and maintained by the County (CSA R-7) and the Town (supplemented with M-30 funds). The nearest County-owned facility, solely financed by CSA R-7 funds, is Andrew H. Young Park, which is approximately one mile from the border of CSA M-30. Two options are identified to address the duplication in service: remove the M-30 area from R-7, or create a zone within R-7 for M-30.</p> <p>LAFCO previously completed a MSR covering GVRPD which included an option to explore the consolidation of GVRPD and CSA R-7. GVRPD is an independent district located adjacent to R-7. Consolidation of these districts may enhance the operation and maintenance of the Green Valley pool; however, County Public Works is opposed to the option, noting that there are inadequate financial resources to cover costs for maintenance and capital improvements to the pool. Also, members of the Alamo community, the Alamo MAC and District III County Supervisor expressed opposition to such a consolidation.</p> <p>Expanding the R-7 SOI to include the Round Hill area was identified as an option. Round Hill is surrounded by R-7, yet excluded from the CSA bounds. As reported, Round Hill residents utilize R-7 parks and programs.</p> <p>Further, the MSR report notes that CSA R-7 Zone B is inactive and should be considered for dissolution by the County Board of Supervisors and the area detached from the CSA through LAFCO.</p>		
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