



NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, July 13, 2016, 1:30 PM

PLACE: Board of Supervisors Chambers
651 Pine Street, Martinez, CA 94553

NOTICE IS HEREBY GIVEN that the Commission will hear and consider oral or written testimony presented by any affected agency or any interested person who wishes to appear. Proponents and opponents, or their representatives, are expected to attend the hearings. From time to time, the Chair may announce time limits and direct the focus of public comment for any given proposal.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by LAFCO to a majority of the members of the Commission less than 72 hours prior to that meeting will be available for public inspection in the office at 651 Pine Street, Six Floor, Martinez, CA, during normal business hours as well as at the LAFCO meeting.

All matters listed under CONSENT ITEMS are considered by the Commission to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Commission or a member of the public prior to the time the Commission votes on the motion to adopt.

For agenda items not requiring a formal public hearing, the Chair will ask for public comments. For formal public hearings the Chair will announce the opening and closing of the public hearing.

If you wish to speak, please complete a speaker's card and approach the podium; speak clearly into the microphone, start by stating your name and address for the record.

Campaign Contribution Disclosure

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

Notice of Intent to Waive Protest Proceedings

In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

American Disabilities Act Compliance

LAFCO will provide reasonable accommodations for persons with disabilities planning to attend meetings who contact the LAFCO office at least 24 hours before the meeting, at 925-335-1094. An assistive listening device is available upon advance request.

As a courtesy, please silence your cell phones during the meeting.

JULY 13, 2016 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Adoption of Agenda
4. Public Comment Period (please observe a three-minute time limit):
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
5. Approval of Minutes for the June 8, 2016 regular LAFCO meeting

SPHERE OF INFLUENCE (SOI)/BOUNDARY CHANGES

6. **LAFCO 09-07** – *Laurel Place/Pleasant View Annexation to the City of Concord* – consider landowners' request for extension of time to record annexation
7. **LAFCO 16-02** – *Detachment from the Byron Bethany Irrigation District (BBID)* - consider proposed detachment from BBID of 480± acres located in two separate areas in unincorporated Discovery Bay (west); and consider related actions under the California Environmental Quality Act (CEQA) **Public Hearing**

OUT OF AGENCY SERVICE REQUESTS

8. **LAFCO 16-09** – *City of Martinez – Sierra Ave* – consider a request by the City of Martinez to provide municipal water service outside its jurisdictional boundary to a 0.12± acre parcel (APN 375-054-014) located on Sierra Ave in the unincorporated Mt. View area to serve a proposed single family home; and consider related actions under CEQA

BUSINESS ITEMS

9. **Agricultural & Open Space Preservation Policy** - receive a report from the Policies & Procedures Committee and consider adopting an Agricultural & Open Space Preservation Policy
10. **Response to Contra Costa County Grand Jury Report No. 1607** - the Commission will be asked to approve a response to Grand Jury Report No. 1607, “*Delta Levees in Contra Costa County – How Well Do We Protect This Vital Safety System?*”
11. **Financial Audit** – receive and file the FY 2014-15 financial audit
12. **CALAFCO 2016 Conference Material and Call for Board of Directors Candidates and Achievement Award Nominations** – receive the annual CALAFCO conference packet, appoint voting delegate(s), and provide direction regarding nominations and other matters as desired.
13. **Plan Bay Area 2040** - informational update and correspondence relating to *Plan Bay Area 2040*

CORRESPONDENCE

14. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)

INFORMATIONAL ITEMS

15. Commissioner Comments and Announcements
16. Staff Announcements
 - CALAFCO Updates
 - Pending Projects
 - Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting – August 10, 2016 at 1:30 p.m.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting_archive.htm

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

June 8, 2016

Board of Supervisors Chambers
Martinez, CA

July 13, 2016
Agenda Item 5

1. Chair Mary Piepho called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Welcome Returning Special District Commissioner Mike McGill

Chair Piepho welcomed Mike McGill and congratulated him on his reappointment to the Commission.

4. Roll was called. A quorum was present of the following Commissioners:

County Members Mary Piepho and Alternate Candace Andersen.
Special District Members Mike McGill and Igor Skaredoff and Alternate Stanley Caldwell.
City Members Rob Schroder and Don Tatzin.
Public Members Don Blubaugh and Alternate Sharon Burke.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, Planner Nat Taylor, and Clerk Kate Sibley.

5. Approval of the Agenda

Upon motion of Skaredoff, second by Tatzin, Commissioners, by a vote of 7-0, adopted the agenda.

AYES: Andersen (A), Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M)
ABSTAIN: none

6. Public Comments

There were no public comments.

7. Approval of May 11, 2016 Meeting Minutes

Upon motion of Skaredoff, second by Blubaugh, the minutes were unanimously approved by a vote of 7-0.

AYES: Andersen (A), Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M)
ABSTAIN: none

8. Informational Presentation – Delta Diablo: Success in Resource Recovery: Local, State and National Partnerships

The Executive Officer introduced Angela Lowrey, Public Information Manager at Delta Diablo (DD), a resource recovery agency serving the cities of Antioch and Pittsburg and the unincorporated Bay Point community. Ms. Lowrey gives visibility to the challenges and opportunities in wastewater management, resource recovery, pollution prevention, water resources development and environmental stewardship at local, state and national levels. Prior to joining

DRAFT

Delta Diablo, she was based in Washington DC as Communications Manager for the Australian Trade Commission where she managed their only offshore global public affairs office.

Ms. Lowrey provided some background and history of Delta Diablo, the first and one of the largest industrial recycled water plants in California, highly acclaimed for its work. In 2016 already, DD has received the East Bay Economic Development Alliance “Catalyst of the Year”, and the National Association of Clean Water Agencies’ “Platinum Peak 12” performance awards. DD has committed to becoming the “utility of the future” by taking the “waste” out of wastewater and focusing on resource recovery that produces clean water, recovers nutrients such as phosphorus and nitrogen, and reduces the district’s dependence on fossil fuel through the production and use of renewable energy. DD is working hard to reuse everything that comes into the plant.

DD is part of numerous coalitions, and partners with many agencies and corporations within its district to provide recycled water. The Western Recycled Water Coalition, of which DD is a key member, includes 23 districts, cities and investor-owned utilities, representing over 4 million residents in the states of California, Washington, New Mexico, and Hawaii. This organization has to date secured \$38 million in federal funding, has 34 projects involving agriculture, industry, urban landscape, and wetlands, all focused on developing sustainable water supplies. This coalition wants to build a nationwide organization of agencies working on providing non-controversial dry year water supplies wherever needed. Of an estimated 92 recycled water project locations throughout the US, 65 are in California. The opportunities for the future of recycled water outweigh the obstacles, and partnerships and collaborations will strengthen these efforts in Contra Costa County as well as statewide and nationally.

Commissioners expressed their appreciation for Ms. Lowrey’s presentation, with Commissioner McGill pointing out that Delta Diablo is one of the great leaders in an industry that is highly regulated.

9. LAFCO 13-08 – Northeast Antioch Reorganization (Area 2A): Annexations to the City of Antioch and Delta Diablo and Detachment from County Service Area P-6

The Executive Officer noted that this item was continued from the June 10, 2015 LAFCO meeting due to a number of unresolved issues, including: land use and zoning designations, and needed updates to the City’s General Plan to address industrial uses as requested by some of the property owners; a City/County cure to the faulty storm water drain pipe; City outreach and education to the property owners and members of the Sportsman Yacht Club; and a City plan to manage the Antioch Dunes wildlife area following annexation. At the June 2015 meeting, the Commission requested that the City of Antioch provide quarterly updates on the status of these issues.

Staff reported that, while the City did not provide LAFCO with quarterly updates, it did provide a letter on May 23, 2016. The City indicates that it is not currently pursuing this annexation for various reasons. Notably, the City remains concerned about the condition of the storm water infrastructure; however, it remains confident that the City and County will reach agreement on how to address this issue. Regarding outreach to the Area 2A landowners and residents, the City would prefer to engage in stakeholder outreach once the storm water infrastructure issue is resolved. The City indicates that it has not prioritized nor directed resources to either resolution of the storm water infrastructure or the outreach efforts. No updates were provided regarding the status of the City’s General Plan update or the City’s plan to manage the Antioch Dunes wildlife area. Little progress has been made in the past year.

The public hearing was reopened.

Alexis Morris, Senior Planner for the City of Antioch, stated that the General Plan update is a target land use update only, and that due to turnover in staff, that update is 12-18 months away from completion. She indicated that the industrial area in [NE Antioch] Area 1 was rezoned to heavy industrial.

Commissioner Tatzin referenced a June 7, 2016 letter from Kiewit Infrastructure Company that reiterated their opposition to an annexation primarily due to the lack of progress on rezoning and the consequent lack of assurance that the company will continue to be able to operate in a heavy industrial zone (as the County now designates it).

In response to Commissioner Blubaugh's questions, Ms. Morris responded that there would be no time limit on the company's ability to operate in the same way if the City rezoned differently, although there might be limitations on expansion of the company's operations.

Darlene Dawson, a resident at Sportsmen Yacht Club, spoke on behalf of the current commodore, Doug Horton, in opposition, and pointed out that she had delivered a number of letters from residents and landowners opposing the annexation.

Ken Retzloff, of Wilbur Avenue Storage, stated his opposition, adding that the issues, including zoning and future plans for the area, have not been addressed by the City, and asked about advantages to annexing to the City.

Blaise Fettig, with Vortex Marine Construction and a neighbor of Kiewit, voiced his opposition based on three points: 1) rezoning concerns, primarily; 2) the requirement for landowners to convert from septic to Delta Diablo; and 3) concerns regarding the repair and maintenance of the stormwater drain pipe.

Darlene Dawson spoke again, pointing out that the stormwater drain has been a problem since 1994.

Asked by the Chair about mandatory hookups to Delta Diablo, staff responded that DD generally defers to the City and neither will require hookups unless the landowner requests that.

In response to Commissioner Skaredoff's question about the condition of existing septic systems, Ms. Dawson reported that the Sportsmen Yacht Club's system is in good working order.

Commissioner Blubaugh asked how many meetings the City has had with property owners; Ms. Morris responded that no meetings have been held.

Antioch City Manager Steve Duran responded that the City has been in the process of rezoning and updating its General Plan land use element. Because the storm drain had not been initially disclosed, the City wants the County to take care of this. Also, Antioch Dunes is a national wildlife refuge, and thus not a responsibility of the City.

Commissioners further questioned Mr. Duran regarding how long it will take for the land use element update - Mr. Duran responded "about a year"; whether the City is aware of LAFCO's peril as a result of these delays and the creation of an island (no response); and asked how much money Antioch is getting from the power plant - to which Mr. Duran responded "not enough."

Commissioner McGill expressed his frustration and his concerns about Contra Costa LAFCO's and his own credibility, as both a LAFCO Commission and a member of the CALAFCO Board of Directors.

Mr. Duran reiterated the City's concern about the storm drain and the cost to the City if the areas is annexed without the County first repairing it in its entirety.

Rich Seithel, from the County Department of Conservation and Development, reported that the storm drain is a big problem that will require a lot of money to remedy. No funds were set aside for work like this in Area 2A.

Commissioner Tatzin stated that he supports moving forward with annexation, but recognizes that this will trigger a protest hearing. Staff concurred, noting that the protest hearing is ministerial, and summarized the conditions that would affect the outcome of LAFCO's action. Chair Piepho asked that staff bring that information back to the Commissioners when the item returns.

Upon motion of McGill, second by Blubaugh, Commissioners unanimously, by a 7-0 vote, continued the public hearing 90 days to the September 14, 2016 regular LAFCO meeting; directed staff to pursue further clarification and information on the stormwater drain's future ownership and maintenance should the annexation be supported, definition of the Antioch Dunes wildlife area and its jurisdiction (and title), and an update from the City of Antioch regarding its process for updating the land use element of its general plan.

AYES: Andersen (A), Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M)
ABSTAIN: none

10. Contract Extension - Lamphier-Gregory

The Executive Officer provided brief background on the contract with Lamphier-Gregory since 2008 for planning services as needed. Under the contract, Nat Taylor serves as Senior Planner & Project Manager, and provides environmental planning and related staff support as detailed in the staff report.

This one-year contract extension with Lamphier-Gregory would extend the term of the contract from June 30, 2016 to June 30, 2017. The amendment includes no increase to hourly rates and no increase to the contract amount. Adequate funds are included in the existing contract and in the FY 2016-17 LAFCO budget.

Upon motion of Tatzin, second by Andersen, Commissioners, by a 7-0 vote, authorized staff to amend the contract with Lamphier-Gregory for one year to June 30, 2017.

AYES: Andersen (A), Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M)
ABSTAIN: none

11. Request to Transfer Jurisdiction from Alameda LAFCo to Contra Costa LAFCO

The Executive Officer reported that this request for a transfer of jurisdiction relates to an application from a landowner to amend the SOIs for CCCSD and EBMUD and annex the corresponding property to both districts in conjunction with the Tassajara Park Project, as described in the staff report. The property is 30± acres, located in the Tassajara Valley and is outside the countywide ULL.

Alameda and Contra Costa LAFCOs have adopted *Procedures for Processing Multi-County Changes of Organization or Reorganization - Alameda and Contra Costa LAFCOs*. Alameda and Contra Costa LAFCOs have a history of transferring jurisdiction. These procedures provide for an initial review and consultation by the LAFCO Executive Officers, which has occurred.

Upon motion by Blubaugh, second by McGill, Commissioners, by a 7-0 vote, agreed to assume exclusive jurisdiction for this proposal, and authorized LAFCO staff to send a letter to Alameda LAFCO requesting a transfer of jurisdiction.

AYES: Andersen (A), Blubaugh, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M)
ABSTAIN: none

12. Correspondence from CCCERA

There were no comments on this item.

13. Commissioner Comments and Announcements

Commissioner Schroder stated that he would like to know what happened with the \$1 million the City received when the power plant in NE Antioch Area 1 was annexed to the City of Antioch.

Commissioner McGill reported that he was unable to attend the CALAFCO Legislative Committee in May, but he will be attending the June 24 meeting of that committee, as well as the CALAFCO Board meeting on July 29 in San Diego.

14. Staff Announcements

The Executive Officer reported that she is working on a 1-2 page white paper about the Fire/EMS MSR (i.e. an executive summary of the executive summary) of the 2nd Round MSR, focusing on the unsustainability of ECCFPD and RHFPD, how that happened and how to fix some of these problems, highlighting the changes that have taken place since the 2009 MSR. This can be sent to cities, districts, and posted as widely as possible throughout the County. It can also be sent to the newspaper as an op-ed piece.

Commissioner Tatzin suggested that perhaps the Chair could sit down with print and broadcast media, or designate someone to do that, to bring this to the public's attention. Commissioner McGill suggested that waiting until the July meeting is too late; it would be good to speed this along.

Following further discussion, it was agreed that the motion at the May 11 meeting provided enough direction to allow the LAFCO Chair to work with staff and other Commissioners (McGill and Burke volunteered) to move forward with the preparation and dissemination of a white paper.

The meeting adjourned at 2:58 p.m.

Final Minutes Approved by the Commission July 13, 2016.

AYES:
NOES:
ABSTAIN:
ABSENT:

By _____
Executive Officer



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Mary N. Piepho
County Member

Rob Schroder
City Member

Igor Skaredoff
Special District Member

Don Tatzin
City Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

July 13, 2016 (Agenda)

July 13, 2016
Agenda Item 6

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

Request for Extension of Time – Lenox Homes

Dear Members of the Commission:

On August 12, 2015, the Commission approved the Laurel Place/Pleasant View annexation to the City of Concord (LAFCO 09-07). One of the conditions of approval, as requested by Lenox Homes, was that LAFCO defer recordation of annexation for up to one year (August 2, 2016) to allow the developer time to complete site and house construction and obtain necessary County permits.

Lenox Homes recently informed LAFCO that the site improvement is underway and about 75% complete, and that the homes are under construction. Further, that the estimated completion date will extend beyond August 2, 2016. Lenox Homes requests that LAFCO defer recordation of the annexation to February 2, 2017 to allow for completion of the project (see attached letter).

In accordance with Government Code §57001, if a Certificate of Completion has not been filed within one year after the Commission approves a proposal, the proceeding shall be deemed abandoned unless prior to the expiration of that year the Commission authorizes an extension of time to complete the proceedings.

RECOMMENDATION: It is recommended that the Commission approve an extension of time to file the Certificate of Completion to February 2, 2017, as requested by Lenox Homes, to allow the developer additional time to complete construction activities.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment – Letter from Lenox Homes

c: Dan Freeman, President, Focus Realty Services Inc./Lenox Homes LLC
Victoria Walker, City of Concord

Focus Realty Services Inc./Lenox Homes LLC
3675 Mt. Diablo Blvd., Suite 350
Lafayette, CA 94549
Phone: (925) 283-8470

May 5, 2016

Ms. LouAnn Texeira
Executive Officer
Contra Costa Local Area Formation Commission
651 Pine Street
Lafayette, CA 94553

Re: Laurel Place/Pleasant View Annexation to City of Concord

Dear LouAnn,

This letter will serve as our formal request to extend the annexation deadline for the above referenced area for 6 months to February 2, 2017. Per the approved resolution 09-07, condition #9, LAFCO was to defer recordation of the annexation map for up to one year to August 2, 2016 to allow us as developer of the 4 home sites off Pleasant View Lane (MS 6-94) time to complete site and house construction.

The site improvements are now underway and about 75% completed and all 4 new homes are under construction. The estimated completion date for the project extends past the August 2, 2016 date and therefore we are submitting this request for extension to the annexation deadline.

Thank you for your consideration of this request.

Sincerely,



Dan Freeman
President

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

July 13, 2016 (Agenda)

July 13, 2016
Agenda Item 7

LAFCO 16-02 Detachment from the Byron Bethany Irrigation District (BBID)

PROPONENT Contra Costa County, Resolution 2016/3

SYNOPSIS

The County has applied to Contra Costa LAFCO to detach 480± acres from BBID located in two separate areas in the unincorporated Discovery Bay area (west) as shown on the attached map (Attachment 1). The two areas encompass areas where the service boundaries of BBID and the Town of Discovery Bay Community Services District (DBCSD) overlap. The overlap areas contain numerous parcels located in six tax rate areas. The DBCSD provides potable water, wastewater and other services to the Discovery Bay area, including the overlap area. BBID is an irrigation district and does not provide water service to the overlap area as further discussed below.

BACKGROUND

BBID was formed in 1914 and provides agricultural water service in addition to delivering raw untreated water to the Mountain House community and the City of Tracy. BBID is a multi-county district serving portions of Alameda, Contra Costa and San Joaquin counties. BBID's services area is 30,000± acres, with a population of 13,000 (including the Mountain House community). The district serves approximately 160 water connections including 150 agricultural surface irrigation uses and 10 municipal/industrial surface users. BBID's relies on surface water with primary sources being the Central Valley Project Surface Area and pre-1914 water rights with Alameda, Contra Costa and San Joaquin counties. BBID operates as an enterprise district, with its primary revenue sources being property tax and service charges and fees.

San Joaquin is designated the principal county for LAFCO proceedings. In February 2016, Contra Costa LAFCO requested, and San Joaquin LAFCO approved, the transfer of jurisdiction to allow Contra Costa LAFCO to process the detachment proposal.

DBCSD was formed in 1998 as the successor agency to County Sanitation District No. 19 (SD 19). The district provides water, sewer collection and disposal, levee maintenance, parks and recreation maintenance, landscaping and recreational services. The district's service area is 5,760± acres with a population of approximately 14,000. DBCSD serves 5,523 service connections (residential, commercial, irrigation). DBCSD relies on groundwater with six groundwater irrigation wells. DBCSD operates as an enterprise district and with a significant portion of its overall revenue from charges for services, and a minimal amount of property tax revenue.

Prior to the development of Discovery Bay West, the subject areas were used for agricultural purposes. BBID provided irrigation water for the agricultural uses in the area existing at the time. BBID receives a portion of the 1% property tax (Ad Valorem) in these areas. Once residential development replaced the agricultural uses in the area, BBID irrigation water was no longer used, and SD19/DBCSD began providing water service to the area. These areas were never detached from BBID, and BBID continues to receive property taxes from these areas, currently estimated at \$685,000 per year.

Historically, there was discussion regarding BBID serving as a back-up water supply to these areas. However, it has since been determined that DBCSD has an adequate water supply, and that having an additional irrigation water supply source provided by BBID appears to have limited value within the next 15-20 year planning horizon.

The issue of the overlap in service boundaries first came to the attention of Contra Costa LAFCO in 1993 in conjunction with annexation of the Albers property to SD 19 (DBCSD's predecessor district). At that time, the Commission discussed detachment from BBID in conjunction with Albers annexation. BBID staff requested that LAFCO defer the detachment pending completion of BBID's groundwater management plan. The issue of detachment from BBID remained unresolved and annexations to DBCSD continued, perpetuating the overlap.

In 2014, Contra Costa LAFCO completed its 2nd Round Countywide Water/Wastewater Municipal Services Review (MSR) and sphere of influence (SOI) updates. The MSR covered eight cities and 20 special districts including BBID and DBCSD.

The MSR included a discussion of the overlap area, noting that districts' water systems have very different infrastructure, given that BBID relies on surface water and DBCSD relies on ground water; and that it is unlikely that BBID could provide water service to the overlap areas without incurring significant cost to build a new water system for this area. The MSR recommended that consideration be given to detaching the overlap areas from BBID; and that further study should be undertaken to fully analyze the service and fiscal implications of such a detachment to both residents and the BBID.

In late 2015, there were a number of meetings with the affected agencies. In November 2015, the Contra Costa County Board of Supervisors (BOS) voted unanimously to pursue the detachment, and directed County staff to prepare a resolution of application to LAFCO. In early December 2015, the DBCSD voted unanimously to support the detachment.

DISCUSSION

In January 2016, the County submitted applications to Contra Costa and San Joaquin LAFCOs to detach the overlap areas from BBID. Included with the County's application was a request that San Joaquin LAFCO transfer jurisdiction to Contra Costa LAFCO. As noted above, San Joaquin is designated the principal county for LAFCO proceedings, as defined by Gov. Code §56066 (i.e., the county having the greatest portion of the assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within the district). Contra Costa LAFCO submitted a request to San Joaquin LAFCO for transfer of jurisdiction, which San Joaquin LAFCO approved on February 11, 2016.

Gov. Code §56668 sets forth factors that the Commission must consider in evaluating a proposed boundary change as discussed below. In the Commission's review, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The areas proposed for detachment are within the SOIs of both BBID and DBCSD. The subject areas are also inside the County's Urban Limit Line. Presently, there is no proposal to modify

BBID's SOI in conjunction with the proposed detachment. If appropriate, an application to detach the subject areas from BBID's SOI can be submitted in the future.

2. Land Use, Planning and Zoning - Present and Future:

Land uses in the subject areas include primarily single family residential; the areas also include parks, a manmade lake, school, commercial, and open space. The County General Plan designations for the areas include: Agricultural Core (AC), Agricultural Lands (AL), Commercial (CO), Multiple-Family Residential – Low Density (ML), Office (OF), Open Space (OS), Parks/Recreation (PR), Public/Semi-Public (PS), Single-Family Residential – High Density (SH), and Single-Family Residential – Medium Density (SM). The Zoning designations include: General Agricultural (A-2), Heavy Agricultural (A-3), Exclusive Agricultural (A-40), and Planned Unit (P-1).

The subject areas are surrounded primarily by residential to the east and north, and mostly agricultural lands and agricultural core to the west and south. There are currently no known entitlement applications pending for properties in the subject areas. *No land use changes will occur as a result of the proposed detachment.*

3. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands:

As noted above, the subject areas include some land designated for agricultural uses. The subject areas contain no Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. No portion of the subject property is currently under a Williamson Act Land Conservation Act agreement. *The proposed detachment will not result in the loss of agricultural land.*

4. Topography, Natural Features and Drainage Basins:

The subject property is flat with manmade bodies of water within the area; surrounding areas relatively are primarily residential to the east and agricultural to the west.

5. Population:

The proposed detachment will have no effect on population.

6. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. *The proposed detachment will have no effect on regional housing needs.*

7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

Whenever an application for a change of organization or reorganization is submitted to LAFCO, the applicant must also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.

- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The property currently receives water service from DBCSD. The subject areas are also served by various local and regional agencies including, but not limited to, Contra Costa County, Byron Brentwood Knightsen Union Cemetery District (BBKUCD), East Contra Costa Fire Protection District (ECCFPD), and DBCSD. *No change in the provision of service is proposed.*

8. Timely Availability of Water and Related Issues:

The proposal before the Commission is to detach two areas from BBID. As noted above, these areas currently receive water service from DBCSD. The proposal to detach these areas from BBID will have no foreseeable impact on water service to the subject areas, as BBID does not currently, nor is anticipated to, provide water service to the subject areas.

DBCSD indicates that it has adequate capacity to continue to serve the subject areas today and in the future, and supports the detachment from BBID.

9. Assessed Value, Tax Rates and Indebtedness:

The areas proposed for detachment are within tax rate areas (TRAs) 66043, 66047, 66048, 66050, 66055, and 66056. The assessed value for the subject areas is \$182,410,892 (2015-16 roll). As noted above, BBID currently received approximately \$685,000 per year of the property tax within the six TRAs. Pursuant to the Revenue and Taxation Code, whenever there is a proposal to modify the boundary of a special district, the County negotiates the tax exchange on behalf of the districts. The County is required to consult with the affected districts. Consultations occurred with BBID, DBCSD and BBKUCD. Also, the County had discussions with ECCFPD, recognizing that ECCFPD lacks sufficient funding resulting from low property tax allocations which have resulted in reductions in ECCFPD's fire and emergency medical services, despite increasing call volumes. This situation has necessitated supplemental funding from the County and the cities of Brentwood and Oakley to temporarily sustain ECCFPD.

On June 14, 2016, the BOS adopted a property tax exchange resolution providing that BBID's share of the base and annual tax increment in the subject TRAs that would otherwise be allocated to BBID, shall be allocated to Contra Costa County. Further, the BOS directed County staff to prepare a second property tax exchange agreement to transfer, each year, the reallocated tax revenue from the six subject TRAs from the County to ECCFPD for so long as the taxes continue to be allocated to the County, unless an application to initiate dissolution of ECCFPD is filed with LAFCO, at which point the property tax transfer would automatically terminate. BBID submitted a letter to the County indicating that the District takes strong exception to the "pass-through" property tax exchange agreement recently adopted by the BOS, and prefers that the property tax currently going to BBID in the subject areas, be allocated directly to ECCFPD.

10. Environmental Impact of the Proposal:

Contra Costa County, as Lead Agency, has determined that the proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15061(b)(3). The LAFCO environmental coordinator agrees with this determination.

11. Landowner Consent and Comments by Any Affected Local Agency:

According to County Elections, there are more than 12 registered voters in the areas proposed for detachment; thus, the subject areas are considered inhabited.

In the case of inhabited boundary changes, LAFCO will conduct a protest hearing should the Commission receive an objection from any landowner owning land with the subject areas, or any registered voter residing with the subject areas. Absent any objection received before the conclusion of the commission proceedings on July 13, 2016, the Commission intends to waive protest proceedings.

Regarding comments from affected local agencies, LAFCO is aware that DBCSD supports the proposed detachment.

Also, LAFCO recently received a request from Rick Gilmore, General Manager, BBID. BBID is both an affected local agency and affected landowner. Mr. Gilmore requests that LAFCO exclude two BBID owned parcels (APNs 011-190-044 and -045) from the proposed detachment, as these parcels are part of BBID's pipeline corridor (see Attachment 2). The parcels were deeded to BBID in conjunction with a previous Centex homes development in the area.

Mr. Gilmore also requests that these parcels be detached from DBCSD's boundary, as DBCSD services are not needed to serve these parcels. Should the Commission exclude the two parcels from the proposed detachment, there will continue to be an overlap (BBID/DBCSD) with regard to these two parcels. To remedy this, BBID could apply to LAFCO to detach these two parcels from DBCSD; or the Commission could continue the matter to allow proper noticing, and consider both the exclusion of the two parcels from the proposed detachment and the detachment of the two parcels from DBCSD at a future LAFCO meeting.

An option to exclude APNs 011-190-044 and -045 from the proposed detachment is presented for the Commission's consideration. However, given the timing of the request, detachment of these parcels from DBCSD was not included in LAFCO published notices, nor was it included on the LAFCO agenda; thus, the Commission cannot consider detachment of these two parcels from DBCSD at the hearing on July 13, 2016. Mr. Gilmore indicates that he supports continuing the matter to allow the Commission to consider both actions requested. Should there be costs associated with re-noticing and re-publishing, BBID would consider covering these costs. As an alternative, Mr. Gilmore supports excluding the two parcels from the proposed detachment.

LAFCO staff discussed Mr. Gilmore's request with County and DBCSD staff, and there was no concern expressed.

Also, in May, LAFCO received correspondence from Sharon Smith and Kris Frederickson objecting to the proposed detachment. Based on property owner and registered voter information obtained, it appears that neither individual is a landowner or registered voter within the area proposed for detachment.

In accordance with LAFCO's statutory noticing requirements [Gov. Code §56157(h)], LAFCO noticed this hearing in a display ad in a newspaper of general circulation. The statute provides

that if the total number of notices required to be mailed exceeds 1,000, then notice may instead be provided by publishing a display advertisement of at least one-eighth page in a newspaper, at least 21 days prior to the hearing. The total number of notices for this proposal exceeded 1,000.

12. Boundaries and Lines of Assessment:

The areas proposed for detachment follow lines of assessment. A map and legal description to implement the proposed boundary change have been approved by the County Surveyor.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for changes of organization or reorganization will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed detachment is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

14. Disadvantaged Communities:

In accordance with Senate Bill 244, local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/amendments, and boundary changes must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County GIS/Demographics division, the areas proposed for detachment do not meet the criteria of a DUC.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following actions:

Option 1 Adopt this report and approve the detachment as proposed by the applicant (County).

- A. Determine that the proposal is exempt from CEQA pursuant to sections 15061(b)(3).
- B. Adopt this report, approve LAFCO Resolution No. 16-02 (Attachment 3), and approve the proposal, to be known as the *Detachment from the Byron Bethany Irrigation District* subject to the following terms and conditions:
 1. That Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachment.
 2. The detachment has no effect on BBID's authority to collect taxes for bonded indebtedness.
- C. Find that the subject territory is inhabited, and that LAFCO will conduct a protest hearing should the Commission receive an objection from any landowner owning land with the subject areas, or any registered voter residing with the subject areas. Absent any objection

received before the conclusion of the commission proceedings on July 13, 2016, the Commission intends to waive protest proceedings.

Option 2 Adopt this report and approve the detachment, excluding APNs APNs 011-190-044 and -045 as requested by BBID.

- A. Determine that the proposal is exempt from CEQA pursuant to sections 15061(b)(3).
- B. Adopt this report, approve LAFCO Resolution No. 16-02 (Attachment 3), and approve the proposal, to be known as the *Detachment from the Byron Bethany Irrigation District* subject to the following terms and conditions:
 - 1. That Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachment.
 - 3. The detachment has no effect on BBID's authority to collect taxes for bonded indebtedness.
- C. Find that the subject territory is inhabited, and that LAFCO will conduct a protest hearing should the Commission receive an objection from any landowner owning land with the subject areas, or any registered voter residing with the subject areas. Absent any objection received before the conclusion of the commission proceedings on July 13, 2016, the Commission intends to waive protest proceedings.

Option 3 Adopt this report and DENY the proposal.

Option 3 CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

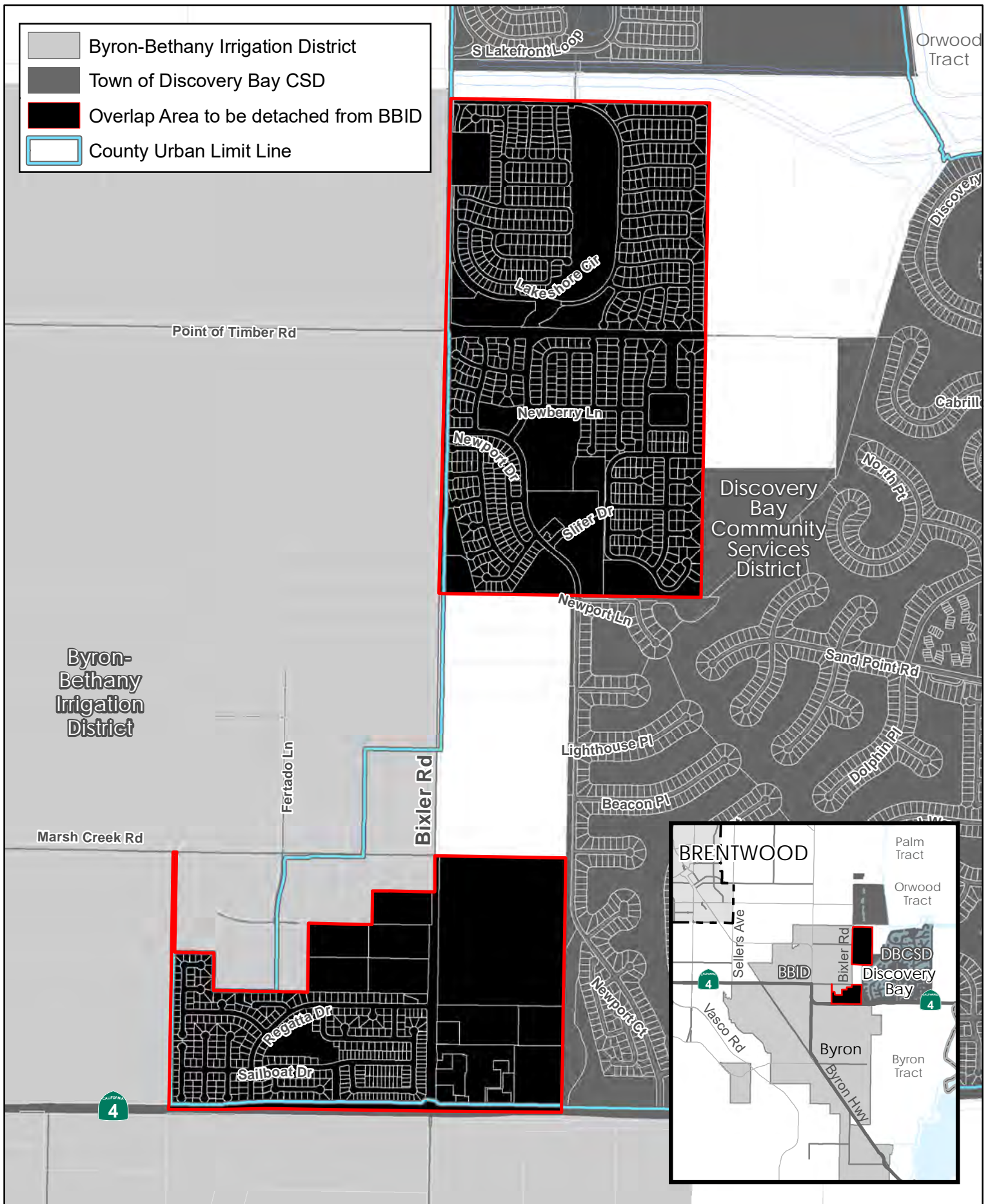
Option 1 - Approve the detachment

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Attachments

- 1 – BBID Detachment Map
- 2 – BBID Detachment - Option 1 Map
- 3 - Draft LAFCO Resolution 16-02

c: David Twa, County Administrator, Contra Costa County
Julie Enea, Contra Costa County Administrator's Office
Rick Gilmore, General Manager, BBID
Catherine Kutsuris, Interim General Manager, DBCSD



LAFCO 16-02: Option 1 - Detachment from Byron Bethany Irrigation District (BBID) Detachment from Town of Discovery Bay Community Services District (DBCSD).

Attachment 2



RESOLUTION NO. 16-02**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING A DETACHMENT
FROM THE BYRON BETHANY IRRIGATION DISTRICT**

WHEREAS, a proposal submitted by Contra Costa County to detach two areas from the Byron Bethany Irrigation District (BBID) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code section 56000 et seq.); and

WHEREAS, the Executive Officer has examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the proposal; and

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

WHEREAS, at a public hearing held on July 13, 2016, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, provision of services, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, the proposed detachment will correct a boundary overlap between BBID and the Town of Discovery Bay Community Services District as discussed in LAFCO's 2014 Countywide *Water/Wastewater Municipal Services Review*; and

WHEREAS, the Local Agency Formation Commission finds the proposal to be in the best interest of the affected areas and the total organization of local governmental agencies within Contra Costa County.

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The proposal is exempt from CEQA pursuant to sections 15061(b)(3).
2. Said detachment is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:

Detachment from the Byron Bethany Irrigation District

4. Said territory is found to be inhabited. In the case of inhabited boundary changes, LAFCO will conduct a protest hearing should the Commission receive an objection from any landowner owning land with the subject areas, or any registered voter residing with the subject areas. Absent any objection received before the conclusion of the commission proceedings on July 13, 2016, the Commission intends to waive protest proceedings.
5. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachment 1, attached hereto and made a part hereof.
6. Contra Costa County has delivered an executed indemnification agreement providing for the County to indemnify LAFCO against any expenses arising from any legal actions challenging the detachment.

Contra Costa LAFCO
Resolution No. 16-02

7. The detachment has no effect on BBID's authority to collect taxes for bonded indebtedness.
8. All subsequent proceedings in connection with this detachment shall be conducted only in compliance with the approved boundary set forth in the attachment and any terms and conditions specified in this resolution.

* * * * *

PASSED AND ADOPTED THIS 13TH day of July, 2016, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

MARY N. PIEPHO, CHAIR, CONTRA COSTA LAFCO

ATTEST: *I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.*

Dated: July 13, 2016

Lou Ann Texeira, Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

July 13, 2016 (Agenda)

July 13, 2016
Agenda Item 8

LAFCO 16-09 City of Martinez - Out of Agency Service Request (Sierra Avenue)

SYNOPSIS

This is a request by the City of Martinez to provide municipal water service outside its jurisdictional boundary to one parcel located on Sierra Avenue in the unincorporated Mt. View area. The parcel (APN 375-253-002) is 0.12± acre (see Attachment 1). The lot currently contains a two-car garage, which is proposed for demolition to allow for future construction of a single family home. The parcel is part of a subdivision – entitled “Martinez Land Company Tract No. 6” – recorded in 1916. The property owners have applied to the County for a small lot design review; once granted, they can formally submit for a building permit. The property owners are currently preparing their building permit plans.

The property is zoned R-6 (single family, 6,000 sf minimum lot size) and the County’s General Plan designation is SH (single family residential – high). The City’s pre-zoning designation is comparable. The subject parcel is located within the City of Martinez sphere of influence (SOI) and within the City’s Urban Limit Line. Surrounding uses include single family residential to the north, south, east and west.

According to the City’s application, it is currently providing water service to the entire neighborhood surrounding the subject property. The area is also within the Mt. View Sanitary District service boundary.

DISCUSSION

Statutory Framework – Out of Agency Service – The Government Code and local LAFCO policies regulate the extension of out of agency service. Government Code §56133 states that “A city or district may provide new or extended services by contract or agreement outside of its jurisdictional boundary only if it first requests and receives written approval from the Commission.” Further, the law provides that LAFCO may authorize a city or district to provide new or extended services under specific circumstances: a) outside the agency’s jurisdictional boundary but within its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

The Commission’s current policies regarding out of agency service are consistent with State law in that annexations to cities and special districts are generally preferred for providing municipal services. However, there may be situations where health and safety, emergency service, or other concerns warrant out of agency service. Historically, out of agency service is considered a temporary measure, typically in response to an existing or impending public health and safety threat (e.g., failing septic system, contaminated well); or in anticipation of a future annexation.

Out of Agency Service Request by City of Martinez and Background – As noted in both the 2014 and 2008 *Water/Wastewater* and the 2009 *Central County Sub-regional* LAFCO Municipal Service Reviews (MSRs), the City is providing water services beyond its corporate limits to 1,500± water connections. The LAFCO MSRs recommend that the City of Martinez annex areas receiving city services, as appropriate. The MSRs noted that the 1,500 water connections serve residents who do not have representation in terms of electing the Martinez City Council and governance issues. However, City staff notes that those residents who receive out of agency water service have the right to address the City Council regarding policy decisions. Further, they have equal rights under Proposition 218 to protest water rate increases such as the recently repealed drought “Temporary Pricing Adjustment.”

In the past five years, the City of Martinez initiated two annexation proposals. In 2011, the City submitted an application to annex 393± acres (139 parcels) in the Alhambra Valley. In response to community input and the City's request, LAFCO approved a reduced boundary comprised of 316± acres (104 parcels). The City expressed its ongoing commitment to annex Alhambra Valley; and subsequently, the City Council adopted two resolutions reaffirming its pledge to annex the Alhambra Valley in the future. Also, in 2011, the City submitted a proposal to annex the North Pacheco area. LAFCO approved the annexation; however, the voters rejected it.

In 2014, the City embarked on an updated fiscal analysis to study the potential annexation of several areas including North Pacheco (split into two separate study areas – A and B), Mt. View and Vine Hill/Arthur Road. City staff reports that the only area that showed a net positive was the portion of North Pacheco running north-south along Pacheco Blvd (Area A). The draft fiscal report was presented to the City Council subcommittee and to the City Manager and Assistant City Manager, but has not been presented to the City Council. According to City staff, the matter is currently on the back burner.

The law permits LAFCO to authorize the City to extend services outside its jurisdictional boundary in specific situations as described above. There is no public health/safety threat on the subject property. However, the City has taken actions to support the future annexation of this property, including rezoning the area, requiring the property owner(s) to sign and record a deferred annexation agreement, and completion of a study to assess the fiscal impacts of annexation of this and other unincorporated areas.

Conversely, the City's application for out of agency service indicates that annexation of this lot is not feasible at this time. Further, according to City staff, the 2014 fiscal study concluded that annexation of the Mt. View area is not fiscally viable.

While the City has taken some action in furtherance of future annexation of this property as noted above, the outcome of the 2014 fiscal study and apparent lack of interest by the City to annex this area, calls into question the likelihood of future annexation of this property.

In 2014, LAFCO staff advised City staff and the property owners of three options for water service on this property: 1) well water, 2) the property owners or the City could apply to LAFCO to annex the property to City as the parcel is contiguous to the City boundary, and 3) the City could apply on the property owners' behalf for out-of-agency water services provided the City has taken some definitive action that it will pursue annexation of this property in the future.

Consistency with LAFCO Policies – Contra Costa LAFCO's policies (Attachment 2) are consistent with Government Code §56133, in that out of agency service can be extended either in response to a threat to the health and safety of the public (e.g., failed septic system, contaminated or dry well, etc.), or in anticipation of annexation.

In addition, the LAFCO policies contain the following provisions which are relevant to this proposal:

3) *Objective – Out of agency service is generally not intended to support new development.*

The out of agency service request is intended to serve development of one new single family residence.

4) *Out of Agency Service Policies: General Statements*

- a) *Annexation to cities and special districts involving territory located within the affected agency's SOI is generally preferred to out of agency service.*
- b) *LAFCO will consider applicable MSRs and discourage out of agency service extensions that conflict with adopted MSR determinations or recommendations.*
The previous LAFCO MSRs recommended annexing properties that are receiving, or will require, City water service, as appropriate.

5) *Form of Request*

Request in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. This dual application requirement may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

- *Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011*
- *Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable*
- *Other circumstances which are consistent with LAFCO statute and the policies of Contra Costa LAFCO*

If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., rezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate steps toward eventual annexation.

Given the subject property is contiguous to the City boundary and the City has not adopted a plan for annexation or a resolution of intent to annex this area in the foreseeable future, it appears that an application for annexation of this property is needed.

Water Supply to the Subject Property – The subject property is located in the Mt. View area, which is mostly developed and characterized by primarily residential with some commercial, industrial and public uses. Most of the developed properties in the Mt. View area receive water service through the City of Martinez.

The City indicates that it has adequate water to serve the subject property. According to the City, water service could be provided to the parcel from the City's existing 6-inch water main on Sierra Avenue. Infrastructure includes 20 linear feet of 1-inch diameter pipe, a water meter and a backflow prevention device. The service line will be used for domestic and fire supply.

The property owner is responsible for all site development, improvement and start-up costs including those associated with the domestic water system; operational and maintenance costs will be funded through water service and water usage fees collected by the City of Martinez.

Environmental Review – The City of Martinez found the project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15303, and has filed a Notice

of Exemption. The LAFCO Environmental Coordinator has reviewed this document and finds it adequate for LAFCO purposes.

Request for Waiver of LAFCO Processing Fee – Should the Commission condition approval of the out of agency service request on the landowner submitting an annexation application, Tambri Heyden, property owner, has submitted a letter requesting that the Commission consider waiving the LAFCO fee associated with processing the annexation application (Attachment 3). Ms. Heyden indicates in her letter that it has been a lengthy and frustrating process. Further, Ms. Heyden notes that a small, single family home should not be burdened with having to pay two LAFCO application fees (i.e., out of agency service and annexation) instead of typically just one, due to the back burner status of the City's annexation fiscal study. The property owners have paid LAFCO's out of agency service fee of \$3,400. The LAFCO annexation processing fee for this type of proposal is \$3,915. An annexation application also requires preparation of a map and legal description and filing with the County Clerk and State Board of Equalization. There are additional costs and fees associated with these actions, which are not under the jurisdiction of LAFCO.

Government Code §56383 provides that the Commission may establish a schedule of fees and service charges for LAFCO proceedings. The statute also provides that *the Commission may reduce or waive a fee, service charge, or deposit if it finds that payment would be detrimental to the public interest. The reduction or waiver of any fee, service charge, or deposit is limited to the costs incurred by the commission in the proceedings of an application.*

Since 2005, the Commission has waived one proposal fee in conjunction with a similar proposal whereby the Commission approved an out of agency service request (City of Concord) conditioned on receipt of a corresponding annexation application. The previous applicant (landowner) requested a fee waiver due to financial hardship, which the Commission granted.

Reduction or waiver of the LAFCO fee is a policy issue to be determined by the Commission in accordance with the statute and local LAFCO policy.

ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation and determination of local agency boundaries, and facilitating the efficient provision of public services. The CKH provides that LAFCO can approve with or without amendments, wholly, partially, or conditionally, or deny a proposal. The statute also provides LAFCO with broad discretion in terms of imposing terms and conditions. The following options and recommended terms and conditions are presented for the Commission's consideration.

Option 1 **Approve** the out of agency service request with the following terms and conditions.

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determinations of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APN 375-054-014 located on Sierra Avenue in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one proposed single family dwelling unit,
 - 2. The City of Martinez has delivered to LAFCO an executed deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA,

3. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service, and
4. An application to annex the subject parcel to the City of Martinez is submitted to LAFCO by January 13, 2017.

Option 2 **Approve** the out of agency service request with the following terms and conditions.

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determinations of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APN 375-054-014 located on Sierra Avenue in unincorporated Contra Costa County subject to the following terms and conditions:
 1. Water infrastructure and service is limited to one proposed single family dwelling unit,
 2. The City of Martinez has delivered to LAFCO an executed and recorded deferred annexation agreement that runs with the land and binds future property owners, and
 3. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service.

Option 3 **Deny** the request, thereby prohibiting the City of Martinez from providing water service to the project site.

Option 4 **Continue** this matter to a future meeting in order to obtain more information.

RECOMMENDATION

Option 1 – Approve out of agency service request with conditions including that a corresponding annexation application be submitted to LAFCO within six months.

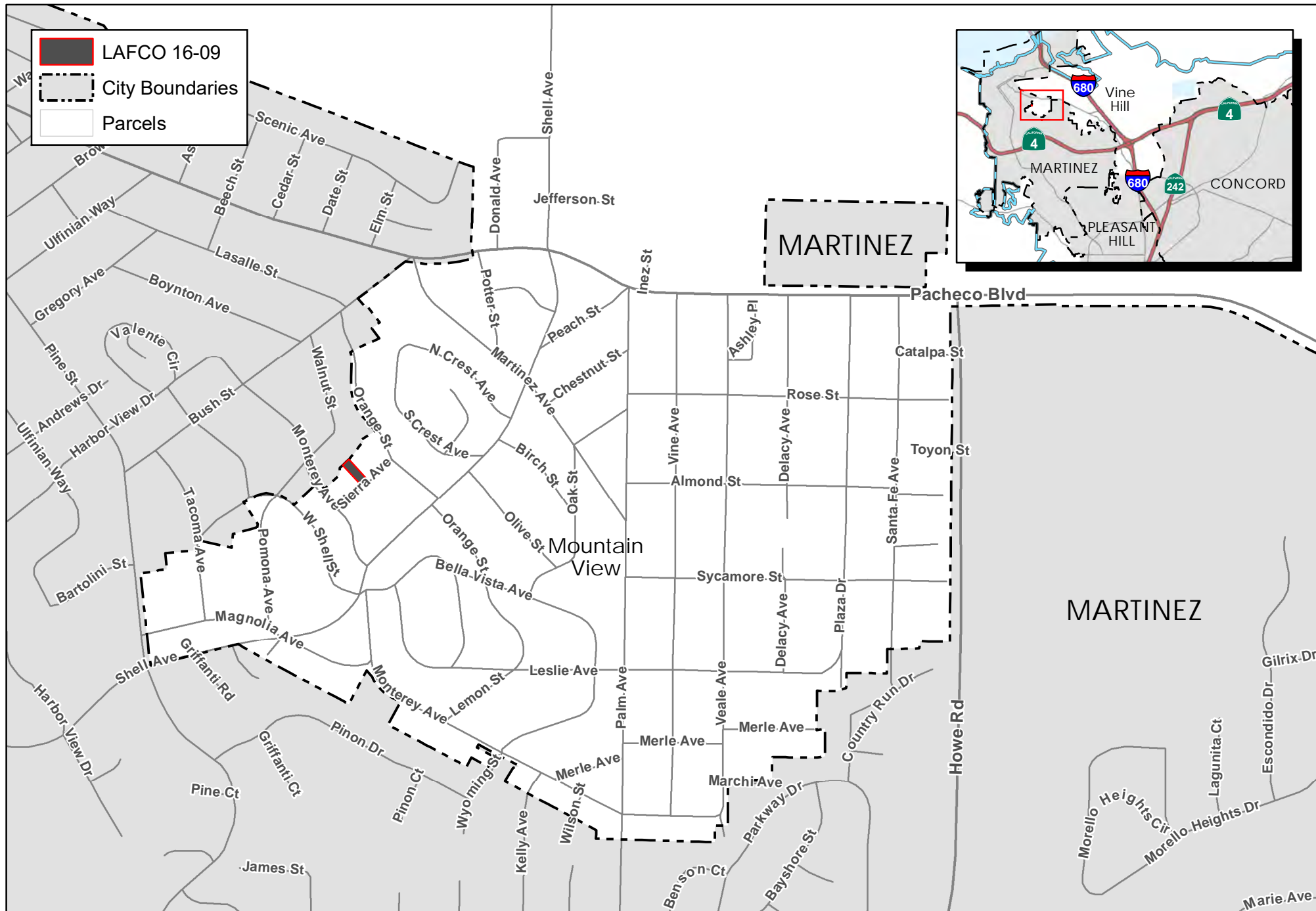
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LAFCO

Attachments

1. Map of Project Site
2. LAFCO Policies for Out of Agency Service Agreements
3. Letter from Tambri Heyden, Property Owner
4. LAFCO Resolution 16-09

c: Tim Tucker, City of Martinez
 Tambri Heyden and David Montalbo, Property Owners

LAFCO No.16-09 City of Martinez Out of Agency Service (375-054-014)



2.1. **POLICIES AND STANDARDS**

J. Policies for Out of Agency Service Agreements

1) Introduction:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires a city or special district to obtain written approval from LAFCO prior to providing new or extended service outside its jurisdictional boundary, with certain exceptions (Gov. Code §56133). This section of the CKH sets forth a two-pronged test or criteria under which requests for out of agency services may be approved: either in response to an existing or impending threat to the health or safety of the public, or in anticipation of a later change in organization (i.e., annexation) for areas within the subject agency's sphere of influence (SOI). Specific procedures for submitting an out of agency service application can be found in Contra Costa LAFCO's Commissioner Handbook, section 3.15 Provision of Services by Contract.

2) Purpose:

The purpose of these policies is to guide the Commission in reviewing city and district requests to provide new or extended services by agreement outside their jurisdictional boundaries. This includes establishing policies and procedures to ensure that the application meets one of the two criteria under which approval may be granted, and to ensure consistency with respect to form, review and consideration of requests.

3) Objective:

The objective of these policies is to ensure that the extension of services by cities and districts outside their jurisdictional boundaries is logical and consistent with supporting orderly growth and development in Contra Costa County. Out of agency service is generally not intended to support new development.

4) Out of Agency Service Policies: General Statements

- a) Annexation to cities and special districts involving territory located within the affected agency's sphere of influence (SOI) is generally preferred to out of agency service.
- b) LAFCO will consider applicable Municipal Service Reviews (MSRs) and discourage out of agency service extensions that conflict with adopted MSR determinations or recommendations.
- c) Requests for out of agency service agreements are subject to the applicable provisions of the California Environmental Quality Act (CEQA).
- d) Commission approval is not required for cities or districts to provide new or extended services outside their jurisdictional boundaries if any of the exemptions apply in accordance with §56133(e) – see Section 3.15 for exceptions. The Commission encourages cities and districts to work with the Executive Officer in determining when the statutory exemptions may apply.

5) Form of Request:

a) All Requests

Requests to authorize out of agency service shall be filed with the Executive Officer by the affected city or district. The application shall be signed by an authorized representative of the city or district. Requests shall be made in writing with a completed LAFCO application, payment in the amount prescribed under the Commission's adopted fee schedule, appropriate environmental document, proposed service agreement, and an executed and recorded deferred annexation agreement (DAA) and waiver of property owner protest rights. The recorded DAA shall run with the land and be binding on all future owners of the property. An indemnification agreement will be required with each application.

All requests for out of agency service are subject to the applicable provisions of CEQA.

b) Requests Due to Health or Safety Emergency

The Commission may authorize a city or district to provide new or extended services outside their jurisdictional boundary and outside or inside their SOI in response to an existing or impending threat to public health or safety (“emergency” – e.g., failing well or septic system) with documentation from the County Environmental Health Division, and in accordance with §56133(c) and LAFCO procedures. If LAFCO approves an emergency out of agency service request, and the city or district fails to initiate the provision of services within six months of the Commission’s approval, the out of agency service approval shall expire, unless otherwise specified by LAFCO.

The Commission authorizes the LAFCO Executive Officer, in consultation with the Chair or Vice Chair, to approve a city’s or district’s request for out of agency service if there is an existing or impending public health or safety emergency, as documented by the County Environmental Health Division. The Executive Officer shall report to the Commission on his or her administrative approval of any emergency out of agency service agreements at the next regularly scheduled LAFCO meeting. Such administrative approval can be made if the following criteria are met:

- The property is currently developed
- The lack of service being requested constitutes an *immediate* (i.e., approval needed within two months) health and safety concern as documented by County Environmental Health
- There are physical restrictions on the property that prohibit a conventional service delivery method (i.e., septic tank, private well, etc.)

c) Requests in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. This dual application requirement may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

- Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011
- Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable
- Other circumstances which are consistent with LAFCO statute and the policies of Contra Costa LAFCO

If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., rezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate steps toward eventual annexation.

6) Review of Request

The Executive Officer shall review the request in accordance with CKH and LAFCO’s policies and procedures.

7) Consideration of Request

Once a request is deemed complete, the Executive Officer will prepare a written report with a recommendation. The Executive Officer will present his or her report and recommendation at a public

hearing for Commission consideration in accordance with CKH and LAFCO's policies and procedures. The Executive Officer's written report will be made available to the public for review prior to the scheduled hearing and include an evaluation of the following factors:

- a) The ability of the applicant to extend the subject service to the affected land without adversely affecting current service levels within the existing service boundary.
- b) If the request is to address a health or safety emergency, whether the documentation satisfactorily demonstrates compliance with CKH and LAFCO policies and procedures.
- c) If the request is in anticipation of future annexation, whether the application provides adequate assurances in furtherance of a future annexation.
- d) The application's consistency with the policies and general plans of affected local agencies.
- e) The application's effect on growth and development within and adjacent to the affected land; and whether the out of agency service extension will contribute to premature development of fringe areas or development in areas designated for non-urban uses.
- f) Whether the proposal contributes to the premature conversion of agricultural land or other open space land.

The Commission and the Executive Officer, as authorized by the Commission, may approve the request for out of agency service with or without conditions, or may deny the request. Unless otherwise specified in the LAFCO resolution of approval, out of agency service is allowed for the subject application only, and any future extension or expansion of service is subject to LAFCO's approval.

If the request to provide out of agency service is approved or denied, the applicant may request reconsideration within 30 days citing the reasons for reconsideration.

1731 First Avenue
Martinez, CA 94597
June 20, 2016

Ms. LouAnn Texeira, Contra Costa LAFCO Executive Officer
651 Pine Street, 6th Floor
Martinez, CA 94553

RE: Out-of-Agency Water Service Application - infill parcel on Sierra Avenue,
Martinez

Dear Ms. Texeira,

Thank you for meeting with us and the City of Martinez to discuss the issues and solutions to the out-of-agency water service application submitted by the City of Martinez, on our behalf as the property owners of the remaining infill parcel on Sierra Avenue, Martinez. My husband and I are very distressed by the news that the water service application might not be approved to allow Martinez's issuance of a "will serve" water utility letter, given our parcel is contiguous to the City of Martinez boundary, therefore requiring annexation under state law. To verify availability of water utilities to our parcel at time of construction, a "will serve" letter is required for our Contra Costa County, single family home building permit application.

For more than two years, as advised by you during an initial phone call back in January 2014, I have repeatedly followed up with the City of Martinez Finance Department and Community Development Department staff as to the status of their annexing the Mountain View area in which our parcel is located. So as not to be caught between the opposing interests of LAFCO and the City of Martinez, we waited for the completion and outcome of Martinez's fiscal analysis of potential annexation areas, including the Mountain View area in which our parcel is located. We had requested to receive a copy of the consultant's annexation fiscal impact report, annexation subcommittee agenda so that we could attend the meeting and notification of when the Martinez City Council would hear this report presentation.

Numerous City obstacles and delays occurred in the timeline of these action steps and only through vigilant contact did we receive definitive information in January of this year that the report was not forwarded to the Council given its recommendations and that the City of Martinez had no interest in annexing the Mountain View area at this time. Upon hearing this, I requested that the City contact LAFCO to advise them of its lack of interest in annexing so that we could proceed with an out-of-agency service application and move forward with the building permit process. We were unaware that LAFCO staff, at that time, relayed to the City of Martinez that a LAFCO approval of an out-of-agency water

1731 First Avenue
Martinez, CA 94597
June 20, 2016

service application would not meet state regulations. Therefore, we proceeded to apply to the City of Martinez for out-of-agency water service, attaching a deferred annexation agreement. If we had been advised of LAFCO's position, we would have submitted an application directly to LAFCO, so as not to subject ourselves to the additional cost and processing time of the out-of-agency service application.

Ms. Teixeira has been very sensitive to the time and cost of the delays, thus far, and our desire to complete the building permit, construction, inspection and certificate of occupancy processes in the County, prior to being annexed into the City of Martinez. In light of this, she has offered several possible solutions to allow the out-of-agency water service application to move forward to the LAFCO Board with a recommendation for approval or approval with conditions. If the LAFCO Board's position is that our parcel must be annexed within a definite time period, requiring us to incur another application fee, we would request consideration of an annexation application fee waiver. We look forward to the opportunity to discuss this further with you.

Regards,


Tambri Heyden

RESOLUTION NO. 16-09**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING THE CITY OF MARTINEZ TO PROVIDE OUT-OF-AGENCY WATER SERVICE
TO APN 375-054-014 (SIERRA AVENUE)**

WHEREAS, the above-referenced request has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of this request; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval is needed in order to provide water services to the properties in anticipation of a future annexation; and

WHEREAS, the City of Martinez and the property owners have entered into a Deferred Annexation Agreement in support of the future annexation of the property to the City of Martinez.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determination of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APN 375-054-014, located on Sierra Avenue in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one single family dwelling unit on the parcel,
 - 2. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service,
 - 3. The City of Martinez and the property owner(s) have signed the deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA, and
 - 4. An application to annex the subject parcel to the City of Martinez, along with the applicable annexation fees, be submitted to LAFCO by January 13, 2017.
- C. Approval to extend City of Martinez services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

* * * * *

PASSED AND ADOPTED AS REVISED THIS 13th day of July 2016, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

MARY N. PIEPHO, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: July 13, 2016

Lou Ann Texeira, Executive Officer



Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Don Tatzin
City Member

Mary N. Piepho
County Member

Rob Schroder
City Member

Igor Skaredoff
Special District Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

July 13, 2016 (Agenda)

July 13, 2016
Agenda Item 9

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

LAFCO Agricultural & Open Space Preservation Policy

Dear Commissioners:

This report from LAFCO's Policies & Procedures Committee ("Committee") transmits the revised draft LAFCO Agricultural & Open Space Preservation Policy (AOSPP). The LAFCO Executive Officer has worked closely with the Committee on the issues discussed below and concurs with the Committee's recommendations.

First and foremost, the Committee and LAFCO staff thank all those who participated in the evolution of the draft policy and provided thoughtful comments.

BACKGROUND

Contra Costa LAFCO has a comprehensive set of policies and procedures that deal with a range of issues including boundary and sphere of influence (SOI) changes, municipal service reviews, the role of the Commission, budget & financial procedures, conflict of interest and financial disclosure, out of agency service, legislation, and numerous other matters.

Development of a LAFCO AOSPP was identified years ago as part of the Commission's ongoing efforts to update its Policies & Procedures. The discussion was elevated in March 2015, at which time the Committee presented a report to the Commission that included a summary of relevant LAFCO statutes and a collection of LAFCO policies and procedures representing 18 different LAFCOs from around the State.

In July 2015, LAFCO hosted an Agriculture & Open Space Preservation Workshop to engage stakeholders in a conversation as to whether or not LAFCO should develop an AOSPP, and if so, what the policy should address. The workshop was well attended and included a range of speakers.

The conversation continued throughout the summer and fall with presentations to a number of local agency organizations and groups (see Attachment 1 for a chronology).

In November, the Commission directed the Committee to draft guidelines relating to agriculture and open space preservation that focus on the LAFCO application requirements and procedures.

In January 2016, the Committee returned to the Commission with proposed revisions to LAFCO's applications and procedures. The Commission agreed with the proposed revisions, and also provided direction regarding the preferred focus of the LAFCO AOSPP – which is to require a LAFCO applicant to provide an assessment of how their application would impact prime agricultural, agricultural and/or open space land; and what mitigation measures the applicant could offer to mitigate these impacts. At that time, the Commission also directed the Committee to continue its outreach and education to various local agencies and interested parties.

On March 9, 2016, the Committee presented to the Commission a draft AOSPP, which incorporated the Commission's prior comments and direction, and input received through the Committee's extensive outreach and education efforts.

There was consensus among Commissioners that the purpose of a LAFCO policy is to provide guidance to the applicant on how to assess the impacts of LAFCO applications on prime agricultural, agricultural and open space lands and to explain how the application intends to mitigate those impacts; and to provide a framework for LAFCO to evaluate and process in a consistent manner, applications before LAFCO that involve or impact prime agricultural, agricultural and/or open space lands.

The Commission then directed the Committee to reach out to the County, cities/towns, special districts and other interested parties to solicit input on the draft LAFCO AOSPP.

Subsequently, letters were sent to the County Administrator and City Managers, County and City Planning Directors, and all independent special districts. The letter included a brief history and chronology of LAFCO's work on the AOSPP, copies of the revised LAFCO application forms and procedures, and the draft AOSPP. The letter urged the local agencies to discuss LAFCO's draft AOSPP with their councils, boards, and other interested parties in their communities. The letter also directed interested parties to a special page on Contra Costa LAFCO's website which includes maps, comment letters, and related documents (<http://www.contracostalafco.org/Ag-and-Open-Space-Preservation.htm>).

Since the March 9th LAFCO meeting, Committee members and the LAFCO Executive Officer have discussed the draft AOSPP with other interested parties including the East Bay Regional Park District's Liaison Committee, Contra Costa Transportation Authority, the Contra Costa Special Districts Association, the Contra Costa Watershed Forum, and Martinez Kiwanis Club. Also, at the City of Brentwood's request, Commissioner Tatzin and the LAFCO Executive Officer made presentations to the Brentwood City Council on May 10th and to the Brentwood Land Use and Development Committee on June 2nd.

There has been extensive outreach, and throughout the process, LAFCO has received valuable input from agriculture, building, environmental, legal, farming, local government and other interest groups, along with members of the general public. As of this writing, LAFCO has received letters and emails from over 70 agencies and individuals.

DISCUSSION

At this time, the Committee is pleased to present the revised draft AOSPP (Attachments 2a and 2b).

The revised policy complements the recent updates to the LAFCO questionnaires and procedures, which now include an agricultural and open space impact analysis. The revised draft policy also incorporates the Commission's prior comments and direction, and many of the comments received from interested parties.

In sum, the draft policy includes an updated preface, discusses LAFCO's authority, and provides definitions, goals, policies, guidelines and observations.

LAFCO received a number of comments requesting a clear rationale for imposing a local AOSPP; enhanced provisions relating to preserving open space; added references to the importance of agriculture enterprise/economics; and clarification regarding LAFCO and land use regulation. The following includes an outline of revisions to the draft policy made in response to many of the comments received. The list of revisions is not all-inclusive. Following the outline of revisions, the Committee has identified policy and other issues to be discussed by the Commission.

OUTLINE OF MAJOR REVISIONS

1. "Preface/Introduction"

- added background/historical information relating to population and development trends and impacts to agricultural and open space lands
- added information relating to agriculture economics
- added examples of efforts by local agencies and the voters to preserve agricultural and open space lands

2. "Authority of LAFCO"

- provided clarification

3. "Purpose of the Policy"

- expanded

4. "Definitions"

- moved Gov. Code §56377 to "Authority of LAFCO" section

5. "Goals, Policies and Guidelines"

- *Goals*
 - added references to open space
 - consolidated goals
- *Policies*
 - added mitigation hierarchy
 - consolidated and relocated policies
 - added policy relating to proximity of mitigation measure(s) to location of impact
 - moved policy relating to notifying adjacent agricultural landowners of LAFCO application to Guidelines

- *Guidelines*
 - added consistent references to “agricultural, prime agricultural and open space lands”
 - expanded an existing mitigation option to include right to farm ordinance
 - deleted guideline relating to the California Environmental Quality Act (CEQA)
 - expanded an existing mitigation option to include reference to reasonably equivalent land
 - added a mitigation option related to compliance with the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan or a similar plan
 - added a mitigation option related to participation in an advanced mitigation plan
 - added a mitigation option encouraging participation in efforts to promote agricultural business
- 6. **“Additional Observations”**
 - new section identifying three actions that are outside LAFCO’s direct purview, but could be taken by others, to reduce the impacts of new development on prime agricultural, agricultural and open space lands

POLICY AND OTHER ISSUES

- A. *Applications to LAFCO*** – The Committee recommends that the Commission confirm that an assessment of impacts to agricultural, prime agricultural and open space lands as defined in the CKH Act be included as a required part of an application to LAFCO that involves prime agricultural, agricultural and/or open space lands.

Further, LAFCO staff may continue to include in its CEQA comment letters a request that the Lead Agency include in its environmental document an assessment of the impacts to agricultural, prime agricultural, and open space lands as defined in the CKH Act, if the project will require LAFCO’s consideration.

- B. *Required Mitigation Measures*** - In March, the Commission provided comments and direction to guide the Committee’s work. Regarding mitigation measures, the Commission expressed a preference for placing the responsibility on the applicant for proposing mitigation measures. Given the Commission’s authority, the Commission need not include all mitigation measures proposed by the applicant, and can include additional or different mitigations as part of conditions of approval if the Commission concludes that the mitigations proposed by the applicant are inadequate or incomplete.

The revised draft policy includes a number of possible mitigation measures for the applicant to consider including replacing prime agricultural land at a minimum 1:1 ratio and other measures (e.g., acquisition, dedication and maintenance of prime agricultural and agricultural land; bringing qualified land into an open space plan; permanent conservation easements; transfer or purchase of development credits; payment to a local government or recognized non-profit organization for the purpose of preserving prime agricultural, agricultural and open space lands; establishment of buffer zones to protect prime agricultural, agricultural and open space lands; adoption of right to farm ordinances, and actions that would make agricultural a more viable business).

LAFCO received requests from dozens of individuals requesting that LAFCO adopt a policy that does the following:

1. Prohibits the annexation of actively farmed land
2. Mitigates every acre of farmland and rangeland lost to development
3. Uses mitigation funds to permanently preserve agricultural land

In addition, LAFCO received letters from Save Mt. Diablo, Brentwood Agricultural Land Trust, Shute, Mihaly & Weinberger, Friends of the Creek, American Farmland Trust, California Native Plant Society, and Greenbelt Alliance requesting that LAFCO's AOSPP include provisions for *requiring*, rather than allowing the applicant to propose, minimum ratios (i.e., 1:1, 2:1, 3:1) of comparable land to be permanently preserved as prime agricultural, agricultural and/or open space land. Several of these correspondents requested that LAFCO mandate other mitigation measures as well.

The draft AOSPP includes, as a possible mitigation, replacing (i.e., through acquisition and dedication) land lost to development by conserving land which is of equal or better quality to mitigate the impacts of the application on prime agricultural, agricultural and/or open space lands. This is consistent with direction previously provided by the Commission.

Early in the development of LAFCO's draft AOSPP, the Committee and LAFCO staff reviewed agricultural and open space policies covering 18 LAFCOs throughout the State. We found a number of LAFCOs, including Santa Clara, San Luis Obispo, Stanislaus and Yolo that have policies which require acquisition and/or dedication (ratio of 1:1 acres or greater) to mitigate the loss of agricultural lands.

The Commission has the authority to include required mitigation measures in its policy, which is consistent with the law, and with policies adopted by other LAFCOs. Given the public input, the Commission may wish to review its previous direction to not require mitigations.

C. LAFCO's Authority

The CKH grants LAFCO broad authority to carry out its statutory responsibilities to encourage the orderly formation of cities and special districts, discourage urban sprawl, and preserve agricultural and open space lands.

LAFCO has the authority to approve, with or without conditions, or deny an application. LAFCO has broad discretion to deny an application, including for the absence of, or inadequate mitigating measures included in an application to LAFCO. LAFCO also has authority to require a range of terms and conditions when approving an application, as discussed below.

LAFCO received letters from several parties that raised concern and questioned LAFCO's authority to adopt policies, guidelines and conditions relating to the preservation of prime agricultural, agricultural and open space lands.

The CKH is replete with provisions that grant LAFCO the authority to consider and provide for the preservation of prime agricultural, agricultural and open space lands. Included among the numerous statutory provisions are Gov. Code §§56001, 56300, 56301, 56375 (a) and (g), 56375.3, 56377, 56425, 56426.6, 56434, 56668(e), 56856.5, and various provisions relating to an application to annex Williamson Act land to a city (§§56737, 56738, 56752, 56753, 56753.5, 56754, 57101, 57330.5).

Further, the Commission and LAFCO staff have discretion to determine what information shall be required in a LAFCO application [Gov. Code §§56652(d) and (e)].

Finally, LAFCO has broad discretion to impose terms and conditions pursuant to Gov. Code §§56885.5, 56886-56890.

In closing, we would like to provide clarification regarding three issues to help put the proposed AOSPP into context. First, the proposed AOSPP would only come into play when an application is submitted to LAFCO. Second, the AOSPP is one of numerous policies contained in the Contra Costa LAFCO Commissioner Handbook. Third, this policy is intended to address one of many factors the Commission considers when it reviews an application (Gov. Code §§56668, 56668.3, 56668.5). Other important factors include future population and growth; need, cost, adequacy and financial ability to provide services; planned, orderly and efficient patterns of urban development; timely and available supply of water; effects of a proposal on meeting regional housing needs; environmental justice; regional transportation and growth plans; and numerous other factors, of which no single factor is determinative.

RECOMMENDATIONS:

Receive report, provide input and adopt the LAFCO Agricultural & Open Space Preservation Policy.

Respectfully submitted,

Sharon Burke and Don Tatzin

c: Distribution

Attachment 1 – LAFCO Agricultural & Open Space Preservation Policy Chronology

Attachment 2a – Clean Revised Draft LAFCO Agricultural & Open Space Preservation Policy

Attachment 2b – Tracked Revised Draft LAFCO Agricultural & Open Space Preservation Policy

Attachment 3 – Comments to Draft LAFCO Agricultural & Open Space Preservation Policy

Contra Costa LAFCO's Agricultural & Open Space Preservation Policy Chronology - August 2016

Development of a LAFCO AOSPP was identified years ago as part of the Commission's ongoing efforts to update its Policies & Procedures. The discussion was elevated in March 2015, at which time LAFCO's Policies and Procedures Committee presented a report to the Commission, along with a summary of the Committee's research, relevant LAFCO statutes, and a collection of LAFCO policies and procedures representing 18 different LAFCOs from around the State.

In July 2015, Contra Costa LAFCO hosted an Agricultural & Open Space Preservation Workshop to engage stakeholders and begin a conversation as to whether or not LAFCO should develop a local AOSPP; and if so, what the Contra Costa LAFCO policy should address.

The conversation continued throughout the summer and fall. The Committee and County GIS presented series of maps depicting prime agricultural soil, important farmland, land covered under Williamson Act land contracts, parks and protected open space areas, areas with and without urban services, urban growth boundaries, and related features. The maps are intended to show important agricultural and open space areas that could potentially be at risk. A special page was set up on the Contra Costa LAFCO's website which includes these maps, along with comment letters, and related documents relating to the LAFCO's draft AOSPP. You can view this information at <http://www.contracostalafco.org/Ag-and-Open-Space-Preservation.htm>.

Subsequently, the Commission directed the Committee to reach out to various local agency groups to gauge their level of interest in a LAFCO AOSPP. In October and November, the Committee reported on its meetings with these groups, including the Contra Costa Transportation Authority (CCTA), Contra Costa Public Managers Association (PMA), County/City Planning Directors (CCPD), and the Contra Costa Special Districts (CCSDA). Through these meetings, we learned that the groups are generally interested in a LAFCO AOSPP and wish to be kept apprised of LAFCO's progress.

In November, the Commission directed the Committee to draft guidelines relating to agriculture and open space preservation that focus on the LAFCO application requirements and procedures.

In January 2016, the Committee presented proposed revisions to LAFCO's *Questionnaire for Amending a Sphere of Influence (SOI)*, *Questionnaire for Annexations, Detachments and Reorganizations*, and *Procedures for Processing Boundary Changes*. The Commission agreed with the proposed revisions, and also directed the Committee to draft an AOSPP and discuss the draft policy with the various local agency groups (i.e., CCTA, PMA, CCPD, CCSDA). Meetings with these groups occurred in March and April.

On March 9th, the Committee presented to the Commission the draft AOSPP. Based on the Commission's prior direction, the draft policy complements the recent updates to the LAFCO questionnaires and procedures, which now include an agricultural and open space impact analysis. Also on March 9th, the Commission received a number of written and verbal comments. The Commission directed the Committee to reach out to the County, cities/towns, and special districts to solicit input on the draft LAFCO AOSPP.

In late March, the Committee sent letters to the County Administrator and City Managers, County and City Planning Directors, and all independent special districts. The letter included a

brief history of LAFCO's work on the AOSPP, copies of the revised LAFCO application forms and procedures, and the draft AOSPP. The letter urged the local agencies to discuss LAFCO's draft AOSPP with their councils, boards, and other interested parties in their communities.

Since the March 9th LAFCO meeting, Committee members and the LAFCO Executive Officer also discussed the draft AOSPP with other interested parties including the Martinez Kiwanis Club, East Bay Regional Park District's Liaison Committee, and the Watershed Forum. And at the City of Brentwood's request, Commissioner Tatzin and the LAFCO Executive Officer made presentations to the Brentwood City Council on May 10th and to the Brentwood Land Use and Development Committee on June 2nd.

There has been extensive outreach, and throughout the process, LAFCO has received valuable input from agriculture, building, environmental, farming, local government and other interest groups, along with members of the general public.

4.1 DRAFT AGRICULTURAL AND OPEN SPACE PRESERVATION POLICY

PREFACE

LAFCO's enabling and guiding legislation, the Cortese Knox Hertzberg (CKH) Act, begins with the following statement.

"The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services." (§56001)

Beginning in the late 1800s, farmers and ranchers made Contra Costa County an important source of agricultural products. Much of the County has good soils, a mild climate, and adequate water. Western and central Contra Costa was used for agriculture well into the twentieth century. John Muir farmed and ranched approximately 2,600 acres in what is now Martinez, Concord, and the Alhambra Valley. While the County's population was increasing, by current standards, the County's population was small. The 1910 census recorded 31,764 residents, less than the 2015 population of Pleasant Hill.

Development, which began in earnest after World War II, transformed Contra Costa County. As urban and suburban development occurred, Contra Costa County experienced significant reduction in the amount and economic importance of agricultural lands. Simultaneously, critical open space habitat for sensitive species declined. By 2010, the Census reported that Contra Costa had 1,049,025 people, representing 3,300% growth since 1910. Contra Costa County's 2040 population is forecast to be 1,338,400.

As a result of population and job growth, agricultural land was converted to houses, commercial centers, job centers, and transportation corridors. In 2015, there were about 30,000 acres of active agricultural land in Contra Costa County, excluding rangeland and pastureland, most of it located in the eastern portion of the County. There is approximately 175,000 acres of rangeland and pastureland in the County.¹

Agriculture in Contra Costa County is worth approximately \$128.5 million (farm production) in 2015 and is an important economic sector. The value of agricultural production has risen in recent years.² However, some worry that Contra Costa's agricultural industry may approach a tipping point beyond which agriculture becomes less viable due to a lack of labor, suppliers, and processors located nearby.³

The pressure on agricultural land also extends to wildlife and riparian areas. In some cases, conversion of these lands through development disrupts an ecosystem that used to depend on the now developed land as a travel route, or a seasonal or permanent source of food and water.

The County and some cities are active in efforts to preserve agricultural and open space lands. For example, in the 1970s, the County created a County Agricultural Core to the east and south of Brentwood. The City of Brentwood has an agricultural mitigation program that collected more than \$12 million in

¹ 2015 Crop and Livestock Report, Contra Costa County Agricultural Commissioner

² 2008-2015 Crop and Livestock Reports, Contra Costa County Agricultural Commissioner

³ Sustaining our Agricultural Bounty: An Assessment of the Current State of Farming and Ranching in the San Francisco Bay Area – A White paper by the American farmland Trust, Greenbelt Alliance and Sustainable Agriculture Education (SAGE), January 2011

mitigation fees and through conservation organizations, and acquired the development rights over approximately 1,000 acres of agricultural lands. In 2006, the voters adopted Urban Limit Lines (ULLs) for the County and each municipality, and these actions helped protect undeveloped land outside the ULLs. Furthermore, the County adopted the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (ECCCHCP/NCCP) that protects sensitive habitat for plants and animals in East Contra Costa.

LAFCO embraces its objectives of encouraging orderly growth and development while discouraging urban sprawl, efficiently extending government services, and preserving open space and prime agricultural lands. Through the review and approval or denial process of boundary changes and other applications, LAFCO has considerable authority to provide for the preservation of open space and agricultural land, and impose terms and conditions. (§§56885 -56890).

While LAFCO has authority to achieve the objectives of the CKH Act, there are things that LAFCO cannot do, for example, directly regulate land use.⁴ Therefore, successful preservation of prime agricultural, agricultural and open space lands and of agriculture as a business requires that both applicants and other agencies also lead. At the end of this policy are observations about other opportunities facing residents, advocacy organizations, and governmental agencies that could also strengthen and preserve agriculture and open space lands.

AUTHORITY OF LAFCO

LAFCO's authority derives from the CKH Act. Among the purposes of LAFCO are discouraging urban sprawl and preserving open space and agricultural lands (§56300). The CKH Act includes provisions that grant LAFCO the authority to consider and provide for the preservation of open space and agricultural lands. Among these provisions is §56377 which describes the intent of the legislation with regard to agricultural lands:

“56377. In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space lands to uses other than open space uses, the commission shall consider all of the following policies and priorities:

- (a) Development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.
- (b) Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the SOI of a local agency should be encouraged before any proposal is approved that would allow for or lead to the development of existing open space lands for non-open space uses that are outside of the existing jurisdiction of the local agency or outside of the existing SOI of the local agency.”

LAFCO is specifically charged in some instances with protecting open space and agricultural land. For example, an island annexation may not be approved if the island consists of prime agricultural land [§56375.3(b)(5)]. LAFCO may not approve a change to an SOI where the affected territory is subject to a Williamson Act contract or farmland security zone unless certain conditions exist (§§56426 and 56426.5).

⁴ “A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements” [§§56375(6), 56886].

Contra Costa LAFCO encourages planned, orderly, and efficient urban development while at the same time giving appropriate consideration to the preservation of prime agricultural, agricultural and open space lands (§56300).

When making a decision, LAFCO must consider whether an application and its effects conform to both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Sections 56377 and 56668(d). Finally, LAFCO must consider the effect of an application on maintaining the physical and economic integrity of agricultural lands [§56668 (e)].

An application for a change of organization, reorganization, the establishment of or change to a sphere of influence (SOI), the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act will be evaluated in accordance with LAFCO's adopted policy on the Preservation of Open Space and Agricultural Land.

PURPOSE OF THE POLICY

The purpose of this policy is threefold: 1) to provide guidance to the applicant on how to assess the impacts on prime agricultural, agricultural and open space lands of applications submitted to LAFCO, and to explain how the applicant intends to mitigate those impacts; 2) to provide a framework for LAFCO to evaluate and process in a consistent manner, applications before LAFCO that involve or impact prime agricultural, agricultural and/or open space lands; and 3) to explain to the public how LAFCO will evaluate and assess applications that affect prime agricultural, agricultural and/or open space lands.

DEFINITIONS

Several terms are important in understanding LAFCO's responsibility and authority to preserve prime agricultural, agricultural and open space lands. These terms and definitions are found below and are applicable throughout these policies. The CKH Act contains the following definitions for agricultural land, prime agricultural land and open space:

56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

56059. "Open space" means any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in Section 65560.

65560. (a) "Local open-space plan" is the open-space element of a county or city general plan adopted by the board or council, either as the local open-space plan or as the interim local open-space plan adopted pursuant to Section 65563.

(b) "Open-space land" is any parcel or area of land or water that is essentially unimproved and devoted to an open-space use as defined in this section, and that is designated on a local, regional, or state open-space plan as any of the following:

(1) Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, including habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays, and estuaries; and coastal beaches, lakeshores, banks of rivers and streams, greenways, as defined in Section 816.52 of the Civil Code, and watershed lands.

(2) Open space used for the managed production of resources, including, but not limited to, forest lands, rangeland, agricultural lands, and areas of economic importance for the production of food or fiber; areas required for recharge of groundwater basins; bays, estuaries, marshes, rivers, and streams that are important for the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.

(3) Open space for outdoor recreation, including, but not limited to, areas of outstanding scenic, historic, and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas that serve as links between major recreation and open-space reservations, including utility easements, banks of rivers and streams, trails, greenways, and scenic highway corridors.

(4) Open space for public health and safety, including, but not limited to, areas that require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plains, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs, and areas required for the protection and enhancement of air quality.

(5) Open space in support of the mission of military installations that comprises areas adjacent to military installations, military training routes, and underlying restricted airspace that can provide additional buffer zones to military activities and complement the resource values of the military lands.

(6) Open space for the protection of places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code (i.e., Native American Historical, Cultural and Sacred Sites).

GOALS, POLICIES AND GUIDELINES

The following Goals, Policies, and Guidelines are consistent with the legislative direction provided in the CKH Act. The Goals are intended to be the outcome LAFCO wants to achieve. The Policies provide direction with regard to how those Goals should be achieved by providing specific guidance for decision makers and proponents. Guidelines give stakeholders procedures and practical tips regarding what information LAFCO commissioners and staff need to evaluate an application that affects prime agricultural, agricultural and/or open space lands.

GOALS

Agriculture and open space are vital and essential to Contra Costa County's economy and environment. Accordingly, boundary changes for urban development should be proposed, evaluated, and approved in a manner that is consistent with the continuing growth and vitality of agriculture within the county. Open space lands provide the region with invaluable public benefits for all who visit, live and work in Contra Costa County. The following goals will help guide LAFCO's decisions regarding prime agricultural, agricultural and open space lands.

Goal 1. Minimize the conversion of prime agricultural land to other land uses while balancing the need to ensure orderly growth and development and the efficient provision of services.

Goal 2. Encourage cities, the county, special districts, property owners and other stakeholders to work together to preserve prime agricultural, agricultural and open space lands.

Goal 3. Incorporate agricultural land preservation into long range planning consistent with principles of smart growth at the state, county, and municipal levels.

Goal 4. Strengthen and support the agricultural sector of the economy.

Goal 5. Fully consider the impacts an application will have on existing prime agricultural, agricultural and open space lands.

Goal 6. Preserve areas that sustain agriculture in Contra Costa County.

POLICIES

It is the policy of Contra Costa LAFCO that, consistent with the CKH Act, an application for a change in organization, reorganization, for the establishment of or change to an SOI, the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act (“applications”), shall provide for planned, well-ordered, efficient urban development patterns with appropriate consideration to preserving open space, agricultural and prime agricultural lands within those patterns. LAFCO’s Agricultural and Open Space Preservation Policy provides for a mitigation hierarchy which 1) encourages avoidance of impacts to prime agricultural, agricultural and open space lands, 2) minimizes impacts to these lands, and 3) mitigates impacts that cannot be avoided while pursuing orderly growth and development.

The following policies support the goals stated above and will be used by Contra Costa LAFCO when considering an application that involves prime agricultural, agricultural and/or open space lands:

Policy 1. The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan, Specific Plans and SOI areas, and that encourage preservation of prime agricultural, agricultural and open space lands in a manner that is consistent with LAFCO’s policy.

Policy 2. Vacant land within urban areas should be developed before prime agricultural, agricultural and/or open space land is annexed for non-agricultural and non-open space purposes.⁵

Policy 3. Land substantially surrounded by existing jurisdictional boundaries (e.g., islands) should be annexed before other lands.

Policy 4. Where feasible, and consistent with LAFCO policies, non-prime agricultural land should be annexed before prime agricultural land.

⁵ The Commission recognizes there may be instances in which vacant land is planned to be used in a manner that is important to the orderly and efficient long-term development of the county and land-use agency and will consider such situations on a case-by-case basis.

Policy 5. In general, urban development should be discouraged in agricultural areas. For example, agricultural land should not be annexed for non-agricultural purposes when feasible alternatives exist. Large lot rural development that places pressure on a jurisdiction to provide services, and causes agricultural areas to be infeasible for farming, is discouraged.

Policy 6. The continued productivity and sustainability of agricultural land surrounding existing communities should be promoted by preventing the premature conversion of agricultural land to other uses and, to the extent feasible, minimizing conflicts between agricultural and other land uses. Buffers and/or local right to farm ordinances should be established to promote this policy.

Policy 7. Development near agricultural land should minimize adverse impacts to agricultural operations.

Policy 8. Development near open space should minimize adverse impacts to open space uses.

Policy 9. The Commission will consider feasible mitigation (found in the following guidelines) if an application would result in the loss of prime agricultural, agricultural and/or open space lands.

Policy 10. Any mitigations that are conditions of LAFCO's approval of an application should occur close to the location of the impact and within Contra Costa County.

GUIDELINES

These Guidelines are intended to provide further direction regarding the application of LAFCO's Goals and Policies; to advise and assist the public, agencies, property owners, farmers, ranchers and other stakeholders with regard to LAFCO's expectations in reviewing an application that involves prime agricultural, agricultural and/or open space lands; and to provide sample mitigation measures to address such lands.

Guideline 1. Applications submitted to LAFCO involving prime agricultural, agricultural and/or open space lands shall include an Agricultural and Open Space Impact Assessment. At a minimum the following shall be addressed as part of the assessment:

- a. An application must discuss how it balances the State's interest in preserving prime agricultural, agricultural and/or open space lands against the need for orderly development (§56001).
- b. An application must discuss its effect on maintaining the physical and economic integrity of agricultural lands [§56668 (e)].
- c. An application must discuss whether it could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space land to uses other than open space uses (§56377).
- d. An application must describe how it guides development away from prime agricultural, agricultural and/or open space lands.
- e. An application must describe whether it facilitates development of existing vacant or non-agricultural and/or non-open space lands for urban uses within the existing boundary or SOI of a local agency.
- f. An application must discuss what measures it contains that will preserve the physical and economic integrity of adjacent prime agricultural, agricultural and/or open space land uses.

Guideline 2. If an application involves a loss of prime agricultural, agricultural and/or open space lands, property owners, cities and towns, the county, special districts, and other agricultural and open space

conservation agencies should work together as early in the process as possible to either modify the application to avoid impacts or to adequately mitigate the impacts.

Guideline 3. The following factors should be considered for an annexation of prime agricultural, agricultural and/or open space lands:

- a. The applicant should provide a land use inventory of the jurisdiction that indicates the amount of available land within the subject jurisdiction for the proposed land use.
- b. The applicant should provide an evaluation of the effectiveness of measures proposed by the applicant to mitigate the loss of prime agricultural, agricultural and/or open space lands, and to preserve adjoining lands for prime agricultural, agricultural and/or open space use to prevent their premature conversion to other uses. Examples of such measures include, but are not limited to:
 1. Acquisition or dedication of prime agricultural and agricultural land (e.g., substitution ratio of at least 1:1 for the prime agricultural land annexed), development rights, bringing qualified land into an open space plan, open space and agricultural conservation easements to permanently protect adjacent or other prime agricultural, agricultural and/or open space lands within the county. Any land protected should not be used as the mitigation for another project.
 2. Participation in other local development programs that direct development towards urban areas in the county (such as transfer or purchase of development credits).
 3. Payment to local government agencies and/or recognized non-profit organizations working in Contra Costa County for the purpose of preserving prime agricultural, agricultural and/or open space lands; payment should be sufficient to fully fund the acquisition, dedication and maintenance of land which is of equal or better quality.
 4. Establishment of buffers to protect adjacent prime agricultural, agricultural and/or open space lands from the effects of development.
 5. Where applicable, compliance with the provisions of the ECCCHCP/NCCP or a similar plan.
 6. Other measures agreed to by the applicant and the land use jurisdiction that meet the intent of replacing prime agricultural and agricultural lands at a minimum 1:1 ratio
 7. Participation in an advanced mitigation plan for prime agricultural, agricultural and/or open space lands.
 8. Participation in measures to promote and/or enhance the viability of prime agricultural and agricultural lands and the agricultural industry in Contra Costa County.

Guideline 4. Detachment of prime agricultural, agricultural and/or open space lands should be encouraged if consistent with the SOI for that agency.

Guideline 5. Annexation for land uses in conflict with an existing agricultural preserve contract shall be prohibited, unless the Commission finds that it meets all the following criteria:

- a. The area is within the annexing agency's SOI.
- b. The Commission makes findings required by Gov. Code Section 56856.5.
- c. The parcel is included in an approved city specific plan.
- d. The soil is not categorized as prime agricultural land.
- e. Mitigation for the loss of agricultural land has been secured in the form of agricultural easements to the satisfaction of the annexing agency and the county.

- f. There is a pending, or approved, cancelation for the property that has been reviewed by the local jurisdictions and the Department of Conservation.
- g. The Williamson Act contract on the property has been non-renewed and final approval of the non-renewal has been granted.

Guideline 6. Property owners of prime agricultural and agricultural lands adjacent to land that is the subject of a LAFCO application shall be notified when an application is submitted to LAFCO.

ADDITIONAL OBSERVATIONS

LAFCO identified other actions that are not within its purview but that if followed could reduce the impacts of new development on prime agricultural, agricultural, and open space lands. These are provided here so that applicants, other governmental agencies, advocacy organizations, and the public might consider them.

Observation 1. LAFCO will evaluate all applications that are submitted and complete. However, LAFCO notes that over a period the impact of new applications is likely to be reduced if applicants adopt a hierarchy that gives preference to those projects that have no impacts on prime agricultural, agricultural and/or open space lands, followed by those that minimize impacts, and lastly those that require mitigation of their impacts.

Observation 2. Undeveloped prime agricultural, agricultural and open space lands exist primarily in east Contra Costa County, as does much of the remaining open space; however, most of the historical conversion of this land occurred elsewhere in the county. In order to preserve the remaining land, a countywide effort involving funding may be appropriate.

Observation 3. Any jurisdiction that contains prime agricultural, agricultural and/or open space land can periodically review whether its land use and other regulations strike the proper balance between discouraging development and conversion of prime agricultural, agricultural and open space lands with encouraging economically viable agriculture-based businesses that will keep agriculture production high.

July 6, 2016

4.1 DRAFT AGRICULTURAL AND OPEN SPACE PRESERVATION POLICY OF OPEN SPACE AND AGRICULTURAL LAND

INTRODUCTION/PREFACE

LAFCO's enabling and guiding legislation, the Cortese Knox Hertzberg (CKH) Act, begins with the following statement.

"The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services." (§56001). In accordance with the Cortese Knox Hertzberg Local Government Reorganization Act ("CKH Act"), the State Legislature finds and declares that the preservation of open space and agricultural lands is a "state interest" to be balanced with orderly growth and development (§56001).

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Beginning in the late 1800s, farmers and ranchers made Contra Costa County an important source of agricultural products. Much of the County has good soils, a mild climate, and adequate water. As development occurred, Contra Costa County experienced significant reduction in the amount and economic importance of agricultural lands. Simultaneously, critical open space habitat for sensitive species declined. For example, much of western and central Contra Costa was used for agriculture well into the 1900stwentieth century. For example, John Muir farmed and ranched approximately 2,600 acres in what is now Martinez, Concord, and the Alhambra Valley. While the County's population was increasing, by current standards, the County's population was small. The 1910 census recorded 31,764 residents, less than the 2015 population of Pleasant Hill.

Development, which began in earnest after World War II, transformed Contra Costa County. As urban and suburban development occurred, Contra Costa County experienced significant reduction in the amount and economic importance of agricultural lands. Simultaneously, critical open space habitat for sensitive species declined. By 2010, the Census reported that Contra Costa had 1,049,025 people, representing 3,300% growth since 1910. Contra Costa County's 20540 population is forecast to be 1,338,400.

As a result of population and job growth, agricultural land was converted to houses, commercial centers, job centers, and transportation corridors. In 200815, there were about 230,000 acres of active agricultural land in Contra Costa County, excluding rangeland and pastureland, most of it located in the eastern portion of the County. To put that in perspective, a 2011 report estimated there were about 367,00 acres are used for agricultural production in the nine county Bay Area.⁴ There is an additionalapproximately 16075,000 acres of rangeland and pastureland in the Contra Costa County with some of that located within parks.

⁴ 2015 Crop and Livestock Report, Contra Costa County Agricultural Commission

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Agriculture in Contra Costa County is worth approximately \$10028.5 million (farm production) in 2015¹ per year and is an important economic sector.² However, when compared to other counties in the Bay Area, the size of Contra Costa's agricultural business seems smaller. For example, in 2008, Contra Costa produced approximately four percent of the agricultural value created in the nine Bay Area counties. While the value of agricultural production has risen slightly in recent years,³ However, some worry that Contra Costa's agricultural industry may be approaching a tipping point beyond which agriculture rapidly becomes less viable due to a lack of labor, suppliers, and processors located nearby.⁴

The pressure on agricultural land also exists on wildlife and riparian areas. Since [redacted], the following formerly natural areas were developed: (list from Igor) In some cases, this development disrupts an ecosystem that used to depend on the now developed land as a travel route, a seasonal or permanent source of food and water.

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The County and some cities are active in efforts to preserve agricultural and open space lands. For example, in the 1970s, the County created a County Agricultural Core to the east and south of Brentwood. The City of Brentwood has an agricultural mitigation program that collected more than \$12 million in mitigation fees and through conservation organizations, and acquired the development rights over approximately 1,000 acres of agricultural lands. In 2006, the voters adopted Urban Limit Lines (ULLs) for the County and each municipality, and these actions helped protect undeveloped land outside the ULLs. Furthermore, the County adopted the East Contra Costa County Habitat Conservation Mitigation Plan/Natural Community Conservation Plan (ECCCHCP/NCCP) that protects sensitive habitat for plants and animals in East Contra Costa.

LAFCO embraces its objectives of encouraging orderly growth and development while discouraging urban sprawl, preserving open space and prime agricultural lands, and efficiently extending government services, and preserving open space and prime agricultural lands. Through the review and approval or denial process of boundary changes and other applications/proposals (e.g., SOI changes, extension of extraterritorial services, etc.), LAFCO has considerable authority to provide for the preservation of open space and agricultural land, and impose terms and conditions. (§§56885 -56890). This policy explains how LAFCO will do so and provides guidance to applicants, the public, and LAFCO Commissioners and staff.

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While LAFCO has substantial authority to achieve the objectives of the CKH Act, there are many things that LAFCO cannot do, for example, directly regulate land use.⁵ Therefore, successful preservation of prime agricultural, agricultural and open space and agricultural lands and of agriculture as a business requires that both applicants and other agencies take the also lead. At the end of this policy are observations about other opportunities facing residents, advocacy organizations, and governmental agencies that could also strengthen and preserve agriculture and open space lands.

AUTHORITY OF LAFCO

¹ Contra Costa Ag commissioner report

² Contra Costa Ag commissioner report

³ Sustaining our Agricultural Bounty Report, 2011 Reference 2011 report, page 2

⁴ "A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements" [§§56375(6), 56886].

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INTRODUCTION

~~In accordance with the Cortese Knox Hertzberg Local Government Reorganization Act (“CKH Act”), the State Legislature finds and declares that the preservation of open space and agricultural lands is a “state interest” to be balanced with orderly growth and development (§56001).~~

LAFCO’s authority derives from the CKH Act. Among the purposes of LAFCO are discouraging urban sprawl and preserving open space and agricultural lands (§56300). The CKH Act includes provisions that grant LAFCO the authority to consider and provide for the preservation of open space and agricultural lands. Among these provisions is §56377 which describes the intent of the legislation with regard to agricultural lands:

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“§56377. In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space lands to uses other than open space uses, the commission shall consider all of the following policies and priorities:

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(a) Development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.
(b) Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the SOI of a local agency should be encouraged before any proposal is approved that would allow for or lead to the development of existing open space lands for non-open space uses that are outside of the existing jurisdiction of the local agency or outside of the existing SOI of the local agency.”

LAFCO is specifically charged in some instances with protecting open space and agricultural land. For example, an island annexation may not be approved if the island consists of prime agricultural land [§56375.3(b)(5)]. LAFCO may not approve a change to an SOI where the affected territory is subject to a Williamson Act contract ~~farmland~~ or farmland security zone unless certain conditions exist (§§56426 and 56426.5).

Contra Costa LAFCO encourages planned, orderly, and efficient urban development while at the same time giving appropriate consideration to the preservation of prime agricultural, agricultural and open space and agricultural lands (§56300).

When making a decision, LAFCO must consider whether an application-proposal and its effects conform to both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Sections ~~could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space and agricultural lands to other uses. Further, LAFCO should guide development away from existing open space and agricultural land, and encourage development of existing vacant and non-prime agricultural lands within a local agency’s existing jurisdiction or SOI [§§56377(a) and 56668(d)].~~ Finally, LAFCO must consider the effect of an application proposal on maintaining the physical and economic integrity of agricultural lands [§56668 (e)].

An ~~application-or proposal~~ for a change of organization, reorganization, the establishment of or change to a sphere of influence (SOI), the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act will be evaluated in accordance with LAFCO’s adopted policy on the Preservation of Open Space and Agricultural Land.

AUTHORITY OF LAFCO

LAFCO regulates boundary change and other proposals (e.g., SOI changes, extension of extraterritorial services, etc.) through approval or denial. The Commission also has the authority to impose terms and conditions (§§56885–56890).

~~While LAFCO has considerable authority to provide for the preservation of open space and agricultural land, and impose terms and conditions, it may not directly regulate land use: “A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements” [§§56375(6), 56886].~~

PURPOSE OF THE POLICY

The purpose of this policy is ~~three~~fold: 1) to provide guidance to the applicant on how to assess the impacts on prime agricultural, agricultural and open space lands of applications submitted to LAFCO, proposals on agricultural and open space and to explain how the applicant proposal intends to mitigate those impacts; ~~and~~ 2) to provide a framework for LAFCO to evaluate and process in a consistent manner, applications before LAFCO proposals that involve or impact prime agricultural, agricultural and/or open space lands; ~~and~~ 3) to explain to the public how LAFCO will evaluate and assess applications that affect prime agricultural, agricultural and/or open space lands.

7

DEFINITIONS

Several terms are important in understanding LAFCO’s responsibility and authority to preserve prime agricultural, agricultural and open space resourcelands. These terms and definitions are found below and are applicable throughout these policies. The CKH Act contains the following definitions for agricultural land, prime agricultural land and open space:

56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

56059. "Open space" means any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in Section 65560.

65560. (a) "Local open-space plan" is the open-space element of a county or city general plan adopted by the board or council, either as the local open-space plan or as the interim local open-space plan adopted pursuant to Section 65563.

(b) "Open-space land" is any parcel or area of land or water that is essentially unimproved and devoted to an open-space use as defined in this section, and that is designated on a local, regional, or state open-space plan as any of the following:

(1) Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, including habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays, and estuaries; and coastal beaches, lakeshores, banks of rivers and streams, greenways, as defined in Section 816.52 of the Civil Code, and watershed lands.

(2) Open space used for the managed production of resources, including, but not limited to, forest lands, rangeland, agricultural lands, and areas of economic importance for the production of food or fiber; areas required for recharge of groundwater basins; bays, estuaries, marshes, rivers, and streams that are important for the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.

(3) Open space for outdoor recreation, including, but not limited to, areas of outstanding scenic, historic, and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas that serve as links between major recreation and open-space reservations, including utility easements, banks of rivers and streams, trails, greenways, and scenic highway corridors.

(4) Open space for public health and safety, including, but not limited to, areas that require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plains, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs, and areas required for the protection and enhancement of air quality.

(5) Open space in support of the mission of military installations that comprises areas adjacent to military installations, military training routes, and underlying restricted airspace that can provide additional buffer zones to military activities and complement the resource values of the military lands.

(6) Open space for the protection of places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code [\(i.e., Native American Historical, Cultural and Sacred Sites\)](#).

~~LAFCO's overriding objectives are to encourage the orderly formation of local government agencies, discourage urban sprawl, and preserve agricultural and open space resources. LAFCO must consider the effects that a proposal will have on agricultural and open space lands. By guiding development toward vacant urban land and away from agricultural and open space land, LAFCO promotes the protection of our valuable agricultural and open space lands. In furtherance of this objective, the CKH Act describes the intent of the legislation with regard to agricultural resources in §56377, which states:~~

~~**56377.** In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space lands to uses other than open space uses, the commission shall consider all of the following policies and priorities:~~

~~(a) Development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing non prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.~~

~~(b) Development of existing vacant or non prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the SOI of a local agency should be encouraged before any proposal is approved that would allow for or lead to the development of existing open space lands for~~

~~non-open space uses that are outside of the existing jurisdiction of the local agency or outside of the existing SOI of the local agency.~~

GOALS, POLICIES AND GUIDELINES

The following Goals, Policies, and Guidelines are consistent with the legislative direction provided in the CKH Act. The Goals are intended to be the outcome LAFCO wants to achieve. The Policies provide direction with regard to how those Goals should be achieved by providing specific guidance for decision makers and proponents. Guidelines give stakeholders procedures and practical tips regarding what information LAFCO ~~commissioners and staff~~~~decision makers~~ need to evaluate an ~~application-proposal~~ that affects ~~prime agricultural, agricultural and/or open space resource~~~~lands~~.

GOALS

Agriculture ~~and open space are~~ is a vital and essential ~~topart of the~~ Contra Costa County's economy and environment. Accordingly, boundary changes for urban development should be proposed, evaluated, and approved in a manner that is consistent with the continuing growth and vitality of agriculture within the county. ~~Open space lands provide the region with invaluable public benefits for all who visit, live and work in Contra Costa County.~~ The following goals will help guide LAFCO's decisions regarding ~~prime agricultural, agricultural and open space lands~~~~resources~~.

Goal 1. Minimize the conversion of prime agricultural land to other land uses ~~while balancing the need to ensure orderly growth and development and the efficient provision of services.~~

Goal 2. Encourage cities, the county, special districts, property owners and other stakeholders to work together to preserve ~~prime agricultural, agricultural and open space~~ lands.

Goal 3. ~~Promote~~~~Incorporate~~ agricultural land preservation into long range planning consistent with principles of smart growth at the state, county, and municipal levels.

~~**Goal 4.** Preserve agricultural lands for continued agriculture uses while balancing the need to ensure orderly development and the efficient provision of services.~~

Goal 45. Strengthen and support the agricultural sector of the economy.

Goal 65. Fully consider the impacts an ~~an application-proposal~~ will have on existing ~~prime agricultural, agricultural and open space~~ lands.

~~**Goal 76.** Preserve~~protect the natural resources and surrounding~~ areas that sustain agriculture in Contra Costa County.~~

POLICIES

It is the policy of Contra Costa LAFCO that, consistent with the CKH Act, an application ~~or-proposal~~ for a change in organization, reorganization, for the establishment of or change to an SOI, the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act ("~~applicationsproposals~~"), shall provide for planned, well-ordered, efficient urban development patterns with appropriate consideration to preserving open space, ~~and agricultural lands and prime agricultural lands~~ within those patterns. LAFCO's Agricultural and Open Space Preservation Policy provides for a mitigation hierarchy which 1) encourages avoidance of impacts to prime agricultural, agricultural and open space lands, 2)

minimizes impacts to these lands, and 3) mitigates impacts that cannot be avoided while pursuing orderly growth and development.

The following policies support the goals stated above and ~~sh~~will be used by Contra Costa LAFCO when considering an application-proposal that involves prime agricultural, agricultural and/or open space ~~resource~~lands:

Policy 1. The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan, Specific Plans and SOI areas, and that encourage protection-preservation of prime agricultural, agricultural and open space lands in a manner that is consistent with this LAFCO's policy.

Policy 2. Vacant land within urban areas should be developed before prime agricultural, agricultural ~~land~~ and/or open space land is annexed for non-agricultural and non-open space purposes.⁶

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Policy 32. Land substantially surrounded by existing jurisdictional boundaries (e.g., islands) should be annexed before other lands.

Policy 43. Where feasible, and consistent with LAFCO policies, non-prime agricultural land should be annexed before prime agricultural land.

Policy 5. In general, urban development should be discouraged in agricultural areas. For example, agricultural land should not be annexed for non-agricultural purposes when feasible alternatives exist. Large lot rural development that places pressure on a jurisdiction to provide services, and causes agricultural areas to be infeasible for farming, is discouraged.

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Policy 46. The continued productivity and sustainability of agricultural land surrounding existing communities should be promoted by preventing the premature conversion of agricultural land to other uses and, to the extent feasible, minimizing conflicts between agricultural and other land uses. Buffers and/or local right to farm ordinances should be established to promote this policy.

Policy 57. Development near agricultural land should minimize not adversely impacts affect the sustainability of or constrain to agricultural operations.

Policy 68. Development near open space should minimize adverse impacts to open space uses. Where feasible, and consistent with LAFCO policies, non-prime farmland should be annexed before prime farmland.

Policy 79. The Commission will consider feasible mitigation (found in the following guidelines) if an application-proposal would result in the loss of prime agricultural, agricultural ~~land~~ and/or open space lands.

~~**Policy 8.** The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan and SOI areas and that encourage protection of prime agricultural land in a manner that is consistent with this policy.~~

⁶ The Commission recognizes there may be instances in which vacant land is planned to be used in a manner that is important to the orderly and efficient long-term development of the county and land-use agency and will consider such situations on a case-by-case basis

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Policy 10. Any mitigations that are conditions of LAFCO's approval of an application should occur close to the location of the impact and within Contra Costa County.

Policy 9. Property owners of agricultural lands adjacent to land that is the subject of a LAFCO proposal shall be notified when an application is submitted to LAFCO.

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GUIDELINES

These Guidelines are intended to provide further direction regarding the application of LAFCO's Goals and Policies; to advise and assist the public, agencies, property owners, farmers, ranchers and other stakeholders with regard to LAFCO's expectations in reviewing an application proposal that involves prime agricultural, agricultural and/or open space lands ~~resources~~; and to provide sample mitigation measures to address ~~impacts to agricultural such~~ lands.

Guideline 1. Applications submitted to LAFCO involving prime agricultural, agricultural and/or open space ~~lands~~ resources shall include an Agricultural and Open Space Impact Assessment. At a minimum the following shall ~~be~~ addressed as part of the assessment:

- a. An application proposal must discuss how it balances the State's interest in preserving ~~open space and prime agricultural~~, agricultural and/or open space lands against the need for orderly development (§56001).
- b. An application proposal must discuss its effect on maintaining the physical and economic integrity of agricultural lands [§56668 (e)].
- c. An application proposal must discuss whether it could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space land to uses other than open space uses (§56377).
- d. An application proposal must describe how it guides development away from prime agricultural, agricultural and/or open space lands.
- e. An application proposal must describe ~~how~~ whether it facilitates development of existing vacant or non-agricultural and/or non-open space lands for urban uses within the existing boundary or SOI of a local agency.
- f. An application proposal must discuss what measures it contains that will ~~preserve~~ protect the physical and economic integrity of adjacent prime agricultural, agricultural and/or open space land uses.

Guideline 2. The California Environmental Quality Act (CEQA) analysis for a proposal should evaluate the impacts affecting agricultural and open space resources, and should include an assessment of impacts to agricultural, prime agricultural, and open space lands as defined in the CKH Act. In the absence of an evaluation in the CEQA document, a supplemental agriculture and impact analysis will be required as part of the LAFCO application.

Guideline 23. If an application proposal involves a loss of prime agricultural, agricultural and/or open space lands, property owners, cities and towns, the ~~C~~ county, special districts, and other agricultural and open space conservation agencies should work together as early in the process as possible to either modify the application to avoid impacts or to adequately mitigate the impacts.

Guideline 34. The following factors should be considered for an annexation of prime agricultural, agricultural and/or open space lands:

- a. The applicant should provide a land use inventory of the jurisdiction that indicates the amount of available land within the subject jurisdiction for the proposed land use.

- b. The applicant should provide an evaluation of the effectiveness of ~~proposed~~ measures proposed by the applicant to mitigate the loss of prime agricultural, agricultural and/or open space lands, and to preserve adjoining lands for prime agricultural, agricultural and/or open space use to prevent their premature conversion to other uses. Examples of such measures include, but are not ~~be~~ limited to:
1. ~~a~~ Acquisition ~~and/or~~ dedication of ~~farmland~~ prime agricultural and agricultural land (e.g., substitution ratio of at least 1:1 for the prime agricultural land annexed), development rights, bringing qualified land into an open space plan, open space and agricultural conservation easements to permanently protect adjacent ~~and/or~~ other prime agricultural, agricultural and/or open space lands within the county. Any land protected should not be used as the mitigation for another project.
 2. ~~P~~ Participation in other local development programs that direct development towards urban areas in the county (such as transfer or purchase of development credits).
 3. ~~p~~ Payment to ~~responsible, recognized local~~ government agencies and/or recognized non-profit organizations working in Contra Costa County for the purpose of preserving prime agricultural, agricultural and/or open space lands; payment should be sufficient to fully fund the acquisition, ~~and~~ dedication and maintenance of land which is of equal or better quality.
 4. ~~e~~ Establishment of buffers to protect adjacent prime agricultural, agricultural and/or open space ~~land~~ operations from the effects of development.
 5. Where applicable, compliance with the provisions of the ECCCHCP/NCCP or a similar plan.
 6. ~~e~~ Other measures agreed to by the applicant and the land use jurisdiction that meet the intent of replacing prime agricultural and agricultural lands at a minimum 1:1 ratio
 7. Participation in an advanced mitigation plan for prime agricultural, agricultural and/or open space lands.
 8. Participation in measures to promote and/or enhance the viability of prime agricultural and agricultural lands and the agricultural industry in Contra Costa County.

Guideline 54. Detachment of prime agricultural, agricultural lands and or other open space lands should be encouraged if consistent with the SOI for that agency.

Guideline 65. Annexation for land uses in conflict with an existing agricultural preserve contract shall be prohibited, unless the Commission finds that it meets all the following criteria:

- a. The area is within the annexing agency's SOI.
- b. The Commission makes findings required by Gov. Code Section 56856.5.
- c. The parcel is included in an approved city specific plan.
- d. The soil is not categorized as prime agricultural land.
- e. Mitigation for the loss of agricultural land has been secured in the form of agricultural easements to the satisfaction of the annexing agency and the County.
- f. There is a pending, or approved, cancellation for the property that has been reviewed by the local jurisdictions and the Department of Conservation.
- g. The Williamson Act contract on the property has been non-renewed and final approval of the non-renewal has been granted.

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Guideline 6. Property owners of prime agricultural and agricultural lands adjacent to land that is the subject of a LAFCO application shall be notified when an application is submitted to LAFCO.

ADDITIONAL OBSERVATIONS

LAFCO identified other actions that are not within its purview but that if followed could reduce the impacts of new development on prime agricultural, agricultural, and open space lands. These are provided here so that applicants, other governmental agencies, advocacy organizations, and the public might consider them.

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Observation 1. LAFCO will evaluate all applications that are submitted and complete. However, LAFCO notes that over a period the impact of new applications is likely to be reduced if applicants adopt a hierarchy that gives preference to those projects that have no impacts on prime agricultural, agricultural and/or open space lands, followed by those that minimize impacts, and lastly those that require mitigation of their impacts.

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Observation 2. Undeveloped prime agricultural, agricultural and open space lands exist primarily in east Contra Costa County, as does much of the remaining open space; however, most of the historical conversion of this land occurred elsewhere in the county. In order to preserve the remaining land, a countywide effort involving funding may be appropriate.

Observation 3. Any jurisdiction that contains prime agricultural, agricultural and/or open space land can periodically review whether its land use and other regulations strike the proper balance between discouraging development and conversion of prime agricultural, agricultural and open space lands with encouraging economically viable agriculture-based businesses that will keep agriculture production high.

July 46, 2016

**Comments to Draft LAFCO
Agricultural Open Space Preservation Policy (AOSPP)**

Attachment 3

Commenter	Format	Received
American Farmland Trust	Letter	6/20/16
Brentwood Agricultural Land Trust	Letter	5/2/16
Building Industry Association (BIA) Bay Area	Letter	3/9/16
California Native Plant Society	Letter	6/20/16
City of Brentwood	Letter	6/17/16
City of Oakley	Letter	4/22/16
City of Pittsburg	Letter	5/2/16
Contra Costa County Farm Bureau	Letter	4/28/16
Contra Costa Resource Conservation District	Letter	6/20/16
East Bay Regional Park District	Letter	5/9/16
Friends of the Creeks	Letter	6/17/16
Greenbelt Alliance	Letter	6/20/16
John Muir Land Trust	Letter	5/1/16
Judy Newberry, Brentwood	Email	5/23/16
Kristen Wick	Email	6/10/16
Manatt, Phelps & Phillips, LLC	Letters	4/7/16 & 6/20/16
Save Mt. Diablo	Letter	4/27/16
Shute Mihaly & Weinberger LLP on behalf of Greenbelt Alliance	Letter	6/15/16
Town of Discovery Bay Community Services District	Letter	4/22/16
February Support Emails	Emails	2/23-3/4/16
June Support Emails	Emails	6/8-6/28/16



California Office
2001 N Street Suite 110
Sacramento, CA 95811

VIA EMAIL

June 20, 2016

Mary Piepho, Chair, Contra Costa County LAFCO
651 Pine Street, 6th Floor
Martinez, California 94553

Re: Comments to the Proposed Agricultural and Open Space Preservation Policy

Dear Chairperson Piepho:

American Farmland Trust (AFT), a national nonprofit organization dedicated to conservation of agricultural land resources, respectfully submits comments on the Contra Costa County LAFCO Agricultural & Open Space Preservation Policy (AOSPP).

Given Contra Costa County's unique economic productivity, natural resource wealth, and agricultural capacity, AFT is invested in the long-term viability of the region's producers and conservation of its farmland and resources. Our interest is as a national nonprofit organization committed to the conservation of agricultural resources and to promoting environmentally beneficial farming practices. We have had an office in California since 1983 and have several thousand members in the state. Founded in 1980 by farmers and conservationists, AFT works cooperatively with the agricultural community, government officials, and other partners to advance effective public policies and increase funding for agricultural conservation programs.

AFT applauds the LAFCO for considering an agricultural preservation policy, which we see as a true opportunity to preserve and even enhance open space, sustain and promote food production, provide access to locally grown foods, and contribute to a unique cultural environment within the County. These benefits are easy to articulate and may appear to be a given, but protecting urban-edge agriculture comes with many challenges that the AOSPP must address if it is to be a successful.

Why Adopt an Agricultural & Open Space Preservation Policy (AOSPP)

Protecting agriculture, and especially the most fertile and productive lands that are typically located at the urban edge, is a statewide issue that must be taken seriously at the local level for California to remain a top producing agricultural state. Every acre of fertile, productive land in every jurisdiction counts. Planners, policy makers, and their constituents should not assume, as is often done, that the next county over is a better place for the production of our food. With over 40,000 acres of farmland lost each year in California, this mentality is devastating the future of farming throughout our state. As planners and decision makers, we need to take a hard look at how much farmland we are willing to sacrifice to urban development. AFT supports city growth that emphasizes efficiency (infill and density) and sustainability; this is the only way that we can preserve our irreplaceable farmland resources.

The benefits of agriculture at the urban edge cannot be overstated since this is where our best, most fertile land is typically located. In addition to supplying our residents with healthy, local food, farming contributes significantly to local and regional economies, both directly and indirectly. It provides numerous ecosystem services, especially groundwater recharge, flood control, biodiversity, etc. For many Contra Costa County residents, saving farmland also constitutes protecting scenic and cultural landscapes, and the quality of life in their communities. Protecting farmland also has a significant climate change benefit: according to U.C Davis, farmland emits at least 70 times less greenhouse gases per acre than urban land uses.¹ It also provides an opportunity to reduce sprawl and its associated excessive public service costs, because privately owned and managed agricultural land requires fewer services than new development. Not least, **farmland is a prudent investment in the world food supply and our state's and nation's economic future.**

Every acre of farmland in Contra Costa County counts. Even though the County is the one of the fastest-growing counties in the Bay Area, it remains one of the Bay Area's largest, most productive agricultural regions. It is worth protecting the remaining 88,000 acres of farmland (only 25,500 of which is prime farmland) from future development to curb a decades-old trend in Contra Costa County. From 1990 to 2010 alone, the County urbanized 22,500 acres land. Nearly a third (over 7,000 acres) of that new development took place on prime farmland. **AFT calculates that the County will lose another 10,000 acres, or nearly half of the County's remaining prime farmland to urban development by 2050 if current development trends continue.**

LAFCO has Authority to Provide for Preservation of Agricultural and Open Space Lands

Significant debate exists concerning the authority of a local agency formation commission to adopt policies, rules, regulations, guidelines, or conditions regarding the establishment of "agricultural buffers" or other methods to address the preservation of open space and agricultural lands. The Cortese – Knox – Hertzberg Local Government Reorganization Act (the "Act"), California Government Code section 56000, et seq., is replete with provisions that grant local agency

¹ Jackson, et al., University of California, Davis, Adaptation Strategies for Agricultural Sustainability in Yolo County, California: A White Paper from the California Energy Commission's Climate Change Center, July 2012 (CEC-500-2012-032).

formation commissions the authority to consider and provide for the preservation of open space and agricultural lands. “Among the purposes of a [local agency formation commission] are discouraging urban sprawl [and] preserving open-space and prime agricultural lands,” Section 56301. Furthermore, “[i]t is the intent of the Legislature that each commission, . . . , shall establish written policies and procedures and exercise its powers pursuant to this part in a manner . . . that encourages and provides planned, well-ordered, efficient urban development patterns *with appropriate consideration of preserving open-space and agricultural lands* within those patterns.” Section 56300 (a) (emphasis added). The Legislature has also declared that the preservation of open-space and prime agricultural lands is a “state interest” to be balanced against the promotion of orderly development. Section 56001.²

The Contra Costa LAFCO AOSPP is a Step in the Right Direction

The draft AOSPP is a step in the right direction to protecting the County’s farmland. However, given the considerable authority of the LAFCO to provide for agricultural lands and open space, we believe that the LAFCO should be more bold and explicit in stating their authority to deny proposals for change in organization or reorganization, or for the establishment or any change to spheres of influence or urban service areas. In the preamble to the policies, we recommend adding the following (addition in italics):

“The following policies support the goals stated above and shall be used by Contra Costa LAFCO when considering a proposal that involves agricultural and/or open space resources. *Proposals will be judged on how statewide policies under the CKH Act, and the LAFCO adopted policies, with respect to the preservation of agricultural lands and opens space are furthered. Proposal may be denied and/or deemed incomplete if they fail to demonstrate to the satisfaction of the LAFCO that the adopted LAFCO policies have been implemented. Proposals must discuss how they meet the following the adopted LAFCO policies.*”

Additional recommendations:

- Add a Policy: A Proposal must discuss how it balances the state interest in the preservation of open space and prime agricultural lands against the need for orderly development. (Government Code section 56001.)
- Add a Policy: A Proposal must discuss its effect on maintaining the physical and economic integrity of agricultural lands. (Government Code section 56668 (a).)
- Policy 7 and Guideline 4b. We are in agreement with Greenbelt Alliance’s and Shute Mihaly & Weinberger’s recommendation on policy guidelines for mitigation requirements.^{3,4} The Commission should require agricultural mitigation, not just encourage it.
- In addition, we recommend the following additional guidelines pertaining to mitigation:

² This section is contained in Monterey County LAFCO’s “Policies and Procedures Relating to Spheres of Influence and Change of Organization and Reorganization,” February 25, 2013.

³ Comment letter from Shute Mihaly & Weinberger LLP to Contra Costa County LAFCO, June 15, 2016

⁴ Comment letter from Greenbelt Alliance to Contra Costa County LAFCO, June 20, 2016

- Consider site specific factors when making a determination of eligible mitigation lands, such as location, water availability, and soil quality. Strategically locating mitigation lands can provide increased protection of agricultural lands that are threatened by urban uses and direct mitigation to areas that are actually under threat of conversion. Linking the project to the at-risk land also provides a better nexus for the purposes of mitigation. To link a project's mitigation requirement to susceptible land, proposed development adjacent to agricultural land should be required to provide mitigation along the entire non-urbanized perimeter of the project.
- Provide guidelines for mitigation fees that are based on a "benchmark" density to fairly establish the cost of the mitigation. This benchmark is based on the opportunity cost of developing at lower density. See attached for examples.
- Add Policy: A Proposal must demonstrate that it is consistent with the General Plans and Specific Plans of the existing local agency and any immediately adjacent local agency (Government Code sections 56375(a) and 56668(h)). Proposals may be denied if they are not consistent with such plans or if the Proposal does not demonstrate to the satisfaction of LAFCO that the existing development entitlements are consistent with the local agency's plans.
- Add Guideline: Proposals will be judged on the local agency's effort to engage with the LAFCO in a consultation process prior to any proposals for change in organization or reorganization, or for the establishment or any change to spheres of influence or urban service areas. This consultation process should address the adopted LAFCO policies, including the long term direction of growth, ways in which local agencies will address agricultural preservation (such as conservation and buffer easements), and any amendments to general plans and zoning that are consistent with the adopted LAFCO policies. Proposals may be rejected as incomplete if the proposing agency does not consult with the LAFCO in advance of the proposal and does not provide feasible venues for the preservation of agricultural lands.
- Add Guideline: Agreements between neighboring local agencies with regard to the preservation of open-space and agricultural lands are encouraged, and such agreements may be incorporated by LAFCO into a proposal as a condition of approval, or may be required as a condition precedent to approval.
- Add Guideline: Senate Bill 215 requires that LAFCOs consider their region's Sustainable Community Strategies when considering an annexation request. One of the nine goals of Plan Bay Area calls for no growth outside of current urban growth boundaries. It is of statewide interest that each city practice especially prudent land use planning and opt for compact and efficient development patterns in an era of climate change and state legislation (AB 32 and SB 375) to reduce greenhouse gas emissions. Proposing agencies should ensure that the proposal is consistent with the currently adopted Plan Bay Area. Proposals may be rejected as incomplete if the proposing agency does not demonstrate consistency with Plan Bay Area's goals for reducing greenhouse gas emissions and the preservation of agricultural and open space lands.

Thank you for the opportunity to comment. We hope the commissioners will carefully review these comments before they consider the draft AOSPP at their meeting on July 13.

Please do not hesitate to contact me if I can be of further service.

Sincerely,

A handwritten signature in black ink, appearing to read "Serena Unger", with a long horizontal flourish extending to the right.

Serena Unger, MCP
Senior Planner and Policy Associate
American Farmland Trust, California

Full Mitigation of Farmland Development: A Proposed Approach

Edward Thompson, Jr.
AFT California Director

Given the inexorable growth in California's population, the main challenge facing farmland preservation is how to encourage land development that is more efficient – that consumes less land per person – for all uses, residential, commercial and civic. In the Central Valley, for example, for every acre developed, only 8 new residents are being accommodated – an astonishing waste of what is arguably the best farmland on Earth. A mechanism must be found to significantly increase development efficiency, while accommodating the expected population in affordable housing. Graduated mitigation fees that reflect the full opportunity cost of land consumption offer one such approach.

The full impact of farmland development is not being mitigated by the current approach of charging fixed fees based only on preserving an amount of land equal to that being developed. There should also be mitigation for the opportunity cost of developing at low density, as measured by the amount of additional farmland that will have to be developed to accommodate the same population growth. Properly structured, mitigation fees would not just fully compensate for the farmland actually consumed by development, but also encourage more efficient development that is, in effect, "self-mitigating."

The chart below illustrates how mitigation fees could be structured to reflect the additional farmland that would have to be developed – the opportunity cost – based on the quality of the land and the intensity of development on the subject parcel.

	Example 1	Example 2	Example 3	Example 4
Acreage of Subject Parcel	200	200	200	200
Benchmark Density (DU/Ac)	10	10	10	10
Actual Build-Out (DU/Ac)	4	8	16	4
Dwellings Built	800	1,600	3,200	800
Dwellings Foregone	1,200	400	(1,200)	1,200
Additional Farmland Needed	300	50	(120)	300
Per Acre Value of Farmland	\$ 8,000	\$ 8,000	\$ 8,000	\$ 12,000
Opportunity Mitigation Fee	\$ 2,400,000	\$ 400,000	\$ (960,000)	\$ 3,600,000
Base Mitigation Fee	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 2,400,000
Total Mitigation Fee	\$ 4,000,000	\$ 2,000,000	\$ 640,000	\$ 6,000,000
Per Dwelling	\$ 5,000	\$ 1,250	\$ 200	\$ 7,500
Per Acre Developed	\$ 20,000	\$ 10,000	\$ 3,200	\$ 30,000

The amount of mitigation is based on a "benchmark" density. This represents a community-wide average that would achieve the goal of preserving a specific amount of farmland over a given period of time – that's the objective. Each community would establish its own benchmark, ideally on the basis of a regional land use "blueprint." For purposes of illustration, the benchmark is established at 10 dwellings per acre, which represents a significant improvement over current residential densities in the Valley. (A comparable benchmark could be established for commercial, industrial and civic development based on floor-to-area and/or jobs-to-area ratios.)

The number of dwellings foregone – that would have to be built elsewhere – is calculated by subtracting the actual number of dwellings to be built per acre from the benchmark density, then multiplied by the acreage of the subject parcel. In Example 1: $(10 - 4) \times 200 = 1,200$ dwellings foregone.

Additional farmland needed is calculated by dividing the number of dwellings foregone by the build-out density of the development on the subject parcel. The benchmark density is not used for this purpose on the theory that one who is building at low density should not benefit from the assumption that others will develop at higher densities. In Example 1: $1,200 \div 4 = 300$ additional acres needed.

The fee itself is calculated by multiplying the additional acres needed by the average local price of an acre of farmland of comparable agricultural productivity to the land being developed. The assumption is that, since it is difficult to purchase conservation easements in areas where land speculation is widespread – as is the case in much of the Valley – only the purchase of a fee interest in farmland offers an effective mitigation strategy. In Example 1: $300 \times \$8,000 = \$2,400,000$. (Comparing this with Example 4 shows how the development of higher productivity farmland would increase the fee accordingly.)

The opportunity mitigation fee would be in addition to the base mitigation fee levied on the development of the subject parcel itself. In Example 1: $\$2.4M + \$1.6M = \$4M$ which translates to \$20,000 per acre or \$5,000 per dwelling. Considering the current price – and profit potential – of housing in California, a fee of this magnitude seems entirely reasonable.

Nonetheless, developers should be given the opportunity to reduce the fee in any number of innovative ways, among them:

- Purchasing comparable farmland at less than the average price used to calculate the fee
- Reselling farmland purchased for mitigation subject to a conservation easement
- Purchasing conservation easements over a comparable amount of farmland (where possible)
- Purchasing options to buy farmland for mitigation or conservation easements at a future date (exercise potentially funded with zero coupon bonds financed with Mello-Roos type annual fees)
- Purchasing and extinguishing (or possibly transferring) development rights from multiple 10-20 acre “ranchette” parcels rather than a single larger agricultural parcel.

All fees would go into a mitigation bank to be used by local land trusts to finance a variety of conservation transactions, including those listed above. This list is intended only as a start. Given the present limitations of conservation easements, noted above, it is important to devise new ways of mitigating farmland loss.

Of course, the preferred alternative for reducing the fee would be to develop at higher densities. Example 2 shows how increasing the number of dwellings per acre would reduce the per acre mitigation fee. Note that the *per dwelling* fee would decline even more than the *per acre* fee because there would be more dwellings over which to spread the cost. This has an important positive implication for housing costs.

Finally, if development occurs at a density greater than the benchmark, the opportunity mitigation fee would actually be transformed into a credit applied against the base mitigation fee. The rationale is that this developer is doing more than the community expects to reduce farmland loss and should be rewarded. Example 3 shows how a very significant increase in density would greatly reduce the overall mitigation fee and make the *per dwelling* fee only nominal. (In this example, the fee would actually reach zero at 20 units per acre.)

Conclusions

A mitigation fee that captures the opportunity cost of developing farmland at low-density could result in more farmland preservation, particularly if used to fund innovative alternatives to conservation easements. It would also send a powerful market signal to promote more efficient development and thereby minimize the loss of farmland in the first place.

Comments and discussion welcome. 530-753-1073 or ethompson@farmland.org



April 26, 2016

Chairman Supervisors Mary Piepho
Commissioners of Contra Costa LAFCO
651 Pine Street
Martinez, California 94553

Re: Comments to the Proposed Agricultural and Open Space Preservation Policy.

Dear Chairman Piepho and Commissioners;

The Brentwood Agricultural Land Trust (BALT) commends Contra Costa LAFCO for your careful study of LAFCO's role in protecting Contra Costa's valuable agricultural resources. We have reviewed the proposed Agricultural & Open Space Policy (the "Policy") and this letter is to provide you with our comments.

Thank you for recognizing the importance of Contra Costa's farms and ranches. We are pleased that the proposed Policy affirms LAFCO's authority and details LAFCO's commitment to protecting Contra Costa's agricultural land. However, we urge you to consider adopting a Policy that provides applicants with clear direction by requiring agricultural mitigation of at least one acre for each acre converted to urban uses.

We appreciate that the Guidelines in the proposed Policy strengthen the LAFCO application process by requiring that applicants provide an Agricultural and Open Space Impact Assessment and an agricultural mitigation proposal. However, the Guidelines do not provide applicants, public agencies and property owners with clear guidance about LAFCO's requirements. While the detailed application indicates heightened scrutiny of agricultural land conversion, the Guidelines do not provide the applicant with guidance about how LAFCO will use the information provided in the application or the acceptable standard of mitigation. We recommend that the Guidelines clearly state that, if agricultural land is taken out of production, applicants must provide agricultural mitigation sufficient to protect at least one acre of comparable agricultural land for every acre converted.

While state and federal law requires habitat mitigation, there are no state or federal agricultural mitigation requirements. Because agricultural mitigation is the responsibility of local jurisdictions, the adoption of a LAFCO mitigation policy is

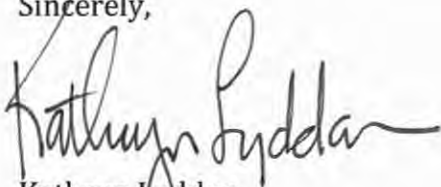
crucial in counties like Contra Costa that do not have a countywide mitigation requirement. LAFCOs around California are increasingly fulfilling their obligation to protect agricultural resources by adopting agricultural mitigation requirements. We urge you to join the neighboring LAFCOs of Santa Clara, Stanislaus, Yolo and Sacramento by protecting our farms and ranches with an affirmative agricultural mitigation requirement.

While the proposed Guidelines ask applicants to propose agricultural mitigation measures, the Guidelines do not address where mitigation dollars and land will go. Without specific direction, agricultural mitigation could be disbursed to numerous agencies and nonprofits without the necessary expertise and unambiguous commitment to protect farmland. Local governments have inherent conflicts of interest that can make agricultural conservation politically difficult, and the permanent protection and stewardship of farm and rangeland is complex. Agricultural land trusts have dedicated staff with the necessary professional expertise, as well as relationships with state and federal funders and local property owners. BALT recommends that the agricultural mitigation lands and funds be provided to a qualified agricultural land trust with experience in agricultural mitigation and a board of directors that includes local farmers, ranchers and agriculturalists.

Contra Costa agriculture is a unique and important Bay Area asset. Now is the time for LAFCO to require mitigation for the loss of Contra Costa agricultural land. A clear, affirmative mitigation requirement will fund the permanent protection of Contra Costa's farms and ranches. Any mitigation land and funds dedicated through the program should be held and administered to a local agricultural land trust that can leverage the local money with regional, state and federal agricultural conservation funds.

Thank you for the opportunity to comment on the proposed Policy. We look forward to continuing to participate as you continue to consider a Contra Costa LAFCO Agricultural and Open Space Preservation Policy.

Sincerely,



Kathryn Lyddan
Executive Director



DATE: March 9, 2016

TO: Contra Costa Local Agency Formation Chairwoman Mary Nejedly Piepho, Vice Chairman Don Blubaugh and Commissioners Federal Glover, Rob Schroder, Mike McGill, Don Tatzin, Igor Skaredoff and Sharon Burke

FROM: BIA|Bay Area East Bay Governmental Affairs
Executive Director Lisa Vorderbrueggen

RE: Draft Agricultural and Open Space Preservation Policy

Dear Chairwoman Piepho and Commissioners:

Thank you for the opportunity to make detailed comments on Contra Costa LAFCO's draft agricultural and open space preservation policy. Now that specific language has been proposed, I would offer the following:

- On Page 3 under BACKGROUND/DISCUSSION, the report states that LAFCO's overriding objectives are "to encourage the orderly formation of local governmental agencies, discourage urban sprawl, and preserve agricultural and open space resources." This is an inaccurate and misleading characterization. The first policy objective articulated by the Legislature in the Cortese-Knox-Hertzberg Act (Gov't Section 56001) reads: "The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state." The staff report also uses the phrase "to encourage orderly formation of local government agencies" where the CKH Act actually reads "to encourage orderly growth and development." Where the CHK does refer to formation of local governmental agencies in Section 56001, it does so in the context of identifying logical formation and determination of local agency boundaries as an "important factor in promoting orderly development. Thus, logical formation of local agencies is not an overriding policy objective but is a means to achieve the overriding objective, which is to encourage orderly growth and development.
- The BACKGROUND/DISCUSSION section also omits language regarding the importance of adequate new housing. Per Gov't Code Section 56001: "The Legislature also recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development. Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible."
- The CKH Act focuses overwhelmingly on the preservation of prime agricultural land, a term for which specific conditions must be met. However, the staff report and draft language are replete with references to agricultural land without the "prime" designation. Within the CKH, for example, Section 56001 contains reference to prime agricultural land in describing the Act's overriding objectives. Also, Section 56377 states that "development ... shall be guided away from existing prime agricultural land ... toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area." In

Mailing Address:

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addition, Section 56301 states that "among the purposes of the commission are ... preserving open space and prime agricultural land." In many other parts throughout the Act, it is "prime" agricultural land that is referenced. While it is true that Section 56668 says that "factors to be considered in the review of a proposal" include "the effect of maintaining the physical and economic integrity of agricultural lands," the fact that prime agricultural land is emphasized in so many other places should have significant weight in the language of the background report and the goals and policies themselves.

- Goal 4: Add "prime" after "preserve" and add "growth and" before "development."
- Goal 7 should be deleted. It reads "Protect the natural resources and surrounding areas that sustain agriculture in Contra Costa County." This goal is vague, overly broad and stays too far from the overriding goal of preserving prime agricultural land. What does "natural resources" mean? What are "surrounding areas?" What do these goals have to do with sustaining agriculture? Sustaining agriculture is already adequately covered in Goals 1 through 6, and this one should be deleted as it is unclear and will create confusion and future disputes over what it means.
- Policy 1: Add "prime" before "agricultural."
- Policy 3: The first two sentences should be deleted. The first sentence is especially objectionable as it is over broad and not supported by the text of CKH Act.
- Policy 4: Add "prime" before "agricultural."
- Policy 5: Strike and replace with: "Development near agricultural land should minimize adverse impacts to agricultural operations to the extent feasible."
- Policy 7: Add "prime" before "agricultural."
- Guideline 1a: Add "prime" before "agricultural," add "including providing housing for persons and families of all incomes" after "development."
- Guideline 1d: Add "prime" before "agricultural."
- Guideline 1e: Strike "how" and replace with "whether;" after "agency," add "and if it does not, describe how it will promote the planned, orderly, efficient development of an area."
- Guideline 1f: Strike "protect" and replace with "support."
- Guideline 4a: Strike in its entirety and replace with "The applicant shall submit the project description and statement of project objectives from the CEQA analysis." An applicant should not be required to undertake and submit a costly and burdensome land use inventory for an entire jurisdiction or jurisdictions. LAFCO should proactively secure and update the information it wants relative to local plans and zoning. This section also implies that the existence of land planned and zoned for other uses will result in the production of those uses. We can all cite numerous examples where development proposals for land zoned and planned for housing have been outright denied or approved with far lower densities. This language wrongly assumes there is an inventory of land within Contra Costa County and its cities that is pre-approved for housing and that it is the applicant's job to

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demonstrate as part of a boundary change request why housing hasn't been produced on those properties. Our view may well have been different if all jurisdictions were required – as they are in Oregon – to have a guaranteed 20-year supply of land planned and zoned for jobs and housing at appropriate densities.

- Guideline 4b: Add “prime” to references of “agricultural land” throughout.
- Guideline 6 should be deleted in its entirety as it is inconsistent with, and preempted by, Section 56856.5. That section expressly and comprehensively sets the rules for LAFCO consideration of proposals for land that is subject to agricultural contracts under the Williamson Act. Among the significant conflicts, Section 56856.5 states that LAFCO may approve a proposal affecting Williamson Act land if any of the specified conditions are met, including "the change ... is necessary to provide planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the preservation of open-space lands within those urban development patterns." Also, under (d) of 56856.5, the general restriction on proposals relating to Williamson Act lands shall not apply to an area for which either a notice of nonrenewal has been served or a tentative cancellation has been approved.

I look forward to continuing to work with Contra Costa LAFCO on the development of an appropriate prime agricultural land preservation policy. Our members are still reviewing the draft language and we will likely have additional comments as the process proceeds. In the meantime, please feel free to contact me at any time with questions or comments at 925-348-1956 or lvorderbrueggen@biabayarea.org.

Sincerely yours,

Lisa A. Vorderbrueggen
East Bay Executive Director for Governmental Affairs
BIA|Bay Area
lvorderbrueggen@biabayarea.org
925-348-1956 (cell)

CC:
Contra Costa LAFCO Executive Officer Lou Ann Texeira
Contra Costa County Conservation and Development Director John Kopchik

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California Native Plant Society

East Bay Chapter
Conservation Committee

20 June 2016

To: Executive Officer Lou Ann Texeira
LAFCO Chair
651 Pine St, 6th Floor
Martinez CA 94553
Sent via email 6/20/2016 to: LouAnn.Teixeira@lafco.cccounty.us

RE: Comments on Draft Contra Costa Local Agency Formation Commission (LAFCO)
Agricultural and Open Space Preservation Policy (AOSPP)

Dear Executive Officer Texeira,

The East Bay Chapter of the California Native Plant Society appreciates this opportunity to address environmental factors potentially affected by the proposed Agricultural and Open Space Policy and annexation questionnaires, especially those affecting native and rare plants. The California Native Plant Society (CNPS) is a statewide non-profit organization that works to protect California's native plant heritage and preserve it for future generations. The Society's mission is to increase the understanding and appreciation of California's native plants and to preserve them in their natural habitat. We promote native plant appreciation, research, education, and conservation through our 5 statewide programs and 34 regional chapters in California, altogether consisting of about 10,000 members. The East Bay Chapter covers Alameda and Contra Costa Counties and represents some 1,000 members.

Our chapter of CNPS supports the draft LAFCO AOSPP and appreciates the forward thinking behind installing such a policy for Contra Costa County. While CNPS welcomes the proposed policy additions, we urge for and will support even stronger policy and means to protect our dwindling open spaces. We support the language of this draft policy as a step in the right direction.

We are in alliance with LAFCO's mission to avoid urban sprawl and simultaneously, to encourage smart growth and planning. We stand with other local environmental organizations that favor smart growth and avoidance of haphazard urbanization of our open spaces. Other local environmental organizations also have taken steps to value open space and agricultural land on a county-wide scale, such as the East Contra Costa Habitat Conservancy, the Bay Area Open Space Council's Conservation Land Network, and even nonprofits like Save Mount Diablo and Greenbelt Alliance. Thank you for soliciting feedback and considering what resources we can offer to this policy process. Continuing to strengthen and finitely define agriculture and open space would demonstrate commitment to recognizing the high economic and societal benefits of



California Native Plant Society

East Bay Chapter
Conservation Committee

this valuable land before it is irreplaceably eroded away. Be conservative with our natural lands. They are an important land use component.

Our CNPS East Bay chapter especially values preserving open space for the benefit of protecting native and rare plants, and plant communities, in the unique soils that support great diversity in Contra Costa County. One analysis of open space land value we can provide is our publication, the Guide to Botanical Priority Protection Areas (BPPAs) of the East Bay, published in 2010, which outlines 15 areas of potentially high botanical resource value. Nine of these occur in Contra Costa County.

Our organization looks forward to the day when *enhancement* of our undeveloped land is favored over choosing the lesser of presumed inevitable conversion to urban uses. Contra Costa LAFCO has an opportunity to reinforce land protection principles by requiring terms and conditions when approving annexation project applications. As soon as possible, mitigation for take of open space land should be required to include a mitigation ratio of at least 1:1, but preferably closer to 3:1 in favor of keeping open space open, and farmers farming. The Contra Costa County LAFCO presentation at the Knightsen Farm Bureau in May 2016 indicated that more mapping is needed for prime Agricultural land. We would deduce that since complete mapping of prime Agricultural land is lacking completeness, non-prime Agricultural land and open space land is probably also not mapped completely, and thus cannot begin to be valued accurately.

On the questionnaires for amending a sphere of influence, and for annexations, we also encourage the incorporation of language that brings attention to this land's value. We understand the questionnaires are meant to guide the applicant in considering feasible mitigation or relocation of a project and provide consistency amongst application processes. Contra Costa LAFCO has an opportunity here to continue encouraging cooperation between jurisdictions and lead the way in enforcing the true value of these lands.

The East Bay CNPS organization supports the policy additions and administrative implementation of the questionnaires. We suggest further modest improvements including a mitigation ratio of *at least* 1:1 for take of open space or agricultural lands, preference for permanent preservation of open space and actively farmed land, and mitigation enforcement through a fee- based process where fees would support further mitigation efforts. We appreciate that developers are asked to specify how they could avoid using agricultural and open space lands as feasible alternatives, and beyond avoidance, exact mitigation measures to accommodate for the loss.

Sincerely,
Karen Whitestone
Conservation Analyst

www.ebcnps.org

PO Box 5597 Elmwood Station
510-734-0335 conservation@ebcnps.org

Berkeley CA 94705

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24 Hr. Dispatch: 925-778-2441
Fax: 925-809-7799

PUBLIC WORKS

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2201 Elkins Way
Phone: 925-516-6000
Fax: 925-516-6001

Engineering Division
150 City Park Way
Phone: 925-516-5420
Fax: 925-516-5421

OFFICE OF THE CITY MANAGER

June 17, 2016

Mary Piepho, Chairperson
Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553

Subject: Comments on Draft Agriculture and Open Space Preservation Policy

Dear Chairperson Piepho:

On behalf of the Brentwood City Council, I am submitting the enclosed comments on the Draft Agriculture and Open Space Preservation Policy currently under consideration by the commission.

The City Council appreciated Commissioner Don Tatzin and Executive Manager Lou Ann Texeira coming to Brentwood and personally discussing the draft policy on two occasions, first with the City Council and most recently with the Land Use & Development Committee.

The City of Brentwood has a strong legacy of supporting the preservation of agriculture and open space land. In 2001, the City created the county's only Agricultural Enterprise Program, establishing a farmland mitigation program and fee, a transferable agricultural credits program, and the agricultural enterprise program. To date, 980 acres of farmland in the Ag Core are preserved through the purchase of conservation easements funded by the City's agricultural conservation easement fee.

The Brentwood General Plan also establishes a comprehensive framework of policies promoting the preservation of agriculture (Goal COS 2), including:

- Maintenance of permanent agricultural lands surrounding the city limits to serve as community separators
- Encourage and support programs that create or establish permanent ag areas
- Participate with regional partners to maintain permanent agricultural areas
- Work with LAFCO on issues of mutual interest, including conservation of agricultural lands

- Minimize conflicts between agriculture and urban land uses, including the uses of natural buffers
- Require new development to respect agricultural operations
- Assist farmers with programs aimed at increasing opportunities for ag product sales and access to commodities markets

Furthermore, the City continues to implement its Right To Farm ordinance (Chapter 8.0), protecting farms from encroachment by urban uses. The City also annually funds agricultural enterprise programs, including Harvest Time, through its annual Agricultural Enterprise Grant Program.

The proposed Draft Agriculture and Open Space Preservation Policy will affect the City of Brentwood more than any agency in the county. We appreciate the opportunity to provide the following comments, for the Commission's consideration:

Acknowledge the importance of agricultural enterprise. We recommend that the draft policy be revised to recognize that - in addition to preserving farmland and open space – the viability agricultural business and enterprise be promoted and encouraged. If a proposed annexation were to consume farm land, but be developed for a use which promotes agricultural enterprise, this should be considered favorably by LAFCO.

Keep mitigations optional. Possible mitigation measures (as described in Guideline 4.b.) should be recommended but not mandatory, particularly if the local agency (e.g. the City of Brentwood) has established programs and fees for the promotion of agricultural enterprise and protection.

Keep mitigations local. Any mitigation approved with an annexation should stay local. For example, if a 1:1 mitigation should result in preservation of farm land, the land being preserved should be nearby (e.g. in the Brentwood agricultural area) and not at a remote location.

Consider existing local agricultural programs and fees. As noted, the City of Brentwood already has programs and fees established to promote agricultural enterprise and preservation. These should be considered by LAFCO when reviewing an annexation application.

HCP consideration. Brentwood is a member of the East Contra Costa Habitat Conservancy joint powers authority, participating in the implementation of the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan. The Plan provides for comprehensive species, wetlands, and ecosystem conservation and contributes to the recovery of endangered species. Any annexation application being reviewed by LAFCO that includes accompanying HCP mitigations should be taken into consideration by the Commission.

Local community engagement on future growth. Any annexation to be considered by LAFCO in any of Brentwood's future growth areas (as designated by the General Plan) will first require a positive vote of the citizens of Brentwood to expand the Urban Limit Line (ULL). No doubt, any future ULL expansion request would include consideration of mitigation measures and inclusion of amenities, possibility including preservation of open space, farmland, or creation of buffers. Any of these measures, which would have been previously approved by the community (in a positive ULL measure vote) should be acknowledged by LAFCO when a subsequent annexation application is proposed.

Local retention of available land. Policy 1 states that vacant land in urban areas should be developed before farm land is annexed. The City generally concurs with this policy, but it also reminds the Commission that cities may need to retain vacant land within their boundaries for selected growth (e.g. job-generating uses, which typically have a longer build-out timeframe than residential growth). This policy should recognize that there may be beneficial aspects to retaining vacant land for targeted, desired growth.

Buffering. Guideline 4.b.5 encourages the establishment of buffers between development and farm land, to protect agricultural operations. We recommend this guideline also encourage "right to farm" regulations, similar to those already within the Brentwood Municipal Code.

Minor edits. We recommend Guideline 4.b.1. be revised to read "acquisition or dedication," rather than "and." Also, Guideline 4.b.3. should be amended to strike "recognized government" and replaced with "local government agency."

Community Build-out Plan. The City would like to let LAFCO know that it is taking measures to plan for future growth. Earlier this year, the Brentwood City Council authorized the preparation of a Community Build-out Plan. This plan will be a Specific Plan, containing policies guiding the vision-based orderly development of future growth areas identified on the General Plan Land Use Map which are currently outside the City corporate limits but are designated for future annexation and development. The plan process will start in the fall of 2016 and conclude with adoption in June of 2018.

Again, thank you for this opportunity to comment on the Draft Agriculture and Open Space Preservation Policy. If the Commission has any detailed questions, please contact Casey McCann, Community Development Director, at either (925) 516-5195 or cmccann@brentwoodca.gov.

Sincerely,



Gustavo "Gus" Vina
City Manager

GV:cjm

cc: City of Brentwood City Council Members
City of Brentwood Department Directors

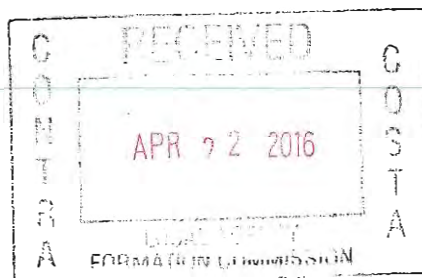
CITY COUNCIL
Kevin Romick, Mayor
Sue Higgins, Vice-Mayor
Vanessa Perry
Randy Pope
Doug Hardcastle



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April 19, 2016

Lou Ann Texeira, Executive Officer
Contra Costa LAFCO
651 Pine Street, 6th Floor
Martinez, CA 94553



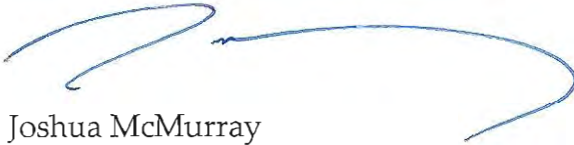
Subject: City of Oakley Comments on the LAFCO Draft Preservation of Open Space and Agricultural Land Policy

The City of Oakley has had the opportunity to review the LAFCO Draft Preservation of Open Space and Agricultural Land Policy. The City supports the overall concept of preserving open space and agricultural land and has adopted Policies and Goals in our Oakley 2020 General Plan that speaks to that point. The City is also actively pursuing an Agricultural Conservation and Viticulture Program (ACVP), which would allow property owners to place conservation easements over their property to preserve their agricultural land use.

While the City is in support of programs that preserve valuable resources and protect the region's rich agricultural past, we do have concerns about potential annexation areas in the City of Oakley that are currently within the City's Planning Area, but not within the City's Sphere of Influence (SOI). Specifically, these areas lie in the outer limits of the East Cypress Corridor and the area southeast of the Cypress Road and Sellers Avenue intersection. The second area mentioned consists mostly of agricultural land and, in the future, the City may want to request a modification to the SOI and City limit line to bring these properties into the City. The City would also like to remind LAFCO that the City's Planning Area is inside the Contra Costa County Urban Limit Line (ULL). The intent of the ULL is to protect open space and agricultural lands, discourage urban sprawl, and prevent traffic congestion. The City of Oakley may still in fact wish to expand the City limit line in certain areas to align with the City's Planning Area, which in turn aligns with the ULL. The City would hope any Policies and Goals adopted by LAFCO wouldn't negatively impact the City of Oakley and any future annexations within the ULL.

Thank you for the opportunity to provide comments on the proposed policy. If you have any questions or would like further clarification of the information in this letter please contact me at any time.

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a long, sweeping horizontal line that curves upwards at the end.

Joshua McMurray
Planning Manager



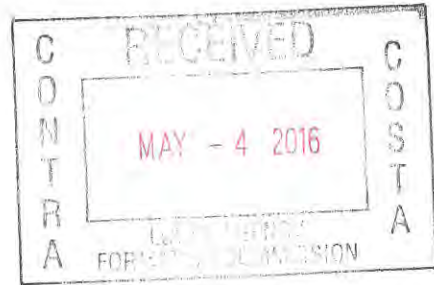
City of Pittsburg

Community Development Department – Planning Division

65 Civic Avenue, Pittsburg, CA 94565 | Tel: (925) 252-4920 | Fax: (925) 252-4814

April 28, 2016

Lou Ann Texeira
Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553



Subject: **LAFCO Agricultural & Open Space Preservation Policy Comments**

Ms. Texeira,

Thank you for providing the City of Pittsburg with the opportunity to review and comment on the Draft LAFCO Agricultural & Open Space Preservation Policy. Our comments on the policy are as follows:

- 1) It is important to note that California law gives solely to cities and to counties the authority to make land use decisions, so it is important to ensure that this policy does not overreach in LAFCO's authority as it relates to land use decisions.
- 2) Goal 1, Policy 1 and Policy 4 make reference to the conversion of agricultural land to "other land uses" and/or to "non-agricultural purposes," without providing a definition as to what these uses or purposes would encompass. To ensure this is clear, the document should provide a definition or examples of what these "other land uses" or "non-agricultural purposes" would be likely include. In lieu of a definition, the document should at minimum ensure an exception is provided for public roadways or other infrastructure deemed necessary for the safe and efficient movement of people, goods and services within Contra Costa County.
- 3) The document should incorporate the definition for 'prime farmland' to ensure the distinction between 'prime farmland', 'prime agricultural land', and 'agricultural lands' is clear. This is a very important distinction to keep in mind, as it would impact what lands this policy would apply to. Further, existing text in Policy 6 specifically relates to the farmland definition, not the agricultural definition.
- 4) Several of the goals/policies seem to be repetitive and should be consolidated to more efficiently make the same point and streamline the document. Our suggested consolidations would include:
 - Goals 1, 3 & 4
 - Policies 1, 3 & 4
- 5) Policy 2 should be removed since it does not directly relate to agricultural or open space lands.

- 6) Policy 9 would more appropriately fit in as a guideline, rather than a policy.
- 7) Guideline 1 should more clearly apply to proposals that include 'agricultural lands' (including 'prime agricultural land') and 'open space', as defined in the policy.
- 8) Guideline 1, sections d and e, should be removed. Annexation proposals involving development of agricultural lands and open space lands consistent with a City's General Plan and pre-zoning would be consistent with Government Code section 56375 (7), which states "the decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and pre-zoning of the city." Asking an applicant to provide this additional analysis for a proposal that complies with the underlying General Plan and pre-zoning designations could be considered overly burdensome and likely ineffective. Further, such annexation proposals that include a development of the subject site would inherently not "guide development away from agricultural and/or open space land," nor would they "facilitate development of existing vacant or non-agricultural and/or open space lands within existing city boundaries."
- 9) Guideline 4b should be deleted, or at least, re-worded to suggest the review of the measures listed as possible CEQA mitigation for the potential loss of agricultural lands. Requiring a subsequent evaluation of the effectiveness of mitigation measures for a project that has not yet been implemented is not only inconsistent with CEQA as applicable law, but would also be excessive, overly burdensome and likely unachievable. Further, if a CEQA document with mitigation included for agricultural resources is adopted/certified by the Lead Agency, then that lead agency has made a determination that the measures included are the appropriate measures to mitigate the impact. CEQA, as implemented by the Lead Agency, is determinative of any mitigation measures. A Responsible Agency, which does not agree with the Lead Agency's determination, does have steps available under CEQA if it believes it should assume Lead Agency status.

Thank you again for the opportunity to comment on this draft policy. If you have any questions on the comments provided, please feel free to contact me using the information provided above. The City looks forward to continuing to work with LAFCO on the development of the Agricultural and Open Space Preservation Policy.

Sincerely,



Kristin Pollot, AICP
Planning Manager

Cc: Joe Sbranti, City Manager
Fritz McKinley, Community Development Director
Ruthann Zeigler, City Attorney

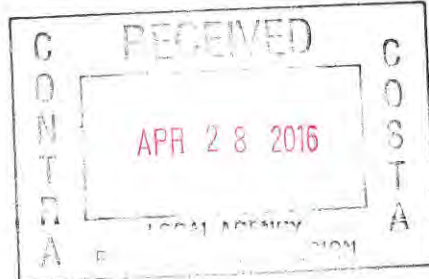


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cccfb@sbcglobal.net

PRESIDENT
Wayne Reeves
1st VICE-PRESIDENT
John Viano
EXECUTIVE DIRECTOR
Betty Compilli

April 26, 2016

LAFCO Commissioners
CCC LAFCO
641 Pine St, 6th Floor
Martinez CA 94553



Dear Members of the Commission:

The Contra Costa County Farm Bureau is happy to see the efforts of LAFCo to protect Agriculture in Contra Costa County. There is a difference between Production Agriculture and Open Space and your definitions appear to express that position.

Contra Costa County Farm Bureau does however; feel there needs to be a component that protects Agricultural land when surrounded by homes. Often times, municipalities like to use any remaining open land to keep the open space ratio as open space or neighborhood parks. Just because it is the last space available should not give rise to that parcel bearing the burden for the rest of the development in the area. CCCFB would like to request some type of language should be included to help with that protection.

Sincerely,

Wayne Reeves
President



(925) 672-6522 | PHONE
(925) 672-8064 | FAX

5552 Clayton Road, Concord, CA 94521

Contra Costa County Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553

Dear LAFCO Commissioners,

On behalf of Contra Costa Resource Conservation (CCRCD) Board of Directors, I am writing to comment on the Contra Costa Local Area Formation Commission (LAFCO) to Agriculture and Open Space Policy. CCRCD supports a policy that will ensure the long-term conservation of Contra Costa County's farmlands and range lands.

Since 1941, CCRCD has worked in partnership with farmers and ranchers to support voluntary conservation of Contra Costa County's natural resources. We work in partnership with the USDA Natural Resources Conservation Service to identify local resource concerns and provide technical and financial assistance to help private landowners be good stewards of the land.

During the past 75 years, a significant proportion of Contra Costa County's agriculture and open space lands have been converted to urban, suburban, industrial, and commercial development. Nonetheless, Contra Costa County remains one of the most important agricultural counties in the Bay Area, with more than 30,000 acres of harvested croplands and more than 100,000 acres of rangelands at the basis of a vital agricultural economy.

The farmlands in the Agricultural Core and Delta comprise an intact landscape of commercially viable family farms, with highly productive soils, senior water rights, and access to markets and services. Range lands are distributed widely through-out Contra Costa's watersheds. These natural assets yield bountiful agricultural production, as well as environmental, aesthetic, and cultural resources that benefit the County as a whole.

As the Bay Area continues to develop and grow, Contra Costa County's agricultural and open space lands are at high risk of continued conversion. If left unchecked, fragmentation may compromise the agricultural production capacity of these landscapes and diminish the environmental services they provide. This, in turn, will impact the long-term economic vitality and quality of life of the surrounding communities.

As an independent, locally led, non-regulatory agency, CCRCD works by invitation of local landowners and land managers to foster stewardship of our natural resources. At CCRCD we believe it is vital to recognize Contra Costa County's agricultural and open space lands as natural assets and protect these values for the benefit of the community, today and for the future.

Please feel free to contact us if you have questions. Thank you for your consideration of this important issue.

Sincerely,

A handwritten signature in cursive script that reads "Bethallyn Black".

Bethallyn Black, Director



May 9, 2016

Lou Ann Texeira, Executive Officer
Contra Costa Local Agency Formation Commission
651 Pine Street, Sixth Floor
Martinez, CA 94553

RE: Draft Contra Costa LAFCO Agriculture and Open Space Preservation Policy

Dear Ms. Texeria,

Thank you for the opportunity to comment on the draft Contra Costa Local Agency Formation Commission (LAFCO) Agriculture and Open Space Preservation Policy. The East Bay Regional Park District stewards 120,000 acres of parklands in both Contra Costa and Alameda Counties. As a special district that owns and manages agricultural and open space lands, our Master Plan policies specifically guides the District in the stewardship of these lands. We appreciate your effort at providing protections for these lands that define the quality of life in Contra Costa County.

The District suggests that an additional definition of recreation be provided. The policy includes a definition of open space used for outdoor recreation, but does not specifically define or describe what type of recreational uses would be permitted. The definition of outdoor recreation should include the development and maintenance of trails, staging areas, and interpretive facilities while defining outdoor recreation as including hiking, biking, equestrian use, historic and environmental interpretation, picnicking and similar low impact recreation uses.

As the owner and manager of agricultural lands throughout the County, we applaud the inclusion of the goal to minimize the conversion of prime agricultural land to other uses. The District also supports the suggestion of other organizations to increase the ratio of mitigation depending on the designation of the land as prime agricultural lands.

Board of Directors

Doug Siden President Ward 4	Beverly Lane Vice-President Ward 6	Dennis Waespi Treasurer Ward 3	Diane Burgis Secretary Ward 7	Whitney Dotson Ward 1	John Sutter Ward 2	Ayn Wieskamp Ward 5	Robert E. Doyle General Manager
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This draft Agriculture and Open Space Preservation Policy is a move in the right direction to protect these invaluable resources that define the character of Contra Costa County. The District looks forward to LAFCO clarifying its definition of outdoor recreation and uses permitted on open space lands and specifying adequate protections for prime agricultural lands. Please feel free to contact us if you have any questions or would like additional information.

Sincerely,

A handwritten signature in black ink that reads "Sandra Hamlat". The signature is fluid and cursive, with the first name "Sandra" and last name "Hamlat" clearly distinguishable.

Sandra Hamlat
Senior Planner

Cc: Diane Burgis, EBRPD Board of Directors
Bob Nisbet, EBRPD Assistant General Manager
Larry Tong, EBRPD Chief of Planning/GIS



FRIENDS OF THE CREEKS

June 16, 2016

Hon. Mary Piepho, Chair
Contra Costa LAFCO
651 Pine Street, 6th Floor
Martinez, CA 94553

Dear Commissioners:

We are writing today to offer our comments in support of your proposed Open Space Policy. It is a good beginning, but we believe it should be strengthened in two areas.

First, while there are many mentions of creeks in the policy, there is no mention of watersheds. Creeks are wildlife highways; by extension, a watershed is a road network. They are important migration corridors for everything from butterflies to mountain lions. If they are interrupted by a developed area with impassable stretches, their usefulness is diminished, their network broken up because one piece has been isolated. Wildlife must still be able to reach the water and travel in the channel in these areas. When decisions are made whether to allow development in an open space area, keeping creeks accessible to wildlife should be one of the requirements.

Second, a mitigation ratio of 1:1 for the taking of agricultural land is not adequate. That would allow half of our remaining ag land to be swallowed by development. Our agricultural economy is already close to critical mass; it cannot sustain such losses and remain viable. It is not only the farmers and the land that are at risk; it is also all the support services they need. A mitigation ratio of 3:1, where the mitigation land is of equal or better quality than the land being taken, might be more appropriate. Whatever the final number, it should be set at a level that assures the viability of the agricultural economy. Mitigation at this level must be mandatory.

Open space is an important and cherished part of our quality of life in this county and it is worth protecting. Not only does it provide us with ecosystem services and a nature fix, it helps to define our sense of place. Our greenbelts separate our towns into distinct clusters, helping to give each a unique identity. Every city borders on open space somewhere. While taking open space land for development may not be the last choice in every circumstance, it should never be the first.

Sincerely,

A handwritten signature in black ink that reads "Lesley Hunt". The signature is written in a cursive style and is located below the "Sincerely," text.

Lesley Hunt, President

Walnut Creek Office
1601 N. Main St., Suite 105
Walnut Creek, CA 94596
(925) 932-7776

June 20, 2016

Contra Costa Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553

Dear Contra Costa Local Agency Formation Commission:

RE: Draft Agricultural and Open Space Policy

Thank you for the opportunity to comment on the draft Contra Costa LAFCo Agriculture and Open Space Policy (AOSP). We have been excited to be a part of the development of the draft AOSP since the Agriculture and Open Space Preservation Policy Workshop on July 8, 2015.

Greenbelt Alliance is the San Francisco Bay Area's leading organization working to protect natural and agricultural landscapes from development and help our cities and towns grow in ways that create great neighborhoods for everyone. We are the champions of the places that make the Bay Area special, with more than 10,000 supporters and a 56-year history of local and regional success.

At a time when significant natural and agricultural lands are at risk, our county needs the leadership of LAFCo to ensure smart and orderly growth, while also protecting important agricultural and open space lands and mitigating for development impacts. The current AOSP is a strong step in the right direction and we commend LAFCo staff and commissioners for their thoughtful and detailed draft policy. The current AOSP appropriately addresses the range of duties within the broad authority granted LAFCos and makes a clear case for the continued vitality of agricultural and open space lands in Contra Costa County.

Greenbelt Alliance recommends that Contra Costa LAFCo build on this foundation to adopt an AOSP that strongly encourages infill development on vacant sites, protects our most valuable natural and agricultural resources, ensures continued operations on actively farmed land, and requires mitigation for the loss of agricultural and open space lands.

LAFCo tools are critical for addressing smart and orderly growth

Greenbelt Alliance recently released our "HomeGrown," report, which lays out the barriers facing farmers and ranchers today, along with strategies to keep them in business and reduce the pressure to sell their land for sprawl development. Many of the successful tools we identify come from the policies and guidelines in other LAFCos around the Bay Area and State of California.

Our research points to the need for proactive LAFCo leadership as a critical component in the smart and orderly development of growing communities, especially with regard to impacts on agricultural and open space lands. It is a critical time for the Contra Costa LAFCo to join colleagues around the state to ensure strong policies in support of your mission and legislative mandates in the Cortese-Knox-Hertzberg Act (CKH Act).

The annexation checklist adopted by Contra Costa LAFCo in January 2016 is a very important step to encourage infill development, protect vital natural and agricultural resources, and request mitigation plans from applicants. The final AOSP should provide the clarity and strength to make these commitments meaningful.

We offer the following recommended changes to the AOSP to ensure orderly growth and protect open space and agricultural lands in Contra Costa County. These recommendations are well within the broad authority granted to LAFCo in the CKH Act and California case law as evidenced in Shute, Mihaly & Weinberger's letter to Contra Costa LAFCo¹.

Summary of recommendations:

1. The AOSP shall prohibit annexations of actively farmed land.
2. The AOSP shall recognize Contra Costa Urban Limit Lines (ULLs) and require applicants to address impacts that annexations will have on regional goals in compliance with state law (SB375).
3. The AOSP shall reduce conflicts and ensure more orderly growth between jurisdictions throughout the county.
4. The AOSP shall require mitigation for the loss of agricultural lands.

The following describes our recommendations in detail:

Protect at risk natural and agricultural land in Contra Costa

Contra Costa County has always had a rich agricultural heritage, thanks to our mild climate, productive soil, and the dedication of farmers over many generations. The Delta provides plentiful water, a golden resource in thirsty times. Agriculture contributes \$225 million to the local economy, including jobs producing, selling, and serving local food.

But the land it all depends on is at risk. Between 1990 and 2008, 40 percent of Contra Costa County's prime farmland was lost to sprawling development. For a while, Brentwood was the fastest growing city in the state, and orchards fell fast to subdivisions. Today, land speculation is putting on the pressure all over again. In fact, Contra Costa County has the most natural and agricultural land at risk of development in the entire region: more than 18,000 acres or the equivalent of 18 Golden Gate parks. To maintain a future agricultural economy in Contra Costa, **LAFCo should strengthen Policy 3 to expressly prohibit annexations of actively farmed land.**

Contra Costa is losing agricultural land along the urban edge at alarming rates, partly due to the incentive for farmers and ranchers to sell their land for sprawl development. The most vulnerable lands are at the urban edge of the Contra Costa County Urban Limit Line (ULL) and similar city-adopted ULLs, which can be breached under current policy without a vote of the people. For LAFCo, this means that expansions of 30 acres could increasingly chip away at current policy protections for agricultural and open space lands. It doesn't sound like

¹ Shute, Mihaly & Weinberger LLP letter to Contra Costa LAFCo dated June 13, 2016.

much but in fact, this loophole puts 9,300 acres of agricultural and open space land at risk (**Attachment A**). It's death by a thousand cuts and LAFCo should be prepared for it.

And if voters decide to move the ULL and annex agricultural and open space lands, the AOSP should provide LAFCo with the proper tools to ensure the permanent protection of natural and agricultural lands. **Attachment B** shows previous efforts to move the ULL over the last decade. These past actions should serve to inform the likelihood for future efforts that may result in new annexation applications to convert prime farmland to sprawl development. **One such proposal is moving forward—and it's massive. Brentwood's upcoming "Community Build-out Plan" puts nearly 2,360 acres of farmland, rangeland, and open space at risk of low-density sprawl development outside of the current ULL and city limits.**

As we have stated before in comment letters and public testimony, there is no need for sprawl development in Contra Costa County. Plan Bay Area demonstrated that 100% of new development could and should take place within the current urban boundaries for at least the next 30 years. Indeed, LAFCo is required by Senate Bill 215 to consider regional planning goals set by the SB 375's Sustainable Community Strategies when considering annexation requests. LAFCo has the authority to ensure that each city practice prudent land use planning and opt for compact and efficient development patterns to reduce greenhouse gas emissions. Applicants should ensure that proposals for annexation are consistent with the currently adopted Plan Bay Area, and LAFCo should reject incomplete applications that do not demonstrate consistency with Plan Bay Area's goals for reducing greenhouse gas emissions and the preservation of agricultural and open space lands.

We strongly **support the AOSP's inclusion of Guideline 1e and 4a** to require applicants to review local land inventories and describe how a proposal will facilitate the development of existing vacant land within existing boundaries. There are ample opportunities within Contra Costa County to grow in smart ways that reduce congestion, bring economic opportunities, and increase quality of life while preserving agricultural and open space lands for future generations. Contra Costa LAFCo should be fully prepared to meet this regional framework head on and use the most effective tools to meet its legislative mandate.

Recommendations: LAFCo AOSP Policy 3 shall prohibit annexations of actively farmed land. LAFCo should recognize Urban Limit Lines (ULLs) and reference the importance that ULLs plays in orderly growth in the county. To comply with SB215, LAFCo shall require applicants to address impacts that annexations will have on regional goals in compliance with state law (SB375) as part of Guideline 4a.

Provide clear guidelines for ensuring that boundary changes result in orderly growth

Greenbelt Alliance appreciates the inclusion of Policy 8, which states that the "Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan and SOI areas and that encourage protection of prime agricultural land in a manner that is consistent with this policy."

As shown in **Attachment C**, there are numerous jurisdictions that adopted Planning Area and Sphere of Influence boundaries that overlap and extend outside voter-approved ULLs. These boundaries demonstrate clear intentions for future expansions, often in conflict with neighboring jurisdictions and with current agricultural and open space land uses.

These inter-jurisdictional conflicts extend throughout the county. Within the last few years, development proposals on the hills between Concord and Pittsburg escalated tensions around the future of urban development and the proposed Regional Park at the Concord Naval Weapons Station. In East County, Brentwood and Antioch are signaling future annexations of hillsides and open space in an apparent race for sprawl development. These land use tensions would be eased, if not resolved, with clear and consistent policies adopted by the various jurisdictions and supported by LAFCo decisions for orderly growth.

The letter from Shute, Mihaly & Weinberger provides a clear understanding of LAFCo's legislative authority to provide the appropriate checks and balances on local governments and ensure that regional and state environmental considerations are placed above "narrow selfish interests."²

Recommendation: The final AOSP should add a guideline that ensures future boundary changes shall reduce conflicts and ensure more orderly growth between jurisdictions throughout the county.

Require mitigation of agricultural and open space lands

Every acre of farmland lost in Contra Costa County brings the entire local agricultural economy closer to irreversible decline. The charge of LAFCo is to "encourage the orderly formation of local government agencies, discourage urban sprawl, and preserve agricultural and open space resources." Without required mitigation, the preservation part of the equation is bound to fail.

Ensuring financial resources for the permanent protection of farmland directly results in the continued success of the agricultural economy. Conservation easements are a critical component of this success. These appeal to farmers who want to continue farming but struggle to succeed economically. The funds from the easement sale are often used to finance infrastructure improvements, purchase more land, or to invest for retirement. While many farmers in Contra Costa have successfully preserved land, many more easements are needed along the urban edge, within the County Agricultural Core, and throughout East County inside and outside of the ULL.

As evidenced by Shute, Mihaly & Weinberger's letter, required mitigation policies are standard practice and are essential to stem the loss of our natural and agricultural resources. It is worth repeating the following conclusive evidence of the legal standing of LAFCo to require mitigation:

"In repeatedly upholding agricultural mitigation requirements, California courts of appeal have recognized that a 1:1 mitigation ratio is not sufficient to fully mitigate the permanent loss of agricultural land because it does not "offset" the loss of that land. *See, e.g., Building Industry Assn. of Central Cal. v. County of Stanislaus* (2010) 190 Cal.App.4th 582, 592. California jurisdictions, such as the cities of Davis and Hughson, have acknowledged the inadequacy of 1:1 compensation by adopting minimum mitigation ratios of 2:1."³

² *Bozung v. Local Agency Formation Commission* (1975) 13 Cal.3d 263, 284

³ Shute, Mihaly & Weinberger LLP letter to Contra Costa LAFCo dated June 13, 2016.

There is overwhelming evidence that LAFCo can require mitigation for a wide variety of open space and agricultural lands covered by the CKH Act. While Contra Costa County has some of the best prime agricultural soils in the State of California, there are also ample rangelands, critical species habitat, and watershed lands that provide vital resources for public health and welfare.

LAFCos in surrounding counties have adopted strong mitigation policies to protect similar prime farmland and open space. For instance, Yolo County has one of the strongest LAFCo policies and mitigates the loss of farmland at a ratio of 3 acres preserved to 1 acre lost. We recommend that Contra Costa LAFCo make the same commitment to the longevity to one of the Bay Area's vital agricultural economies.

Along with the ample research collected by LAFCo staff, Greenbelt Alliance reviewed LAFCo mitigation policies throughout the State of California, gathering best practices that have led to the successful preservation of natural and agricultural lands.

Greenbelt Alliance recommends the final AOSP replace Guideline 4(b) with the following language:

Where the Commission approves an annexation or sphere of influence that impacts agricultural and open space resources, the Commission shall condition such approval upon appropriate mitigation as outlined below:

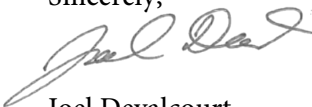
- a. Where prime agricultural lands are impacted, the Commission shall require the applicant to mitigate to permanently protect at least three acre of comparable agricultural land for every acre of land converted (a ratio of 3:1). The mitigation lands must be located within Contra Costa County, except as described below, must be of equal or better soil quality, and have a dependable and sustainable supply of irrigation water. The mitigation lands may not be already effectively encumbered by a conservation easement of any nature.
- b. Where non-prime agricultural and open space lands are unavoidably impacted, the Commission shall require the applicant to mitigate to permanently protect at least two acre of comparable agricultural and open space land for every acre of land converted (a ratio of 2:1). The mitigation lands must be located within Contra Costa County, except as described below, must be of equal or better soil quality, and have a dependable and sustainable supply of irrigation water. The mitigation lands must not be already effectively encumbered by a conservation easement of any nature.
- c. All mitigation ratios must be increased by one if the mitigation is not within Contra Costa County, in which case the mitigation land must be located within Alameda or Solano County. All mitigation rations must be increased by one if the impaired land is listed as priority for preservation.
- d. All mitigation lands and funds shall pass directly to qualified land trusts, such as Brentwood Agricultural Land Trust, or another local, qualified land trust. Land trusts like BALT have the legal and technical ability to hold and administer agricultural preservation easements and in-lieu fees for the purposes of conserving and maintaining lands in agricultural production.

- e. The applicant must submit an adopted ordinance or resolution confirming that mitigation has occurred, or requires the applicant to have the mitigation measure in place before the issuance of a grading permit, building permit, or final map approval for the site, whichever comes first.
- f. Proposed in-lieu fees shall be granted only with commission approval and shall fully fund the costs associated with acquiring and managing an agricultural conservation easement, including the estimated transaction costs and the costs of administering, monitoring, and enforcing the easement.
- g. The applicant shall adopt measures to protect adjoining agricultural lands, to prevent their premature conversion to other uses, and to minimize potential conflicts between the proposed urban development and adjacent agricultural uses. This can include, but is not limited to, the following measures:
 - a. Establishment of an agricultural buffer on the land proposed for development. The buffer's size, location, and allowed uses must be sufficient to minimize conflicts between the adjacent urban and agricultural uses. Such buffers may be permanent, temporary, or rolling, and may take many forms; easements, dedications, appropriate zoning, streets, or parks.
 - b. Adoption of protections such as a Right to Farm Ordinance, to ensure that the new urban residents shall recognize the rights of adjacent property owners conducting agricultural operations and practices in compliance with established standards.
 - c. Development of educational and informational programs to promote the continued viability of surrounding agricultural land.
 - d. Development of a real estate disclosure ordinance that fully informs all directly affected parties and the greater community about the importance of maintaining productive agriculture in the face of encroaching development.

Greenbelt Alliance is encouraged by the policies and guidelines in the draft AOSP. We hope the final policy will incorporate our recommendations to result in the effective prioritization of infill development on vacant sites, the permanent preservation of agricultural and open space land, and appropriate required mitigations when agricultural and open space lands are lost to development.

We welcome any questions about our recommendations and look forward to the opportunity to present them at the July 13, 2016 LAFCo Commission meeting.

Sincerely,

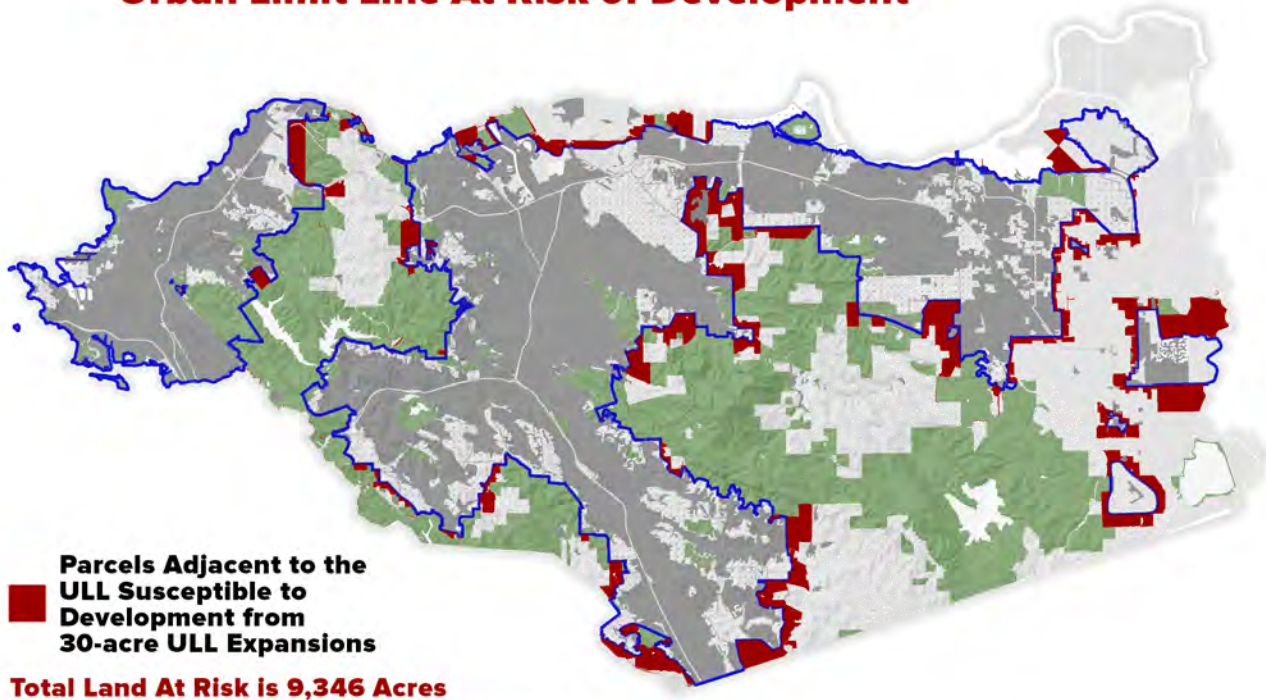
A handwritten signature in dark ink, appearing to read "Joel Devalcourt".

Joel Devalcourt
East Bay Regional Representative
Greenbelt Alliance

Attachment A



Parcels Outside of Contra Costa County's Urban Limit Line At Risk of Development



Planning Boundaries



Other Lands

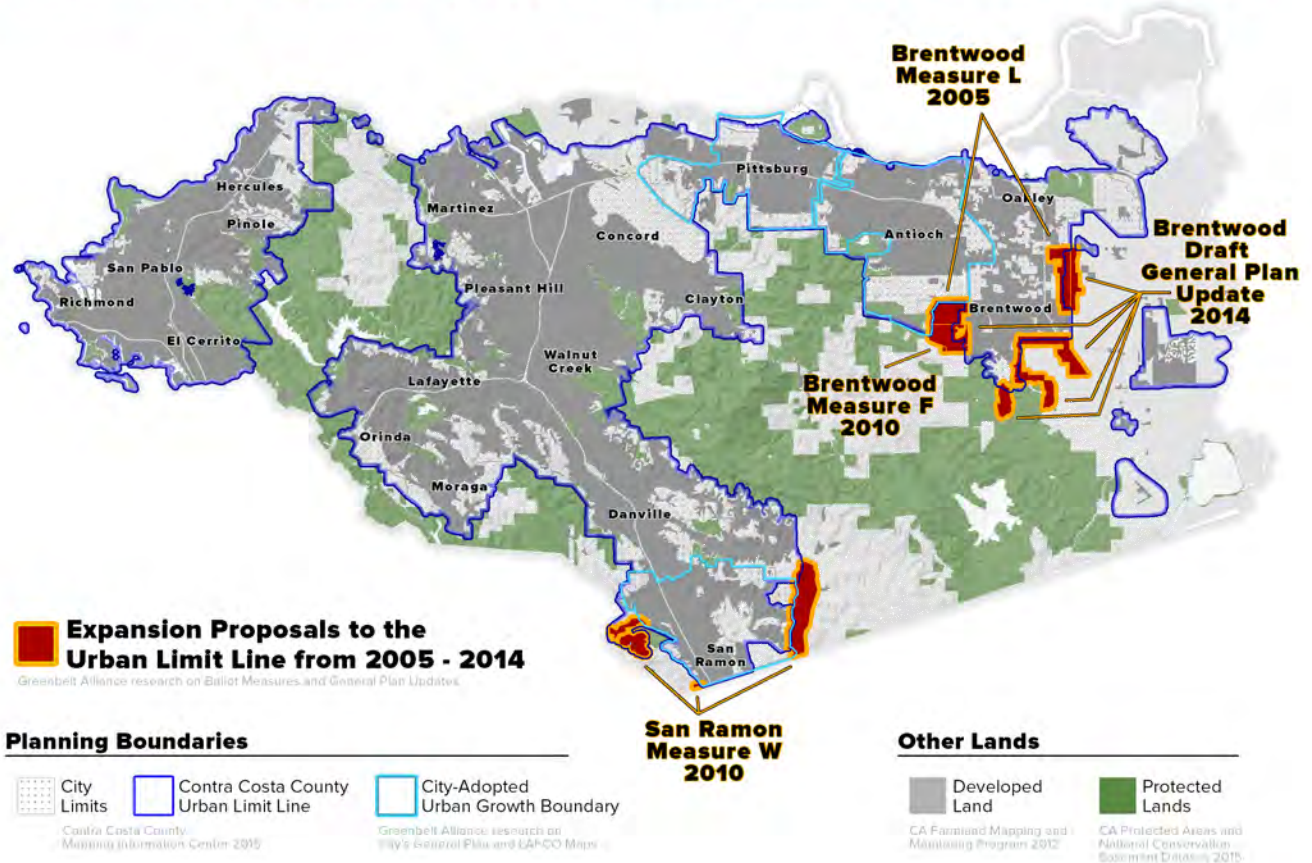


Notes: A vote of the people is required to expand Contra Costa County's Urban Limit Line by more than 30 acres. Parcels shown in red are those lands adjacent to Contra Costa County's Urban Limit Line excluding irrigation canals and railroad right-of-ways. Parcels smaller than 30 acres are totaled as their actual acreage. While parcels larger than 30 acres are assumed to only allow 30-acre development despite their larger size. If no further subdivisions of these parcels occur, this calculation shows the total acreage of parcels at risk of development from their adjacency to the Urban Limit Line is 9,346 acres.

Attachment B



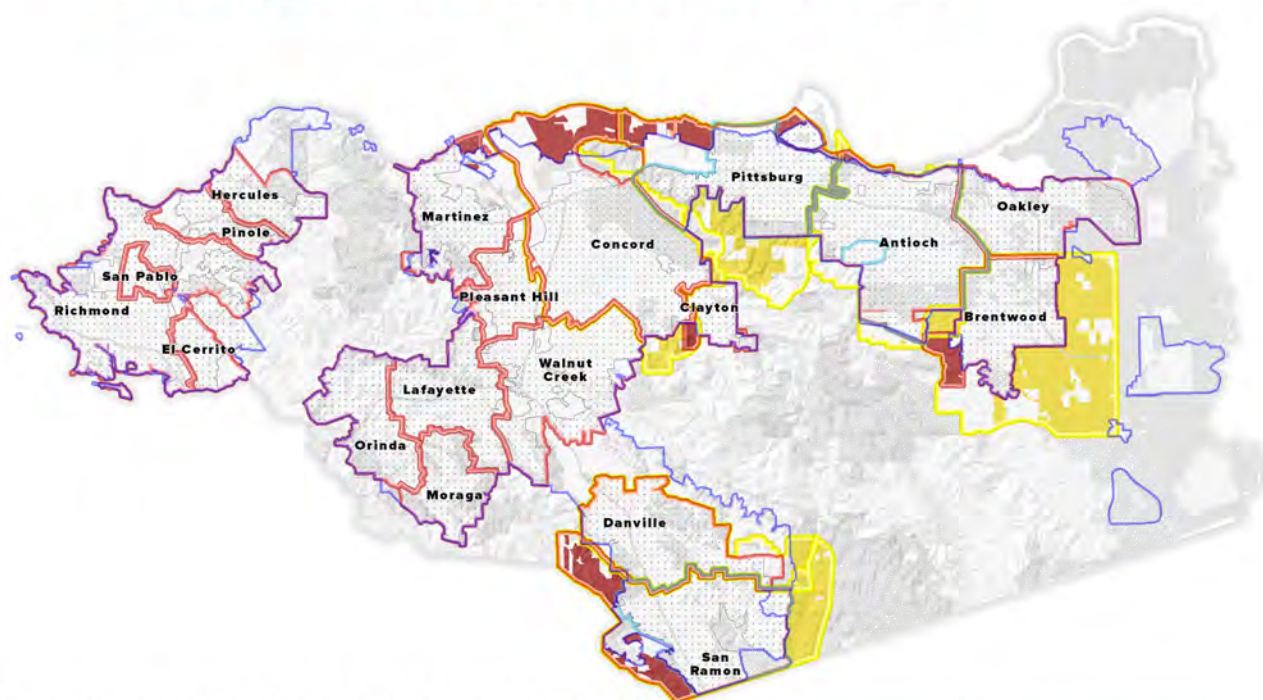
Expansion Proposals to Contra Costa County's Urban Limit Line



Attachment C



Planning Boundaries in Contra Costa County



UnDeveloped and UnProtected Land within Planning Boundaries Extending Past the County's Urban Limit Line


Note: Developed/Urban land used from CA Farmland Mapping and Monitoring Program 2012. Protected land used from CA Protected Areas and National Conservation Easement Datasets 2015.





April 29, 2016

To: Mary N. Piepho, Chair
Don Tatzin, Member, LAFCO Policy Committee
Sharon Burke, Member, LAFCO Policy Committee

From: Linus Eukel, Executive Director 
John Muir Land Trust

SUBJ: Contra Costa LAFCO Agricultural & Open Space Preservation Policy Draft ("Draft")

John Muir Land Trust (JMLT) commends LAFCO for moving forward in developing an Agricultural & Open Space Policy. We appreciate the revisions LAFCO has proposed to the Questionnaire for Amending a Sphere of Influence and Annexations, in particular, the Open Space & Agricultural Impact Assessment. Below please find revisions and strategies to the Draft that we believe could more effectively lead to the preservation of open space in the region.

Since 1989, John Muir Land Trust (JMLT) has protected and cared for open space, ranches, farms, parkland and shoreline in Contra Costa County. We have approximately 2,500 acres under management and are currently engaged in an effort to double our acreage by 2020. Once the land is secured, our work is far from over as we responsibly manage and care for these resources in perpetuity.

John Muir Land Trust recommends the following revisions and additions, highlighted in *italics* throughout this document:

1. PURPOSE OF THIS POLICY

- 1) to provide clear direction and guidance *that will help steer applicants away from proposals that could negatively impact open space or agricultural lands;*
- 2) to provide a *consistent* framework for LAFCO *and a heightened level of review when evaluating proposals that may have a negative impact on agricultural and/or open space lands;*

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P.O. Box 2452
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925-228-5460
925-372-5460 Fax
jmlt.org

- 3) *to facilitate an efficient and timely project approval process that will have the most beneficial conservation and agricultural outcomes possible;*
- 4) *to develop Advance Mitigation Planning (AMP) for LAFCO projects, and to apply the Hierarchy of Mitigation Measures--a crucial tool that guides users towards limiting possible negative environmental impacts from development projects to the greatest degree possible.*

1. GOALS, POLICIES AND GUIDELINES

The preamble ("The following Goals, Policies, and Guidelines...") references the Cortese-Knox Hertzberg Act, yet leaves out natural open space resources. For this reason, we recommend the final sentence in the paragraph to read:

"Guidelines give stakeholders procedures and practical tips regarding what information LAFCO decision makers need to evaluate a proposal that affects agricultural resources and open space lands. Applicants are encouraged to work with LAFCO and with stakeholders early in the process, e.g. during the conception stage, so projects can incorporate strategic approaches that will lead to the lowest impact possible."

2. GOALS

The GOALS section lacks an overall statement and mainly references agricultural resources. John Muir Land Trust recommends the following comprehensive statement covering both agricultural and open space lands:

The goal of LAFCO's AOSP Policy is to ensure that advance development planning leads to the protection of environmental, ecosystem and economic assets, and in the process, maintains Contra Costa's high quality of life.

After the existing paragraph related to agriculture, JMLT recommends inserting the following section highlighting the assets that open space provides to bring balance:

- *Natural open space lands provide the region with invaluable public benefits for all who live in Contra Costa County, including ecosystem services, e.g. clean drinking water and air quality, food production, healthy outdoor recreation, and scenic viewsheds; ecological integrity, with connectivity across a broad landscape creating unbroken habitat and wildlife corridors, and the economic benefits resulting from a healthy watershed and strong tax base.*

OPEN SPACE GOALS

Through its actions, LAFCO can facilitate the open space character and unique quality of life in Contra Costa County by working towards the following Open Space goals:

1. *Exclude open space lands from LAFCO's and Special Districts' spheres of influence to minimize the possible conversion of valuable open space lands to other land uses;*
2. *Encourage cities, the County, special districts, property owners and other stakeholders to work together to preserve agricultural and natural open space lands;*
3. *Protect the County's natural settings from the encroachment of urban development by guiding development away from open space uses;*
4. *Promote open space land preservation into long range planning to discourage urban growth at the State, County and municipal levels.*

LAFCO's draft **POLICIES** section mentions "open space" in the preamble but there are no related open space policies. *JMLT recommends that the POLICIES section be revised to add comparable language regarding the protection of open space lands:*

1. *Urban development should be discouraged in open space areas;*
2. *Vacant and/or previously developed land within urban areas (e.g. distressed, blighted, under-utilized) should be considered for development before considering alternatives that could lead to the alteration or development of natural open-space lands;*
3. *Development near open space lands should not have negative impacts;*
4. *In keeping with other regional efforts (e.g. Contra Costa Transportation Authority and San Diego TransNet's successful Environmental Mitigation Program), LAFCO will be guided by an Advance Mitigation Program (AMP), based on the belief that mitigation activities are the off-site capital costs of doing business. The process will include an advance time frame to allow for strategic mitigation to be effected long before a project's impacts occur, leading to better conservation outcomes for the region.*

ADVANCE MITIGATION PLANNING

A well designed and implemented AMP would assess the cumulative impacts of LAFCO projects to natural open space and agricultural lands. It would follow the sound Mitigation Hierarchy of impact avoidance, reduction/restoration, and compensatory mitigation for unavoidable impacts.

Potential impacts assessed early in the process would allow for innovative design and strategic approaches leading to the lowest level of impact, and more efficient and timely project approvals. It would offer restoration opportunities for the County that build on the best available science, and shift from the practice of using fragmented mitigation lands to contiguous protected areas.

Mitigation measures could fully fund land management activities including acquisition, stewardship, restoration and maintenance of natural open space in perpetuity that contributes to regional conservation priorities of the County. Savings resulting from an effective, less costly and more efficient AMP could be reinvested back into the Advance Mitigation Program for additional returns to the County.

GUIDELINES

John Muir Land Trust recommends the revisions and added guidelines *in italics* below:

Guideline 1. Applications submitted to LAFCO that have an effect on agricultural and/or open space resources shall include an Agricultural and Open Space Impact Assessment. *The following guidelines should be added:*

- *A proposal must address how it maintains the natural resources and ecological integrity of open space lands;*
- *A proposal must describe how it facilitates development of existing vacant areas (e.g. distressed, blighted, under-utilized) or non-agricultural and/or non-open space lands for urban uses within the existing boundary or SOI of a local agency;*
- *Applications shall follow the Mitigation Hierarchy of impact avoidance, reduction and restoration, followed by compensatory mitigation for “unavoidable” impacts, and enhancement, or “net benefit” for projects that could have substantial negative impacts;*
- *Proponents must demonstrate that they have maximized their potential to avoid negative impacts before they are allowed by LAFCO to consider the next level of mitigation;*
- *Applicants must submit, as part of their application, an adopted ordinance or resolution confirming that appropriate mitigation measures will be carried out before the issuance of a grading or building permit or final map approval for the site.*

Guideline 3. *If a proposal involves a potential loss of prime agricultural or open space lands, LAFCO, together with developer, property owners, cities, the County, special districts, and environmental conservation agencies and organizations should work together as early in the process as possible to develop strategic approaches that could lead to the lowest level of impact possible.*

Guideline 4b. The applicant should provide an evaluation of the effectiveness of proposed measures to mitigate the loss of agricultural *and open space*.

Applicants are encouraged to work with Contra Costa LAFCO and with qualified organizations throughout the entire process to initiate and execute plans that effectively mitigate in a manner consistent with this Policy.

- *If proposed mitigation is in the form of land acquisition, it shall result in the addition of new lands providing a net gain and not accept previously conserved lands for the purpose of mitigation;*
- *Any mitigation measures shall preserve key open space of reasonably equivalent quality and character (re: conservation values, soil quality, terrain, etc.);*

- *Mitigation ratios for agricultural land will be set by appropriate California State and federal agencies utilizing science-based impact analysis and at a minimum, 1:1 for the conversion of land designated for agriculture uses and up to 5:1 for impacts to biological resources;*
- *If lands cannot be found within the vicinity of the impact, greater acreage within Contra Costa County may be considered further from the impacted area;*
- *If it is not possible to avoid, minimize or adequately offset harm, the activity should not proceed.*

John Muir Land Trust appreciates your consideration of the aforementioned recommendations. We would be happy to serve in an advisory capacity throughout the process of refining an Agricultural and Open Space Preservation Policy and developing an effective and comprehensive Advance Mitigation Program. Please feel free to contact me at linus@jmlt.org; (925) 228-1130 (office); or (925) 788-7525 (cell) for any reason. Thank you again.

> ----- Forwarded Message -----

> From: Judy Newberry <sassynewberry3@gmail.com>

> To: emulberg@solanolafo.com

> Sent: Monday, May 23, 2016 4:02 PM

> Subject: Urban sprawl in Brentwood California

>

>

>

> I am a resident of Brentwood California and read in our Brentwood press about your concerns over urban sprawl and preserving agriculture and open land. I am very concerned about the rapid building of homes and increase in population and traffic in our town. In my opinion our city fathers are more concerned about increasing the size of Brentwood bringing in more taxes for which, I'm sure, will increase their salary without the respect for keeping our farming community intact. I believe that we have already ruined Brentwood with the population increase... houses are being built everywhere you turn. I personally hope you will be able to help us control this growth and save our farmland in Brentwood, Knightsen and the surrounding areas before it's way too late.

>

> Thank you

> Judy Newberry

Lou Ann Texeira

From: Kristen Wick <kristenwick45@sbcglobal.net>
Sent: Friday, June 10, 2016 2:21 PM
To: Lou Ann Texeira
Subject: Open Space Preservation

Dear Executive Director Texeira:

As a habitat restoration volunteer and avid supporter of open space preservation, I am writing to you in support of the draft LAFCO Agricultural and Open Space Preservation Policy. I appreciate the work that LAFCO commissioners and staff have put into the Policy, but think that it should be strengthened by requiring a mitigation ratio of at least 1:1 for annexations affecting open space and agricultural land. This modest change is in agreement with what many other LAFCOs across the state have done, and would help to mitigate the impact of development that has already greatly reduced the amount of agricultural land in Contra Costa and across the San Francisco Bay Area. I ask you to support the draft Policy with the incorporation of a modest change to include a 1:1 mitigation requirement. Thank you for your attention to this matter of great concern to me.

Sincerely,

Kristen C. Wick
Retired County Library Employee
Save Mount Diablo Habitat Restoration Volunteer

From: Anguiano, Armando <AAnguiano@manatt.com>
Sent: Monday, June 20, 2016 4:31 PM
To: District3
Cc: LParsons@discoverybuilders.com; jpavao@seenohomes.com; Lou Ann Texeira; Kate Sibley; Lou Ann Texeira; Lawson, Kristina; Crisp, Robia
Subject: Draft Agricultural and Open Space Preservation Policy
Attachments: 20160620133526.PDF; 20160620133553.pdf; 20160620133617.pdf

Dear Chair Mary Piepho and Members of Contra Costa County LAFCO:

Pursuant to directives received from Kristina D. Lawson of this office, please find attached to this e-mail three PDF's:

1. A Letter dated June 20, 2016, to you from Ms. Lawson;
2. A Letter dated April 7, 2016, to you from Ms. Lawson; and
3. A red-line Attachment – Requested Revisions to Draft Policy.

Ms. Texeira and Ms. Sibley: Would either of you please be so kind as to make sure that both Ms. Piepho and the Members of Contra Costa County LAFCO receive copies of this e-mail with its attachments? A hard copy of the attachments will also arrive by U.S. Mail.

Thank you so much.

Should you have any questions, concerning these items, please do not hesitate to contact this office.

Respectfully,

--Armando B. Anguiano
Secretary to Kristina D. Lawson, Esq.

Armando Anguiano
Legal Secretary

Manatt, Phelps & Phillips, LLP
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From: Anguiano, Armando [<mailto:aanguiano@manatt.com>]
Sent: Monday, June 20, 2016 1:30 PM

To: Anguiano, Armando

Subject: Document

June 20, 2016

BY E-MAIL

Chair Mary Piepho and Members of
Contra Costa County LAFCO
651 Pine Street, Sixth Floor
Martinez, CA 94553

Re: Draft Agricultural and Open Space Preservation Policy

Dear Chair Piepho and Members of Contra Costa County LAFCO:

As you know, we previously provided written and oral comments to LAFCO regarding the draft agricultural and open space policy. The purpose of this correspondence is to remind LAFCO to include those prior comments as it revises the draft policy, and to provide additional comments and legal analysis regarding the draft policy. As described below, the current draft policy conflicts with the Cortese-Knox-Hertzberg Act provisions regarding LAFCO review of agricultural and open space considerations in connection with proposed reorganizations. Implementation of the draft policies and goals would result in numerous legal conflicts during the processing of routine LAFCO applications.

1. The Policy Proposes to Directly Regulate Land Use, Which LAFCO Is Prohibited From Doing By The Cortese-Knox-Hertzberg Act

Pursuant to the Cortese-Knox-Hertzberg Act, LAFCOs have limited authority and jurisdiction and are prohibited from directly regulating land use. The Act is clear that LAFCOs may not impose any conditions that would directly regulate land use, land use density or intensity, property development, or subdivision requirements. (Gov. Code, section 56375(a)(6) ["A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements."].) LAFCOs cannot impose conditions that directly impact land use regulation – that function is expressly left to the cities and counties. Imposing a mitigation requirement for agricultural lands or adoption of a policy to allow LAFCO to deny applications for annexation of agricultural land would constitute the direct regulation of land use or property development and is entirely outside the scope of LAFCO's regulatory authority.

In addition, while LAFCO can require an annexing city to prezone territory to be annexed, LAFCO cannot specify how or in what manner the territory shall be prezoned.

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Government Code section 56375(a)(7) states: “The decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and rezoning of the city. When the development purposes are not made known to the annexing city, the annexation shall be reviewed on the basis of the adopted plans and policies of the annexing city or county. A commission shall require, as a condition to annexation, that a city prezone the territory to be annexed or present evidence satisfactory to the commission that the existing development entitlements on the territory are vested or are already at build-out, and are consistent with the city’s general plan. However, the commission shall not specify how, or in what manner, the territory shall be rezoned.” Thus, the proposed zoning must be consistent with the annexing city’s general plan and LAFCO may not dictate how the specific zoning is to be applied by the city. The draft policy conflicts with this mandatory statutory directive.

2. **The Policy Conflicts With CEQA’s Clear Requirements For Identification, Analysis, And Mitigation Of Impacts To Agricultural Resources**

We previously provided comments to LAFCO which describe in detail how the draft policy conflicts with CEQA. A copy of that correspondence is attached for your convenience.

3. **The Policy Creates A New Review Scheme For Agricultural And Open Space Lands That Goes Far Beyond The Requirements Of The Cortese-Knox-Hertzberg Act**

This draft policy will require LAFCO to conduct a far more extensive review of the agricultural nature of real property than authorized by existing law. The draft policy cannot be adopted as it represents an impermissible change in the way LAFCO processes reorganization applications, and far exceeds the authority granted to LAFCO by its implementing statute.

One of the key problems with the draft policy is its lack of consistency of terms with the Cortese-Knox-Hertzberg Act. In some cases, the proposed definitions track the Act’s definitions, but in other cases new terms are created (e.g., “agricultural resources”, “agricultural impact”). Given that these definitions are unclear, it is difficult to understand the scope of the policy, how it will be implemented by LAFCO, and/or how it will impact particular properties or proposals.

Pursuant to Government Code section 56668(e), LAFCO must consider: “[t]he effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.” Section 56016 defines “agricultural lands” as “land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.”

Additionally, under existing law, one of the purposes of LAFCO is preserving prime agricultural lands. (Gov. Code, section 56301.) “Prime agricultural land” is defined as:

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...an area of land, whether a single parcel or contiguous parcels, *that has not been developed for a use other than an agricultural use* and that meets any of the following qualifications:

(a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.

(b) Land that qualifies for rating 80 through 100 Storie Index Rating.

(c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.

(d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.

(e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

The draft policy departs from these established LAFCO tenets and creates both legal and practical confusion by failing to limit the reach of the policy to prime agricultural lands as authorized by the Cortese-Knox-Hertzberg Act. Other commenters have raised this same concern. LAFCO must revise the draft policy so that the scope of the policy is clearly defined.

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4. **The Policy's Proposal To Prioritize Preservation Of Agricultural And Open Space Lands Over All Other Land Uses Ignores The Purposes Of LAFCO And The Legislature's Express Mandates To LAFCO**

Contrary to the articulated policy objectives and findings set forth in the Cortese-Knox-Hertzberg Act, the draft policy proposes to prioritize preservation of agricultural and open space land over all other land uses. As a result, the draft policy ignores the Cortese-Knox-Hertzberg Act's directive to encourage orderly growth and the economic well-being of the state through the provision of housing for persons and families of all incomes. (See Gov. Code, section 56001.)

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Given the broad and far-reaching implications of the draft policy, which will disproportionately affect the newer and growing communities in East Contra Costa County, LAFCO must strictly adhere to the law prescribing its authority and powers. We have attached proposed edits to the policy which we believe will address the concerns articulated above and remedy the impropriety of the currently proposed policy.

Once the revised policy is released, we would appreciate if you could send a copy directly to me at klawson@manatt.com. Please do not hesitate to call with any questions or if we can provide further clarification regarding these comments or our proposed revisions.

Very truly yours,



Kristina Lawson

KXL:KXL

cc: Louis Parsons
Jeanne Pavao

April 7, 2016

Chair Mary Piepho and Members of
Contra Costa County LAFCO
651 Pine Street, Sixth Floor
Martinez, CA 94553

Re: Draft Agricultural and Open Space Preservation Policy

Dear Chair Piepho and Members of Contra Costa County LAFCO:

We appreciate the opportunity to provide input on the draft agricultural and open space preservation policy being considered by LAFCO. As you know, we were present at the March 9, 2016 and provided public comments regarding the policy. The purpose of this correspondence is to provide additional detail and to request clarification and revisions regarding the intent and scope of proposed Guideline 2. As currently proposed, the draft guideline provides:

The California Environmental Quality Act (CEQA) analysis for a proposal should evaluate the impacts affecting agricultural and open space resources, and should include an assessment of impacts to agricultural, prime agricultural, and open space lands as defined in the CKH Act. In the absence of an evaluation in the CEQA document, a supplemental agriculture and impact analysis will be required as part of the LAFCO application.

This Guideline conflicts with applicable law.

The California Environmental Quality Act ("CEQA," Pub. Resources Code, §§ 21000, *et seq.*) and a vast body of applicable caselaw mandates the environmental topics that must be addressed in an adequate CEQA review. CEQA's environmental review requirements for agricultural impacts do not mandate that lead agencies consider certain definitions or requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 1985 (Gov. Code, §§ 56000, *et seq.*).

If a CEQA initial study is completed for a project (an initial study is not mandatory for all projects), the lead agency completes a preliminary assessment to determine if agricultural impacts should be studied in an EIR or other CEQA document. In some cases, agricultural impacts are "scoped out" of and, therefore, not evaluated in a project's ultimate CEQA analysis

Chair Mary Piepho and Members of Contra Costa County LAFCO

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because of a determination by the lead agency that the project will not have a potentially significant impact on agricultural resources. In other cases, a project is deemed to be statutorily or categorically exempt from CEQA, and, therefore, no impact analysis is prepared. In those cases agricultural impacts are not evaluated because of the applicable legal exemption. There are a variety of other cases in which agricultural impacts may not be evaluated in a CEQA document prepared for a project, including, but not limited to, where such impacts were previously analyzed in a General Plan or Specific Plan EIR, and where such impacts do not exceed applicable thresholds of significance.

Given these CEQA principles and requirements, it is unclear what LAFCO intends in the second sentence of proposed Guideline 2, which requires a new, supplemental "impact analysis" if agricultural impacts were not evaluated in the CEQA document. As indicated above, there are a variety of circumstances under which there may be an "absence of an evaluation" of agricultural impacts in a project's CEQA documentation. If this information is not required to be provided by CEQA, LAFCO cannot require a supplemental "agricultural impact analysis" be completed. Moreover, it is unclear what LAFCO means by the term "impact analysis."

It also appears that Guideline 2 would establish a separate CEQA process for Contra County LAFCO. Please note that in order to ensure the adequacy of CEQA analyses for responsible agencies (such as LAFCO), CEQA already provides a very clear process for responsible agency participation in the preparation of CEQA documentation. As provided in CEQA Guidelines section 15096, a responsible agency is required to respond to consultation by the lead agency, and if the responsible agency disagrees with any decisions by the lead agency, it is required to provide relevant comments. The responsible agency is required to designate employees or representatives to attend meetings requested by the lead agency to discuss the scope and content of an EIR. Responsible agencies are also directed to focus comments on any shortcomings in the project environmental review, the appropriateness of using a negative declaration, or on additional alternatives or mitigation measures, which the EIR should include. Responsible agency comments shall be limited to those project activities which are within the agency's area of expertise or which are required to be carried out or approved by the agency or which will be subject to the exercise of powers by the agency and shall be as specific as possible and supported by either oral or written documentation. Following certification of a CEQA document by a lead agency, LAFCO cannot require a supplemental CEQA analysis unless it complies with the CEQA Guidelines requirements.

Chair Mary Piepho and Members of Contra Costa County LAFCO
April 7, 2016
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Given the applicable CEQA requirements, we believe it is important that LAFCO clarify and revise its intent regarding the scope of proposed Guideline 2. We understand that the draft policy will return to LAFCO at its regularly scheduled meeting of May 11, 2016 and may be presented for adoption on June 8, 2016. We look forward to continuing to participate in the policy development process.

Very truly yours,

A handwritten signature in black ink that reads "Kristina Lawson/RSC". The signature is written in a cursive, flowing style.

Kristina Lawson

KXL:KXL

Attachment

Requested Revisions to Draft Policy

4.1 DRAFT PRESERVATION OF OPEN SPACE AND AGRICULTURAL LAND

INTRODUCTION

In accordance with the Cortese Knox Hertzberg Local Government Reorganization Act (“CKH Act”), the State Legislature finds and declares that the preservation of open space and prime agricultural lands is a “state interest” to be balanced with orderly growth and development (§56001).

Among the purposes of LAFCO are discouraging urban sprawl and preserving open space and prime agricultural lands (§56300). ~~The CKH Act includes provisions that grant LAFCO the authority to consider and provide for the preservation of open space and agricultural lands.~~

~~LAFCO is specifically charged in some instances with protecting open space and agricultural land. For example, an island annexation may not be approved if the island consists of prime agricultural land [§56375.3(b)(5)]. LAFCO may not approve a change to an SOI where the affected territory is subject to a Williamson Act contract farmland or farmland security zone unless certain conditions exist (§§56426 and 56426.5).~~

Contra Costa LAFCO encourages planned, orderly, and efficient urban development while at the same time giving appropriate consideration to the preservation of open space and prime agricultural land (§56300).

When making a decision, LAFCO must give appropriate consideration as to ~~consider~~ whether a proposal could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space and prime agricultural lands to other uses. ~~Further, LAFCO should guide development away from existing open space and agricultural land, and encourage development of existing vacant and non-prime agricultural lands within a local agency's existing jurisdiction or SOI [§§56377(a) and 56668(d)]. Finally, Further,~~ LAFCO must consider the effect of a proposal on maintaining the physical and economic integrity of agricultural lands [§56668(e)].

An application or proposal for a change of organization, reorganization, the establishment of or change to a sphere of influence (SOI), the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act will be evaluated in accordance with LAFCO's adopted policy on the Preservation of Open Space and Agricultural Land.

AUTHORITY OF LAFCO

LAFCO regulates boundary change and other proposals (e.g., SOI changes, extension of extraterritorial services, etc.) through approval or denial. The Commission ~~also~~ has limited~~the~~ authority to impose terms and conditions on such approvals (§§56885 -56890).

While LAFCO may analyze ~~has considerable authority to provide for~~ the effect a proposal may have on the preservation of open space and prime agricultural land, ~~and impose terms and conditions,~~ it may not directly regulate land use: “A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements” [§§56375(6), 56886].

PURPOSE OF THE POLICY

The purpose of this policy is ~~twofold: (1) to provide guidance to the applicant on how to assess the impacts of LAFCO proposals on agricultural and open space and to explain how the proposal intends to mitigate these impacts; and (2)~~ to provide a framework for LAFCO to evaluate and process in a consistent manner, LAFCO proposals that involve or impact prime agricultural and/or open space lands.

DEFINITIONS

Several terms are important in understanding LAFCO's responsibility pertaining to ~~preserve~~ agricultural and open space lands/resources. These terms and definitions are found below and are applicable throughout these policies. The CKH Act contains the following definitions for agricultural land, prime agricultural land and open space:

56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

56059. "Open space" means any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in Section 65560.

65560. (a) "Local open-space plan" is the open-space element of a county or city general plan adopted by the board or council, either as the local open-space plan or as the interim local open-space plan adopted pursuant to Section 65563.

(b) "Open-space land" is any parcel or area of land or water that is essentially unimproved and devoted to an open-space use as defined in this section, and that is designated on a local, regional, or state open-space plan as any of the following:

(1) Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, including habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays, and estuaries; and coastal beaches, lakeshores, banks of rivers and streams, greenways, as defined in Section 816.52 of the Civil Code, and watershed lands.

(2) Open space used for the managed production of resources, including, but not limited to, forest lands, rangeland, agricultural lands, and areas of economic importance for the production of food or fiber; areas required for recharge of groundwater basins; bays, estuaries, marshes, rivers, and streams that are important for

the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.

(3) Open space for outdoor recreation, including, but not limited to, areas of outstanding scenic, historic, and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas that serve as links between major recreation and open-space reservations, including utility easements, banks of rivers and streams, trails, greenways, and scenic highway corridors.

(4) Open space for public health and safety, including, but not limited to, areas that require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plains, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs, and areas required for the protection and enhancement of air quality.

(5) Open space in support of the mission of military installations that comprises areas adjacent to military installations, military training routes, and underlying restricted airspace that can provide additional buffer zones to military activities and complement the resource values of the military lands.

(6) Open space for the protection of places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code.

LAFCO's overriding objectives are to encourage the orderly formation of local government agencies, discourage urban sprawl, and preserve prime agricultural and open space ~~resources~~. LAFCO must consider the effects that a proposal will have on agricultural and open space lands. ~~By guiding development toward vacant urban land and away from agricultural and open space land, LAFCO promotes the protection of our valuable agricultural and open space lands.~~ In furtherance of these ~~is~~ objectives, the CKH Act describes the intent of the legislation with regard to open space uses~~agricultural resources~~ in §56377, which states:

56377. In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space lands to uses other than open space uses, the commission shall consider all of the following policies and priorities:

(a) Development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

(b) Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the SOI of a local agency should be encouraged before any proposal is approved that would allow for or lead to the development of existing open space lands for non-open space uses that are outside of the existing jurisdiction of the local agency or outside of the existing SOI of the local agency.

GOALS, POLICIES AND GUIDELINES

The following Goals, Policies, and Guidelines are consistent with the legislative direction provided in the CKH Act. The Goals are intended to be the outcome LAFCO wants to achieve. The Policies provide direction with regard to how those Goals should be achieved by providing specific guidance for decision makers and proponents. Guidelines give stakeholders procedures and practical tips regarding what information LAFCO decision makers need to evaluate a proposal that affects open space and agricultural ~~lands~~~~resources~~.

GOALS

Agriculture is a vital and essential part of the Contra Costa County economy and environment. Accordingly, boundary changes for urban development should be proposed, evaluated, and approved in a manner that is consistent with the continuing growth and vitality of agriculture within the county. The following goals will help guide LAFCO's decisions regarding agricultural and open space ~~lands~~~~resources~~.

Goal 1. ~~Carefully analyze~~~~Minimize~~ the conversion of prime agricultural land to other land uses.

Goal 2. Encourage cities, the county, special districts, property owners and other stakeholders to work together to promote orderly growth and consider impacts to open space and ~~preserve~~ agricultural lands.

Goal 3. ~~Promote agricultural land preservation into long range planning consistent with principles of smart growth at the state, county, and municipal levels.~~

Goal 4. ~~Preserve agricultural lands for continued agriculture uses while~~ Bbalancing the need to ensure orderly development and the efficient provision of services while considering impacts to agricultural and open space lands.

Goal 5. ~~Strengthen and support the agricultural sector of the economy.~~

Goal 46. Fully consider the impacts a proposal will have on existing agricultural lands.

Goal 7. ~~Protect the natural resources and surrounding areas that sustain agriculture in Contra Costa County.~~

POLICIES

It is the policy of Contra Costa LAFCO that, consistent with the CKH Act, an application or proposal for a change in organization, reorganization, for the establishment of or change to an SOI, the extension of extraterritorial services, and other LAFCO actions as contained in the CKH Act ("proposals"), shall provide for planned, well-ordered, efficient urban development patterns with appropriate consideration to preserving open space and prime agricultural lands within those patterns. The following policies support the goals stated above and shall be used by Contra Costa LAFCO when considering a proposal that involves prime agricultural and/or open space ~~lands~~resources:

Policy 1. ~~Vacant land within urban areas should be developed before agricultural land is annexed for non-agricultural purposes.~~

Policy 2. ~~Land substantially surrounded by existing jurisdictional boundaries should be annexed before other lands.~~

Policy 3. ~~In general, urban development should be discouraged in agricultural areas. For example, agricultural land should not be annexed for non-agricultural purposes when feasible alternatives exist. Large lot rural development that places pressure on a jurisdiction to provide services and causes agricultural areas to be infeasible for farming is discouraged.~~

Policy 4. ~~The continued productivity and sustainability of agricultural land surrounding existing communities should be promoted by preventing the premature conversion of agricultural land to other uses and, to the extent feasible, minimizing conflicts between agricultural and other land uses. Buffers should be established to promote this policy.~~

Policy 5. ~~Development near agricultural land should not adversely affect the sustainability of or constrain agricultural operations.~~

Policy 6. ~~Where feasible, and consistent with LAFCO policies, non-prime farmland should be annexed before prime farmland.~~

Policy 27. The Commission shall evaluate and consider the analysis ~~will consider feasible mitigation (found in the following guidelines) if~~ where a proposal would result in the loss of agricultural land.

Policy 38. The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan and SOI areas and that encourage protection of prime agricultural land ~~in a manner that is consistent with this policy.~~

Policy 49. Property owners of agricultural lands adjacent to land that is the subject of a LAFCO proposal shall be notified when an application is submitted to LAFCO.

GUIDELINES

These Guidelines are intended to provide further direction regarding the application of LAFCO's Goals and Policies; to advise and assist the public, agencies, property owners, farmers and other stakeholders with regard to LAFCO's expectations in reviewing a proposal that involves agricultural ~~lands, resources; and to provide sample mitigation measures to address impacts to agricultural land.~~

Guideline 1. Applications submitted to LAFCO involving agricultural and/or open space resources shall have consider impacts to include an Agricultural and Open Space lands Impact Assessment. ~~At a minimum the following should be addressed:~~

~~a. — A proposal must discuss how it balances the State's interest in preserving open space and agricultural lands against the need for orderly development (§56001).~~

~~b. — A proposal must discuss its effect on maintaining the physical and economic integrity of agricultural lands [§56668(e)].~~

~~c. — A proposal must discuss whether it could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space land to uses other than open space uses (§56377).~~

~~d. — A proposal must describe how it guides development away from agricultural and/or open space lands.~~

~~e. — A proposal must describe how it facilitates development of existing vacant or non-agricultural and/or non open space lands for urban uses within the existing boundary or SOI of a local agency.~~

~~f. — A proposal must discuss what measures it contains that will protect the physical and economic integrity of adjacent agricultural and/or open space land uses.~~

Guideline 2. The California Environmental Quality Act (CEQA) analysis for a proposal should evaluate the impacts affecting agricultural and open space lands ~~resources~~, and should include an assessment of impacts to agricultural, prime agricultural, and open space lands as defined in the CKH Act. ~~In the absence of an evaluation in the CEQA document, a supplemental agriculture and impact analysis will be required as part of the LAFCO application.~~

Guideline 3. If a proposal involves a loss of prime agricultural lands, this impact must be considered as part of the project approval and a summary of this evaluation must be included in the application. ~~property owners, cities, the County, special districts, and other agricultural conservation agencies should work together as early in the process as possible to adequately mitigate the impacts.~~

Guideline 4. ~~The following factors should be considered for an annexation of prime agricultural and/or open space lands:~~

~~a. — The applicant should provide a land use inventory of the jurisdiction that indicates the amount of available land within the subject jurisdiction for the proposed land use.~~

~~b. The applicant should provide an evaluation of the effectiveness of proposed measures to mitigate the loss of agricultural lands, and to preserve adjoining lands for agricultural use to prevent their premature conversion to other uses. Examples of such measures include, but are not be limited to:~~

- ~~1. acquisition and dedication of farmland (e.g., substitution ratio of at least 1:1 for the prime land annexed); development rights, open space and agricultural conservation easements to permanently protect adjacent and other agricultural lands within the county~~
- ~~2. participation in other development programs that direct development towards urban areas in the county (such as transfer or purchase of development credits)~~
- ~~3. payment to responsible, recognized government and/or non-profit organization in Contra Costa County for the purpose of preserving agricultural lands; payment should be sufficient to fully fund the acquisition and dedication~~
- ~~4. establishment of buffers to protect adjacent agricultural operations from the effects of development~~
- ~~5. other measures agreed to by the applicant and the land use jurisdiction that meet the intent of replacing prime agricultural land at a minimum 1:1 ratio~~

~~**Guideline 5.** Detachment of prime agricultural lands and other open space lands should be encouraged if consistent with the SOL for that agency.~~

Guideline 46. Annexation for land uses in conflict with an existing agricultural preserve contract shall be prohibited, unless the Commission finds that it meets all the following criteria:

- a. The area is within the annexing agency's SOL.
- b. The Commission makes findings required by Gov. Code Section 56856.5.
- c. The parcel is included in an approved city specific plan.
- d. The property is not ~~soil is not categorized as~~ prime agricultural land.
- e. ~~Mitigation for the loss of agricultural land has been secured in the form of agricultural easements to the satisfaction of the annexing agency and the County.~~
- ~~f.~~ There is a pending, or approved, cancelation for the property that has been reviewed by the local jurisdictions and the Department of Conservation.
- ~~f.g.~~ The Williamson Act contract on the property has been non-renewed and final approval of the non-renewal has been granted.

[317185210.1](#)



April 27th, 2016

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Supervisor Mary Piepho

LAFCO Chair

651 Pine St., 6th Floor

Martinez, CA 94553

**RE: Draft Contra Costa Local Agency Formation Commission (LAFCO)
Agricultural and Open Space Preservation Policy**

Dear Supervisor Piepho,

Save Mount Diablo (SMD) is a non-profit conservation organization founded in 1971 which acquires land for addition to parks on and around Mount Diablo and monitors land use planning which might affect protected lands. We build trails, restore habitat, and are involved in environmental education. In 1971 there was just one park on Mount Diablo totaling 6,778 acres; today there are almost 50 parks and preserves around Mount Diablo totaling 110,000 acres. We include more than 8,000 donors and supporters.

We are writing this letter to support the draft LAFCO Agricultural and Open Space Preservation Policy (Policy) and express our appreciation to LAFCO staff and the LAFCO Policies and Procedures Committee for their work in developing the Policy. We also thank you for the administrative change you have made to the annexation application checklist. For the first time, agencies and project proponents will now have to tell LAFCO how they will mitigate for agricultural and open space loss before their annexation is considered.

We consider the Policy and checklist change to be reasonable positive steps forward, and recommend a modest change to the proposed Policy that would make it a stronger tool for preserving agricultural land and open space in the Diablo region.

This change is:

- Require a mitigation ratio of at least 1:1 for annexations affecting open space and agricultural land.

We describe the reasoning behind this proposed change to the Policy, the environmental and economic benefits of the Policy as a whole, and the necessity of the Policy given the steep reductions of agricultural land and open space below.



Recommended Changes to Proposed Policy – Mitigation Requirements

We wholeheartedly agree with the Policy statement that agriculture is a vital and essential part of the Contra Costa County (County) economy and environment. This Policy affirms LAFCO's commitment to the preservation of agricultural land and open space, but requiring mitigation would improve it.

Incorporating into the Policy a requirement to mitigate the impacts of annexation by protecting other agricultural or open space land in perpetuity would help encourage local agencies to seek development alternatives within their current borders as opposed to expanding by annexation, fulfill LAFCO's duty to preserve agricultural land and open space and be consistent with policies implemented by a number of other LAFCOs across the state.

For example, Santa Clara, San Luis Obispo, Stanislaus and Yolo counties all have policies that require some form of mitigation for annexation of agricultural or open space land in order to approve an annexation proposal. Most use a 1:1 ratio for either all agricultural land or prime agricultural land, but Stanislaus County cities are currently considering mitigation ratio requirements of 2:1 or 3:1. San Luis Obispo and Santa Clara counties also include the payment of in-lieu fees as an optional mitigation measure. If mitigation requirements work for another Bay Area county, Santa Clara, and close neighbors Yolo and Stanislaus, there is no reason why they can't work for Contra Costa.

We encourage LAFCO to include a requirement to mitigate the impacts of annexation by protecting other agricultural or open space land in perpetuity using a 1:1 acre mitigation ratio. Such a policy would be entirely consistent with policies adopted by other LAFCO's, enhance agricultural and open space protection, benefit the economy and encourage orderly development.

The Policy would only affect annexations, and it would support the County's 65/35 Land Preservation Plan for agricultural land and open space vs developed areas, standards created along with the first county Urban Limit Line.

While the current draft Policy reinforces and adds to existing protections for agricultural land and open space in the County, it does not require mitigation for impacts to these lands. Agriculture and open space have already been replaced by urban development over a wide swath of the County, and continue to face consistent conversion pressure. While we consider this Policy to be a simple modest step forward that will likely have a limited effect, we feel it to be very necessary given the extent to which important agricultural land and open space in the County have already been lost.

Loss and Importance of Agricultural Land and Open Space

The County has already lost a significant amount of agricultural and open space land to development over the past several decades. The American Farmland Trust presentation made during LAFCO's Agricultural and Open Space Preservation Workshop in July 2015 indicated that the County lost 19% of its total cropland between 1990 and 2008, and lost more than 40% its high quality farmland between 1990 and 2010. On a regional scale, more than 78% of the land converted to urban use in the Bay Area between 1990 and 2010 was agricultural land. This value includes a significant percentage of grazing land and land defined by LAFCO as open space. Clearly, open space and agricultural land in the County and throughout the Bay Area has been dramatically reduced and still faces significant risk of conversion.

Open space and agricultural land provide an important economic return; value that is lost and may or may not be replaced by the land uses which replace it. In 2008, the value of agriculture in the County amounted to nearly \$72 million. However, recent studies in the Bay Area have shown that once the environmental services of open space and agriculture (which are not typically included in current economic balance sheets) are accounted for, they represent an immense economic benefit that dwarfs current valuations.

For example, traditional valuation methods place the agricultural value of Santa Clara County in 2008 at nearly \$248 million for that year. However, when an attempt is made to put a value on the environmental services that open space (general term, not as defined by LAFCO) and agricultural land provide, such as clean air and water, storm and flood protection, energy, recreation, etc., annual value estimates rocket up to \$1.6-3.9 billion in benefits to people and the local economy (Batker et al. 2014¹). This is likely a significant underestimate since many environmental services cannot yet be fully accounted for. As new valuation methods are developed, and the science of comprehensive ecosystem valuation matures, the value of open space and agricultural land is sure to be recognized as being even more fundamental to a healthy economy.

A modestly strengthened Policy could play an important role in protecting agricultural land and open space, and the fundamental importance these lands hold for a healthy economy and high quality of life. The modest change of requiring mitigation ratios for annexation of agricultural land and open space could strengthen this role. It is important that LAFCO fully recognize that to effectively fulfill its mandate as defined by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), it should help preserve all agricultural land types.

Policy and the CKH Act

As the CKH Act states, the legislative intent of the CKH Act is to encourage planned, orderly urban development “with appropriate consideration of preserving open-space and agricultural lands...”. In addition, factors to be considered in review of proposals include “(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands...”

While the CKH Act repeatedly highlights the need to preserve prime agricultural land, this does not diminish the importance of working to preserve non-prime agricultural land. Rather, by considering the importance of preserving all agricultural land types in the County, LAFCO helps accomplish the goal of discouraging urban sprawl and encouraging planned, orderly urban development, especially since the vast majority of agricultural land in the County in areas other than the east-side of Brentwood is non-prime. By giving full consideration to all agricultural and open space land types, the Policy will have a positive impact in encouraging appropriate development throughout the County, rather than just far East County, where prime agricultural land dominates. Helping steer development away from the urban edge, where agricultural land typically meets urban land uses, is more environmentally, as well as fiscally, sustainable than urban sprawl (Smart Growth America 2013²).

Policy Is a Good First Step

We appreciate and support the modest positive change in the LAFCO annexation application process that the current draft Policy proposes. These enhanced application requirements will make it clear how proposals intend to mitigate impacts to open space and agricultural land, as well as create a more consistent way for LAFCO to evaluate and process relevant proposals. In addition, we hope that this Policy is seen as a clear pathway by which LAFCO can impose additional terms and conditions on applicants when they propose to impact open space and agricultural land without mitigation.

LAFCO has the authority to impose terms and conditions when approving boundary changes, Sphere of Influence (SOI) changes, extension of extraterritorial services and other actions as contained in the CKH Act. If a proposal will impact open space or agricultural land yet offers no mitigation for said impacts, adoption and implementation of the Policy will make such a situation very clear to LAFCO. Depending on the specifics of the proposal, LAFCO should then exercise its authority to impose terms and conditions that can mitigate impacts. Of course,

¹ Batker, D., Schwartz, A., Schmidt, R., Mackenzie, A., Smith, J., Robins, J. 2014. Nature’s Value in Santa Clara County. Earth Economics, Tacoma, WA and the Santa Clara Valley Open Space Authority, San Jose, CA.

<http://www.openspaceauthority.org/about/healthylandshealthyeconomies.html>

² Smart Growth America. 2013. Building Better Budgets: A National Examination of the Fiscal Benefits of Smart Growth Development <http://www.smartgrowthamerica.org/building-better-budgets>

this process could be made even simpler by including agriculture and open space mitigation requirements into the Policy, as we have proposed.

The Policy is Relevant at the Specific Project-level

There have been some questions about the utility of the Policy, considering that it would only come into effect when a proposal is put before LAFCO, and it is uncertain how many projects on the horizon would actually offer an opportunity to apply the Policy. We know that there are a number of proposals currently being planned that would affect open space and agricultural land in the County, especially the eastern region, and would require some level of LAFCO approval. In order to increase the Policy's effectiveness at preserving open space and agricultural land, as well as encouraging orderly development, we suggest including the mitigation ratio requirement we have described into the Policy, as several other LAFCOs in the region have already successfully done.

We once again thank LAFCO staff and Policies and Procedures Committee for their work in developing this Policy, and for already making the administrative change to the annexation proposal checklist. We hope that full consideration is given to our recommendation to include a mitigation ratio of at least 1:1 for annexations that would affect agricultural land and open space.

Sincerely,

Juan Pablo Galván
Land Use Manager

SHUTE, MIHALY
& WEINBERGER LLP

396 HAYES STREET, SAN FRANCISCO, CA 94102
T: (415) 552-7272 F: (415) 552-5816
www.smwlaw.com

MATTHEW D. ZINN
Attorney
zinn@smwlaw.com

June 15, 2016

Via E-Mail and FedEx

Contra Costa County Local Agency
Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553

Re: Contra Costa LAFCO Draft Agricultural and Open Space
Preservation Policy

Honorable members of the Commission:

We submit these comments on behalf of the Greenbelt Alliance in response to the Draft Agricultural and Open Space Preservation Policy (the "Policy") under consideration by Contra Costa County Local Agency Formation Commission (the "Commission"). Greenbelt Alliance is the San Francisco Bay Area's leading organization working to protect natural and agricultural landscapes from development. Greenbelt Alliance believes the Policy under consideration is a strong step toward protecting Contra Costa County's agricultural and open space lands and mitigating for the development impacts of local agency reorganizations and annexations. However, Greenbelt Alliance recommends the Commission take further action within its authority under the Cortese-Knox-Hertzberg Act ("Cortese-Knox" or the "Act") to make its Policy even more protective of these one-of-a-kind, at-risk lands.

This letter also responds to the comments submitted on March 9 by the Building Industry Association ("BIA") and April 7 by Manatt, Phelps and Phillips, LLP ("Manatt"). These comments misstate the Commission's authority under the Act and misleadingly assert that it is constrained by other laws, including the California Environmental Quality Act ("CEQA"). These arguments are meritless.

I. The Commission Has Broad Authority to Condition Approvals on the Permanent Preservation of Agricultural Lands.

Cortese-Knox grants the Commission broad authority to “preserv[e] open-space and prime agricultural lands.” Gov. Code § 56001. This authority is consistent with the Legislature’s finding that preservation of a “maximum amount” of the state’s “limited” agricultural land is “necessary . . . to the maintenance of the agricultural economy of the state.” § 51220. The Commission may adopt written procedures to evaluate local agency reorganization proposals, including standards and criteria to guide the Commission’s review (§ 56375(g)), and may condition approval on applicants’ compliance with its written policies (§ 56885.5). Applications for reorganizations, including annexations, “shall contain” any information required by the Commission. § 56652(d); *see also* § 56652(e) (Commission’s executive officer may require additional information from applicants).

The only express limitation on the Commission’s authority to impose conditions of approval is that it may not “directly regulate” land use. § 56375(a)(6); § 56886. Requiring preservation of agricultural land as mitigation for conversion of other agricultural land is not “direct regulation” of land use: it neither authorizes nor forbids any use of land. In *Bozung v. Local Agency Formation Commission* (1975) 13 Cal.3d 263, 284, the Supreme Court explained that the prohibition on direct land use regulation “merely insures that final zoning decisions are made by the local agencies concerned. It certainly does nothing to detract from the power of a LAFCO to disapprove an annexation if it finds that it violates the detailed criteria which a LAFCO must consider.”

II. The Commission Should Strengthen Guideline 4, Including by Requiring Mitigation of Agricultural Lands at a Ratio of at Least 2:1.

Guideline 4, the heart of the proposed Policy, sets forth various options for mitigating impacts to County agricultural land. In its current form, however, it does not ensure the preservation of agricultural land. Rather, it only encourages applicants for Commission approval to consider various mitigation measures, including but not limited to (1) acquisition and dedication of substitute farmland at a minimum 1:1 ratio for agricultural land designated “prime,” or open-space and agricultural conservation easements within the County; (2) transfer of development rights; (3) payment to approved government and/or non-profit organizations to preserve agricultural lands (e.g., “in lieu fees”); or (4) establishment of agricultural “buffers.”

The Commission should require, not merely encourage consideration of, agricultural mitigation through the establishment of agricultural conservation easements. Government Code section 56886, which sets forth terms and conditions upon which the Commission may base approvals, states that the Commission may require the “acquisition, improvement, disposition, sale, transfer, or division of any property, real or personal.” § 56886(h). The Commission therefore has authority to adopt such a requirement.

Guideline 4 should require the applicant to convey, or arrange for the conveyance of, agricultural conservation easements at a ratio of at least 2:1 (i.e., preserving no less than two acres of mitigation land for each acre of land proposed for conversion) for all impacted agricultural lands — not just “prime” agricultural lands.¹ In repeatedly upholding agricultural mitigation requirements, California courts of appeal have recognized that a 1:1 mitigation ratio is not sufficient to fully mitigate the permanent loss of agricultural land because it does not “offset” the loss of that land. *See, e.g., Building Industry Assn. of Central Cal. v. County of Stanislaus* (2010) 190 Cal.App.4th 582, 592.² California jurisdictions, such as the cities of Davis and Hughson, have acknowledged the inadequacy of 1:1 compensation by adopting minimum mitigation ratios of 2:1.

The Policy should expressly require that mitigation land be comparable to the land proposed for conversion; of equal or better soil quality; have a dependable and sustainable supply of irrigation water; and be within Contra Costa County. Furthermore, the Policy should state that proposed mitigation lands may not

¹ In its March 9 letter, BIA incorrectly states that the Commission’s authority to preserve “agricultural lands” (defined in Government Code section 56016) is limited only to agricultural lands designated “prime” (defined in section 56064). To the contrary, the Commission may condition approvals on the applicant’s evaluation of impacts to the “physical and economic integrity of agricultural lands, as defined by Section 56016.” Gov. Code § 56668(e). BIA also incorrectly claims that the first sentence of proposed Policy 3 is “over broad” because it states “[i]n general, urban development should be discouraged in agricultural areas,” as opposed to “prime” agricultural areas. Urban development would impact the physical and economic integrity of agricultural land; thus, the Commission may consider the severity of this impact. § 56668(e); § 56885.5.

² This firm successfully defended Stanislaus County’s farmland mitigation program against BIA’s challenge in the *Building Industry of Central California* case.

already be encumbered by a conservation easement of any nature. The Policy should ensure compliance with the mitigation requirement by requiring a resolution or other certification by the local agency that mitigation has occurred, or that local ordinances require that mitigation be implemented before issuance of any building or land-use permit.

As an alternative to the easement requirement, the Policy should condition Commission approval on jurisdictions' arrangement for payment of in-lieu fees. In such cases, jurisdictions must demonstrate, or require local project developers to demonstrate, that (1) no qualified entity exists to manage an agricultural conservation easement; (2) the applicant has met with all qualified entities and all such entities have certified in writing to the applicant that they are unable or unwilling to assist with the acquisition of such easement; or (3) working with a qualified entity, the applicant has made at least one good faith offer to purchase an agricultural easement, but all such offers have been declined by the potential seller or sellers. Proposed in-lieu fees should fully fund the costs associated with acquiring and managing an agricultural conservation easement, including estimated transaction costs and costs of administering, monitoring and enforcing the easement.

Finally, the Policy should require applicants to adopt measures to protect agricultural lands adjoining land covered in an application to the Commission, both to prevent their premature conversion to non-agricultural uses and to minimize potential conflicts between proposed urban development and adjacent agricultural uses. Such measures could include the following:

- a. Establishment of an agricultural buffer on land proposed for development, whether in the form of an easement, dedication, appropriate zoning, streets, or parks.
- b. Adoption of protections, such as a Right to Farm Ordinance, to ensure that new urban residents recognize the rights of adjacent agricultural property owners.
- c. Development of educational and informational programs to promote the continued viability of surrounding agricultural land.
- d. Development of a real estate disclosure ordinance to fully inform all directly affected prospective property owners about the importance of maintaining productive agriculture in the County.

III. The Proposed Policy Does Not Conflict with CEQA or Cortese-Knox.

Contrary to the assertions in the March 9 letter from BIA and April 7 letter from Manatt, the Policy neither conflicts with nor is preempted by CEQA or the Cortese-Knox-Hertzberg Act. These letters erroneously characterize the Commission's authority to require conditions on approvals.

Manatt incorrectly asserts that proposed Guideline 2 "conflicts" with CEQA because the Commission "cannot require a supplemental 'agricultural impact analysis' be completed" for projects deemed to be exempt from an agricultural impact analysis under CEQA. The Commission does not need authority under CEQA to require a supplemental impact analysis—Cortese-Knox already provides this authority. *See* Gov. Code § 56885.5; § 56652(d); *see also* § 56377(a); § 56668(d).

We are not aware of *any* appellate judicial decision holding that CEQA preempts an agency's authority to voluntarily conduct additional studies in support of its decision making. Moreover, the present version of Cortese-Knox became law in 2000, three decades after the enactment of CEQA. Had the Legislature intended to preempt the Commission's approval authority in certain situations not requiring separate CEQA analysis, the Legislature would have said so. Thus, whether a project (or particular project impact) is exempt from CEQA review does not affect the Commission's authority to require an analysis of agricultural impacts. Likewise, the Commission's potential role as a CEQA "responsible agency" for local projects does not limit its authority to impose conditions of approval on associated applications. The Commission could nonetheless clarify the intent of Guideline 2 by stating what a supplemental agriculture and impact analysis would require, and how it would differ from the Agricultural and Open Space Impact Assessment in Guideline 1.

Equally misguided is BIA's claim that Guideline 6, prohibiting annexations that conflict with an existing Williamson Act contract, is "preempted" by Government Code section 56856.5. Section 56856.5 states that the Commission shall not approve an annexation of land under Williamson Act contract unless the annexation would provide services that would benefit land uses allowed under the contract. Gov. Code § 56856.5(a). The Commission has discretion to waive this prohibition if the applicant ensures agricultural use on a long-term basis, or the annexation appropriately considers preservation of open space lands within urban development patterns. § 56856.5(c)(1)-(3). BIA misreads this discretionary authority as a mandate that the Commission must approve annexations that do not conflict with a Williamson Act contract. The Commission is not required to approve such

annexations, and it has broad authority to add additional conditions to those in section 56856.5.

Finally, BIA is incorrect that the Commission lacks authority to require applicants to submit a “land use inventory” under Guideline 4(a). The Commission may require such a land use inventory at any time, even when no application has been submitted to the Commission. § 56378. Local agencies “shall comply” with the Commission’s requests for land use information, studies, and plans. *Id.*

IV. “Local Control” Is No Substitute for the Commission’s Role in Preserving Contra Costa County Farmland.

Opponents of the Commission’s efforts to preserve agricultural land argue that agricultural preservation is best done by local jurisdictions. On the contrary, the Legislature created LAFCOs partly in response to the reality that local jurisdictions face impediments to protecting open space and farmland. If purely local initiatives were adequate to the task, LAFCOs would not have been necessary “to encourage ‘planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space [and agricultural] lands within those patterns’, and to discourage urban sprawl.” *Citizens for Responsible Open Space v. San Mateo County Local Agency Formation Com.* (2008) 159 Cal.App.4th 717, 721 (quoting *Sierra Club v. San Joaquin Local Agency Formation Com.* (1999) 21 Cal.4th 489, 495) (alteration in original). Local protection measures are often temporary, underfunded, or otherwise ineffective, as local jurisdictions have little incentive to keep agricultural land undeveloped due to their constant competition for tax revenue. As the Supreme Court has recognized,

a municipality, which has cooperated with a developer to the extent that it requests an annexation of that developer’s property for the express purpose of converting it from agricultural land into an urban subdivision, may find it difficult, if not impossible, to put regional environmental considerations above the narrow selfish interests of their city.

Bozung, 13 Cal.3d at 283.

* * *

On behalf of Greenbelt Alliance, thank you for the opportunity to submit comments on the proposed Policy. We look forward to further collaboration on this important step toward preserving the County's agricultural values and heritage.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

A handwritten signature in black ink, appearing to read 'M. Zinn', with a stylized, flowing script.

Matthew D. Zinn

787704.5

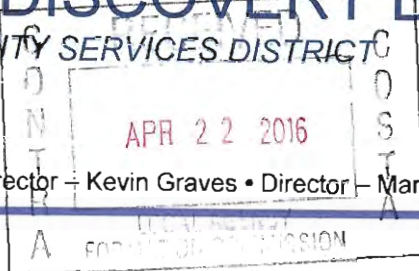


TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Bob Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele



April 18, 2016

Contra Costa County LAFCO
Attn: Lou Ann Texiera, Executive Officer
651 Pine St, #6
Martinez, CA 94553

Re: Contra Costa LAFCO Draft Agricultural and Open Space Preservation Policy

Dear Lou Ann,

The Town of Discovery Bay received your letter explaining that the Contra Costa Local Agency Formation Commission (LAFCO) is considering adopting a policy regarding the preservation of agricultural and open space land and is requesting comments from local agencies on this matter.

The District understands that LAFCO is attempting to balance competing interest while developing this policy and believes that the project policies and guidelines are appropriate.

The District has no concerns with ensuring that any future application complies with these guidelines.

Thank you for requesting our input. Best wishes for the successful completion of the project.

Thank you,

Catherine Kutsuris, Interim General Manager
Town of Discovery Bay

February [various dates], 2016

I am writing to urge the Contra Costa LAFCo to adopt strong policies in support of local agriculture.

Farming and ranching contributes so much to the Bay Area food culture, economy, and environment. But Contra Costa County is losing agricultural land at alarming rates, partly due to the incentive for farmers and ranchers to sell their land to sprawl developers.

Please consider adopting the following four policies:

1. Prohibit the annexation of actively farmed land 2. Encourage developing infill and on non-agricultural lands over agricultural lands 3. Adopt a mitigation policy to help compensate for the loss of agricultural land to urban uses 4. Use funds from a mitigation policy to purchase conservation easements that will permanently preserve agricultural land.

These conservation easements are critical for the success of agriculture in Contra Costa. They appeal to farmers who want to continue farming but struggle to succeed economically. While many farmers in Contra Costa have successfully preserved land, many more easements are needed along the urban edge to prevent further sprawl.

Adopting these policies will protect our agricultural land and help local farmers and ranchers thrive.

Sincerely,

Received from:

First Name	Last Name	Residence	Received
Andrew	Chao	Danville	2/23/16
Sally	Casas	Morgan Hill	2/23/16
Kathleen	Dunphy	Concord	2/23/16
Thea	Hensel	Santa Rosa	2/23/16
Iris	Stewart-Frey	San Jose	2/23/16
Robert	Kutler	Tiburon	3/3/16
Donna	Gerber	San Francisco	3/4/16

June [various dates], 2016

I am writing to urge the Contra Costa LAFCo to adopt strong policies in support of local agriculture.

Farming and ranching contributes so much to the Bay Area food culture, economy, and environment. But Contra Costa County is losing agricultural land at alarming rates, partly due to the incentive for farmers and ranchers to sell their land to sprawl developers.

Please consider adopting a policy that does the following:

1. Prohibits the annexation of actively farmed land 2. Mitigates every acre of farmland and rangeland lost to development 3. Uses mitigation funds to permanently preserve agricultural land.

These policies are critical for the success of agriculture in Contra Costa. Adopting them will protect our agricultural land and help local farmers and ranchers thrive.

Sincerely,

Received from:

First Name	Last Name	Residence	Received
Douglas	Bright	Hercules	6/8/16
Mark	Stevens	Danville	6/8/16
Kristen	Wick		6/10/16
Patricia	Bias	Dublin	6/16/16
Donna	Gerber	San Francisco	6/16/16
Robert	Hamner	Oakland	6/16/16
Meghan	Humlie	Kensington	6/16/16
David	Lingren	El Cerrito	6/16/16
G.L.	Nierman	Moraga	6/16/16
Robert	Oxenburgh	Alamo	6/16/16
Bob	Solotar	Richmond	6/16/16
Dorrit	Takach	Walnut Creek	6/16/16
Phyl	van Ammers	Concord	6/16/16
Norma	Wallace	Richmond	6/16/16
Robert	Wisehart	Palmdale	6/16/16
David	Azevedo	Orinda	6/17/16
Garth	Casaday	El Sobrante	6/17/16
Kate	Gebhart	Richmond	6/17/16
Jessie	Greiner	San Ramon	6/17/16

[illegible]



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Don Tatzin
City Member

Mary N. Piepho
County Member

Rob Schroder
City Member

Igor Skaredoff
Special District Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

July 13, 2016

July 13, 2016
Agenda Item 10

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

Contra Costa County 2015-16 Grand Jury Report No. 1607

“Delta Levees in Contra Costa County: How Well Do We Protect This Vital Safety System?”

Dear Members of the Commission:

On June 6, 2016, Contra Costa LAFCO received Contra Costa County Grand Jury Report No. 1607 “*Delta Levees in Contra Costa County: How Well Do We Protect This Vital Safety System?*” (Attachment 1). The report raises concerns about the condition of the County’s levee system, what’s at risk, financial challenges, and future opportunities. In preparing this report, the Grand Jury relied on numerous publications, including the 2015 Contra Costa LAFCO Municipal Service Review covering reclamation services.

Contra Costa LAFCO is required to respond to Report No. 1607 no later than **September 9, 2016**. The Government Code requires that the responding entity reply to each finding and recommendation. LAFCO staff has drafted a response (Attachment 2) for the Commission’s consideration.

RECOMMENDATION: It is recommended that the Commission approve the attached response to Grand Jury Report No. 1607, with any changes as desired; and direct LAFCO staff to forward the response prior to September 9, 2016.

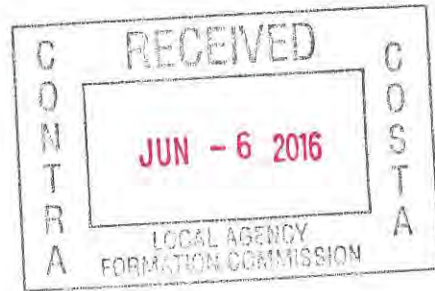
Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution

Attachments:

1. Grand Jury Report No. 1607 “*Delta Levees in Contra Costa County: How Well Do We Protect This Vital Safety System?*”
2. Draft Response to Grand Jury Report No. 1607



June 3, 2016

Lou Ann Texeira
Contra Costa County LAFCO
651 Pine Street, 6th Floor
Martinez, CA 94553

Dear Ms. Texeira:

Attached is a copy of Grand Jury Report No. 1607, "Delta Levees in Contra Costa County" by the 2015-2016 Contra Costa Grand Jury.

In accordance with California Penal Code Section 933.05, this report is being provided to you at least two working days before it is released publicly.

In accordance with Section 933.05(a), the responding person or entity shall report one of the following actions in respect to each finding:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees with the finding.
- (3) The respondent partially disagrees with the finding.

In the cases of both (2) and (3) above, the respondent shall specify the portion of the finding that is disputed, and shall include an explanation of the reasons thereof.

In addition, Section 933.05(b) requires that the respondent reply to each recommendation by stating one of the following actions:

1. The recommendation has been implemented, with a summary describing the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
3. The recommendation requires further analysis. This response should explain the scope and parameters of the analysis or study, and a time frame for the matter to be prepared for discussion. This time frame shall not exceed six months from the date of the publication of the Grand Jury Report.
4. The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation thereof.

Please be aware that Section 933.05 specifies that no officer, agency, department or governing body of a public agency shall disclose any contents of the report prior to its public release. Please ensure that your response to the above noted Grand Jury report includes the mandated items. Only the Board, as an entity, must legally respond. We will expect your response, using the form described by the quoted Government Code, no later than **September 9, 2016**.

Please send a copy of your response in hard copy to the Grand Jury, as well as a copy by e-mail in Word to epant@contracosta.courts.ca.gov.

Please confirm receipt by responding via e-mail to epant@contracosta.courts.ca.gov.

Sincerely,

Michael Simmons, Foreperson
2015-2016 Contra Costa County Civil Grand Jury

**A REPORT BY
THE 2015-2016 CONTRA COSTA COUNTY GRAND JURY**
725 Court Street
Martinez, California 94553

Report 1607

**DELTA LEVEES IN CONTRA COSTA
COUNTY**

How Well Do We Protect This Vital Safety System?

APPROVED BY THE GRAND JURY:

Date: 5/31/16


MICHAEL SIMMONS
GRAND JURY FOREPERSON

ACCEPTED FOR FILING:

Date: 5/31/16


JOHN T. LAETTNER
JUDGE OF THE SUPERIOR COURT

Contra Costa County Grand Jury Report 1607

DELTA LEVEES IN CONTRA COSTA COUNTY

How Well Do We Protect This Vital Safety System?

TO: The Boards of Trustees of All Contra Costa Reclamation Districts; the Contra Costa Board of Supervisors; the Contra Costa Tax Collector; the Contra Costa County Clerk Recorder Elections Division; Contra Costa County LAFCO; and the City Council of Oakley

SUMMARY

Some say about Contra Costa County's Delta levees, "It's not a question of *if* but *when* they will fail." Others disagree. They say that these levees can continue indefinitely to perform successfully *if* they are constantly and proactively monitored and maintained, and receive appropriate improvements as conditions evolve. The answer to this "if or when" debate is of vital interest to the County.

The Delta levees form a critical bulwark against flooding that could have disastrous consequences for the County and even the State. The levees, most of which were built more than a century ago, originally protected privately owned land. This land was reclaimed from marshland for agricultural use, and was sparsely populated by the landowners and possibly a few farmworkers. Today, these levees protect much more:

- the lives and property of 28% of Contra Costa County's population (based on the 2010 census, although the number continues to grow),
- infrastructure that is critical to the County and region (including major roads and highways, a railroad line, oil and gas wells and pipelines, power transmission lines, and aqueducts and canals that supply water to nearly 2/3 of the State), and
- the quality of Delta water that could be exposed to excessive saline levels due to the incursion of seawater.

Many of these levees are fragile, subject to degradation from natural forces and from the effects of human activities. While the Reclamation Districts (Districts) that own and/or manage the levees have done much to protect and maintain them, often aided by State financial support, more can be done, even within the limits of the Districts' financial resources.

This report recommends focusing on three major areas: sharing of resources and knowledge among Reclamation Districts, education of residents of the Districts as to the reasons behind levee rules and regulations, and increased involvement and participation by the various entities that benefit from the protection afforded by the levee system.

METHODOLOGY

In conducting its investigation and preparing this report, the Contra Costa County Grand Jury performed the following:

Interviewed and/or obtained information from representatives of the following public agencies and Reclamation Districts, including professional engineering firms that provide engineering support to the Reclamation Districts:

California Department of Water Resources; Contra Costa County Flood Control; Contra Costa County Department of Public Works/Engineering Services; Contra Costa County Department of Conservation and Development; Contra Costa County Local Agency Formation Commission; Contra Costa Water Department; Contra Costa County Flood Control; Contra Costa County Tax Collector; Contra Costa County Clerk Recorder Elections Division; Ironhouse Sanitary District; Bethel Island Municipal Improvement District, Reclamation Districts 799 (Hotchkiss), 800 (Byron-Discovery Bay), 830 (Jersey Island), 2025 (Holland), 2026 (Webb), 2059 (Bradford), 2065 (Veale), 2122 (Winter), and 2137 (Dutch Slough).

Conducted site visits to the following Reclamation Districts:

Bethel Island Municipal Improvement District; 799 (Hotchkiss); 800 (Byron-Discovery Bay); 2024 (Orwood and Palm); 2025 (Holland); and 2065 (Veale).

Attended Board Meetings and/or reviewed agendas and minutes from the following public agencies and Reclamation Districts:

Contra Costa LAFCO; Contra Costa Board of Supervisors; Contra Costa Water Agency; Reclamation Districts 799, 800, and 2059.

Reviewed numerous publications of various public agencies, including but not limited to the following:

Department of Water Resources reports and bulletins; Delta Stewardship Council email notices and interim Delta Levee Investment Strategy reports and studies; Delta Risk Management Strategy (DRMS); Delta Overview; United States Geological Survey

reports; Contra Costa County Local Agency Formation Commission (LAFCO) 2015 Municipal Service Review (MSR); Reclamation District 799's 5 year plan; CalFed Bay-Delta Program documentation; Contra Costa County 2014 Delta Water Platform; Bulletin 192-82; U.S. Army Corps of Engineers bulletins; California Water Fix bulletins; Contra Costa Water District newsletter and reports; State Investments in the Delta report; Contra Costa Board of Supervisors 2016 State Legislative Platform/Guiding Policies; Delta Protection Commission 2015 Annual Report; Delta Risk Management 2016 Assessment District Feasibility Study.

CONFLICT OF INTEREST DISCLAIMER

One or more Grand Jurors recused themselves due to a possible conflict of interest and did not participate in the investigation, preparation or approval of this report.

BACKGROUND

The first levees in the County, which are in the western portion of the Delta, were built on reclaimed marshlands from 1868 through the 1870s using manual labor. Those early builders thought --- incorrectly, as it turned out ---- that levees of 3 to 5 feet in height and 12 feet wide at the base would suffice to protect the newly reclaimed lands. Private landowners using manual labor and horse-drawn wagons built these levees out of the surrounding peat soils. Although excellent soil for agricultural purposes, peat proved not the best material for levee construction as it compacts, subsides, and erodes readily. Those levees failed frequently, and the enclosed lands were flooded almost annually.

The advent of the steam-powered clamshell or "grabber" dredges in the late 1800s allowed levees to become higher and broader. Additionally, the use of river-bottom soils with higher clay and mineral content resulted in stronger levees. But even though stronger than the smaller peat levees, the bottom-soil levees were still subject to frequent breaks or "breaches" and/or high water levels washing over the top of the levee ("overtopping"). Those failures resulted in flooding and destruction of the privately owned farms and ranches occupying the land behind the levees. These old agricultural levees still form the base, or footprint, of the majority of levees in Contra Costa County today, raised and/or otherwise strengthened on a piecemeal basis over the past century.

Like the vast majority (over 730 of the approximately 1,115 miles) of Delta levees, all of the levees in the County's portion of the Delta are "non-project" or "local" levees. Other levees known as "project" levees (comprising 385 miles of the Delta levees) form part of an authorized federal flood control project on the Sacramento and San Joaquin River systems. Project levees conform to the highest level of flood protection standards (See

Appendix 1 for a diagram of the various levels of flood protection construction standards), and are inspected by and eligible for rehabilitation by the Army Corps of Engineers. Unlike project levees, our non-project levees were constructed, enlarged, and maintained over the last 130 years by local reclamation districts. These districts are locally funded by parcel tax assessments and governed by locally-elected boards. They have jurisdiction over and responsibility for the levees that protect their District's enclosed lands.

Built at significant expense with modern equipment, materials and engineering techniques, project levees meet the highest standards in flood protection. The improvements necessary to bring the older non-project levees up to these standards are largely beyond the available financial resources of local reclamation districts. Aside from the financial challenges, reclamation districts face a moving target in planning major capital improvements to their levees because levee-construction standards continue to evolve as conditions in the Delta change over time.

Today even the non-project levees are commonly 15 to 20 feet high, 16 feet wide at the top or "crown" and wider at the base, with typically a 2 to 1 slope ratio from crown to base. The levees incorporate modern techniques and materials, as the reclamation districts work to bring the old agricultural levees up to current standards. Nonetheless, many still do not meet the current standards for urban or even non-urban levees. (See Appendix 1.) As land has subsided and sea levels have risen, much of the land protected by these levees is now 10 to 15 feet below sea level, making continual improvement essential to avoid overtopping and consequent flooding.

In addition to overtopping, levees may fail due to breaches. Breaches can occur suddenly or gradually, usually due to physical hazards, which we discuss later in this report. Management of these hazards requires what levee superintendents and consulting engineers have described as "constant vigilance": regular and frequent physical inspections of the levees and immediate attention to trouble spots. Failure to prevent, or at least promptly curtail, breaches could lead to major flooding resulting in loss of lives, property, and infrastructure, and possible impairment of the quality of water drawn from the Delta sources.

As with many other improvement projects, limited financial resources constrain the maintenance efforts of most reclamation districts. In general, the maintenance and improvement work to the levees are financed by assessments levied by reclamation districts. Additionally, the California Department of Water Resources (DWR), recognizing the importance of infrastructure within the Reclamation Districts, provides some supplemental financial support for qualified levee maintenance work through its Subventions Program, grants for qualified improvements through the Special Projects Program, and in situations of pending or potential emergency, Directed Action Grants. These funding mechanisms, and their limitations, are discussed later in this report.

In addition to the districts' financial constraints, old homes, fishing shacks, and other structures have been built on or within the levees' structural framework or sphere in

some of the populated zones. These structures may stand in the way of desired improvements, and even complicate the visual inspections of the levees, thus inhibiting early detection of seepage and/or other early warning signs of the need for preventative work.

The future of the Delta has long been the subject of ongoing discussion and debate, with various state and regional agencies as well as private advocacy groups proposing plans with differing, sometimes conflicting, objectives. Not only do their priorities differ, but also their proposed strategies for achieving their desired objectives. The one certainty is that none of these plans will soon be ready for full implementation. For the immediate future, we must rely on the integrity of the existing levees. Two events of the past decade illustrate quite dramatically the vital importance of these levees, which serve the purpose of protecting property well beyond the land actually enclosed within them:

The August 2009 collision of a bulk carrier ship with Bradford Island. On a calm, clear evening, August 27, 2009, a 570-foot bulk carrier vessel was outbound from the Port of Stockton when it grounded, lost steering, and hit the levee at Bradford Island. The collision damaged approximately 150 feet of levee, causing a serious breach. The journal, the *Professional Mariner* reported as follows:

“The breach jeopardized drinking water quality for 23 million people,” said David Mraz, chief engineer with the Delta-Suisun Marsh Office of the state Department of Water Resources. “Had the levee broken, salt water would have been drawn into the Delta (from San Francisco Bay) and contaminated the region’s fresh water supply with salt.”¹

Contractors worked around the clock over a three-day period with dozens of trucks and bulldozers to make repairs using sand, silt, and clay—all from the island—to buttress and stabilize the levee. That initial repair work cost nearly \$800,000, and then, because these materials compressed and settled over time, required several additional months of close monitoring.

The District’s Project Manager, John Cunningham, said, “DWR advised him that it would have cost the State closer to \$50 million had they not succeeded in closing the breach and preventing a full flood with that quick action.”² The State paid the District’s costs under the Directed Action Program.

¹ The complete news-article can be found at: <http://www.professionalmariner.com/December-January-2009/Bulk-carrier-seriously-damages-levee-in-Sacramento-San-Joaquin-River-Delta/> .

² A fuller description of the incident from the perspective of island residents can be found at: http://californiaspigot.blogspot.com/2010_10_01_archive.html

The June 3, 2004 levee breach on Jones Tract. The Jones Tract is located in the San Joaquin County portion of the Delta, which is adjacent to Contra Costa County. Its 2004 levee breach and subsequent flood demonstrated the far-reaching impact, and importance of the Delta levees to the County and to the entire state. Governor Schwarzenegger declared a State of Emergency on June 4. By June 30, the severity of this flood's effect on key infrastructure and the State's water supply led to a Presidential Declaration of Emergency. This declaration authorized FEMA reimbursement of certain costs of responding to this major disaster.

This "sunny-day breach" of the Upper Jones Tract levee led to what was initially estimated to be approximately 150,000 acre-feet of water flooding the Jones Tract at a time when Contra Costa Water District (CCWD) was pumping from both of their easternmost intake stations in the Delta. According to CCWD's Fall 2004 newsletter, about half that intake was then flowing to Los Vaqueros Reservoir and the rest was going directly to their treatment plants for transmission to customers.

Risks to the water supply were twofold: more salinity due to increased amounts of seawater flowing into the Delta from San Francisco Bay and/or leached from the inundated soil reaching the CCWD intake conduits, and floodwaters contaminated with chemicals and fuel used in the Jones Tract for agricultural purposes. CCWD stopped pumping from their Old River Intake Station and began rapid-response testing and monitoring of water quality. Ultimately the saline content reached levels that necessitated halting flows to the Los Vaqueros Reservoir. As a result, the reservoir entered peak demand summer operations well below the maximum capacity that had been projected. CCWD had to pump water from Los Vaqueros Reservoir, with its lower-than-anticipated volume to fill demand; at the same time, work to pump the floodwaters off the island continued.

Gaining control of the flood was challenging, and repairs were difficult, complicated by key infrastructure within the flood zone. Of particular concern were the Burlington Northern-Santa Fe rail-line and EBMUD's Mokelumne Aqueduct, both of which also run through Contra Costa County. It took four weeks to plug the levee breach, and the full recovery required federal as well as state resources. After removing more than 160,000-acre feet of water, the involved agencies finally succeeded in de-watering the island in December 2004.

DWR estimated the direct cost of containing the flood, levee repair, and island pump-out to be \$30 million. This does not include the cost of lawsuits filed against a number of defendants, including the Reclamation District, DWR and other state agencies, and even the company that provided rodent control services on the island. (The flood washed away all forensic evidence, making it impossible to establish the cause of the flood with certainty. However, most sources consider burrowing rodent activity --- i.e. one of the physical hazards we discuss later in this report --- the most probable cause of the breach and subsequent flood.)

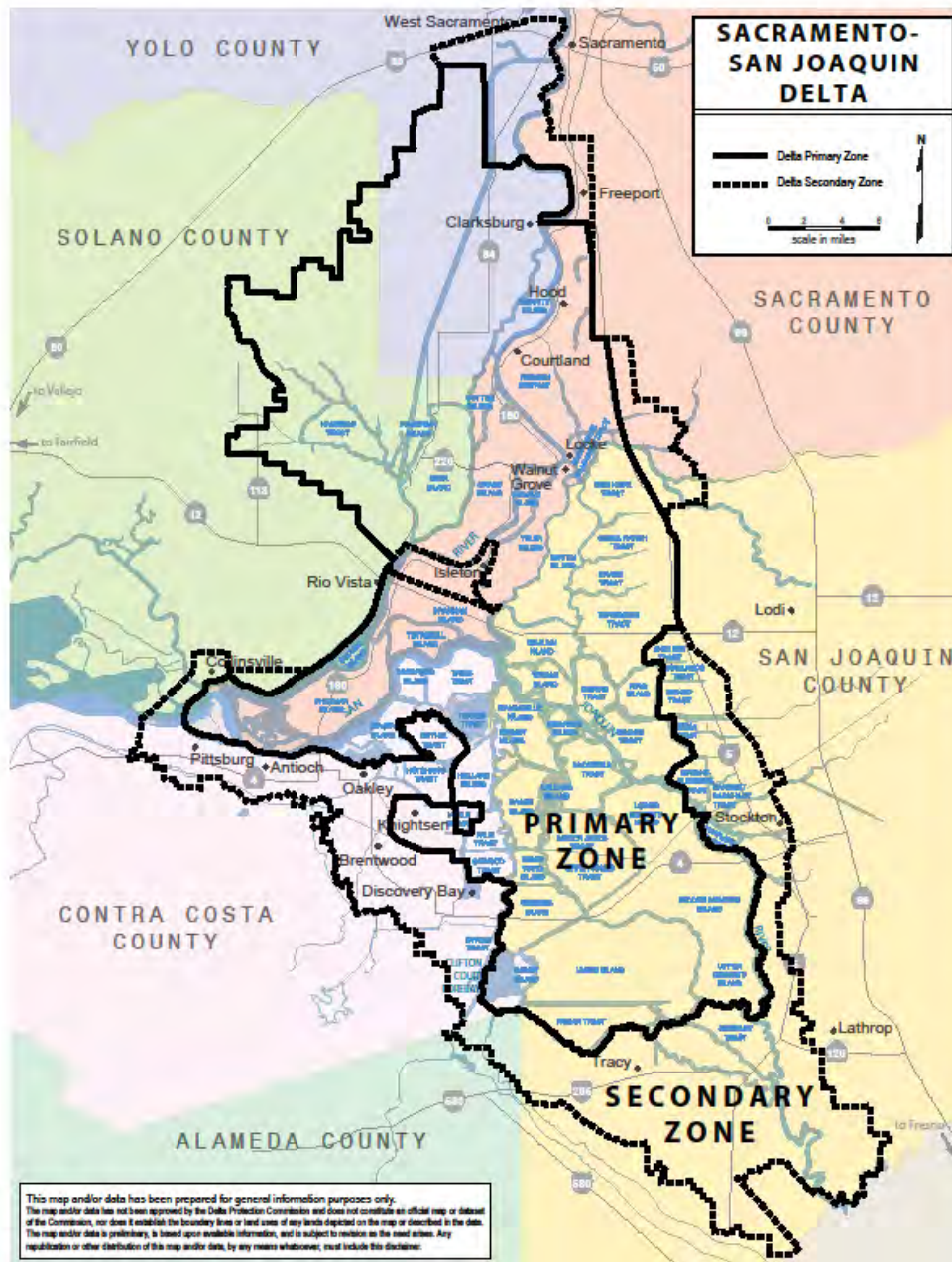


DWR Photos: June 2004 Jones Tract Breach and Flood

In view of all these immediate risks with far-reaching impact, steps should be taken to ensure that our County's Delta levees continue to perform their function successfully.

DISCUSSION

There are 14 special districts (13 reclamation districts and 1 municipal improvement district) in Contra Costa County that have responsibility for levee services within the Delta. They are shown in the following map, along with the Primary and Secondary Zones of the Delta as defined in the California Water Code, Section 12220. Many of the districts are islands; others have responsibility for levees that protect lands only partially surrounded by water.



*Contra Costa County Reclamation Districts
(Map Courtesy of Delta Protection Commission)*

The western portion of the Delta includes eight islands that the State's Department of Water Resources (DWR) deems critical to preventing saline (i.e. seawater) intrusion. Six of these eight islands are located in the County. These islands become particularly important during multi-year droughts such as that of the last four years. To prevent saltwater intrusion arising from less fresh (river) water flowing into the Delta, DWR had to install temporary rock barriers, one on False River between Jersey and Bradford Islands, to protect the state's water quality. The following map shows these islands:



According to the November 15, 2015 Municipal Service Review (MSR) of Reclamation Districts by the County's Local Agency Formation Commission (LAFCO), the 14 Districts are responsible for levees and population as shown in the table on the following page.

Reclamation District Name and Number	Population		Total Miles of Levees	Miles at HMP Standard	Miles at PL84-99 Standard	Miles at FEMA Standard
Bethel Island Municipal Improvement (BIMID)	2,137*		14.5 (11.5 Agriculture 3 Urban)	11.5	8**	
Hotchkiss (799)	969		11.7 (8.5 Agriculture 3.2 Urban)	5.2		
Byron (800)	13,352***		18.9 (12.4 Agriculture 6.5 Urban)		9.7****	18.9
Jersey Island (830)	3		15.5	14.8		
Orwood/Palm (2024)	8		14.6		14.6	
Holland (2025)	27		11		11****	
Webb (2026)	0		12.9	12.9	6.25**	
Bradford (2059)	63		7.5	7		
Veale (2065)	14		5.1	4.2		
Quimby Island (2090)	1		7	7		
Coney Island (2117)	4		5.48	5.4	4.12**	
Bixler (2121)	5		2			
Winter Island (2122)	0		5	1.5		
Dutch Slough (2137)	2		3.8	3		
Contra Costa County Delta Total	10,889		139.48 (126.78 Agriculture 12.7 Urban)	79.2	43.97	18.9

*Population doubles during the summer.

** Levees that meet the higher PL84-99 standard also meet, by default, the HMP standard. Some of the agricultural miles meeting the HMP standard have been improved to meet the higher PL84-99 standard.

*** includes residents inside the old RD boundary, but on elevated peninsulas outside the newer urban levees.

****Levees that meet the PL84-99 Standard may apply for the Army Corp of Engineers Rehabilitation and Inspection Program (RIP). Once accepted, they must pass biannual eligibility ACE inspections to continue to participate.

LAFCO's MSR relies on self-reporting from these districts to evaluate their financial and administrative ability to maintain the integrity of the levees. In assuring that their levees perform adequately, all of these districts face similar challenges, financial and otherwise, in dealing with the risks. As levee conditions are extremely dynamic, conditions reported at one time will not necessarily be accurate a relatively short time later. While the County's levees are performing adequately now, constant and proper management of hazards is essential to maintain that performance.

Physical hazards. Levee breaches typically result from impairment of the levee by any one or a combination of the following:

- uneven settling or subsidence,
- wind and/or wave action on the water side of the levee, with the added risk that unrepaired flooding of one island can increase the intensity of wind and/or wave action on surrounding islands due to the wider expanse of open water,
- erosion of the "crown" (i.e., the top) or dry side of the levee,
- trees that may pull out significant soil from the levee if toppled by storm activity,
- vegetation that may die and leave a conduit for water into or through the levee,
- activities of burrowing rodents, and/or
- human activities, including construction on or through the levee itself or damage to ancillary equipment, such as pumps.

These hazards, other than human activities, can be successfully managed by regular and frequent monitoring and prompt repair when discovered. To accomplish this, those districts that have levee superintendents or district managers who perform the functions of levee superintendent, typically conduct regular, frequent levee patrols. These patrols look for signs of physical hazard, and watch for any unexpected seepage. A certain amount of seepage is normal, and it takes a combination of experience, familiarity with levees, and knowledge of past problem areas to recognize abnormal seepage, and to recognize the early signs of the above hazards.

Challenging as this is, there is no "school for levee maintenance" or any other authoritative training program or textbook to guide levee superintendents. The job of levee superintendent can only be learned by doing, preferably under the initial supervision of or at least consultation with an experienced incumbent. The only other reference source for levee superintendents is the districts' consulting engineer, who is a valuable, but costly, resource. The levees in districts that have little or no population and/or only minimal financial resources are at a greater risk since these districts seldom have the staff to do regular levee patrols. They typically rely on the property owners, who have a stake in the integrity of the levees to protect their property interests, and a consulting engineer, who may serve several reclamation districts. In these instances, the consulting engineer becomes even more important.

Even with the availability of a consulting engineer, levee inspection and maintenance is not easy. In addition to distinguishing normal seepage from problematic seepage, and noting early indications of the latter, the levee superintendent must balance levee

inspection and maintenance with environmental concerns. For example, the tall grass that grows on most levees helps to prevent erosion, but requires mowing to prevent overgrowth obscuring the levee surface and hampering visual inspection of the levee. However, wildlife regulations may prohibit mowing during the spring nesting season for certain birds. The levee maintenance program must address this seasonal prohibition and schedule mowing accordingly.

Further, other wildlife regulations provide that levee maintenance may not cause any “net loss of habitat”. Whenever maintenance requires removal of habitat to facilitate inspection, do preventative work, or make minor repairs, regulations require “mitigation,” i.e., implanting or expanding similar habitat. Some districts, such as Bethel Island, have their own mitigation site, where they plant replacement vegetation. Other districts make use of “mitigation banks” which are independent sites located elsewhere from the district where the district can pay for planting and maintenance of habitat equivalent to that which they cannot directly replace.

In addition to the long learning curve for new levee superintendents, lack of equipment or supplies can hamper timely performance of repair work. Most districts maintain stockpiles of basic supplies such as sand for sandbags, shovels, gravel, and plastic sheeting. Districts place these supplies at strategic locations near particularly vulnerable portions of the levee and at the district equipment yard. Some districts are unable to afford to maintain a full complement of supplies, such as adequate quantities of rock for “riprap” (the rocks that line and buffer the wet side of the levee from wave action) and heavy equipment, such as earthmoving equipment. Where necessary, districts rely on informal mutual-aid agreements.

Human activities that can endanger a levee's integrity pose special challenges. These activities include construction work on the levee, driving or parking heavy vehicles in inappropriate places on the crown of the levee, and vandalism and theft of copper wiring and other materials from pump stations. Such damage occurs primarily in those districts that have a significant number of full-time residents. As those districts have become aware of the potential risk, they have tried to take appropriate precautions, such as burglary preventions at the pump-houses, and the use of inspections and permitting procedures to control construction activities.

Districts such as Bradford Island, which is only accessible by ferry, or Jersey Island, where the population of three is supplemented only by day-visitors who come to the Island to fish, hike, or bird-watch, are able to adeptly control human hazards to the levees. Other districts, such as Bethel Island or Hotchkiss Tract, have a significant number of permanent, fulltime residents, many of whom have homes built in close proximity to the levees. For most of these homes, the levee is essentially part of their “yard”. Nearly all of them have boat docks on the water side of the levee, accessed by crossing the crown of the levee. In the more populated districts, the usual control on human activities that affect the levee is through an “encroachment” permitting process. The permitting process involves the district’s board, in consultation with the levee

superintendent, district manager, and/or consulting engineer, verifying that permitted construction does not potentially impair the structural integrity of the levee.



GJ photos: Pictures of levee crowns

However, many district homeowners are not fully aware of, have forgotten, or may have chosen to disregard the district's permitting procedures. Older structures may pre-date current standards and protocols. The levee superintendent or district manager must watch for violations as part of the regular levee patrol, and explain to violators why the activity in question endangers the integrity of the levee, and therefore the safety of all residents. (See Appendix 2 for a typical permit application with instructions for application and approval.) Websites can offer a means of easy access for residents seeking information and an application form. However, only five Districts have a website. In the others, residents or prospective residents must go to the District office – not always located in the District itself – for forms, instructions, and answers to questions related to construction permit requirements.

Attempting to stop individual violations of permit procedures on a case-by-case basis is something of a “Band-Aid” approach to levee safety. A better approach to encourage compliance with current levee standards and protocols, as well as to encourage homeowners about to undertake major remodeling that they should upgrade to current standards, is to educate the population about the reason for the levee standards and protocols in the first place, the dangers of a flood. In addition to levee protocols and regulations prepared and enforced by each reclamation district, there are numerous resources available that describe the hazards facing all levees and the potential dangers to all residents if these hazards are not properly managed. Greater understanding of the reasons for the rules should bring more willing adherence to levee protocols and construction standards.

One particularly good resource, not specific to the County but providing a good basic explanation of facts about levees and necessary precautions that should be taken to maintain them, is a 2010 brochure prepared by the American Society of Civil Engineers,

“So, You Live Behind a Levee”. It can be found and downloaded from their library at www.ASCE.org. Other brochures are available online or in hard copy from DWR, county and/or city flood control divisions, and at many district offices. One more excellent although generic (i.e. lacking consideration of California’s unique environmental requirements) resource, geared as much to levee owners and/or operators as to residents, is USACE’s “Levee Owner’s Manual for Non-Federal Flood Control Works, available at www.nfrmp.us/docs/USACE.

Additionally, there are a number of levee safety videos produced by DWR, and some by the Army Corp of Engineers that address basic concerns that apply to both project and non-project levees. One such video is “How Levees Fail, How We Fix Them”, available on YouTube or at www.floodassociation.net/resources.

County flood control divisions and planning departments also have available a number of brochures about the National Flood Insurance Program. This program emphasizes the precautions necessary when living in a flood plain. Federal mortgage lenders require that borrowers living near levees that are not FEMA certified and accredited levees (those that meet the highest construction standard for urban levees) obtain flood insurance coverage.

Likewise, educational sessions about emergency flood response programs can serve a dual purpose. Residents who participate in these sessions will have heightened awareness of the potential dangers posed by floods. They are better prepared to react appropriately in such an event. The residents also gain a better understanding of the reasons for levee regulations and protocols, and so are less likely to circumvent the district permitting process.

Lack of staff impedes aggressive outreach such as that done in neighboring Sacramento County, which holds a “Flood Fair” each October, in recognition of “Flood Preparedness Month”. There are also other, less resource-intensive forms of educational outreach such as seasonal mailers or online bulletins. A problem with mailers though, is that without already high public awareness, recipients often discard them unopened. Including them with other timely (pre-storm season) “high-interest” or mandatory mailings from other County departments or agencies, such as property tax bills or voter information, could increase their effectiveness in raising public awareness.

Those districts that publish newsletters or have websites often include flood-safety and emergency response bulletins just ahead of storm season. Their newsletters can also include explanations of the specific need for and intended uses of the benefit assessments that appear in residents’ property tax bills. (See Appendix 3 for just such a sample newsletter.) All these educational or informative efforts have the potential to heighten awareness of the potential flood danger and increase residents’ understanding that the actions of one affect the safety of all – powerful motivation to follow and support levee regulations and protocols.

Financial Challenges and Available Support. Many reclamation districts lack the financial resources to do more than basic maintenance work. The expense of improvements that would bring their levees to a higher standard is often beyond their capacity. Although expensive, these improvements are necessary to prevent overtopping during major storms, especially storms that occur in concert with unusually high seasonal tides (known as “King tides”). The majority of the funding for the work comes from the property owners themselves. This can be a severe hardship for those districts with relatively small numbers of property owners. These smaller districts often struggle to find funds for even basic needs. (See Appendix 3, a Bradford Island newsletter and informational insert explaining their Prop 218 assessment.)

Several sources of financial support are now available from the State, through DWR, to supplement the assessment-based revenue of the districts: the Subventions Program, special projects grants, and Directed Actions.

- Subventions program – This is a cost-sharing program, with the State currently reimbursing 75% of the cost of qualified levee maintenance work after the first \$1,000 per mile. However, the reimbursement is limited to levee maintenance, not to support of ancillary equipment, no matter how essential that equipment might be. For example, clearing ditches of vegetation is eligible, but not pump repair.

It is also important to note that the reimbursement cycle is nearly two years. For example, a proposal submitted by July 1, 2015, for the 2015-16 fiscal year, will receive formal acceptance by November 1, 2015. Before receiving reimbursement from the State, the district submits final invoices after the close of the fiscal year on June 30, 2016. Next, DWR and the Department of Fish and Wildlife (DFW”) physically inspect the work to confirm that it was done according to the application and also to confirm that there was no net loss of habitat. After any challenges, appeals, and/or discussion, DWR authorizes payment of the final invoices, to the extent that it accepts the work. Actual disbursement of funds to the District may not occur until well into the spring of 2017.

This two-year reimbursement cycle presents challenges to small districts, as does the responsibility for paying 25% of the costs (plus first \$1,000 per mile). The Districts have little if any funding other than assessments to pay the costs of the first two-year cycle. Once through that first two-year cycle, they can usually manage the reimbursement cycle on a rolling year-to-year basis. However, the 25% of the cost remains a financial challenge every year. Further, California Prop 1E, which funds this program and supports most of the basic maintenance work, is due to sunset this year. Many districts’ plans hinge on the outcome of a current proposal to remove that sunset.

- Special Projects funding – DWR sends out a request for proposals for levee improvement projects when they know how much is available in a given year,

i.e., \$60 million this past fiscal year, with a limit of \$15 million per district per project. The districts' proposals, first a short form and then a complete application with engineering specifications and drawings, go through two sequential grading and ranking processes. Staff engineers and biologists evaluate the proposals, assigning points based on priorities set forth in the Delta Reform Act.

Special projects require less cost share by the district, i.e. typically 10% retained and 90% reimbursed, and may allow some advance partial funding, depending on the scope of the project. The documentation requirements are greater than for the Subventions Program. For the most part, districts submit monthly status reports and invoices, and obtain DWR approval before paying the contractor for completed work.

- **Directed Actions** – This program is a “special circumstances” program. In the face of a pending or potential emergency with implications for the state water supply, the DWR Director can authorize funding for emergency action. Examples include the repairs to the Bradford Island levee damaged by the ship collision in 2009, and an agreement with Jersey Island to make emergency improvements in preparation for the December 2005/January 2006 “Pineapple Express” storm front. Had that winter storm overtopped the levees of Jersey Island, it is highly likely that additional islands would have also flooded and thus endangered the water supply for the State.

The table below shows the amounts received by each district through the Subventions and Special Projects Programs, in dollars and as a percent of total district revenues. Revenue other than that from these state programs is comprised of the assessments received from district property owners. The difference in non-State-funded revenue between the more populous districts (i.e. Bethel Island, Hotchkiss, and Byron) and the less populous districts reflects the financial advantage of a larger assessment base. However, the financial needs of the smaller districts for levee maintenance and improvement are not proportionately less. In fact, the smaller districts are just as likely to contain, and be responsible for protecting, key infrastructure and/or to provide a barrier to seawater intrusion

(Information provided by LAFCO MSR 2015)

Reclamation District Name and Number	Total Revenues	Subventions Program (SP)	Special Projects Program (SPP)	Percent of Total from State
Bethel Island Municipal Improvement (BIMID)				
2012-2013	\$553,746	\$130,653	\$6,762	24.8%
2013-2014	\$543,271	\$66,934	\$30,440	17.9%
Hotchkiss (799)				
2012-2013	\$513,910	\$87,825	0	17.0%
2013-2014	\$681,759	\$76,003	\$165,340	35.4%

Byron (800)				
2012-2013	\$1,487,371	\$128,341	0	.09%
2013-2014	\$1,451,294	\$31,295	0	.02%
Jersey Island (830)				
2012-2013	\$4,235,078	\$232,273	\$3,437,133	86.6%
2013-2014	\$3,738,175	\$881,860	\$2,300,000	85.1%
Orwood/Palm (2024)				
2012-2013	\$3,366,749	0	\$3,050,412	91.6%
2013-2014	\$524,506	\$67,880	\$140,939	39.8%
Webb (2026)				
2012-2013	\$615,689	\$201,683	0	32.8%
2013-2014	\$2,456,735	Included in SPP	\$2,256,677	91.9%
Bradford (2059)				
2012-2013	\$2,229,692	\$6,358	\$1,916,597	86.2%
2013-2014	\$523,123	\$192,672	0	36.8%
Veale (2065)				
2012-2013	\$63,762	0	0	0
2013-2014	\$531,720	\$33,620	\$399,600	81.5%
Quimby Island (2090)				
2012-2013	\$151,716	\$76,716	0	50.6%
2013-2014	\$106,407	\$103,872	0	97.6%
Coney Island (2117)				
2012-2013	Not Reported	Not Reported	Not Reported	0
2013-2014				
Bixler (2121)				
2012-2013	\$5,000	0	0	0
2013-2014	\$5,000	0	0	0
Winter Island (2122)				
2012-2013	Not Reported	Not Reported	Not Reported	0
2013-2014	Not Reported	Not Reported	Not Reported	0
Dutch Slough (2137)				
2012-2013	\$750,395	\$560,315	0	74.7%
2013-2014	\$1,111,946	\$910,316	0	81.9%

Increasing urbanization where development is allowed (i.e. in the Delta Secondary Zone) offers potential for financial benefit beyond the increased revenue generated by a parcel assessment on new district residents. As developers seek approval to build new communities, the appropriate planning agencies can consider including financial support of existing levees in the requirements for approval. For example, the East Cypress Corridor Plan approved by the City of Oakley for development of annexed land located in the interior of Hotchkiss Tract (Reclamation District 799) included \$11 million for reconstruction, improvement, and pump replacement for existing levees. This funding was in addition to the cost borne by the developer in building a new FEMA certified and accredited interior “ring” levee surrounding the Summer Lake Development.

It is important to note that FEMA certification and accreditation do not require physical inspection of the levee. Certification is based on FEMA’s review of documentation that the levee meets design construction standards for at least the one-percent-annual chance (or “100-year”) flood. Accreditation requires confirmation of the adequacy of the

operation and maintenance plan provided by the levee owner. As FEMA's own literature states: "Levee certification does not warrant or guarantee performance, and it is the responsibility of the levee owner to ensure the levee is being maintained and operated properly." FEMA further states: "FEMA accreditation is not a health and safety standard – it only affects insurance and building requirements."

Future Opportunities. As noted above in the "Background" section, many other entities besides residents of the districts benefit from the protection of the levees. State and local agencies are now discussing how a broader population of such beneficiaries might equitably share in the cost of maintaining and/or improving these levees.

In March 2016, the Delta Protection Commission began a workshop that includes a series of meetings tasked with developing a fair system of "beneficiary-pays" funding for needed levee maintenance and improvements. This is in conjunction with the Delta Stewardship Council's Delta Levee Investment Strategy, also still in progress, that is trying to assess the value of all assets – including key infrastructure --- within each reclamation district, protected by each district's levees. The "beneficiary-pays" workshop expects to conclude by June 2016. It then will make recommendations to the Delta Stewardship Council. The Council will give the recommendations consideration in pursuing future legislation, but there is no certainty the recommendations will be implemented.

In the meantime, Contra Costa Water District has spearheaded an interagency cooperative venture to accomplish much-needed improvements to the levees in Bacon Island (Reclamation District 2028), which is adjacent to the County, lying within San Joaquin County. Reclamation District 2028 submitted the application to DWR for Special Project funding to improve 4.7 miles of levee along Old River and to create areas of native grassland and scrub shrub habitat. Reclamation District 2028 will be the contracting agency with DWR and provide in-kind funding through staff time and land taken out of production for habitat and levee materials. Others that will benefit from the project also will help to finance it through funding or in-kind services.

In February 2015, DWR selected this project for \$10.2 million in grant funding, approximately 97% of the project cost of \$10.57 million. The beneficiaries of the project will participate as follows:

- Reclamation District 2028 will be responsible for the environmental review, permitting, design and implementation.
- Alameda County Water District, Contra Costa Water District (CCWD), Metropolitan Water District, Santa Clara Valley Water District and Zone 7 will provide monetary contributions to the Project.
- East Bay Municipal Utility District and San Francisco Public Utilities Commission will provide in-kind technical support and implementation support.
- CCWD will serve as the fiscal agent for the agencies' financial contributions.
- Pacific Gas & Electric (PG&E) will provide in-kind service through relocation of a high-pressure natural gas line and overhead electrical lines.

Where do we go from here? The answer to the “if or when” question posed at the beginning of this report depends on what we do locally to protect the County’s Delta levees while agencies with the authority to set policy continue to debate issues that will determine the long-term future of the Delta. Meantime, we all have a stake in the integrity of the existing levees. They are today’s line of defense against flooding with catastrophic potential for Contra Costa County and for much of the State as well. We must all pay attention to, and encourage support of the everyday, practical and sensible activities that keep these levees safe, to the benefit of all of us.

FINDINGS

- F1. The portion of the Delta that lies within Contra Costa County includes six of the eight western islands, deemed by the State to be of particular importance to preventing seawater intrusion that would impair the quality of water for nearly two-thirds of the State, including much of the East Bay area.
- F2. Loss (i.e. submersion) of any of the six islands in the Delta within Contra Costa County has potential to affect adversely much more than just Contra Costa County.
- F3. Key infrastructure located within the Contra Costa County reclamation districts benefits the entire County, including major County roads and highways, a rail-line, PG&E power transmission lines, natural gas wells, petroleum pipelines, Contra Costa Water District intakes, pumping stations, and portions of both the Contra Costa Canal and EBMUD’s Mokelumne aqueduct.
- F4. The levees in the County’s portion of the Delta have been built up or otherwise strengthened on a piecemeal basis over the century or more of their existence.
- F5. Because the levees remain vulnerable to natural hazards and human activities, they require constant vigilance – i.e., frequent inspection coupled with timely maintenance and prompt repairs.
- F6. The Army Corp of Engineers inspects federal levees, as well as non-federal levees that qualify for the Rehabilitation and Inspection Program.
- F7. All of our County’s levees are non-federal levees and the only non-federal levees in the County that qualify for participation in the Rehabilitation and Inspection Program are in Holland and Byron Reclamation Districts.
- F8. The only levees in the County that are independently evaluated for structural integrity are those in Reclamation Districts 800 and 2026, Holland and Byron.
- F9. LAFCO’s MSR of the reclamation districts, which it performs every 5-years, focuses on financial and administrative management of the districts.

- F10. LAFCO relies on self-reported information from the districts, without physical inspection, to evaluate how well the districts are maintaining the integrity of the levees for which they are responsible.
- F11. There is no formal or standardized educational or training resource available to the districts for levee inspection, maintenance, and repair, which can support new levee superintendents or managers while they acquire the experience to recognize problems early, learn how to appropriately respond, and learn how to balance environmental regulations with maintenance protocols.
- F12. Levee management requires recognizing seasonal timeframes and juggling multiple deadlines, including preparing for storm season and the “no-mowing” period, when local bird populations nest, as well as timely application for the subvention and/or special projects funding programs.
- F13. Unpermitted encroachments can hinder visual inspection of the levee surface and create new structural weaknesses or potential conduits for seepage.
- F14. Education about the potential danger of unpermitted encroachments can be a highly effective management tool for mitigating this type of hazard because increased understanding of the potential consequences of such encroachments can support longer-term adherence to levee regulations and protocols.
- F15. Since early recognition of potential trouble spots and prompt repair work are critical to maintaining levee integrity, while resources for levee patrols are limited, the presence of an educated and aware residential population can supply additional eyes to provide the constant vigilance that is crucial to safeguarding the levees.
- F16. In addition to permitting procedures and intermittent newsletters, there are other opportunities to educate the public, and especially residents of reclamation districts, about the hazards that can damage or impair the levees.
- F17. Explaining the hazards to levees by multiple means at appropriate times -- i.e., just before the start of storm season in the fall -- can help to keep awareness at a heightened and effective level.
- F18. Efforts to educate and raise public awareness could be enhanced by cross-departmental and/or cross-agency cooperation such as including Flood Control safety bulletins with other seasonally appropriate, apt-to-be-read or mandatory mailings such as property tax bills or voter information packets.
- F19. It takes nearly 2 years from the application date for reclamation districts to receive reimbursement for levee maintenance work approved by DWR under the Subventions Program.

- F20. The cost of the initial funding required of reclamation districts under DWR's Subventions Program can be prohibitive for some reclamation districts, resulting in under-utilization of this highly beneficial program.
- F21. Some reclamation districts that are unable to maintain the staff, equipment, and material stockpiles needed for emergency major repairs, rely on informal mutual-aid arrangements.
- F22. Planning agencies can require that developers who seek to develop areas within reclamation districts financially contribute to existing levees as a condition of approval of their proposed developments, as was done with the East Cypress Corridor Plan for residential development in the interior of Hotchkiss Tract, Reclamation District 799.
- F23. The feasibility of interagency cooperative ventures to accomplish levee improvements has been demonstrated by multi-agency coalition for to improve the levees in Reclamation District 2028, Bacon Island.

RECOMMENDATIONS

- R1. After identifying the necessary funding, LAFCO should consider including independent physical inspections of levee conditions, in addition to the self-reported evaluations of the conditions, in the MSRs of all County reclamation districts, if necessary by hiring an independent engineering firm to perform this function.
- R2. After identifying the necessary funding, the County reclamation districts should collaborate in establishing and supporting a shared website, possibly approaching one of the Districts that already has a website to take the lead. This website should include "Best Practices", a calendar of date- or seasonal-specific tasks, such as preparation for nesting season when certain work is prohibited, and dates when Subventions Program applications are due, and a common log of significant levee incidents to identify and track historical trouble spots.
- R3. After identifying the necessary funding, the County reclamation districts should consider taking turns hosting a short, local, annual conference for all District Board members and staff. Each conference should include an educational presentation on a matter of common interest, such as changes in regulations or levee standards, new technology or procedures for levee work, new sources of funding, and/or most effective techniques for successful grant applications.
- R4. After identifying the necessary funding, reclamation districts should consider adding a "training module" for new and re-elected Board members to their required governance training (i.e. Brown Act and Ethics). This "module" or session should cover the district's levee regulations and protocols, the consequences of noncompliance with regulations and protocols, flood preparedness, and

emergency response training – or at minimum a “back to basics” session with the consulting engineer to cover these concerns.

- R5. Reclamation districts should formalize, or at a minimum document, all “Mutual Aid” agreements for future reference as reclamation district personnel change over time.
- R6. After identifying the necessary funding, the County Tax Collector should consider including informational material on flood preparedness or levee safety precautions, available at no charge from our County Flood Control or Central Valley Flood Control Agency or DWR, with every property tax bill that has an address within a reclamation district.
- R7. After identifying the necessary funding, the County Clerk Recorder should consider including informational material on flood preparedness or levee safety precautions, available at no charge from our County Flood Control or Central Valley Flood Control Agency or DWR, with election materials sent to addresses within a reclamation district.
- R8. After identifying the necessary funding, the Board of Supervisors should consider directing the County Planning Department to provide each applicant for new construction or major remodeling in unincorporated areas within a reclamation district with a brochure or direction to an online website explaining levee safety rules and regulations, along with the reasons for same, applicable to their particular reclamation district and to require that each applicant confirm receipt of the brochure or link to website by initialing.
- R9. The Oakley City Council should direct the Oakley Planning Commission to provide each applicant for new construction or major remodeling within a reclamation district in the City of Oakley with a brochure or direction to an online website explaining levee safety rules and regulations, along with the reasons for same, applicable to their particular reclamation district and to require that each applicant confirm receipt of the brochure or link to website by initialing.
- R10. The Board of Supervisors should consider directing the appropriate planning and/or land use departments to follow the precedent established by the East Cypress Corridor Project and condition approval of proposals for new residential or commercial development, where allowed on any unincorporated County land in a reclamation district, on financial support of the existing levees.
- R11. The City of Oakley should consider following the precedent established by the East Cypress Corridor Project and conditioning approval of proposals for new residential or commercial development, where proposed on Oakley’s annexed land in a reclamation district, on financial support of the existing levees.

- R12. After identifying the necessary funding, the Board of Supervisors should consider directing the County's Transportation, Water, and Infrastructure Committee to establish a task force or initiate a staff study to investigate ways to encourage and facilitate grant-seeking coalitions of urban water agencies and/or other beneficiaries of the levee system, on smaller-scale projects with shorter time horizons than those currently being investigated by the Delta Protection Commission (i.e. similar to but including even smaller-scale projects than the Bacon Island improvement coalition).
- R13. After identifying the necessary funding, the Board of Supervisors should consider directing the County's Transportation, Water, and Infrastructure Committee to establish a task force to investigate possible ways for the less-advantaged reclamation districts to obtain interim funding, including but not limited to grants or low-interest rate loans, to cover the initial two-year lag-time to obtain reimbursement for essential levee maintenance work from the Subventions Program.

REQUIRED RESPONSES

	<u>Findings</u>	<u>Recommendations</u>
Contra Costa County LAFCO	9, 10	1
The Board of Trustees of Bethel Island Municipal Improvement District	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 799 (Hotchkiss Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 800 (Byron Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 830 (Jersey Island)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2024 (Orwood/Palm Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2025 (Holland Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2026 (Webb Tract)	4, 5, 11 – 17, 21	2 - 5

The Board of Trustees of Reclamation District 2059 (Bradford Island)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2065 (Veale Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2090 (Quimby Island)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2117 (Coney Island)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2121 (Bixler Tract)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2122 (Winter Island)	4, 5, 11 – 17, 21	2 - 5
The Board of Trustees of Reclamation District 2137 (Dutch Slough)	4, 5, 11 – 17, 21	2 - 5
The Contra Costa County Tax Collector	16 - 18	6
The Contra Costa County Clerk Recorder Elections Division	16 - 18	7
The Contra Costa County Board of Supervisors	1 - 3, 19, 20, 22, 23	8, 10, 12, 13
The Oakley City Council	1 – 3, 19, 20, 22	9, 11

These responses must be provided in the format and by the date set forth in the cover letter that accompanies this report. An electronic copy of these responses in the form of a Word document should be sent by e-mail to epant@contracosta.courts.ca.gov and a hard (paper) copy should be sent to:

Civil Grand Jury – Foreperson

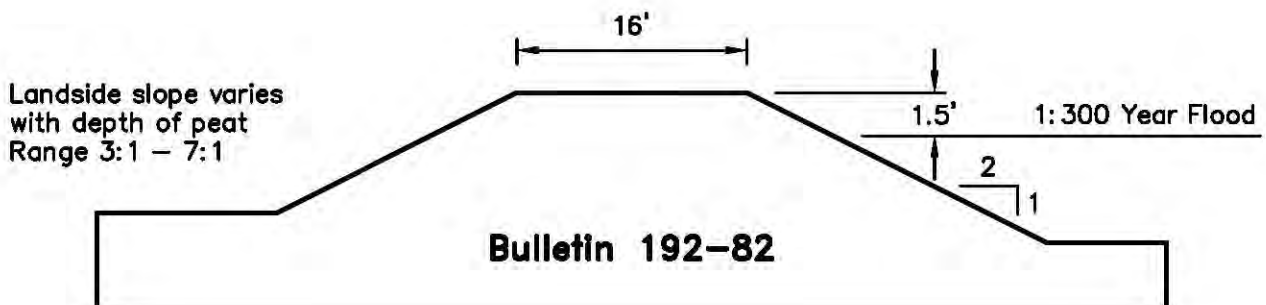
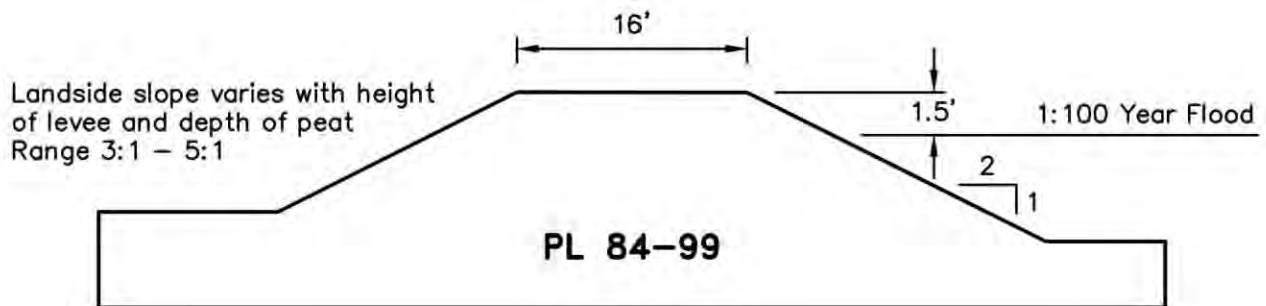
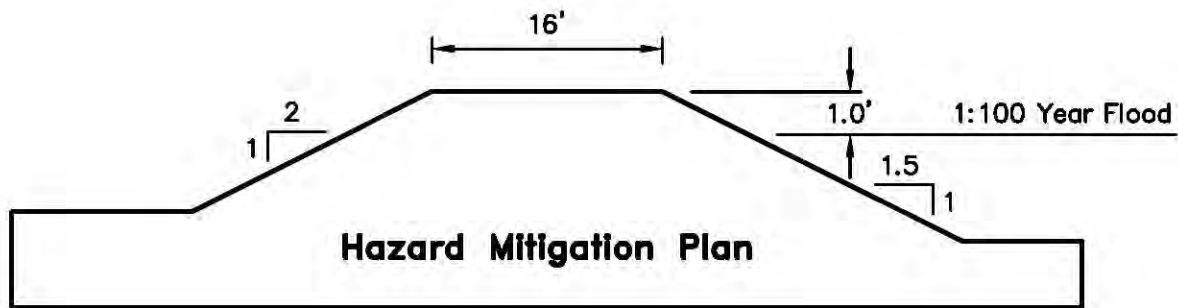
725 Court Street

P.O. Box 431

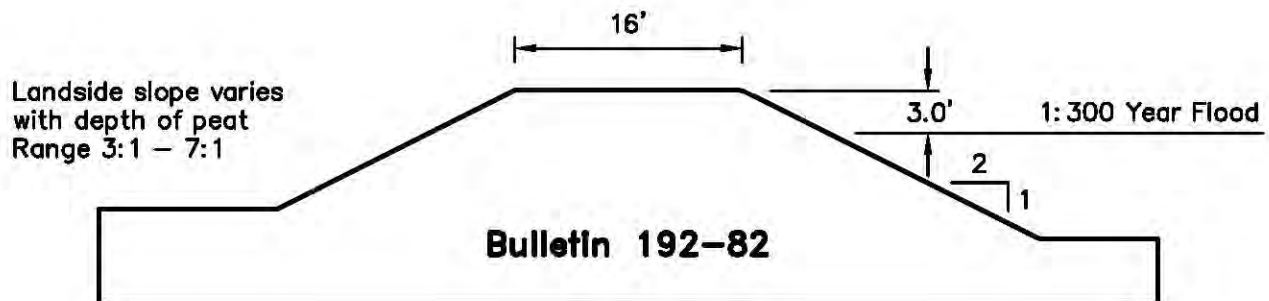
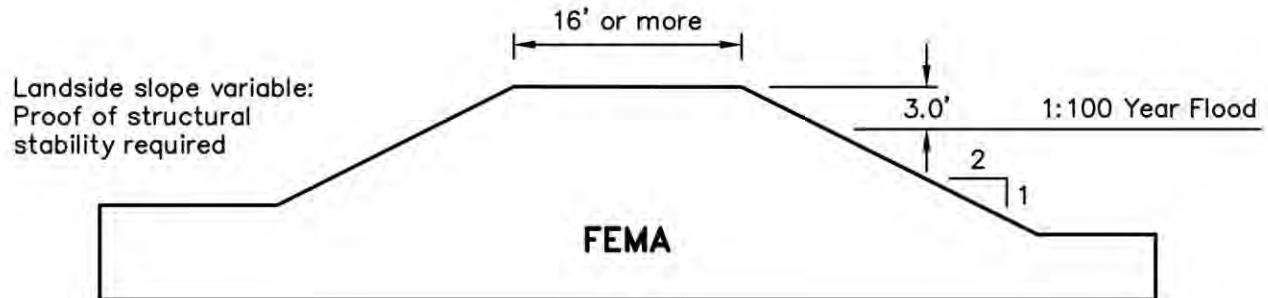
Martinez, CA 94553-0091

APPENDIX 1: Delta Levee Standards

Agricultural



Urban



APPENDIX 2: SAMPLE PERMIT APPLICATION

For District Use
Application No. _____
Application Fee \$ _____

APPLICATION FOR ENCROACHMENT PERMIT

1. Name and Address of Property Owner/Applicant:

Name of Owner/Applicant Address - ZIP Code Telephone No.

2. Location - Assessor's Parcel No. _____ District Tract No. _____

3. Description of encroachment _____

4. Required Exhibits - Please check those items submitted:

- a. _____ Location or vicinity map, to scale, showing location of proposed work in relation to known topographic features, to allow visitation to site and inspection of work.
- b. _____ A complete plan of the proposed work to scale, showing dimensions, and relationship of the proposed work to adjacent levee or waterway.
- c. _____ One or more cross sections of the levee, berm and waterway area with dimensions and elevations of the levee crown, levee toes, floodplain, low water, etc., with reference to a District identified bench mark (see Section VIII.7b of the District Regulations) should be indicated. Reference may be made to the District levee survey, where applicable.
- d. _____ Profile of existing or proposed levees, fills, or other obstructions on the levee or in the waterway or overflow areas with reference to a known datum.
- e. _____ Additional plans, sections, details which might be pertinent or useful in regard to the review of this application.
- f. _____ Proposed schedule of construction for development or project.
- g. _____ Provide any additional information that may assist the District in evaluating the proposed project's effect on the District's levee and the District's ability to normal maintenance and maintenance during times of emergency.

The undersigned Property Owner/Applicant agrees to reimburse the District for its costs and expenses associated with the review of this Application.

Property Owner/
Applicant's Signature(s) _____ Date _____

The Applicant is advised to consult with the District about encroachment limitations before preparing this application. This Application must be signed by the Property Owner.

APPENDIX 3: SAMPLE (BRADFORD ISLAND) NEWSLETTER WITH PROP 218 ASSESSMENT INSERT

Bradford Rec. Dist. 2059

Volume 1, No. 4

~Transparency In Our Public Agency~

November 2015

2015/16 ASSESSMENT STICKER SHOCK

If you haven't already paid it, the first installment of your 2015/16 property tax bill is late after today, Dec 10th. You probably did a double take at the amount so let us say this again...this high assessment is only for this first year. *See included insert*

"With four people you can create one very strong kind of energy, but if you can get 65 people working together, and swinging together, that's a whole other kind of energy."
Chuck Mangioni

Barrier Breached October 1, 2015:



Work began in September to remove the Emergency Drought Barrier placed across False River this past July under the Governor's Executive Order.

The rock barrier was breached October 1 and the District has been informed that the entire structure, including the abutments will be removed. The king piles (shown in photo to left) will be cut off and capped.

The Victory II re-power is scheduled for the end of December to accommodate the corn harvest and taking livestock to market. (*Read more pg. 3*)

We knew that Bradford Island played a critical role as one of the Eight Western Delta Islands but in the last five years, this tiny island has become pivotal to an increasing number of California's strategic water initiatives.

This newsletter provides a recap of events over the last five years that are impacting our assessments today.

It also provides an overview of initiatives and recent actions impacting the island.

We will also be providing you with an update of accomplishments, most recently in the past two years, as well as goals projected for the next two years.

Proposition 218 (Insert)

The District realizes that there may be some confusion regarding the Proposition 218 assessment election that was recently conducted and which passed by majority vote. The following information is provided to help clarify the issue.

District Finances: Contra Costa County is the de facto Treasurer of Bradford Reclamation District 2059 (the District). As such, the assessments levied by the District are collected by the County twice a year along with the parcel property tax and any other special fees. Beginning this year, you will see two District assessments on your tax bill—CB and TU. *See Example Figure 1*

Assessments: Code CB represents the \$313,605 assessment passed on May 4, 2010 that sunsets after this year. Starting in fiscal year 2016/17 (July 1, 2016 – June 30, 2017), assessment Code CB rolls back to the 2009/10 maximum assessment of \$158,000 and continues at that rate forever—it **cannot be raised**.

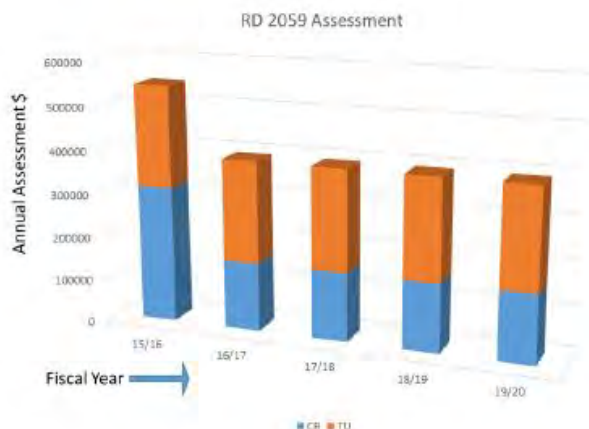
Code TU - O&M (Operations and Maintenance) represents the supplemental \$232,406.90 assessment approved on August 4, 2015 which begins fiscal year 2015/16 and sunsets in five years. *See Figure 2* If you would like to know what your 2009/2010 rate plus your new O&M (Operations and Maintenance) supplemental rate will be, please email a formal request to the District Manager at angelia_bradford@sbcglobal.net.

Figure 1

SPECIAL TAXES & ASSESSMENTS			
DESCRIPTION	CODE	INFORMATION	AMOUNT
RECL DIST 2059 ✓	CB	(925) 209-5480	\$4,537.50
MOSQUITO & VECTOR	DV	(925) 867-3400	\$54.10
EMERGENCY MED B	DY	(925) 646-4690	\$20.00
RECL DIST 2059 O&M ✓	TU	(925) 209-5480	\$3,981.52

The combined assessment will be at its highest rate (\$313,605 + \$232,406.90 = \$546,011.90) for **ONLY ONE (1) year**—the 2015/16 fiscal year. From that point forward, the District's annual assessment through 2019/20 will be \$390,406.90, just **\$76,801.90 more than the 2010 Proposition 218 assessment**. *See Fig. 2*

Figure 2



Your assessment dollars are used to fund the operation, maintenance and improvement of the District's flood control works to include its levees, ditches, and pump station. In addition, the assessments fund the District general operations to include administration, contract services and the ferry.

The economic downturn starting in 2008 had a substantial impact on the District. Numerous landowners experiencing difficulty paying their annual assessments, a pump station desperately in need of repair, increasing ferry repair bills, a ship running into the levee and a devastating fire on the island all contributed to financial problems for your District. The current assessment was not sufficient to cover District obligations.

The first Prop 218 to raise the landowner assessment cost the District ~\$35,000 and took two attempts to pass. The 1st attempt in February 2009 failed to pass. The 2nd attempt in May 2010 passed, but with a rollback in 5 years to 2009-2010 assessment rates—obligating the District to another Prop 218 in fiscal year 2014-2015 and costing the District another \$45,000+.

Between 2010 and 2015, a new pump station was built at a cost of \$365,000 and we finished the levee upgrade project. On the downside, old debts had gone too long, the District paid out \$49,000 in claims from the levee upgrade project, OES and the Bank of Stockton were calling its debts, and the State and County had serious reservations about the District's financial ability to continue.

RD 2059 PROPOSITION 218 FINANCIAL FACTSHEET

2009 Proposition 218 Failed Attempt: Public hearing for voting on February 9, 2009 to increase assessment beginning in fiscal year 2009-2010 and continue indefinitely. The total maximum assessment would be \$295,000. Highlights include:

Capital Improvement Assumptions:

- Year 1 Pump Station relocation/reconstruction of \$682,062.60 paid off by 2028-2029
- Year 1 Non-reimbursable Subventions Ditch cleaning and culvert repair of \$148,593.68

Debt Service Assumptions:

- Year 2 begin annual P&I payment of \$95,300 on short term loan of \$830,656.28 assuming 15 yr @8%
- Outstanding OES (Office of Emergency Services) debt from 1983 flood (\$50,000) not included in debt reduction model
- Outstanding DFA (Delta Ferry Authority) debt not included in debt reduction model

Budget Assumptions:

- Year 2 addition of UnReimbursable Levee Maintenance (annual Ditch Cleaning) \$7575.97 with 5% escalation
- Year 2 Expanded Ferry Service \$15,000
- Rent, utilities, telephone, postage, etc not included in District O & M

2010 Proposition 218 (CB): Public hearing for voting on May 4, 2010 to increase assessment beginning in fiscal year 2010-2011. The total maximum assessment would be \$313,605. Highlights include:

Assessment Ballot Propositions:

- Proposed maximum annual assessment subject to an annual increase of 1.5% and shall expire after fiscal year 2015-2016.
- Beginning with fiscal year 2016-2017, the maximum annual assessment shall revert back to the 2009-2010 maximum annual assessment rates
- Replacement of the pump station by September 30, 2011 a condition or the maximum annual assessment shall revert back to the 2009-2010 maximum annual assessment rates
- The above propositions were conditional for a yes vote by Rosetta Resources, the current mineral rights holders

Capital Improvement Assumptions:

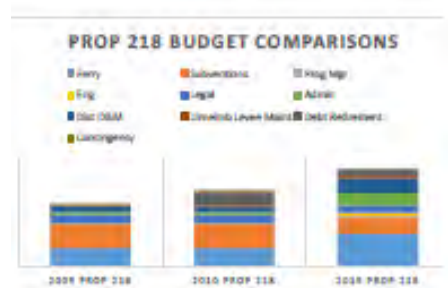
- Year 1 Pump Station relocation/reconstruction of \$682,062.60 paid off by 2028-2029
- Year 1 Non-reimbursable Subventions Ditch cleaning and culvert repair of \$148,593.68
- Year 1 Prop 218 proceeding of \$32,020

Debt Service Assumptions:

- Year 2 begin annual P&I pmt of \$95,300 on short term loan of \$862,676.28 assuming 15 yr @8%
- Outstanding DFA (Delta Ferry Authority) debt (\$41,740) not included in debt reduction model:

The current board began paying down all debts in fiscal year 2013 – 2014 and in two years has reduced its debt load by 50%--preventing the State from taking over the District. Remember, your Board members are landowners just like you. They pay the same assessments and are not reimbursed for their time, travel, or attendance at any meetings. We believe the SUPPLEMENTAL (TU) assessment will go down because:

- Pending collection of \$81,805.82 in past due assessments, the pump station debt is reduced to \$112,067.18
- All additional debt paid from pending foreclosure sale (past due assessments on parcels)
- With the debt reduced early, the Board has the option to reduce the assessment (proviso that future Boards act responsibly)



In closing, it is important to remember the District may not exist in 5 years due to pending State strategic initiatives; funding for the island will probably be radically different in 5 years which made a 5 year sunset to the August Prop 218 not a mistake but a necessity.

- Outstanding OES (Office of Emergency Services) debt from 1983 flood (\$50,000) not included in debt reduction model
- Carr and Ferrell legal invoices not included in debt reduction model (~ \$130,000)

Budget Assumptions:

- Additional hours for District Administrator approved by Board not captured in budget
- Year 2 addition of UnReimbursable Levee Maintenance (annual Ditch Cleaning) \$7575.97 with 5% escalation
- Year 2 Expanded Ferry Service \$15,000

2015 Proposition 218 (TU): Public hearing for voting on Aug 4, 2015 to increase assessment beginning in fiscal year 2015-2016. The total maximum assessment would be \$232,406.92. Highlights include:

Assessment Ballot Propositions:

- Final maximum annual assessment reduced by \$97,105.26 from initial proposed maximum annual assessment of \$329,512.18 based on landowner input from two public workshops as well as two special Trustee Board meetings
- A 5-yr sunset provision added based on landowner input, a review of strategic initiatives impacting the District, the anticipated reduction in ferry expenses due to the DWR funded upgrades to the Victory II, and the District's improved financial status due to its 50% debt pay down over the last two years

Revenue Assumptions:

- \$0 revenue from ferry tickets since unknown quantity. Landowners (according to Contra Costa County Assessor's Office listed as owner of parcel) no longer pay usage fee (tickets)

Debt Service Assumptions:

- OES debt (paid \$32,200 since Mar 2012) to be paid off in fiscal year 2015-2016
- Carr and Ferrell \$76,500 settlement paid in \$10,000 annual installments (first installment paid 2014-2015 fiscal year)
- Bank of Stockton debt (paid \$326,127 since 2014) retire \$23,000 in warrants annually.
- Should any past due assessments be paid in full, such revenue shall be used to retire additional warrants.

Budget Assumptions:

- Increased Administrative costs to cover payroll and additional approved hours for District Manager
- Increased District Engineer costs to reflect actual costs of engineering for District strategic initiatives such as Emergency Drought Barrier permit issues or flood control issues
- Increased Unreimbursable Levee Maintenance to accurately reflect costs for annual ditch cleaning
- Increased DFA (Delta Ferry Authority) to accurately reflect increased monthly assessment to anticipated \$9,900 per month



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
Don Tatzin <i>City Member</i>	

ALTERNATE MEMBERS

Candace Andersen <i>County Member</i>
Sharon Burke <i>Public Member</i>
Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>

July 13, 2016

Michael Simmons, Foreperson
2015-16 Contra Costa County Civil Grand Jury
725 Court Street
P.O. Box 431
Martinez, CA 94553-0091

Dear Mr. Simmons:

On June 6, 2016, the Contra Costa Local Agency Formation Commission (LAFCO) received Grand Jury Report No. 1607, entitled “*Delta Levees in Contra Costa County: How Well Do We Protect This Vital Safety System?*”

On July 13, the Commission reviewed the draft response to the Grand Jury, provided input and directed LAFCO staff to submit a response prior to the September 9th deadline.

We hereby submit the response below which addresses the findings and recommendations contained in Grand Jury Report No. 1607.

FINDINGS

9. LAFCO’s Municipal Service Review (MSR) of reclamation districts, which it performs every five years, focuses on the financial and administrative management of the districts.

Response: *The respondent partially disagrees with the finding. In addition to reviewing financial and administrative issues, the LAFCO MSR includes information relating to growth and population; public facilities, public services, and infrastructure needs and deficiencies; opportunities for shared facilities; and accountability, governance structure and operational efficiencies.*

10. LAFCO relies on self-reported information from the districts without physical inspection, to evaluate how well the districts are maintaining the integrity of the levees for which they are responsible.

Response: *The respondent agrees with the finding.*

RECOMMENDATIONS

1. After identifying the necessary funding, LAFCO should consider including independent physical inspections of levee conditions, in addition to the self-reported evaluations of the conditions, in the MSRs of all County reclamation districts, if necessary by hiring an independent engineering firm to perform this function.

Response: *The recommendation will not be implemented because it is not warranted or reasonable.*

The power to create local governments and set their boundaries belongs to the California Legislature. The Legislature has delegated much of its authority over the boundaries of cities and special districts to county LAFCOs through the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) and the legislation that preceded it. LAFCO's purpose is to support Legislative policy discouraging sprawl, encouraging efficient extension of governmental services, protecting open space and agricultural lands, and recognizing the importance of providing housing for persons and families of all incomes (Gov. Code §56001). LAFCO's general powers and duties are enumerated in the CKH Act (Gov. Code §56375). The CKH Act also details LAFCO's responsibilities for conducting municipal service reviews (Gov. Code §56430), and establishing and updating local agency spheres of influence (SOIs) (Gov. Code §56425) - the SOI is "a plan for the probable physical boundary and service area of a local agency" (Gov. Code §56076).

The CKH does not provide LAFCO the right or responsibility to provide administrative oversight to local agencies, or to otherwise inspect or supplement the services provided by cities, counties or special districts, nor is LAFCO funded for this purpose (see Gov. Code §56381 which ties LAFCO's budget to "the purposes and programs of this chapter"). LAFCO's actions must be consistent with its legislative mandate. The physical evaluation of infrastructure is the responsibility of the service provider (i.e., city, county, special district), not LAFCO.

Please contact the LAFCO office if you have any questions or if we can be of further assistance.

Sincerely,

Mary N. Piepho
Chair, Contra Costa LAFCO



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Mary N. Piepho
County Member

Rob Schroder
City Member

Igor Skaredoff
Special District Member

Don Tatzin
City Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

July 13, 2016
Agenda Item 11

July 13, 2016 (Agenda)

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

Financial Audit for Fiscal Year 2014-15

Dear Members of the Commission:

Each year, LAFCO conducts an audit of the LAFCO finances. The independent auditing firm of R.J. Ricciardi, Inc. prepared the LAFCO financial audit for FY 2014-15. Per the Commission's request, the auditing firm agreed to periodically rotate staff auditors assigned to the LAFCO audit, and a different auditor prepared the FY 2014-15 financial audit.

The audit was conducted in accordance with the generally accepted auditing standards as specified in the report. The auditors found LAFCO's financial statements fairly represent LAFCO's financial position in all material respects; are in conformance with generally accepted accounting principles; and are free of misstatements.

The FY 2014-15 audit includes new information in accordance with Governmental Accounting Standards Board (GASB) requirements relating to pension liabilities.

Special thanks are extended to the County Auditor-Controller's Office staff, especially Laura Garvey, and LAFCO Executive Assistant Kate Sibley for their work on the annual audit.

Recommendation- It is recommended that the Commission receive and file the audit report for the fiscal year ending June 30, 2015 (attached).

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Enclosure – FY 2014-15 Financial Audit

c: R.J. Ricciardi, Inc. CPAs
Bob Campbell, County Auditor's Office

R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2016

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

We have audited the financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission (LAFCO) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 6, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by LAFCO are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by LAFCO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to LAFCO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as LAFCO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Commissioners and management of Contra Costa Local Agency Formation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MARTINEZ, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2015

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INDEPENDENT AUDITORS' REPORT

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission (LAFCO), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Contra Costa Local Agency Formation Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Commissions. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special Commissions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6), budgetary comparison information (page 22) and other Required Supplementary Information (pages 23-24) related tables be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
June 30, 2016

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

This section of Contra Costa Local Agency Formation Commission's (LAFCO's) basic financial statements presents management's overview and analysis of the financial activities of the agency for the fiscal year ended June 30, 2015. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to LAFCO's audited financial statements, which are composed of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments*. The Single Governmental Program for Special Purpose Governments reporting model is used, which best represents the activities of LAFCO.

The required financial statements include the Statement of Net Position and Governmental Funds Balance Sheet; and the Statement of Revenues, Expenses, and Changes in Net Position and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of LAFCO.

The Basic Financial Statements

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of LAFCO's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of LAFCO's activities as a whole, and comprise the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position. The Statement of Net Position provides information about the financial position of LAFCO as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Revenues, Expenses, and Changes in Net Position provides information about all of LAFCO's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of LAFCO's programs. The Statement of Revenues, Expenses, and Changes in Net Position explains in detail the change in Net Position for the year.

All of LAFCO's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report LAFCO's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of LAFCO's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of LAFCO and are presented individually. Major Funds are explained below.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of LAFCO as a whole.

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position present information about the following: *Governmental Activities* – LAFCO's basic services are considered to be governmental activities. These services are supported by specific general revenues from local agencies.

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of LAFCO's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of LAFCO for the year, and may change from year-to-year as a result of changes in the pattern of LAFCO's activities.

In LAFCO's case, there is only one Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

Analyses of Major Funds

Governmental Funds

General Fund actual revenues increased this fiscal year compared to the prior year by \$7,185 due to an increase in the LAFCO budget and a corresponding increase in agency contributions. Actual revenues were less than budgeted amounts by \$9,337 due primarily to a reduction in application activity and corresponding applications fees.

General Fund actual expenditures were \$606,270, an increase of \$5,554 from the prior year primarily due to cost of living adjustments. Expenditures were \$85,882 less than budgeted due primarily to fewer legal expenses and less Municipal Service Review activity.

Governmental Activities

Table 1
Governmental Net Position

	2015 Governmental Activities	2014 Governmental Activities
Current assets	\$ 368,379	\$ 355,547
Total assets	<u>368,379</u>	<u>355,547</u>
Deferred outflows of resources (Note 7B)	<u>109,299</u>	
Current liabilities	61,262	64,975
Noncurrent liabilities	455,639	-
Total liabilities	<u>516,901</u>	<u>64,975</u>
Deferred inflows of resources (Note 7B)	<u>47,092</u>	
Net position:		
Unrestricted	(86,315)	290,572
Total net position	<u>\$ (86,315)</u>	<u>\$ 290,572</u>

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

LAFCO's governmental net position amounted to \$(86,315) as of June 30, 2015, a decrease of \$277,084 from 2014. This decrease is the Change in Net Position reflected in the Statement of Revenues, Expenses, and Changes in Net Position shown in Table 2 and the prior period adjustment related to GASB 68 implementation. LAFCO's net position as of June 30, 2015 comprised the following:

- Cash and investments comprised \$362,214 of cash on deposit with the Contra Costa County Treasury.
- Prepaid items totaling \$3,611.
- Accounts payable totaling \$24,996.
- Due to other government agencies totaling \$36,266.
- Net pension liability of \$364,601 and retiree health liability of \$91,038.
- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. LAFCO had \$(86,315) of unrestricted net position as of June 30, 2015.

The Statement of Revenues, Expenses, and Changes in Net Position presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2
Changes in Governmental Net Position

	2015 Governmental Activities	2014 Governmental Activities
<u>Expenses</u>		
Salaries and benefits	\$ 365,540	\$ 457,376
Services and supplies	183,610	243,143
Total expenses	549,150	700,519
<u>Revenues</u>		
Program revenues:		
Charges for services	12,663	33,614
Total program revenues	12,663	33,614
General revenues:		
Intergovernmental	610,152	582,016
Total general revenues	610,152	582,016
Total revenues	622,815	615,630
<u>Change in net position</u>	\$ 73,665	\$ (84,889)

As Table 2 above shows, \$12,663, or 5.5% of LAFCO's fiscal year 2015 governmental revenue, came from program revenues and \$610,152, or 94.5%, came from general revenues (i.e. contributions from local agencies). Furthermore, LAFCO had budgeted \$150,000 of its fund balance reserves to cover the budgeted excess expenditures over revenues.

Program revenues were composed of Boundary Proposal and related fees of \$12,663.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs. Application fees do not fully cover their costs.

Salaries and benefits costs include adjustments for other post-employment benefits as discussed in Note 8.

Contra Costa Local Agency Formation Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

Capital Assets

LAFCO has no capital assets.

Debt Administration

LAFCO does not utilize long-term debt to fund operations or growth.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various agencies served by LAFCO.

The economic condition of LAFCO as it appears on the Statement of Net Position reflects financial stability and the potential for organizational growth. LAFCO will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the community.

Contacting LAFCO's Financial Management

The basic financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of LAFCO's finances. Questions about this report should be directed to Contra Costa Local Agency Formation Commission, 651 Pine Street 6th Floor, Martinez, California 94553.

Contra Costa Local Agency Formation Commission
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
June 30, 2015

	General	Adjustments (Note 9)	Statement of Net Position
<u>ASSETS</u>			
Cash and investments	\$ 362,214	\$ -	\$ 362,214
Due from other governments	2,554	-	2,554
Prepaid items	3,611	-	3,611
Total assets	<u>\$ 368,379</u>	<u>\$ -</u>	<u>368,379</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows of resources- pension (Notes 2F and 7)		109,299	109,299
<u>LIABILITIES</u>			
Accounts payable	\$ 24,996	\$ -	24,996
Due to other governments	36,266	-	36,266
Long-term liabilities:			
Other post employment benefits liability (Note 8)		91,038	91,038
Net pension liability (Note 7)		364,601	364,601
Total liabilities	61,262	455,639	516,901
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources- pension (Notes 2F and 7)		47,092	47,092
<u>FUND BALANCES/NET POSITION</u>			
Fund balances:			
Unassigned fund balance	307,117	(307,117)	-
Total fund balances	307,117	(307,117)	-
Total liabilities and fund balances	<u>\$ 368,379</u>		
Net position:			
Unrestricted		(86,315)	(86,315)
Total net position		<u>\$ (86,315)</u>	<u>\$ (86,315)</u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission
STATEMENT OF ACTIVITIES
AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period Ended June 30, 2015

	General	Adjustments (Note 10)	Statement of Activities
Expenditures/expenses:			
Salaries and benefits	\$ 422,660	\$ (57,120)	\$ 365,540
Services and supplies	183,610	-	183,610
Total expenditures/expenses	<u>606,270</u>	<u>(57,120)</u>	<u>549,150</u>
Program revenues:			
Charges for services	12,663	-	12,663
Total program revenues	<u>12,663</u>	<u>-</u>	<u>12,663</u>
Net program expenses			<u>(536,487)</u>
General revenues:			
Intergovernmental	610,152	-	610,152
Total general revenues	<u>610,152</u>	<u>-</u>	<u>610,152</u>
Excess of revenues over (under) expenditures	16,545	(16,545)	-
Change in net position	-	<u>73,665</u>	<u>73,665</u>
Fund balance/Net position, beginning of period	<u>290,572</u>	-	190,769
Prior period adjustment (Note 2G)		<u>(350,749)</u>	<u>(350,749)</u>
Fund balance/Net position, beginning of period restated		<u>(350,749)</u>	<u>(159,980)</u>
Fund balance/Net position, end of period	<u>\$ 307,117</u>	<u>\$ (644,378)</u>	<u>\$ (86,315)</u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 1 - REPORTING ENTITY

A. Organization of LAFCO

Contra Costa Local Agency Formation Commission (LAFCO) was formed in 1963. LAFCO is responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within its county. LAFCO's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. LAFCO also conducts service reviews to evaluate the provision of municipal services within its county.

B. Principles that Determine the Scope of Reporting Entity

LAFCO consists of seven voting members and exercises the powers allowed by state statutes. This follows section 56325 of the Government Code. The basic financial statements of LAFCO consist only of the funds of LAFCO. LAFCO has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, LAFCO.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

LAFCO's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

LAFCO has chosen to present its basic financial statements using the reporting model for special purpose governments engaged in a single government program.

This model allows the fund financial statements and the government-wide statements to be combined using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements rather than at the bottom of the statements or in an accompanying schedule.

Government-wide Financial Statements

LAFCO's financial statements reflect only its own activities; it has no component units. The statement of net position and statement of revenues, expenses, and changes in net position display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of revenues, expenses, and changes in net position presents a comparison between direct expenses and program revenues for each segment of LAFCO's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods and services offered by the program. Revenues that are not classified as program revenues, including all intergovernmental revenues, are presented as general revenues.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (concluded)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. LAFCO's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of LAFCO or meets the following criteria: Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type. The General Fund is always a major fund.

Governmental Funds

General Fund: This is the operating fund of LAFCO. The major revenue source for this fund is intergovernmental revenues. Expenditures are made for intergovernmental revenues projects and administration.

B. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Under this method, revenues are recognized when "measurable and available." LAFCO considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are intergovernmental, certain charges for services and interest revenue. Charges for services are not susceptible to accrual because they are not measurable until received in cash.

LAFCO may fund programs with a combination of charges for services and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. LAFCO's policy is to first apply restricted resources to such programs, followed by general revenues if necessary.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

C. LAFCO Budget

Pursuant to Section 56381, et seq of the Government Code, LAFCO adopts a preliminary budget by May 1 and a final budget by June 15 of each year. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by LAFCO. Individual amendments were not material in relation to the original appropriations that were amended.

D. Property, Plant and Equipment

LAFCO currently has no fixed assets.

E. Compensated Absences

Compensated absences comprise unpaid vacation. Vacation and sick time are accrued as earned.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

G. Prior Period Adjustment

Management adopted the provisions of the following GASB Statements, which became effective during the fiscal year ended June 30, 2015:

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The intention of this Statement is to improve the decision-usefulness of information in employer and governmental non-employer contributing entity financial reports and enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense.

GASB Statement No. 71 – In 2014, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The intention of this Statement is to eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement No. 68 in the accrual-basis financial statements of employers and non-employer contributing entities.

The implementation of the above Statements required LAFCO to make a prior period adjustment on the government-wide statements for \$350,749.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 3 - CASH AND INVESTMENTS

LAFCO's cash is maintained with the Contra Costa County Treasury in a non-interest-bearing account. LAFCO's cash on deposit with the Contra Costa County Treasury at June 30, 2015 was \$362,214.

Credit Risk, Carrying Amount and Market Value of Investments

LAFCO maintains specific cash deposits with Contra Costa County. Contra Costa County is restricted by state code in the types of investments it can make. Furthermore, the Contra Costa County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, Contra Costa County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27130. In addition, LAFCO has its own investment policy as well.

Contra Costa County's investment policy authorizes Contra Costa County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2015, LAFCO's cash with the Contra Costa County Treasurer was maintained in a non-interest-bearing account.

NOTE 4 - USE OF ESTIMATES

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

NOTE 5 - CONTINGENCIES

LAFCO may be involved from time to time in various claims and litigation arising in the ordinary course of business. LAFCO management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters should not have a materially adverse effect on LAFCO's financial position or results of operations.

NOTE 6 - FUND EQUITY

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 6 - FUND EQUITY (concluded)

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Commissioners serve as LAFCO's highest level of decision-making authority and have the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by LAFCO for specific purposes, subject to change, as established either directly by the Commissioners or by management officials to whom assignment authority has been delegated by the Commissioners.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, LAFCO specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, LAFCO's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Net Position

Net Position is the excess of all LAFCO's assets over all its liabilities, regardless of fund. Net Position is divided into three captions under GASB Statement No. 34. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

Invested in capital assets, net of related debt describes the portion of Net Position that is represented by the current net book value of LAFCO's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that LAFCO cannot unilaterally alter.

Unrestricted describes the portion of Net Position that is not restricted to use.

All of LAFCO's Net Position is unrestricted.

NOTE 7 - PENSION PLANS

A. General Information about the Pension Plans

Plan Description: LAFCO participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer defined benefit pension plan. CCCERA is governed by the Board of Retirement (Board) under the County Employee's Retirement Law of 1937, as amended on July 1, 1945. It provides benefits upon retirement, death or disability of members, and covers substantially all of the employees of the County of Contra Costa and eighteen other member agencies.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 7 - PENSION PLANS (continued)

A. General Information about the Pension Plans (concluded)

Benefits Provided: Benefits are based on years of credited service, equal to one year of full time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Services retirements are based on age, length of service and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

The Plan provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous Plans	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensations	0% - 100%	0% - 100%
Required employee contribution rates	6.85% - 8.87%	7.75%
Required employer contribution rates	33.53%-34.39%	28.28%

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CCCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. LAFCO is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	Miscellaneous Plans
Employer Contributions	\$ 54,401

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2015, LAFCO reported net pension liabilities for its proportionate share of the net pension liability of each Plan as follows:

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 7 - PENSION PLANS (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

	Proportionate Share of Net Pension Liability
Miscellaneous Plans	\$ 364,601
Total Net Pension Liability	<u>\$ 364,601</u>

LAFCO's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of December 31, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014 using standard update procedures. LAFCO's proportion of the net pension liability was based on a projection of LAFCO's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. LAFCO's proportionate share of the net pension liability for each Plan as of June 30, 2014 and 2015 was as follows:

Reporting Date for Employer under GASB 68 as of June 30	Proportionate of the Net Pension Liability	Proportionate share of Net Pension Liability	Covered- Employee Payroll (1)	Proportionate share of the Net Pension Liability as a percentage of its covered- employee payroll	Plan Fiduciary Net Position as a percentage of the Total Pension Liability
2014	0.030%	\$ 448,684	\$ 202,880	221.16%	74.40%
2015	0.030%	\$ 364,601	\$ 202,859	179.73%	79.57%

(1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

For the year ended June 30, 2015, LAFCO recognized pension expense of \$54,401. At June 30, 2015, LAFCO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 102,756	\$ 43,815
Differences between actual and expected experience	-	18
Changes in assumptions	-	-
Change in proportion and differences between employer contributions and proportionate share of contributions	6,543	-
Net difference between projected and actual earnings on pension plan investments	-	3,259
Total	<u>\$ 109,299</u>	<u>\$ 47,092</u>

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 7 - PENSION PLANS (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

The \$102,756, reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 1,636	\$ (12,810)
2017	1,636	(12,810)
2018	1,636	(12,810)
2019	1,635	(8,662)

Actuarial Assumptions - The total pension liabilities in the December 31, 2013 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	December 31, 2013
Measurement Date	December 31, 2014
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Amortization Method	Level percent of payroll for total unfunded liability
Actuarial Assumptions:	
Discount Rate	7.25% (2)
Inflation Rate	3.25%
Payroll Growth	4.0%
Projected Salary Increase	4.75%-13.50% (1)
Cost of Living Adjustments	3.00%
Mortality	RP-2000 Combined Healthy Mortality Table

(1) Vary by service, including inflation

(2) Net of pension plan investment expenses, including inflation

Discount Rate - The discount rate used to measure the total pension liability was 7.50% for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2014.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 7 - PENSION PLANS (concluded)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (concluded)

The long-term expected rate of return on pension plan investments was determined in 2013 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	13.60%	6.09%
Small Cap U.S. Equity	5.80%	6.79%
Developed International Equity	17.60%	6.66%
Emerging Markets Equity	5.60%	8.02%
U.S. Core Fixed Income	16.10%	0.83%
International Bonds	3.30%	0.69%
High Yield Bonds	5.00%	3.32%
Inflation-Indexed Bonds	1.66%	0.73%
Long Duration Fixed Income	5.00%	1.45%
Real Estate	12.50%	4.83%
Commodities	1.67%	4.71%
Private Equity	10.00%	8.95%
Alternative Investment (Timber)	1.67%	4.20%
Cash & Equivalents	0.50%	0.25%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents LAFCO's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what LAFCO's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.25%
Net Pension Liability	\$596,430
Current Discount Rate	7.25%
Net Pension Liability	\$364,601
1% Increase	8.25%
Net Pension Liability	\$172,217

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCERA financial reports.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB)

A. Plan Description

LAFCO provides health care for employees and dependents (and also for retirees and their dependents) through Contra Costa County. Employees may choose from the following medical options: Contra Costa Health Plan, Kaiser Permanente, Health Net HMO, and Health Net CA & National PPO.

All retired employees of LAFCO are eligible to receive health and dental benefits for life, with costs shared by LAFCO and the retirees.

B. Funding Policy

There is no statutory requirement for LAFCO to prefund its OPEB obligation. LAFCO currently pays a portion of retiree healthcare benefits on a pay-as-you-go basis. For the fiscal year ending June 30, 2015, LAFCO paid approximately \$59,263 for retiree healthcare plan benefits. As of July 1, 2013, the plan membership consisted of 2 active participants and 3 retirees and beneficiaries currently receiving benefits.

LAFCO is required to contribute or accrue the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

C. Annual OPEB Cost and Net OPEB Obligation/(Asset)

The following table shows the components of LAFCO's Annual OPEB Cost for the fiscal year ended June 30, 2015, the amount actually contributed to the plan (including implicit subsidy, if any), and changes in LAFCO's Net OPEB Obligation/(Asset):

	2015
Annual Required Contribution	\$ 52,278
Interest on OPEB obligation	3,992
Adjustment to annual required contribution	<u>(5,772)</u>
Annual OPEB Cost (expense)	50,498
Contributions made	<u>(59,263)</u>
Increase (decrease) in net OPEB obligation	(8,765)
Net OPEB Obligation/ (Asset) - Beginning of year	<u>99,803</u>
Net OPEB Obligation/ (Asset) - End of year	<u>\$ 91,038</u>

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (concluded)

C. Annual OPEB Cost and Net OPEB Obligation/(Asset) (concluded)

LAFCO's Annual OPEB Cost, the percentage of Annual OPEB Cost contributed to the plan, and the Net OPEB Obligation/(Asset) for the fiscal year ended June 30, 2015, is as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/ (Asset)
6/30/15	\$ 50,498	\$ 59,263	117%	\$ 91,038

D. Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Projected Unit Credit Actuarial Accrued Liability	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2013	\$ -	\$ 516,522	\$ 516,522	0%	\$ 195,072	264.7%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contributions of LAFCO are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The plan's most recent actuarial valuation was performed as of July 1, 2013. In that valuation, the Alternate Measurement Method (AMM) was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses) and an annual medical trend rate of 8.0% initially, reduced by decrements to an ultimate rate of 5% after 3 years. The dental trend rate is 4% for all future years. These assumptions reflect an implicit 3% general inflation assumption. LAFCO's Unfunded Actuarial Accrued Liability is being amortized as a level dollar amount on an open basis over 30 years.

Contra Costa Local Agency Formation Commission
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2015

NOTE 9 - RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION

Reconciling adjustments are as follows:

Deferred inflows related to pension	\$ (47,092)
Deferred outflows related to pension	109,299
Other post-employment benefits liability	(91,038)
Net pension liability	(364,601)
Total fund balances – governmental funds	<u>307,117</u>
Net position of governmental activities	<u><u>\$ (86,315)</u></u>

NOTE 10 - RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES

Reconciling adjustments are as follows:

Net change in fund balance – total governmental funds	\$ 16,545
The amounts below included in the statement of activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):	
Other post-employment benefits liability	8,765
Net pension liability transactions	
Governmental funds record pension expense as it is paid. However, in the statement of activities those costs are reversed as deferred outflows/ (inflows) and an increase/(decrease) in net pension liability.	<u>48,355</u>
Change in net position of governmental activities	<u><u>\$ 73,665</u></u>

Contra Costa Local Agency Formation Commission
AUDITORS' INFORMATION
June 30, 2015

Audit Firm:	R.J. Ricciardi, Inc.
Lead Auditor's Name:	Michael O'Connor, CPA
Audit Firm's Address:	1000 Fourth Street, Suite 400 San Rafael, CA 94901
Telephone number:	(415) 457-1215
Date of Independent Auditors' Report:	June 30, 2016

Contra Costa Local Agency Formation Commission
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

Required Supplemental Information
 Budget and Actual
 General Fund (Unaudited)
 For the Period Ended June 30, 2015

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 610,152	\$ 610,152	\$ 610,152	\$ -
Charges for services	22,000	22,000	12,663	(9,337)
Total revenues	<u>632,152</u>	<u>632,152</u>	<u>622,815</u>	<u>(9,337)</u>
Expenditures:				
Salaries and benefits	390,778	390,778	422,660	(31,882)
Services and supplies	301,374	301,374	183,610	117,764
Total expenditures	<u>692,152</u>	<u>692,152</u>	<u>606,270</u>	<u>85,882</u>
Excess of revenues over (under) expenditures			16,545	
Fund balance, beginning of period			<u>290,572</u>	
Fund balance, end of period			<u>\$ 307,117</u>	
Contingency reserve	(80,000)	(80,000)		
OPEB trust	(10,000)	(10,000)		
Fund balance reserves	<u>150,000</u>	<u>150,000</u>		
Total	<u>\$ 60,000</u>	<u>\$ 60,000</u>		

The accompanying notes are an integral part of these basic financial statements.

Contra Costa Local Agency Formation Commission
Cost-Sharing Multiple Employer Defined Benefit Retirement Plan
As of fiscal year ending June 30, 2015
Last 10 Years*

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2015
Total Pension Liability	
Service cost	\$ 58,625
Interest on the Total Pension Liability	171,130
Expensed portion of current-period changes in proportion and difference between employer's contributions and proportionate share of contributions	1,817
Expensed portion of current-period benefit changes	-
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(12,171)
Expensed portion of current-period changes of assumptions or other inputs	(5)
Member contributions	(23,863)
Projected earnings on plan investments	(142,445)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(815)
Administrative expense	2,128
Other	-
Recognition of beginning of year deferred outflows of resources as pension expense	-
Recognition of beginning of year deferred inflows of resources as pension expense	-
Net Amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	-
Net change in total pension liability	\$ 54,401
Reconciliation of Net Pension Liability	
Beginning Net Pension Liability	\$ 448,684
Pension expense	54,401
Employer contributions	(97,935)
New net deferred inflows	(47,092)
New net deferred outflows to change in proportion	6,543
Net pension liability - ending	\$ 364,601
Plan fiduciary net position as a percentage of the total pension liability	79.57%
Covered - employee payroll	\$ 202,859
Net Pension liability as a percentage of covered-employee payroll	179.73%

Notes to Schedule:

Changes in assumptions - In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*Fiscal year 2015 was the 1st year of implementation, therefore, only one year is shown.

Contra Costa Local Agency Formation Commission
Cost-Sharing Multiple Employer Defined Benefit Retirement Plan
As of fiscal year ending June 30, 2015
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

	2015
Actuarially determined contribution	\$ 97,935
Contributions in relation to the actuarially determined contributions	(97,935)
Contribution deficiency (excess)	\$ -
 Covered-employee payroll	 \$ 202,859
 Contributions as a percentage of covered-employee payroll	 48.28%

Notes to Schedule

Valuation date: 12/31/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	9 years **
Asset valuation method	5-year semi-annually
Inflation	3.25%
Salary increases	4.74%-13.50%
 Investment rate of return	 7.25%, net of pension plan investment expense, including inflation
Retirement age	50 years Classic, 52 years PEPRA
Mortality	RP-2000 Combined Healthy Mortality Table with setbacks and forwards

*Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**Remaining balance of December 31, 2007 UAAL is amortized over a fixed (decreasing or closed) period with 9 years remaining as of December 31, 2013. Any changes in UAAL after December 31, 2007 will be separately amortized over a fixed 18-year period effective with that valuation. Any changes in UAAL due to plan amendments will be amortized over a 10-year fixed period effective with that valuation.



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

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Lou Ann Teixeira
Executive Officer

MEMBERS

Donald A. Blubaugh
Public Member

Federal Glover
County Member

Michael R. McGill
Special District Member

Don Tatzin
City Member

Mary N. Piepho
County Member

Rob Schroder
City Member

Igor Skaredoff
Special District Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke
Public Member

Tom Butt
City Member

Stanley Caldwell
Special District Member

July 13, 2016

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

July 13, 2016
Agenda Item 12

CALAFCO Annual Conference - Call for Board Members & Achievement Award Nominations

Dear Commissioners:

The annual CALAFCO conference will be held October 26-28, 2016 at the Fess Parker DoubleTree Santa Barbara; conference and registration materials are attached (Attachment 1). Conference updates will be posted on the CALAFCO website at www.calafco.org.

Each year, prior to the annual conference, CALAFCO calls for Board of Director and Achievement Award nominations. The election of CALAFCO Board members and Achievement Award ceremony will take place at the annual CALAFCO conference on Thursday, October 27th. Nominations are now open for the fall elections of the CALAFCO Board of Directors. There are eight seats up for election this fall, two from each of the four regions. The Coastal Region seats include a County Member and a Special District Member. Commissioner McGill currently serves on the CALAFCO Board representing the Coastal Region and would like to seek re-election. Candidates must be nominated by the Commission on which they serve. The deadline for Board nominations is **September 26, 2016**. See Attachment 1.

Also, nominations are now open for the 2016 CALAFCO Achievement Awards. The awards recognize outstanding achievements by individuals and organizations committed to LAFCO goals and principles. The deadline for award nominations is **August 31, 2016**. See Attachment 2.

Finally, the CALAFCO bylaws require that each LAFCO designate a voting delegate to vote on behalf of their Commission. The voting delegate may be a commissioner, alternate commissioner or executive officer. Voting delegates must be designated by **September 26, 2016**.

Recommendations: Advise as to any Board and/or Achievement Award nominations, appoint a voting delegate and alternate, and direct staff to forward the information to CALAFCO.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment 1 – Conference and Registration Material

Attachment 2 - CALAFCO Board Nomination Packet

Attachment 3 - CALAFCO Achievement Awards Nomination Packet



Announcing The 2016 CALAFCO Annual Conference



Santa Barbara



Hosted by Santa Barbara LAFCo

October 26-28, 2016

Fess Parker DoubleTree by Hilton
Santa Barbara, CA



Value-Added and Relevant General & Breakout Session Topics

- 🌱 The Big Picture: A Water Report From a State, Regional and Local Level*
- 🌱 Back to Our Roots: Ag Preservation – Where Are We and Where Are We Going?*
- 🌱 Cutting Edge Trends & LAFCo: GIS, Public Policy Future Challenges
- 🌱 AB 8 – Property Tax Exchanges and LAFCo
- 🌱 Water Alternatives: Desal, Recycled Water and Interagency Coordination
- 🌱 Growth & Development by the Numbers: A Look at Key Demographics & Governance Changes post CKH
- 🌱 CEQA and LAFCo as a Responsible Agency
- 🌱 DUCs: How Is It Going?
- 🌱 LAFCo and State Legislative Overrides – What's That All About Anyway?*
- 🌱 Annual CALAFCO Legislative Update*

Plus more!

Note: The Program is subject to change.

**Indicates General Session*

Special Highlights

Mobile Workshop

We will start with a tour of a greenhouse filled with flowers grown with cutting edge technology, including robotics, in Carpinteria. The tour then winds up into the Los Padres National Forest offering breathtaking views of the Santa Barbara coastline before arriving at Lake Cachuma, a primary County water source now at 14% capacity, to learn how local water agencies are coping with extended drought. The workshop concludes with lunch at Lake Cachuma County Park before returning to the hotel.

**Wednesday from
7:30 a.m. to 12:30 p.m.**
(times approx..)

LAFCo 101

An introduction to LAFCo and LAFCo law for commissioners, staff, and anyone interested in learning more about LAFCo

**Wednesday from
10: 00 a.m. to Noon**

**Thursday Luncheon
Keynote**

To Be Announced

Invaluable Networking Opportunities

- 🌱 Regional Roundtable discussions on current regional LAFCo issues
- 🌱 Roundtable discussions for LAFCo counsel and CALAFCO Associate members
- 🌱 10th CALAFCO Beer & Wine Competition and Reception
- 🌱 Networking breakfasts
- 🌱 Receptions
- 🌱 Awards Banquet

Fess Parker DoubleTree by Hilton



Make your reservations now at the Fess Parker DoubleTree by Hilton at the special CALAFCO special rate of \$165. Special rates available two days pre-conference. Reservation cutoff date is 9/25/16. Find the link at www.calafco.org.

**Mark your calendar and
plan to attend!**

**Registration is now open!
Visit www.calafco.org**



2016 ANNUAL CONFERENCE OCTOBER 26-28 REGISTRATION FORM

For Registration by Check

To pay with credit cards please visit www.calafco.org
REGISTRATION DEADLINE IS OCTOBER 14, 2016

LAFCo	
Received	
Check #	

CONFERENCE REGISTRATION RATES

	PAYMENT Received by September 16 th	PAYMENT Received after September 16 th	Amount Due
Member – Full Conference	\$460	\$500	
Non-member – Full Conference	\$560	\$600	
Guest/Spouse* – All Meals	\$225	\$250	
Guest/Spouse* – Wed Reception/ Thu Banquet Only	\$150	\$200	
Member – One Day (<input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$290	\$310	
Non-Member – One Day (<input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$390	\$410	
Mobile Workshop – Wednesday	\$50	\$50	
Attorney MCLE Credit (LAFCo counsel only)	\$50	\$50	
LAFCo 101 (no charge for those with full conf. registration. \$35 for those just attending this session.)	\$35	\$35	
TOTAL REGISTRATION RATE DUE			\$

Please submit one form for each person registering

FIRST NAME	LAST NAME
NAME ON NAMETAG	
LAFCO/ORGANIZATION	POSITION
GUEST NAME (For guest/spouse registration)	
MAILING ADDRESS	
CITY	ZIP
PHONE #	
E-MAIL ADDRESS	
EMERGENCY CONTACT NAME:	
PHONE #	

Payment must accompany registration. Early registration rate payments *MUST* be received by **September 16, 2016 in order for that rate to apply. **NO EXCEPTIONS.** Please make checks payable to "CALAFCO."**

Mail completed forms and payment to:

CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Hotel Information:
Fess Parker DoubleTree by Hilton
Santa Barbara

ROOMS STARTING AT \$165 PER NIGHT. CUT-OFF DATE IS SEPTEMBER 25, 2016.

TO MAKE HOTEL RESERVATIONS, PLEASE VISIT:
https://resweb.passkey.com/Resweb.do?mode=welcome_ei_new&eventID=14443625

NEW CANCELLATION AND REFUND POLICY

1. Registrations are considered complete upon receipt of fees.
2. Cancellation requests made in writing and received by October 6, 2016 receive a 100% refund less \$20 handling fee and any transaction fees.
3. Credits are not issued for any cancellations.
4. Registration fees are transferable to another person not already registered provided the request is received in writing. Deadline to transfer registrations is October 14, 2016.
5. Registration fees for guests and special events are not transferable and are fully refundable (minus any transaction fees) if requests are made in writing and received by October 6, 2016 or if the special event is cancelled.
6. Cancellation requests must be made by e-mail, fax or mail to the CALAFCO office.
7. Cancellation requests made after October 6, 2016 are not eligible for a refund.



June 27, 2016

To: Local Agency Formation Commission
Members and Alternate Members

From: Jim Curatalo, Committee Chair
Board Recruitment Committee
CALAFCO Board of Directors



RE: Nominations for 2016/2017 CALAFCO Board of Directors

Nominations are now open for the fall elections of the CALAFCO Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four to five times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

CALAFCO's Recruitment Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

Northern Region

City Member
Public Member

Central Region

County Member
District Member

Coastal Region

County Member
District Member

Southern Region

City Member
Public Member

The election will be conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 27, 2016 at the Fess Parker DoubleTree in Santa Barbara, CA.

Please inform your Commission that the CALAFCO Recruitment Committee is accepting nominations for the above-cited seats until *Monday, September 26, 2016*.

Incumbents are eligible to run for another term. Nominations received by September 26 will be included in the Recruitment Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than October 12 and ballots made available to Voting Delegates at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. The ballot request must be made no later than Monday, September 26, 2016. Completed absentee ballots must be returned by October 21, 2016.

Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.

The nomination forms and materials must be received by the CALAFCO Executive Director no later than *Monday, September 26, 2016*

Here is a summary of the deadlines for this year's nomination process:

- **June 27** – Nomination Announcement and packet sent to LAFCo membership and posted on the CALAFCO website.
- **September 26** – Completed Nomination packet due
- **September 26** – Request for an absentee/electronic ballot due
- **September 26** – Voting delegate name due to CALAFCO
- **October 12** – Distribution of the Recruitment Committee Report (includes all completed/submitted nomination papers)
- **October 12** – Distribution of requested absentee/electronic ballots.
- **October 21** – Absentee ballots due to CALAFCO
- **October 27** - Elections

Returning the nomination form prior to the deadline ensures your nominee is placed on the ballot. Electronic filing of nomination forms and materials is encouraged to facilitate the recruitment process. Please send e-mails with forms and materials to info@calafco.org. Alternatively, nomination forms and materials can be mailed or faxed to the address or fax number below. Please forward nominations to:

CALAFCO Recruitment Committee c/o Executive Director
California Association of Local Agency Formation Commissions
1215 K Street, Suite 1650
Sacramento, California 95814
FAX: 916-442-6535
EMAIL: info@calafco.org

Questions about the election process can be sent to the Chair of the Committee, Jim Curatalo, at jcuratalo@calafco.org or by calling him at 909-261-7005. You may also contact CALAFCO Executive Director Pamela Miller at pmiller@calafco.org or by calling 916-442-6536.

Members of the 2016/2017 CALAFCO Recruitment Committee are:

James Curatalo, Chair jcuratalo@calafco.org	San Bernardino LAFCo (Southern Region) 909-261-7005
Bill Connelly bconnelly@calafco.org	Butte LAFCo (Northern Region) 530-538-2134
John Marchand jmarchand@calafco.org	Alameda LAFCo (Coastal Region) 925-960-4020
Anita Paque apaque@calafco.org	Calaveras LAFCo (Central Region) 408-893-4353

Attached please find a copy of the CALAFCO Board of Directors Nomination and Election Procedures.

Please consider joining us!

Enclosures

Board of Directors Nomination and Election Procedures and Forms

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

1. APPOINTMENT OF A RECRUITMENT COMMITTEE

- a. Following the Annual Membership Meeting the Board shall appoint a Committee of four members of the Board. The Recruitment Committee shall consist of one member from each region whose term is not ending.
- b. The Board shall appoint one of the members of the Recruitment Committee to serve as Chairman. The CALAFCO Executive Officer shall appoint a CALAFCO staff member to serve as staff for the Recruitment Committee in cooperation with the CALAFCO Executive Director.
- c. Each region shall designate a regional representative to serve as staff liaison to the Recruitment Committee.
- d. Goals of the Committee are to encourage and solicit candidates by region who represent member LAFCoS across the spectrum of geography, size, and urban-suburban-rural population, and to provide oversight of the elections process.

2. ANNOUNCEMENT TO ALL MEMBER LAFCoS

- a. No later than three months prior to the Annual Membership Meeting, the Recruitment Committee Chair shall send an announcement to each LAFCo for distribution to each commissioner and alternate. The announcement shall include the following:
 - i. A statement clearly indicating which offices are subject to the election.
 - ii. A regional map including LAFCoS listed by region.
 - iii. The dates by which all nominations must be received by the Recruitment Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Nominations Committee action."
 - iv. The names of the Recruitment Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.
 - v. The address to send the nominations forms.
 - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
- b. No later than four months before the annual membership meeting, the Recruitment Committee Chair shall send an announcement to the Executive Director for distribution to each member LAFCo and for publication in the newsletter and on the website. The announcement shall include the following:

Key Timeframes for Nominations Process

<u>Days*</u>	
90	Nomination announcement
30	Nomination deadline
14	Committee report released

*Days prior to annual membership meeting

- i. A statement clearly indicating which offices are subject to the election.
 - ii. The specific date by which all nominations must be received by the Recruitment Committee. Nominations received after the closing dates shall be returned to the proposing LAFCo marked "Received too late for Recruitment Committee action."
 - iii. The names of the Recruitment Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.
 - iv. Requirement that nominated individual must be a commissioner or alternate commissioner from a member in good standing within the region.
- c. A copy of these procedures shall be posted on the web site.

3. THE RECRUITMENT COMMITTEE

- a. The Recruitment Committee and the regional representatives have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Recruitment Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.
- b. At the close of the nominations the Recruitment Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated seats. Caucus elections must be held prior to the annual membership meeting at the conference. The Executive Director or assigned staff along with a member of the Recruitment committee shall tally ballots at each caucus and provide the Recruitment Committee the names of the elected Board members and any open seats. In the event of a tie, the staff and Recruitment Committee member shall immediately conduct a run-off ballot of the tied candidates.
- c. Make available sufficient copies of the Committee Report for each Voting Member by the beginning of the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Annual Conference Planning Committee to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.
- f. Post the candidate statements/resumes organized by region on a bulletin board near the registration desk.
- g. Regional elections shall be conducted as described in Section 4 below. The representative from the Recruitment Committee shall serve as the Presiding Officer for the purpose of the caucus election.
- h. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Recruitment Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.

4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING
Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCOs requesting an electronic ballot shall do so in writing no later than 30 days prior to the annual meeting.
- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the executive director no later than three days prior to the annual meeting.
- e. LAFCOs voting under this provision may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCOs voting under this provision may only vote for the candidates nominated by the Recruitment Committee.

5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING

- a. The Recruitment Committee Chairman, another member of the Recruitment Committee, or the Chair's designee (hereafter called the Presiding Officer) shall:
 - i. Review the election procedure with the membership.
 - ii. Present the Recruitment Committee Report (previously distributed).
 - iii. Call for nominations from the floor by category for those seats subject to this election:
 1. For city member.
 2. For county member.
 3. For public member.
 4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a "Candidates Forum". Each candidate shall be given time to make a brief statement for their candidacy.
- e. The Presiding Officer shall then conduct the election:
 - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
 1. Name the nominees and offices for which they are nominated.
 2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.

- ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:
 - 1. Poll the LAFcos in good standing by written ballot.
 - 2. Each LAFco in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
 - 3. With assistance from CALAFco staff, tally the votes cast and announce the results.
- iii. Election to the Board shall occur as follows:
 - 1. The nominee receiving the majority of votes cast is elected.
 - 2. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election.
 - 3. In case of tie votes:
 - a. A second run-off election shall be held with the same two nominees.
 - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.
 - 4. In the case of two vacancies, any candidate receiving a majority of votes cast is elected.
 - a. In the case of no majority for either vacancy, the three nominees receiving the three highest number of votes cast shall face each other in a run-off election.
 - b. In the case of no majority for one vacancy, the two nominees receiving the second and third highest number of votes cast shall face each other in a run-off election.
 - c. In the event of a tie, a second run-off election shall be held with the tied nominees. If there remains a tie after the second run-off election the winner shall be determined by a draw of lots.

6. ADDITIONAL PROCEDURES

- a. For categories where there are more candidates than vacancies, names will be listed in the order nominated.
- b. The Recruitment Committee Chair shall announce and introduce all Board Members elected at the Regional Caucuses at the annual business meeting.
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFco may be nominated for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
- e. As required by the Bylaws, the members of the Board shall meet as soon as possible after election of new board members for the purpose of electing officers, determining meeting places and times for the coming year, and conducting any other necessary business.

7. LOSS OF ELECTION IN HOME LAFCO

Board Members and candidates who lose elections in their home office shall notify the Executive Director within 15 days of the certification of the election.

8. FILLING BOARD VACANCIES

Vacancies on the Board of Directors may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy, and should be from the same region.

These policies and procedures were adopted by the CALAFCO Board of Directors on 12 January 2007 and amended on 9 November 2007, 8 February 2008, 13 February 2009, 12 February 2010, 18 February 2011, and 29 April 2011. They supersede all previous versions of the policies.

CALAFCO Regions

FOUR REGIONS



The counties in each of the four regions consist of the following:

Northern Region

Butte
Colusa
Del Norte
Glenn
Humboldt
Lake
Lassen
Mendocino
Modoc
Nevada
Plumas
Shasta
Sierra
Siskiyou
Sutter
Tehama
Trinity
Yuba

CONTACT: Steve Lucas
Butte LAFCo
slucas@buttecounty.net

Southern Region

Orange
Los Angeles
Imperial
Riverside
San Bernardino
San Diego

CONTACT: Paul Novak
Los Angeles LAFCo
pnovak@lalafo.org

Coastal Region

Alameda
Contra Costa
Marin
Monterey
Napa
San Benito
San Francisco
San Luis Obispo
San Mateo
Santa Barbara
Santa Clara
Santa Cruz
Solano
Sonoma
Ventura

CONTACT: David Church
San Luis Obispo LAFCo
dchurch@slolafo.com

Central Region

Alpine
Amador
Calaveras
El Dorado
Fresno
Inyo
Kern
Kings
Madera
Mariposa
Merced
Mono
Placer
Sacramento
San Joaquin
Stanislaus
Tulare
Tuolumne
Yolo

CONTACT: Kris Berry, Placer LAFCo
kberry@placer.ca.gov

Board of Directors 2016/2017 Nominations Form

Nomination to the CALAFCO Board of Directors

In accordance with the Nominations and Election Procedures of CALAFCO,

_____ LAFCo of the _____ Region

Nominates _____

for the (check one) ☐ City ☐ County ☐ Special District ☐ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual
Membership Meeting of the Association.

LAFCo Chair

Date

NOTICE OF DEADLINE

Nominations must be received by **September 26, 2016**
to be considered by the Recruitment Committee. Send
completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Board of Directors 2016/2017 Candidate Resume Form

Nominated By: _____ LAFCo Date: _____

Region (please check one): ☐ Northern ☐ Coastal ☐ Central ☐ Southern

Category (please check one): ☐ City ☐ County ☐ Special District ☐ Public

Candidate Name _____

Address _____

Phone Office _____ Mobile _____

e-mail _____ @ _____

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

NOTICE OF DEADLINE

Nominations must be received by **September 26, 2016** to be considered by the Recruitment Committee. Send completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Date: 20 June 2016

To: LAFCo Commissioners and Staff
CALAFCO Members
Other Interested Organizations

From: CALAFCO Achievement Awards Committee

Subject: **2016 CALAFCO Achievement Award Nominations**



Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go above and beyond in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition. ***The nomination procedures have changed this year, so please review the instructions below carefully.***

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization. There is no limit to the number of nominations you can submit.
2. Please use a separate form (attached) for each nomination. Nominations must be submitted with a completed nomination form. The form is your opportunity to highlight the most important points of your nomination.
3. Nominations must be limited to no more than 1500 words or 3 pages in length maximum. You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request.
4. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. Please limit supporting documentation to no more than 5 pages. If the Awards Committee members require additional information, you will be contacted with that request.
5. All nomination materials must be submitted at one time and must be received by the deadline. Electronic submittals are encouraged.
6. **Nominations and supporting materials must be received no later than 5:00 p.m., Wednesday, August 31, 2016.** Send nominations via e-mail, or U.S. mail to:

Pamela Miller, Executive Director
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814
pmiller@calafco.org

Members of the 2016 CALAFCO Board of Directors Awards Committee are:

Larry Duncan, Committee Chair (Butte LAFCo, Northern Region)
John Leopold, CALAFCO Board Chair (Santa Cruz LAFCo, Coastal Region)
Cheryl Brothers (Orange LAFCo, Southern Region)
Michael Kelley (Imperial LAFCo, Southern Region)
William Kirby (Placer LAFCo, Central Region)

lduncan@calafco.org
jleopold@calafco.org
cbrothers@calafco.org
mkelley@calafco.org
wkirby@calafco.org

Please contact Pamela Miller, CALAFCO Executive Director, at pmiller@calafco.org or (916) 442-6536 with any questions. A list of the previous Achievement Award recipients is attached to this announcement.



Nomination Form

NOMINEE - Person or Agency Being Nominated:

Name:

Organization:

Address:

Phone:

E-mail:

NOMINATION CATEGORY (check one – see category criteria on attached sheet)

- ☐ Outstanding CALAFCO Member
- ☐ Most Effective Commission
- ☐ Outstanding Commissioner
- ☐ Outstanding LAFCo Professional
- ☐ Outstanding LAFCo Clerk
- ☐ Outstanding CALAFCO Associate Member
- ☐ Project of the Year
- ☐ Distinguished Service Award
- ☐ Government Leadership Award
- ☐ Legislator of the Year (must be approved by the full CALAFCO Board)
- ☐ Mike Gotch Courage and Innovation in Local Government Award
- ☐ Lifetime Achievement Award

NOMINATION SUBMITTED BY:

Name:

Organization:

Address:

Phone:

E-mail:



2016 Achievement Award Nominations

ACHIEVEMENTS

Please indicate the reasons why this person or agency deserves to be recognized (Remember to keep this portion to 1500 words or 3 pages maximum and use additional sheets as needed):



2016 Achievement Award Nominations

CALAFCO ACHIEVEMENT AWARD CATEGORIES

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until ***Wednesday, August 31, 2016***, in the following categories:

Outstanding CALAFCO Member	Recognizes a CALAFCO Board Member or staff person who has provided exemplary service during the past year.
Distinguished Service Award	Given to a member of the LAFCo community to recognize long-term service by an individual.
Most Effective Commission	Presented to an individual Commission to recognize innovation, streamlining, and/or initiative in implementing LAFCo programs; may also be presented to multiple Commissions for joint efforts.
Outstanding Commissioner	Presented to an individual Commissioner for extraordinary service to his or her Commission.
Outstanding LAFCo Professional	Recognizes an Executive Officer, Staff Analyst, or Legal Counsel for exemplary service during the past year.
Outstanding LAFCo Clerk	Recognizes a LAFCo Clerk for exemplary service during the past year.
Outstanding CALAFCO Associate Member	Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos, and has helped elevate the roles and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement.
Project of the Year	Recognition for a project-specific program that involved complex staff analysis, community involvement, or an outstanding solution.
Government Leadership Award	Presented to a decision-making body at the city, county, special district, regional or state level which has furthered good government efforts in California.
Legislator of the Year	Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals. Selected by CALAFCO Board.
Mike Gotch Courage and Innovation in Local Government Award	Presented to an individual who has taken extraordinary steps to improve and innovate local government. This award is named for Mike Gotch: former Assembly Member, LAFCo Executive Officer and CALAFCO Executive Director responsible for much of the foundations of LAFCo law and CALAFCO. He is remembered as a source of great inspiration for staff and legislators from throughout the state.
Lifetime Achievement Award	Recognizes any individual who has made extraordinary contributions to the LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and/or demonstrated support in innovative and creative ways of the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least ten years.

CALAFCO ACHIEVEMENT AWARD RECIPIENTS**2015**

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

CALAFCO Associate Member of the Year

Legislators of the Year Award

Lifetime Achievement Award

Yuba County Water Agency

Mary Jane Griego, Yuba LAFCo

Butte LAFCo

Marjorie Blom, formerly of Stanislaus LAFCo

Matthew Beekman, formerly of Stanislaus LAFCo

Sam Martinez, San Bernardino LAFCo

Terri Tuck, Yolo LAFCo

Formation of the Ventura County Waterworks District No. 38 (Ventura LAFCo) and 2015 San Diego County Health Care Services five-year sphere of influence and service review report (San Diego LAFCo)

The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency

Michael Colantuono of Colantuono, Highsmith & Whatley

Assembly member Chad Mayes

Jim Chapman (Lassen LAFCo) and Chris Tooker (formerly of Sacramento LAFCo)

2014

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

David Church, San Luis Obispo LAFCo

Kate McKenna, Monterey LAFCo

Santa Clara LAFCo

Stephen Lucas, Butte LAFCo

Paul Norsell, Nevada LAFCo

Kate McKenna, Monterey LAFCo

Paige Hensley, Yuba LAFCo

LAFCo Procedures Guide: 50th Year Special Edition, San Diego LAFCo

Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District

Assembly member Katcho Achadjian

Susan Wilson, Orange LAFCo

2013

Mike Gotch Courage & Innovation in
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Simón Salinas, Commissioner, Monterey LAFCo

Roseanne Chamberlain, Amador LAFCo

Stanislaus LAFCo

Harry Ehrlich, San Diego LAFCo



2016 Achievement Award Nominations

Outstanding Commissioner
Outstanding LAFCo Professional
LAFCo Outstanding LAFCo Clerk
Project of the Year
Government Leadership Award

Legislators of the Year Award
Lifetime Achievement Award

Jerry Gladbach, Los Angeles LAFCo
Lou Ann Texeira, Contra Costa
Kate Sibley, Contra Costa LAFCo
Plan for Agricultural Preservation, Stanislaus LAFCo
Orange County LAFCo Community Islands Taskforce,
Orange LAFCo
Senators Bill Emmerson and Richard Roth
H. Peter Faye, Yolo LAFCo; **Henry Pellissier**, Los Angeles
LAFCo; **Carl Leverenz**, Butte LAFCo; **Susan Vicklund-Wilson**,
Santa Clara LAFCo.

2012

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member

Outstanding Commissioner
LAFCo Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Lifetime Achievement Award

Bill Chiat, CALAFCO Executive Director

Marty McClelland, Commissioner, Humboldt LAFCo
Sonoma LAFCo
Stephen A. Souza, Commissioner, Yolo LAFCo and
CALAFCO Board of Directors
Sherwood Darington, Monterey
Carole Cooper, Sonoma LAFCo
Gwenna MacDonald, Lassen LAFCo
Countywide Service Review & SOI Update, Santa Clara
LAFCo
North Orange County Coalition of Cities, Orange LAFCo
P. Scott Browne, Legal Counsel LAFCos

2011

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
LAFCo Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award

Martin Tuttle, Deputy Director for Planning, Caltrans
Mike McKeever, Executive Director, SACOG
Carl Leverenz, Commissioner and Chair, Butte
San Bernardino LAFCo
Keene Simonds, Executive Officer, Napa LAFCo
Louis R. Calcagno, Monterey LAFCo
June Savala, Deputy Executive Officer, Los Angeles LAFCo
Debbie Shubert, Ventura LAFCo
Cortese-Knox-Hertzberg Definitions Revision
Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper,
and George Spiliotis
Contra Costa Sanitary District
Elsinore Water District and Elsinore Valley Municipal Water
District

2010

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award

Helen Thompson, Commissioner, Yolo LAFCo

Kathleen Rollings-McDonald, Executive Officer, San
Bernardino LAFCo
Bob Braitman, Executive Officer, Santa Barbara LAFCo



2016 Achievement Award Nominations

Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Special Achievement

Tulare LAFCo

Roger Anderson, Ph.D., CALAFCO Chair, Santa Cruz LAFCo
George Lange, Ventura LAFCo
Harry Ehrlich, Government Consultant, San Diego LAFCo
Candie Fleming, Fresno LAFCo

Butte LAFCo

Sewer Commission - Oroville Region Municipal Service Review

Nipomo Community Services District and the County of San Luis Obispo

Chris Tooker, Sacramento LAFCo and CALAFCO Board of Directors

2009

Mike Gotch Courage & Innovation in Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislator of the Year Award

Paul Hood, Executive Officer, San Luis Obispo LAFCo

William Zumwalt, Executive Officer, Kings LAFCo

Napa LAFCo

Susan Vicklund Wilson, CALAFCO Vice Chair
Jerry Gladbach, CALAFCO Treasurer

Larry M. Fortune, Fresno LAFCo

Pat McCormick, Santa Cruz LAFCo Executive Officer

Emmanuel Abello, Santa Clara LAFCo

Orange LAFCo Boundary Report

Cities of Amador City, Jackson, Ione, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD – Countywide MSR Project

Assembly Member Jim Silva

2008

Distinguished Service Award

Most Effective Commission

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

Government Leadership Award

Legislator of the Year Award

Peter M. Detwiler, Senate Local Government Committee Chief Consultant

Yuba LAFCo

Dennis Hansberger, San Bernardino LAFCo

Michael Ott, San Diego LAFCo Executive Officer
Martha Poyatos, San Mateo Executive Officer

Wilda Turner, Los Angeles LAFCo

Kings LAFCo

City and Community District MSR and SOI Update

San Bernardino Board of Supervisors

Assembly Member Anna M. Caballero

2007

Outstanding CALAFCO Member

Distinguished Service Award

Counsel Most Effective Commission

Outstanding Commissioner

Kathy Long, Board Chair, Ventura LAFCo

William D. Smith, San Diego Legal

Santa Clara LAFCo

Gayle Uilkema, Contra Costa LAFCo



2016 Achievement Award Nominations

Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award
Lifetime Achievement

Joyce Crosthwaite, Orange LAFCo Executive Officer
Debby Chamberlin, San Bernardino LAFCo
San Bernardino LAFCo and City of Fontana
Islands Annexation Program
City of Fontana - Islands Annexation Program
John T. "Jack" Knox

2006

Outstanding CALAFCO Member

Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award

Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award

Project of the Year Award

Outstanding Government Leadership Award

Legislator of the Year Award

Everett Millais, CALAFCO Executive Officer and Executive
Officer of Ventura LAFCo
Clark Alsop, CALAFCO Legal Counsel
Alameda LAFCo
Ted Grandsen, Ventura LAFCo
Chris Tooker, Sacramento LAFCo
Larry Calemine, Los Angeles LAFCo Executive Officer
Janice Bryson, San Diego LAFCo
Marilyn Flemmer, Sacramento LAFCo
Sacramento Municipal Utility District Sphere of Influence
Amendment and Annexation; Sacramento LAFCo
Cities of Porterville, Tulare, and Visalia and Tulare LAFCo
Island Annexation Program
Senator Christine Kehoe

2005

Outstanding CALAFCO Member
Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award

Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award

Outstanding Government Leadership Award

Peter Herzog, CALAFCO Board, Orange LAFCo
Elizabeth Castro Kemper, Yolo LAFCo
Ventura LAFCo
Art Aseltine, Yuba LAFCo
Henri Pellissier, Los Angeles LAFCo
Bruce Baracco, San Joaquin LAFCo
Danielle Ball, Orange LAFCo
San Diego LAFCo
MSR of Fire Protection and Emergency Medical Services
Sacramento Area Council of Governments (SACOG)

2004

Outstanding CALAFCO Member
Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Project of the Year Award

Scott Harvey, CALAFCO Executive Director
Julie Howard, Shasta LAFCo
San Diego LAFCo
Edith Johnsen, Monterey LAFCo
David Kindig, Santa Cruz LAFCo
San Luis Obispo LAFCo
Nipomo CSD SOI Update, MSR, and EIR



2016 Achievement Award Nominations

2003

Outstanding CALAFCO Member
Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award

Special Achievement Award

Michael P. Ryan, CALAFCO Board Member
Henri F. Pellissier, Los Angeles LAFCo
San Luis Obispo LAFCo
Bob Salazar, El Dorado LAFCo
Shirley Anderson, San Diego LAFCo
Lori Fleck, Siskiyou LAFCo
Napa LAFCo
Comprehensive Water Service Study
James M. Roddy

2002

Outstanding CALAFCO Member
Most Effective Commission Award
Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Outstanding Government Leadership Award

Ken Lee, CALAFCo Legislative Committee Chair
San Diego LAFCo Outstanding
Ed Snively, Imperial LAFCo
Paul Hood, San Luis Obispo LAFCo
Danielle Ball, Orange LAFCo
San Luis Obispo LAFCo
Napa LAFCo, **Napa County Farm Bureau**, **Napa Valley Vintners Association**, **Napa Valley Housing Authority**, **Napa County Agricultural Commissioner's Office**, **Napa County Counsel Office**, and **Assembly Member Patricia Wiggins**

2001

Outstanding CALAFCO Member
Distinguished Service Award

Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Project of the Year Award
Outstanding Government Leadership Award

Legislator of the Year Award

SR Jones, CALAFCO Executive Officer
David Martin, Tax Area Services Section, State Board of Equalization
H. Peter Faye, Yolo LAFCo
Ingrid Hansen, San Diego LAFCo
Santa Barbara LAFCo
Alameda County Board of Supervisors, **Livermore City Council**, **Pleasanton City Council**
Senator Jack O'Connell

2000

Outstanding CALAFCO Member
Distinguished Service Award

Most Effective Commission Award
Outstanding Commissioner
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Legislator of the Year Award

Ron Wootton, CALAFCO Board Chair
Ben Williams, Commission on Local Governance for the 21st Century
Yolo LAFCo
Rich Gordon, San Mateo LAFCo
Annamaria Perrella, Contra Costa LAFCo
Susan Stahmann, El Dorado LAFCo
San Diego LAFCo
Robert Hertzberg, Assembly Member

1999

Distinguished Service Award	Marilyn Ann Flemmer-Rodgers, Sacramento LAFCo
Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	Don Graff, Alameda LAFCo
Outstanding LAFCo Clerk Award	Dory Adams, Marin LAFCo
Most Creative Solution to a Multi-Jurisdictional Problem	San Diego LAFCo
Outstanding Government Leadership Award	Assembly Member John Longville
Legislator of the Year Award	Assembly Member Robert Hertzberg

1998

Outstanding CALAFCO Member	Dana Smith, Orange LAFCo
Distinguished Service Award	Marvin Panter, Fresno LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Executive Officer Award	George Spiliotis, Riverside LAFCo
Outstanding Staff Analysis	Joe Convery, San Diego LAFCo Joyce Crosthwaite, Orange LAFCo
Outstanding Government Leadership Award	Santa Clara County Planning Department

1997

Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	George Finney, Tulare LAFCo
Outstanding Staff Analysis	Annamaria Perrella, Contra Costa LAFCo
Outstanding Government Leadership Award	South County Issues Discussion Group
Most Creative Solution to a Multi-Jurisdictional Problem	Alameda LAFCo and Contra Costa LAFCo
Legislator of the Year Award	Assembly Member Tom Torlakson

Please join us for the CALAFCO Annual Conference
October 26 – 28, 2016
Santa Barbara, California





CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

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Lou Ann Teixeira
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City Member

Stanley Caldwell
Special District Member

July 13, 2016 (Agenda)

July 13, 2016
Agenda Item 13

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

Plan Bay Area 2040

Dear Members of the Commission:

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) are updating the Bay Area's long-range transportation and housing plan, known as *Plan Bay Area 2040*.

Plan Bay Area 2040 is an update to Plan Bay Area 2013, which includes the region's Sustainable Communities Strategy (SCS). The plan is state-mandated and includes an integrated long-range transportation, land-use and housing components designed to support a growing economy, provide more housing and transportation choices, and reduce transportation-related pollution in the nine-county Bay Area.

Plan Bay Area 2013 grew out of "The California Sustainable Communities and Climate Protection Act of 2008" (Senate Bill 375), which requires each of the state's 18 metropolitan areas — including the Bay Area — to develop a SCS — a new element of the regional transportation plan to reduce greenhouse gas emissions.

Within the Bay Area, state law gives joint responsibility for Plan Bay Area to ABAG and MTC. These two agencies are collaborating with the Bay Area Air Quality Management District (BAAQMD) and the Bay Conservation and Development Commission (BCDC) on the plan. They are also partnering with local communities, agencies and a wide range of stakeholders to ensure broad public input into Plan Bay Area's preparation.

Plan Bay Area 2040 is currently a work in progress that will be updated every four years to reflect new priorities. ABAG and MTC kicked off their work in January 2015. In March-April, 2015, a series of open house meetings were held to provide the public with information about the plan and to solicit feedback. In September 2015, the ABAG and MTC Boards considered proposed Plan Bay Area 2040 goals and targets. In May-June 2016, a second series of public open houses was held to present "Alternative Scenarios" which show different options for how

the Bay Area can grow based on local land use development patterns and transportation investment strategies. These scenarios take into consideration jobs, housing, population, travel needs and funding for Transportation Improvements. Three scenarios were presented, each showing a different combination of housing development, commercial growth and transportation investments. The scenarios are summarized below:

- ❖ **Main Streets Scenario** places future population and employment growth in the downtowns in all Bay Area cities. This scenario would expand high-occupancy toll lanes and increase highway widenings. It would also assume some development on land that is currently undeveloped.
- ❖ **Connected Neighborhoods Scenario** places future population and employment growth in medium-sized cities and provides increased access to the region's major rail services, such as BART and Caltrain. It would place most of the growth in areas that cities determine as having room for growth, with some additional growth in the biggest cities. There would be no development on open spaces outside the urban footprint.
- ❖ **Big Cities Scenario** concentrates future population and employment growth within the Bay Area's three largest cities: San Jose, San Francisco and Oakland. Transportation investments would go to the transit and freeways serving these cities. There would be no development on open spaces outside the urban footprint.

Based on public input and feedback from local jurisdictions, a "preferred scenario" will be constructed from these three alternatives.

In July 2016, MTC and ABAG staff will present a summary of public comments from the May-June 2016 open houses to the MTC Planning and ABAG Administrative Committees. The draft preferred scenario will go through a series of committee reviews and refinement. In September 2016, ABAG and MTC will be asked to adopt the final preferred scenario at a joint meeting. All of this work, in turn, will form the foundation for Plan Bay Area 2040, to be adopted in summer 2017.

So where does LAFCO fit in? In 2010, the nine Bay Area LAFCO Executive Officers met with staff from ABAG, MTC, BAAQMD and BCDC to discuss development of the 2013 Bay Area Plan, and to provide initial input. At that time, we designated Mona Palacios, the Alameda LAFCO Executive Officer, as our LAFCO representative. Ms. Palacios has kept the Bay Area LAFCOs apprised of the major activities in developing the Bay Area plans.

Recently, Ms. Palacios advised the Bay Area LAFCOs of the Notice of Preparation (NOP) for the Draft Environmental Impact report (EIR) for Plan Bay Area 2040 (Attachment 1). Ms. Palacios also provided the Bay Area LAFCOs with a copy of her comment letter (Attachment 2). Your Executive Officer also submitted a comment letter (Attachment 3) supporting the major points made by Ms. Palacios, and including additional comments encouraging ABAG and MTC to incorporate into Plan Bay Area 2040 the significance of established spheres of influence

(SOIs) for each city and special district, and the role of special districts as critical service providers. LAFCO staff will continue to following the development of Plan Bay Area 2040.

This is an informational item; no action by the Commission is required.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment 1 – NOP for Draft EIR - Plan Bay Area 2040

Attachment 2 – Alameda LAFCO Comment (NOP DEIR - Plan Bay Area 2040)

Attachment 3 – Contra Costa Comment Letter (NOP-EIR - Plan Bay Area 2040)



NOTICE OF PREPARATION
Metropolitan Transportation Commission
San Francisco Bay Area Regional Transportation Plan /
Sustainable Communities Strategy
Environmental Impact Report

To: Interested Agencies, Organizations and Individuals

Project: **Draft Environmental Impact Report for Plan Bay Area 2040 – the Regional Transportation Plan (RTP) / Sustainable Communities Strategy (SCS)**

Lead Agency: Metropolitan Transportation Commission

Comment Period May 16, 2015 – June 15, 2016 (30-days)



Figure 1. Nine-County San Francisco Bay Area

Interested agencies, organizations and individuals are invited by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) to comment on the scope and content of the environmental impact assessment that will be conducted for the update of *Plan Bay Area*, an integrated land use and transportation plan looking out to the year 2040 for the nine-county San Francisco Bay Area. A map of the area is included in this notice as Figure 1.

MTC is the lead agency undertaking preparation of a program-level Draft Environmental Impact Report (DEIR) for Plan Bay Area 2040. Plan Bay Area 2040 (or “the Plan”) is the update of the area Regional Transportation Plan / Sustainable Communities Strategy (RTP/SCS), a long-range plan that balances future mobility and housing needs with other economic, environmental, and public health goals. It identifies regional transportation planning needs, priorities and

funding, and allows project sponsors to qualify for federal funding for public transit, streets and roads and bicycle and pedestrian facilities. The Plan must demonstrate achievement of a region’s share of state greenhouse gas emission reduction goals and is required to be updated every four years. Attachment A to this NOP provides more information on MTC, SB 375, Plan Bay Area 2040 and alternative plan scenarios.

In accordance with the California Environmental Quality Act (CEQA) Guidelines (Section 15082), the purpose of this Notice of Preparation is to seek comments about the scope and comment of the environmental impact assessment that will be conducted for this update of the Plan. If you represent an agency that may rely upon the EIR for project approval and/or tiering, MTC and ABAG are particularly interested in what information may be helpful for these purposes. Input is also sought from organizations and individuals as to the issues that should be addressed in the EIR.

(continued on back page)

Adoption and implementation of the Plan has the potential to result in environmental effects in all of the environmental impact areas identified in CEQA. For this reason, the Plan Bay Area 2040 EIR will be a “full scope” document and will analyze all of the required CEQA environmental issue areas. These include: aesthetics and visual resources; agriculture and forestry resources; air quality (including toxic air contaminants); biological resources; cultural resources; geology, seismicity, soils, and mineral resources; energy consumption; greenhouse gas emissions and climate change (including sea level rise); hazards and hazardous materials; hydrology and water quality; land use and planning; noise and vibration; population and housing; public services and recreation; transportation; utilities and other service systems. The EIR will also address cumulative effects, growth inducing impacts and other issues required by CEQA.

All interested agencies, organizations and individuals are welcome to submit comments and/or participate in the scoping meetings for the Draft EIR. Oral comments will be accepted during three regional scoping meetings:

Thursday, May 26, 2016

11:00 a.m. to 1 p.m.

Dr. Martin Luther King Jr. Library
One Washington Square, Room 225
San Jose, California

Tuesday, May 31, 2016

6:30 p.m. to 8:30 p.m.

MetroCenter Auditorium
101 8th Street
Oakland, California

Thursday, June 2, 2016

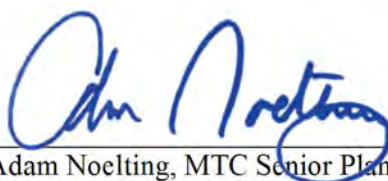
11:00 a.m. to 1 p.m.

Finley Community Center
2060 W. College Avenue
Santa Rosa, California

Written comments will be accepted at the scoping meetings; via mail to MTC Public Information, 375 Beale Street, Suite 800, San Francisco, CA, 94105; via fax to 510.817.5848 before May 19 (beginning May 23, send fax to 415.536.9800); or via email to eircomments@mtc.ca.gov. **Written comments must be received at the MTC offices no later than June 15, 2016.** For more information, call the MTC Public Information Office at 510.817.5757 before May 19 (beginning May 23, call 415.778.6757). Note: MTC and ABAG will have new phone numbers beginning May 23.

Do you need written materials in large type or in Braille to participate in MTC or BATA meetings? Do you need a sign language interpreter or other assistance? Is English your second language? Do you need one of our documents translated? Do you need an interpreter who speaks your language present at one of our meetings?

We can help! You can request assistance by calling 510.817.5757 before May 19 (call 415.778.6757 beginning May 23) or 510.817.5769 for TDD/TTY before May 19 (the TDD/TTY number is 415.778.6769 beginning May 23). Visit www.mtc.ca.gov for more information. We require at least three days’ notice to provide reasonable accommodations. We prefer more notice if possible. We will make every effort to arrange for assistance as soon as possible.



Adam Noelting, MTC Senior Planner
Plan Bay Area 2040 Project Manager

5/16/2016

Date

NOTICE OF PREPARATION
Metropolitan Transportation Commission
San Francisco Bay Area Regional Transportation Plan /
Sustainable Communities Strategy
Environmental Impact Report
ATTACHMENT A

Background

The Metropolitan Transportation Commission (MTC) is the transportation planning, coordinating and financing agency for the nine-county San Francisco Bay Area (which includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties). Created by the State Legislature in 1970, MTC functions as both the regional transportation planning agency (RTPA) which is a state designation, and as the region's metropolitan planning organization (MPO) which is a federal designation. As required by State legislation (Government Code Section 65080 et. seq.) and by federal regulation (Title 23 USC Section 134), MTC is responsible for preparing the Regional Transportation Plan (RTP) for the San Francisco Bay Area Region. An RTP is a long-range plan that identifies the strategies and investments to maintain, manage, and improve the region's transportation network.

A Sustainable Communities Strategy (SCS) is a required element of the RTP under California's Sustainable Communities and Climate Protection Act, also known as Sen. Bill 375 (Stats. 2008, ch. 728) (SB 375). While other efforts to reduce greenhouse gas (GHG) emissions focus on alternative fuels and vehicle efficiency, SB 375 is intended to more effectively reduce emissions by integrating land use and transportation planning to reduce overall passenger vehicle miles traveled. Through the development of a SCS, that accompanies the RTP, policies and strategies will be identified to reduce per capita passenger vehicle-generated GHG emissions. The SCS will identify the general location of land uses, residential densities, and building intensities within the region; identify areas within the region sufficient to house all the population of the region; identify areas within the region sufficient to house an 8-year projection of the regional housing need; identify a transportation network to serve the regional transportation needs; gather and consider the best practically available scientific information regarding resources areas and farmland in the region; consider the state housing goals; set forth a forecasted development pattern for the region; and allow the regional transportation plan to comply with the federal Clean Air Act. (Gov. Code, § 65080, subd. (b)(F)(2)(B)) If the SCS for the RTP update does not achieve the GHG emission targets set by the California Air Resources Board (CARB), an Alternative Planning Strategy (APS) must be developed to demonstrate how the targets could be achieved.

The San Francisco Bay Area's RTP/SCS sets policies to guide transportation decisions and proposes a program of capital, operational, and management improvements needed through the year 2040. In addition, if the SCS achieves its GHG emission target and the CARB accepts a determination by MTC that the SCS, if implemented, would achieve its GHG emissions target, certain land development projects may be eligible for CEQA streamlining if they are consistent with the general use, density, intensity and applicable policies of the adopted SCS.

Plan Bay Area 2040

Plan Bay Area 2040 is the update of the region's first RTP/SCS, *Plan Bay Area*, and is a joint effort led by MTC and ABAG and developed in partnership with the Bay Area's other two regional government agencies, the Bay Area Air Quality Management District (BAAQMD), and the Bay Conservation and

Development Commission (BCDC). Plan Bay Area 2040 strives to meet the requirements of SB 375 by developing an integrated RTP/SCS plan and strives to attain the per-capita GHG emission reduction targets of -7 percent by year 2020 and -15 percent by year 2035 from 2005 levels.

Plan Bay Area 2040 will reinforce land use and transportation integration per SB 375 and present a vision of what the Bay Area's land use patterns and transportation networks might look like in 2040. Goals of Plan Bay Area 2040 include:

- Climate Protection
- Open Space & Agricultural Preservation
- Transportation System Effectiveness
- Adequate Housing
- Healthy and Safe Communities
- Equitable Access
- Economic Vitality

Plan Bay Area 2040 forecasts the Bay Area to add over 2.4 million people, 1.3 million new jobs and 823,000 new housing units between 2010 and 2040. To plan for this future growth and meet the targets set forth in SB 375, Plan Bay Area 2040 builds on local and regional planning efforts by using a framework of 188 locally-adopted Priority Development Areas (PDAs) and 165 Priority Conservation Areas (PCAs) in the nine-county Bay Area. PDAs are areas where amenities and services can be developed to meet the day-to-day needs of residents in a pedestrian-friendly environment served by transit. Plan Bay Area 2040 strives to help PDAs become "Complete Communities," based in large part on local aspirations and community context. PCAs are areas of regional significance that have broad community support and are in need of protection. They provide important agricultural, natural resource, scenic, cultural, recreational, and/or ecological values, and ecosystem functions.

Plan Bay Area 2040 also includes a financially constrained transportation investment plan as required by state and federal planning regulations. It includes transportation projects and programs that would be funded through existing and future revenues that are projected to be reasonably available to the region over the 24-year horizon of the plan to support the adopted growth pattern. A total of \$299 billion in revenues is available for the financially constrained Plan Bay Area 2040.

For more information about Plan Bay Area 2040, visit: <http://planbayarea.org/plan-bay-area.html>.

Scenarios to be Analyzed

MTC and ABAG have developed three land use and transportation scenarios, described below, to illustrate the effects that different housing, land use and transportation strategies have on the region's adopted goals and performance targets. MTC and ABAG will evaluate the three scenarios, and one or a combination of them will be identified as the preferred plan, which will be analyzed as the project in the EIR. The remaining scenarios may be analyzed as alternatives in the EIR.

Each scenario uses the same regional growth control totals of 2.4 million new people, 1.3 million new jobs and 823,000 new housing units, along with the same discretionary transportation revenues to support the growth.

Main Streets Scenario

The Main Streets Scenario targets expected growth in people and jobs in the downtowns of every Bay Area city. This scenario most closely resembles traditional suburban growth, with more growth in areas that are presently undeveloped. Of the three scenarios, this scenario expects the smallest share of

housing growth to occur in PDAs (54%); comparable to the other scenarios, expects the smallest share of new housing to occur in the three big cities of San Jose, San Francisco and Oakland (43%); expects a similar share as with the Connected Neighborhoods scenario of new housing in Bayside communities (21%); the largest share of new housing is distributed in Inland, Coastal, Delta communities (35%) in comparison to the other scenarios. Specific land use strategies include upzoning of select suburban areas to increase residential and commercial development capacity; allowing urban growth boundaries to expand faster than expected compared to past trends; reducing parking minimums in PDAs along regional rail transit; and encouraging affordable housing through inclusionary zoning, fees on commercial development and other tax policies.

This scenario calls for an expansion of high-occupancy toll lanes, with pricing based on level of congestion, and highway widenings to manage the increased number of cars. Of the three scenarios, this scenario invests the largest share of discretionary revenues towards maintaining and operating the existing system (53%), followed by investments in major projects (24%) and system enhancements (23%). Specific strategies to support the growth pattern include strategic transit investments, especially bus improvements, to provide access to increasingly dispersed job centers; technological advances to use roadway capacity more efficiently, while emphasizing freeway-focused pricing like Express Lanes / Managed Lanes as complementary strategies; strategic highway capacity increases; investment into both state of good repair (particularly for highways and local streets across all nine counties); and technological advancements (e.g. clean vehicles) and incentive programs to encourage travel options that help meet GHG emissions reduction targets.

Connected Neighborhoods Scenario

The Connected Neighborhoods Scenario emphasizes expected growth in people and jobs in areas near major transit corridors prioritized by cities as being the best places for new development. Of the three scenarios, this scenario expects the largest share of housing growth to occur in PDAs (69%); expects a similar share as the Main Streets Scenario of new housing to occur in the three big cities of San Jose, San Francisco and Oakland (44%); expects a more modest share of new housing in Bayside communities (22%); with the largest share of new housing in Inland, Coastal, Delta communities (35%). Specific land use strategies include encouraging new housing development by increasing residential development capacity in PDAs based on locally identified PDA place type; raising caps on office development in San Francisco; avoiding development on adopted PCAs and accommodating all new growth within existing urban growth boundaries or urban limit lines, using city boundaries as a limit when a jurisdiction has no expansion limit; reducing parking minimums in PDAs with high levels of transit access along El Camino Real and East Bay corridors; and encouraging affordable housing through inclusionary zoning.

Expansion of roadways would be limited, with more focus on modernizing and expanding our transit system. Investments in bicycle and pedestrian infrastructure would help create more walkable and bikeable downtowns. Compared to the Main Streets Scenario, this scenario invests a smaller share of discretionary revenues towards maintaining and operating the existing system (46%), but invests more towards major projects (31%) and the same share toward system enhancements (23%). Specific strategies to support the growth pattern include strategic transit efficiency investments to improve frequencies and reduce travel times on core transit lines across the region; a limited set of high performing highway efficiency investments, including strategic highway capacity improvements to address bottlenecks and provide reliever routes to freeways within the urban core; the most cost-effective transit expansion projects that support the region's highest-growth PDAs; state of good repair needs with expansion and efficiency priorities for all modes; identify opportunities to align state of good repair to support PDA growth by repaving streets and upgrading buses that serve these communities;

and technological advancements (e.g. clean vehicles) and incentive programs to encourage travel options that help meet GHG emissions reduction targets.

Big Cities Scenario

The Big Cities Scenario concentrates expected growth in the Bay Area's three largest cities: San Jose, San Francisco and Oakland. Neighboring towns already well connected to these cities would also see growth, particularly in areas that cities have prioritized for development. Of the three scenarios, this scenario expects a similar share of housing growth as the Main Streets Scenario to occur in PDAs (55%); expects the highest share of new housing to occur in the three big cities of San Jose, San Francisco and Oakland (72%); expects a smaller share of new housing in Bayside communities (17%); and the smallest share of new housing in Inland, Coastal, Delta communities (11%). Specific land use strategies include increasing development capacity in areas with high transit access by increasing residential densities in key PDAs, TPAs and select opportunity sites; eliminating caps on office development in San Francisco; avoiding development on adopted PCAs and accommodating all new growth within existing urban growth boundaries or urban limit lines, using city boundaries as a limit when a jurisdiction has no expansion limit; reducing parking minimums in three big cities and neighboring communities; encouraging more affordable housing through inclusionary zoning, fees on residential development and other tax policy.

City streets, bike lanes, rail lines and other transportation infrastructure serving the region's core will be repaired, maintained, and expanded to meet increased demand. Compared to the previous two scenarios, this scenario invests the smallest share of discretionary revenues towards maintaining and operating the existing system (39%), and invests the largest share towards major projects (38%) and the same share toward system enhancements (23%). Specific strategies to support the growth pattern include expansion of the South Bay transit system to support high-density development across Silicon Valley, while at the same time prioritizing investment in core capacity projects in San Francisco and Oakland to enable high-density development; link regional rail systems into the heart of the Bay Area's two largest cities – San Francisco and San Jose – while boosting service frequencies to support increasingly-urban commute patterns; state of good repair needs with expansion and efficiency priorities for all modes; support urban development in San Francisco by implementing cordon pricing and leveraging motorists' tolls to pay for robust and time-competitive transit services; align operating and maintenance funds to prioritize investments into high-growth cities and high-ridership systems; and technological advancements (e.g. clean vehicles) and incentive programs to encourage travel options that help meet GHG emissions reduction targets.

Alameda LAFCO

ALAMEDA LOCAL AGENCY FORMATION COMMISSION
1221 OAK STREET, SUITE 555 * OAKLAND, CA 94612
(510) 271-5142 FAX (510) 272-3784
WWW.ACGOV.ORG/LAFCO

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Executive Officer

Mona Palacios

June 10, 2016

MTC Public Information
375 Beale Street, Suite 800
San Francisco, CA, 94105

Sent via email to aircomments@mtc.ca.gov

Dear MTC Public Information Officer:

Thank you for including the Alameda Local Agency Formation Commission (Alameda LAFCo) in the distribution of the Notice of Preparation (NOP), informing us that an Environmental Impact Report (EIR) is being prepared for the update to the regional planning document, *Plan Bay Area 2040*.

LAFCos are independent agencies with discretion to approve or disapprove, with or without amendment, wholly, partially or conditionally, changes of organization or reorganization of cities or special districts. LAFCos are required to consider a variety of factors when evaluating a matter or project that comes before it for approval, including, but not limited to the proposed project's potential impacts on agricultural land and open space and the provision of public services, including the timely and available supply of water, adequate and proximate affordable housing, and other factors.

Many of the matters that require action by LAFCo are considered "projects" under CEQA, and therefore, as a Responsible Agency, LAFCo, or applicants seeking approval from LAFCo for some form of boundary change, may need to rely on or tier from the *Plan Bay Area 2040 EIR* to facilitate the environmental review and documentation process of the proposed project.

The NOP states that "adoption and implementation of the Plan has the potential to result in environmental effects in all of the environmental impact areas identified in CEQA." The two environmental topics of greatest interest and relevance to the decisions with which LAFCos are confronted are impacts on agricultural lands and open space, and issues related to the adequacy and efficiency of public services.

In light of this, we would request that as the potential impacts of the Plan are identified and evaluated in the EIR, particularly with reference to proposed Priority Development Areas (PDAs), the EIR should give particular attention to impacts involving the loss of agricultural land and to the availability and capacity of public services. With regard to agricultural land issues, the EIR should address the impacts to the PDA site as well as surrounding areas and should include a productivity analysis.

With regard to the public services needed to support each proposed PDA, the EIR should evaluate the level and availability of the following:

- Domestic potable water resources to support the potential future growth in the PDAs;
- Wastewater collection and treatment infrastructure;
- Flood control and stormwater management systems;
- Fire protection services and ability to expand to meet the needs of growth within a PDA;
- Police and other law enforcement services;
- Emergency medical, healthcare, vector control and mosquito abatement services;
- Local transportation, road maintenance and street lighting systems;
- Open space and parks and recreation facilities and services;
- Solid waste collection and disposal systems;
- Electricity and other sources of energy;
- Animal control;
- Library services, and
- Broadband and related internet services.

Sources of information that would likely facilitate the requested evaluation of public services should include data from the most recent Municipal Service Reviews (MSRs) that are prepared periodically by the LAFCo in each of the Bay Area Counties in which PDAs are proposed. We encourage the EIR preparers to avail themselves of this rich data source as a way of presenting to the public an assessment of the degree to which necessary public services are available, or would likely become available, in support of the anticipated growth embodied in the *Plan Bay Area 2040* and specifically within the PDAs. Further, from the consideration of impacts to public services on PDAs distributed throughout the Bay Area, it is hoped that a picture would emerge indicating to the public a sort of 'report card' or overall assessment of where the Bay Area can feasibly rise to the new level of needs of public services and where the Bay Area, as a whole, is seen as deficient or lacking, or facing potentially serious constraints. We think the EIR for the Plan Bay Area 2040 presents an ideal opportunity to heighten the public's awareness of potential impacts in these critical topic areas.

Thank you for considering our comments.

Sincerely,



Mona Palacios

Executive Officer

v:\laf\plan bay area\pba, 2016 eir comment ltr.doc

cc: Each Commissioner, Alameda LAFCo
Each Executive Officer, Bay Area LAFCOs (Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)
Andrew Massey, Alameda LAFCo Legal Counsel
Nat Taylor, Alameda LAFCo Planning Consultant

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LouAnn.Texeira@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX



Lou Ann Texeira
Executive Officer

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Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>

June 15, 2016

MTC Public Information
375 Beale Street, Suite 800
San Francisco, CA, 94105

Sent via email to eircomments@mtc.ca.gov

Dear MTC:

Thank you for the opportunity to comment on the Notice of Preparation (NOP) relating to an Environmental Impact Report (EIR) being prepared for the update to the regional planning document, *Plan Bay Area 2040*.

We would like to echo the comments submitted by Alameda LAFCO regarding LAFCO's mission, role and responsibilities. LAFCO is charged with balancing the competing interests of preserving agricultural and open space lands, while encouraging orderly growth and development and the efficient extension of public services. As noted by Alameda LAFCO, we request that the EIR consider impacts to agricultural and open space lands, as well as the availability and capacity of public services.

With regard to agricultural and open space land issues, the EIR should address potential impacts to the Priority Conservation Area (PCA) sites as well as surrounding areas.

With regard to the public services needed to support each proposed Priority Development Area (PDA), the EIR should evaluate the level and availability of those services identified in the Alameda LAFCO letter.

You may recall that in 2010, the nine Bay Area LAFCO Executive Officers met with staff from ABAG, BAAQMD, BCDC and MTC to discuss development of the inaugural *Plan Bay Area*.

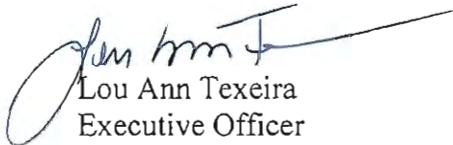
As discussed in 2010, the *Plan Bay Area* documents should take into consideration the LAFCO established spheres of influence (SOIs) for each city and special district, as the SOIs establish the areas designated as probable physical boundaries and future service areas. Further, the *Plan Bay Area* documents should recognize special districts as critical service providers. In many counties, including Contra Costa County, most infrastructure services (i.e., fire, sewer, water) are provided by special districts. *Plan Bay Area 2040* would be incomplete if it fails to consider SOIs, as well as the role of special districts as critical service providers.

As noted by Alameda LAFCO, Municipal Service Reviews (MSRs), as prepared by LAFCOs, contain a wealth of information regarding municipal services. The MSRs evaluate growth and population projections; present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies; financial ability of agencies to provide services; status of, and opportunities for, shared facilities; accountability for community service needs, including governmental structure and operational efficiencies; location and characteristics of disadvantaged unincorporated communities; and any other matters related to effective or efficient service.

We agree with Alameda LAFCO that the EIR for *Plan Bay Area 2040* presents a valuable opportunity to heighten the public's awareness of these critical issues.

Thank you for your consideration of these comments, and please include Contra Costa LAFCO on your future mailing list.

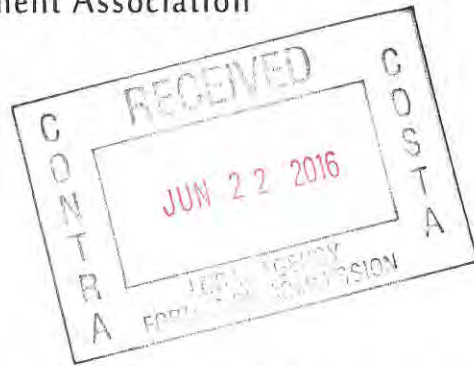
Sincerely,



Lou Ann Texeira
Executive Officer

cc: Each Commissioner, Contra Costa LAFCO
Each Executive Officer, Bay Area LAFCOs (Alameda, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)

CONTRA
COSTA
COUNTY
CCCERA
Employees' Retirement Association



July 13, 2016
Agenda Item 14

June 21, 2016

To All CCCERA Participating Employers,

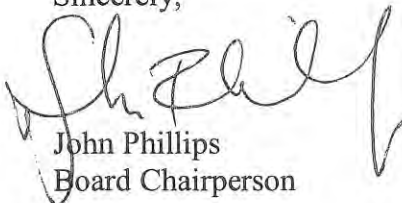
On behalf of the CCCERA Board of Retirement, I am writing to provide an update to you regarding the Board's review of allegations made in an anonymous letter sent to some of CCCERA's participating employers in February 2016. Your agency may have received the anonymous letter. The author of the letter made derogatory statements about some of CCCERA's managers and alleged that improper conduct occurred in managing the fund.

The Board takes allegations of impropriety at CCCERA seriously, and has therefore commissioned an independent review of these allegations. The independent review concluded that none of the allegations contained in the anonymous letter have any merit. The Board will continue to oversee the administration of the CCCERA trust fund system in a prudent manner, assuring prompt delivery of benefits and related services to CCCERA members and their beneficiaries. The Board will further continue to monitor and strengthen internal controls within CCCERA, to ensure all required contributions are collected timely. The accuracy and competency of the fund's finances have been and will continue to be audited annually by an independent external auditor, with any exceptions addressed immediately.

Your trust is important to us. Be assured that this trust fund remains safe and secure.

As always, if you have any concerns about the administration of the pension fund, please do not hesitate to contact CCCERA Chief Executive Officer Gail Strohl or myself.

Sincerely,



John Phillips
Board Chairperson

Copy: Gail Strohl, Chief Executive Officer

CALAFCO Daily Legislative Report as of Wednesday, July 06, 2016

July 13, 2016
Agenda Item 16a

1

AB 2032 (Linder R) Change of organization: cities: disincorporation.

Current Text: Amended: 6/6/2016 [pdf](#) [html](#)

Introduced: 2/16/2016

Last Amended: 6/6/2016

Status: 6/30/2016-In Assembly. Concurrence in Senate amendments pending. May be considered on or after July 30 pursuant to Assembly Rule 77.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation and the potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.

Attachments:

[CALAFCO Support Letter May 2016](#)

[CALAFCO Removal of Opposition Letter April 2016](#)

[CALAFCO Oppose Letter March 2016](#)

Position: Support

Subject: CKH General Procedures, Disincorporation/dissolution

CALAFCO Comments: This bill is sponsored by the County Auditor's Association. After working closely with the author's office and the sponsor's representative, the bill has been substantially amended. The amendments in the April 5, 2016 version of the bill eliminate all of CALAFCO's concerns, and as a result we have removed our opposition. The amendments reflected in the April 11, 2016 version reflect the addition of one item inadvertently omitted by the author and a requested change in the ordering sequence by CALAFCO. The amendments in the June 6 version make a minor change to align with AB 2910. All amendments are minor and have been agreed to by CALAFCO and the other stakeholders with whom we worked last year on AB 851 (Mayes).

AB 2277 (Melendez R) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/20/2016)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter March 2016](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: UPDATE: This bill failed to make it out of the Assembly Appropriation Suspense File and has died.

As introduced, this bill is identical to SB 817 (Roth, 2016) except that it does not incorporate changes to

the R&T Code Section 97.70 related to AB 448 (Brown, 2015). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

AB 2470 (Gonzalez D) Municipal water districts: water service: Indian tribes.

Current Text: Amended: 4/26/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/26/2016

Status: 6/22/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (June 22). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe and the satisfaction of certain conditions, would require a district to provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements and the Indian tribe satisfies prescribed conditions.

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended, this bill requires a water agency to provide water service upon request of an Indian tribe and under certain conditions, to the tribe at substantially the same terms as existing customers of the water district even though no annexation of the land to be serviced is required. The proposed process bypasses entirely the LAFco process and requires the water agency to provide the service without discretion. The author contends the criteria for qualification as outlined in the bill applies only to the Sycuan Indian tribe in San Diego. CALAFCO solicited feedback from members and based on the responses there are no other Indian tribes (at least for which LAFco is aware) to which that criteria applies.

AB 2910 (Committee on Local Government) Local government: organization: omnibus bill.

Current Text: Amended: 6/1/2016 [pdf](#) [html](#)

Introduced: 3/15/2016

Last Amended: 6/1/2016

Status: 6/16/2016-From Consent Calendar. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's current service area and instead include references to the public agency's jurisdictional boundaries.

Attachments:

[CALAFCO Support Letter_April 2016](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill that makes minor, non controversial changes to CKH. This year, the bill makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. Affected sections include: 56301, 56331, 56700.4, 56816, 56881, 57130 and 56134.

SB 817 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Amended: 2/22/2016 [pdf](#) [html](#)

Introduced: 1/5/2016

Last Amended: 2/22/2016

Status: 6/29/2016-June 29 set for first hearing. Placed on APPR. suspense file.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, currnet law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter Febuary 29, 2016](#)

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

[SB 1262](#) (Pavley D) Water supply planning.

Current Text: Amended: 6/15/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 6/15/2016

Status: 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would, if a water supply for a proposed project includes groundwater, require certain additional information to be included in the water supply assessment.

Attachments:

[CALAFCO Letter of Concern March 2016](#)

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

Recent amendments removed CALAFCO's primary concern of the timing requirements of the water supply assessment, and returns the statute to its original state. Other concerns remain unaddressed in the bill including the ongoing discussion of the appropriate size of a project (is 500 units the appropriate threshold) and how this bill will deal with phased development. Based on stakeholder discussions with the author, these issues will not be addressed in this bill.

[SB 1266](#) (McGuire D) Joint Exercise of Powers Act: agreements: filings.

Current Text: Amended: 4/12/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/12/2016

Status: 6/30/2016-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires an agency or entity that files a notice of agreement or amendment with the Secretary of State to also file a copy of the original joint powers agreement, and any amendments to the agreement, with the Controller. This bill would require an agency or entity required to file documents with the Controller, as described above, that meets the definition of a joint powers authority or joint powers agency, as specified, that was formed for the purpose of providing municipal services, and that includes a local agency member, as specified, to also file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located within 30 days after the effective date of the agreement or amendment to the agreement.

Attachments:

[CALAFCO Support Letter February 2016](#)

[CALAFCO Support as amended letter March 2016](#)

Position: Sponsor

Subject: Joint Power Authorities, LAFCo Administration

CALAFCO Comments: This is a CALAFCO sponsored bill. As amended, the bill requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file adds punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

SB 1318 (Wolk D) Local government: drinking water infrastructure or services: wastewater infrastructure or services.

Current Text: Amended: 6/1/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 6/1/2016

Status: 7/1/2016-Failed Deadline pursuant to Joint Rule 61(b)(13). (Last location was L. GOV. on 6/9/2016)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. This bill would additionally authorize a local agency formation commission to initiate a proposal by resolution of application for the annexation of a disadvantaged unincorporated community, as specified. This bill contains other related provisions and other current laws.

Attachments:

[CALAFCO Oppose As Amended Letter April 2016](#)

[CALAFCO Oppose Letter March 2016](#)

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

CALAFCO Comments: MOST RECENT UPDATE: As of June 15, CALAFCO was notified by the author's office they were dropping the bill. At the request of the author, CALAFCO provided a second set of proposed amendments that were focused solely on bringing all LAFCOs into compliance with SB 244. The sponsor of the bill ultimately could not agree to the proposed amendments, and as a result the author decided to drop the bill. CALAFCO's Oppose position will remain on record and we will continue to monitor the bill for any further activity.

PRIOR UPDATES: CALAFCO has been working closely with the author and sponsor on potential amendments to improve the April 12 version of the bill. Substantial amendments were provided, and the bill as amended on June 1 reflect only a portion of those amendments.

As amended, the bill still provides no funding for LAFCo to conduct the required studies and for agencies to complete any service extensions or annexations, which is one of the biggest obstacles for these areas to receive the service. (CALAFCOs amendments included the Water Board and Regional Water Quality Boards as funding mechanisms.) The bill changes the definition of a DUC (different from what CALAFCO proposed), retains protest provisions for the DUC only, and requires LAFCo to hold public hearings as

close in proximity to the DUC. Several important amendments that were included are the proposed change to 56653, the removal of the prohibition to LAFCo for annexing or extending services to an area if all DUCs in the area have not been served, it moves the DUC mapping requirements from the SOI/MSR section to the LAFCo Powers section.

2

[AB 1362](#) ([Gordon D](#)) San Mateo County Mosquito and Vector Control District: board of trustees: appointment of members.

Current Text: Amended: 6/22/2016 [pdf](#) [html](#)

Introduced: 2/27/2015

Last Amended: 6/22/2016

Status: 6/29/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 1.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Would authorize a change in the appointment of the board of trustees of the San Mateo County Mosquito and Vector Control District. If a majority of the legislative bodies that include the city councils in, and the Board of Supervisors of, the County of San Mateo adopt resolutions approving the change in board composition and forward a copy of the resolution to the local agency formation commission, the commission is required to adopt procedures for the reorganization of the board of trustees of the San Mateo County Mosquito and Vector Control District.

Position: Watch

CALAFCO Comments: As amended on June 22, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of the San Mateo County Mosquito and Vector Control District (previous versions were statewide - this version is district specific). The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board.

[AB 2414](#) ([Garcia, Eduardo D](#)) Desert Healthcare District.

Current Text: Amended: 6/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 6/28/2016

Status: 6/28/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the Board of Supervisors of the County of Riverside to submit a resolution of application to the Riverside County Local Agency Formation Commission, and, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing.

Attachments:

[CALAFCO Oppose Letter April 2016](#)

Position: Oppose

Subject: Disincorporation/dissolution, LAFCo Administration

CALAFCO Comments: As amended, this bill requires Riverside LAFCo to approve the expansion of the district, providing a determination is made that the expansion is financially feasible. The bill requires the County of Riverside to file the application with the LAFCo by 1/1/17, and as the applicant, to pay all necessary fees. The bill gives Riverside LAFCo 150 days to conduct all proceedings and direct the election necessary to expand the district. While the amendments removed the unrealistic timelines prescribed in the original version, and removed the requirement for the LAFCo (and other agencies) to find a viable funding source for the expansion, the bill still divests Riverside LAFCo of its authority and discretion.

AB 2471 (Quirk D) Health care districts: dissolution.**Current Text:** Amended: 5/10/2016 [pdf](#) [html](#)**Introduced:** 2/19/2016**Last Amended:** 5/10/2016**Status:** 6/22/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 4. Noes 1.) (June 22). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to specified provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 that require dissolution by voter approval only if a majority protest exists, as specified. By requiring a higher level of service from the Alameda County local agency formation commission to analyze the criteria described above, the bill would impose a state-mandated local program.

Attachments:[CALAFCO Oppose Unless Amended Letter April 2016](#)**Position:** Oppose unless amended**Subject:** CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

CALAFCO Comments: As amended, the bill makes the language specific to Eden Township Healthcare District, rather than the more generic statewide original approach. However, the bills till divests Alameda LAFCo of their authority and discretion. The bill requires the Alameda LAFCo to review Eden Township Healthcare District's compliance with certain criteria set forth in the bill. If all of the prescribed criteria is met, the bill requires the LAFCo to order the dissolution of the district.

SB 1263 (Wieckowski D) Public water system: permits.**Current Text:** Amended: 6/29/2016 [pdf](#) [html](#)**Introduced:** 2/18/2016**Last Amended:** 6/29/2016**Status:** 6/29/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require a person submitting an application for a permit for a proposed new public water system to first submit a preliminary technical report to the State Water Resources Control Board at least 6 months before initiating construction of any water-related improvement, as defined. Because a misstatement in the report could be a crime under the provision described above, this bill would impose a state-mandated local program by expanding the scope of a crime.

Position: Watch**Subject:** Water

CALAFCO Comments: As amended, this bill would require an application for a permit for a proposed new public water system to first submit a preliminary technical report to the board at least 6 months before initiating construction of any water-related improvement, as defined.

The bill would allow the state board to direct the applicant to undertake additional discussion and negotiation with certain existing public water systems to provide an adequate and reliable supply of domestic water to the service area of the proposed new public water system and would require an applicant to comply before submitting an application for a permit to operate a system and would prohibit the application from being deemed complete unless the applicant has complied. The bill would authorize the board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. The bill also prohibits a local primacy agency from issuing a permit to operate a public water system without the concurrence of the state board. The bill prohibits water hauling as a viable source of water supply.

Amendments done on June 8, 2016 raised a concern for CALAFCO in that Section 116527(e) addresses what the board may do upon review of a prelim tech report. Subsection (1) states they may direct the applicant to undertake additional discussions if they have not already gone to LAFCo. It further states the board will not do that if, among other things, the LAFCo has already denied the project. However, there is no indication that the board's direction for the applicant to undertake additional discussions is NOT a

replacement for going to LAFCo. CALAFCO has requested an amendment to add clarifying language on this point.

3

[AB 1658](#) ([Bigelow](#) R) Happy Homestead Cemetery District: nonresident burial.

Current Text: Introduced: 1/13/2016 [pdf](#) [html](#)

Introduced: 1/13/2016

Status: 6/16/2016-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

[AB 1707](#) ([Linder](#) R) Public records: response to request.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 1/25/2016

Last Amended: 3/28/2016

Status: 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. L. GOV. on 3/29/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The California Public Records Act requires state and local agencies to make public records available for inspection, unless an exemption from disclosure applies. The act requires a response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record.

Attachments:

[CALAFCO Oppose Letter_March 2016](#)

Position: Oppose

Subject: Public Records Act

CALAFCO Comments: As amended, this bill would require public agencies, including LAFCos, when responding to a Public Records Request for which a determination has been made to deny the request, to identify the types of records being withheld and the specific exemption that applies to that record. The amendments did little to mitigate concerns, as the change is minor. (Removed the requirement of having to list every document and now requires them to be categorized.)

CALAFCO understands this bill has been pulled by the author. We will continue to monitor.

[AB 2142](#) ([Steinorth](#) R) Local government finance.

Current Text: Introduced: 2/17/2016 [pdf](#) [html](#)

Introduced: 2/17/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/17/2016)

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

Position: Watch

CALAFCO Comments: As introduced, this appears to be a spot bill. The bill targets Section 96.15 of the

Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

[AB 2257](#) (Maienschein R) Local agency meetings: agenda: online posting.

Current Text: Amended: 6/22/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 6/22/2016

Status: 6/29/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill would require an online posting of an agenda for a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site to be posted on the local agency's primary Internet Web site homepage accessible through a prominent, direct link, as specified.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: As amended, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda. Other requirements added in the April 11, 2016 version of the bill include: (1) The direct link to the agenda required shall not be in a contextual menu; (2) The agenda shall be posted in an open format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; is platform independent and machine readable; is available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.

[AB 2389](#) (Ridley-Thomas D) Special districts: district-based elections: reapportionment.

Current Text: Amended: 5/9/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 5/9/2016

Status: 6/30/2016-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

Position: Watch

CALAFCO Comments: As amended, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters for approval.

[AB 2435](#) (Mayes R) Local government organization: disincorporated cities.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/19/2016)

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city,

all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

Position: Placeholder - monitor

Subject: Disincorporation/dissolution

CALAFCO Comments: This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code.

AB 2737 (Bonta D) Nonprovider health care districts.

Current Text: Amended: 6/20/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 6/20/2016

Status: 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. The bill would require a nonprovider health care district to pay any amount required to be paid in the district's annual budget year by a final judgment, court order, or arbitration award before payment of those grants or administrative expenses, as specified.

Position: Watch

CALAFCO Comments: This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District, although it is written in generic form. As amended, the bill requires a non-provider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses (as defined).

AB 2853 (Gatto D) Public records.

Current Text: Amended: 6/16/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 6/16/2016

Status: 6/16/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:

Would authorize a public agency that posts a public record on its Internet Web site to refer a member of the public that requests to inspect the public record to the public agency's Internet Web site where the public record is posted. This bill would require, if a member of the public requests a copy of the public record due to an inability to access or reproduce the public record from the Internet Web site where the public record is posted, the public agency to promptly provide a copy of the public record to the member of the public, as specified. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: As amended the bill simply allows a public agency that has received a public records request act request to refer the the person making the request to the agency's website for the documents, should they be posted on the site.

SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.

Current Text: Amended: 6/16/2016 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 6/16/2016

Status: 6/28/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 5.) (June 28). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the State Water Resources Control Board to order consolidation where a public water system or a state small water system is serving, rather than within, a disadvantaged community, and would limit the authority of the state board to order consolidation or extension of service to provide that authority only with regard to a disadvantaged community. This bill would make a community disadvantaged for these purposes if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: As amended, the bill makes the CALAFCO requested change to the Health & Safety Code by amending 116682 (g) which gives LAFCo the approval to do what is necessary to complete a consolidation of two systems, should they be required to do so by the State Water Board. (Previous language technically divested LAFCo of that authority.)

Further, the bill adds provisions that give the SWRCB the authority to appoint an Administrator to a water system (as opposed to mandating consolidation), which is a kind of receivership.

SB 971 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 5/27/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 15, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the First Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 972 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 5/27/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 16, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Second Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 973 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 5/27/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 5/27/2016-Chaptered by Secretary of State - Chapter 17, Statutes of 2016.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would enact the Third Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 974 (Committee on Governance and Finance) Local government: omnibus.

Current Text: Amended: 6/2/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Last Amended: 6/2/2016

Status: 6/30/2016-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book. This bill would also authorize a county recorder to store records of survey in any other manner that will ensure the maps are kept together. This bill contains other related provisions and other current laws.

Position: Watch

CALAFCO Comments: As amended, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

SB 1009 (Nielsen R) Public cemeteries: nonresidents.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was GOV. & F. on 2/25/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

Position: Watch

Subject: Special District Powers

CALAFCO Comments: This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

SB 1276 (Moorlach R) Local agencies.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS. on 3/3/2016)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make nonsubstantive changes to the above-described law.

Position: Placeholder - monitor

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill to amend CKH.

SB 1292 (Stone R) Grand juries: reports.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 5/27/2016-Failed Deadline pursuant to Joint Rule 61(b)(8). (Last location was APPR. SUSPENSE

FILE on 4/25/2016)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

Attachments:

[CALAFCO Letter of Support_May 2016](#)

Position: Support

Subject: Other

CALAFCO Comments: UPDATE: This bill did not make it out of the Assembly Appropriations Suspense File and therefore died.

Sponsored by CSDA. As amended, the bill requires the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. Once the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those prelim comments public at the time the report is made public.

This will allow LAFcos, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFco to respond to those findings and offer additional information or corrections. Further, it allows the LAFco to provide preliminary comments that are required to be posted with the report when it is made public.

SB 1374 (Lara D) The Lower Los Angeles River Recreation and Park District Act.

Current Text: Amended: 6/16/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 6/16/2016

Status: 6/29/2016-ASM. L. GOV. Vote - Do pass as amended and be re-referred to the Committee on Appropriations.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would create the Lower Los Angeles River Recreation and Park District and would subject the district to specified existing laws governing recreation and park districts, except as provided. The bill would authorize 9 specified city councils and the Los Angeles County Board of Supervisors to appoint the initial board of directors of the district. The bill would require the initial board of directors to adopt a description of the territory to be included in the district and other specified information that existing law requires from the proponents for the formation of a new recreation and park district.

Attachments:

[CALAFCO Letter of Oppose_June 2016](#)

Position: Oppose

CALAFCO Comments: Gut and amended on June 16, this bill creates a new district within the LA County area and does not involve LAFco in the formation process.

SB 1436 (Bates R) Local agency meetings: local agency executive compensation: oral report of final action recommendation.

Current Text: Amended: 4/6/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/6/2016

Status: 6/30/2016-Read second time. Ordered to consent calendar.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill, prior to taking final action, would require the legislative body to orally report a summary of a

recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration, Other

CALAFCO Comments: As amended, this bill requires public agencies, including LAFCos, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.

Total Measures: 30

Total Tracking Forms: 30

7/6/2016 9:39:54 AM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

PENDING PROPOSALS – JULY 13, 2016

July 13, 2016
 Agenda Item 16b

LAFCO APPLICATION	RECEIVED	STATUS
Town of Discovery Bay Community Services District (DBCSD) SOI Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove	July 2010	Incomplete; awaiting info from applicant
DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development	July 2010	Incomplete; awaiting info from applicant
Bayo Vista Housing Authority Annexation to RSD: proposed annexation of 33± acres located south of San Pablo Avenue at the northeastern edge of the District's boundary	Feb 2013	Continued from 11/12/14 meeting
Northeast Antioch Reorganization Area 2A: proposed annexations to City of Antioch and Delta Diablo; and corresponding detachments from County Service Areas L-100 and P-6	July 2013	Continued from 6/8/16 meeting to 9/14/16
Reorganization 186 (Magee Ranch/SummerHill): proposed annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) of 402± acres; 9 parcels total to CCCSD (8 parcels) and EBMUD (7 parcels)	June 2014	Removed from the Commission's calendar pending further notice
Montreux Reorganization: proposed annexations to the City of Pittsburg, Contra Costa Water District and Delta Diablo and detachment from County Service Area P-6 of 165.1± acres located on the west and east sides of Kirker Pass Road	Apr 2016	Under review
Tassajara Parks Project – proposed SOI expansions to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Under review
Tassajara Parks project – proposed annexations to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	May 2016	Under review
West County Wastewater District Annexation 315 - proposed annexation of 1.0± acres located on Hillside Drive in unincorporated El Sobrante	May 2016	Under review

Danville: Hated development in Tassajara Valley, now downsized and revamped, approaching approval

By Sam Richards , srichards@bayareanewsgroup.com
The Mercury News

July 13, 2016
Agenda Item 16c

Posted: Thu Jun 09 12:50:07 MDT 2016

DANVILLE -- Having undergone major changes in both size and form since it was proposed in 2007 as New Farm, a much smaller housing project east of the city limits in the Tassajara Valley is now well into the planning and approval process.

The 2016 version of the project, now called Tassajara Parks, calls for 125 homes, downsized from 152, on a 30-acre parcel just east of the San Ramon city limit. That is part of the original New Farm's northern site; the rest of its 155 acres are to remain open land.

The agricultural aspects of the plan are long gone, as is any planned development on the 616 acres of the southern site immediately west of Camino Tassajara. Plans now are for almost the entire parcel to be deeded to the East Bay Regional Park District as open space for recreational uses. A few acres would go to the San Ramon Valley Fire Protection District for potential use as a training site.

Comments are being accepted on a draft environmental impact report for the project through July 18.

John Osborne, a Contra Costa County senior planner, said those comments will be incorporated into the final environmental report. The release date for that report, he said, will depend largely on the number and nature of public comments and questions to be addressed.

Tassajara Parks could come before the county planning commission and the board of supervisors late this year, Osborne said.

New Farm originally called for 185 houses, mostly very large ones, distributed on both the northern and southern parcels. The houses were to have been surrounded by working orchards and vineyards.

But that plan was bitterly opposed by environmentalists and others, in large part because it represented sprawl. It drew the moniker Fake Farm.

David Bowlby, a spokesman for project developer FT Land LLC, said it's been a long and at times laborious process, but ultimately "inclusive and collaborative."

FT Land would contribute \$4 million in seed money to help establish an agriculture preserve on the southern parcel, he added.

At a county Zoning Administrators hearing Monday, most supported the latest version of Tassajara Parks, which would nestle up to the east side of Tassajara Hills Elementary School.

"We have significant traffic issues already, and they're extremely hard to mitigate," said Gary Black, a San Ramon Valley school district assistant superintendent. But he said the developer will provide some much-needed extra driving and parking space on the east side of the school.

The new homes would feed an estimated 65 to 70 students into Tassajara Hills, plus district middle and high schools, which the district is well able to handle, Black said.

Juan Pablo Galvan, land use manager for the preservation group Save Mount Diablo, said that group hasn't yet taken a stand on the project itself, but is satisfied with proposed measures to help wildlife, including the California red-legged frog whose habitat includes the two large parcels.

The prospect of even the downsized project means more homes in the fast-growing Tassajara Valley, and that doesn't thrill everyone.

Richard Fischer, who lives on Old School Road just northeast of where the houses would be built, doesn't appreciate the precedent of a development like this breaching the urban limit line.

The county would have to adjust the urban limit line around the proposed residential parcel.

"With this, the nose of the camel is underneath the tent," he said. "Soon we'll have 'Dublin North.' "

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC)

Tassajara Parks

Written comments about the draft environmental impact report for this project are being accepted through July 18. Send them to John Osborne, Contra Costa County Department of Conservation and Development, 30 Muir Road, Martinez, CA 94553.

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http://www.thepress.net/news/fire-district-may-switch-to-elected-board/article_d4eb5d76-33e6-11e6-aa3b-a747c2281007.html

Fire district may switch to elected board

Kyle Szymanski Staff Writer Jun 16, 2016



The East Contra Costa Fire Protection District Board will ask voters in November if they approve switching to a five-member elected board.

The move comes seven months after the Contra Costa County Board of Supervisors agreed to pledge \$312,000 to help open a fourth station if the district considered some changes, including switching to an elected body.

"This question has never gone to the public," said Fire Chief Hugh Henderson. "I don't know if there is ever a good time to do it, but this seems to be the right time to move forward, with the work of the task force (to get a fourth station reopened) and the request of the board of supervisors. As the cities and the county have appointed different directors, the discussion has always been that at some point this board needs to move forward, be on its own two feet and be an elected board."

Since 2009, the cities of Brentwood and Oakley and the Contra Costa Board of Supervisors have appointed the nine board members. Prior to that, the board of supervisors served as the district board for the first seven years of its existence.

The district considered posing the question to voters in 2011, but scrapped the effort over concerns about its cost.

This time around, the board seems poised to move forward, with the resolution passing in an 8-1 vote. Dr. Cheryl Morgan cast the lone dissenting vote.

Morgan said that having the district represented by an elected board would backfire. She expressed concern that the elected board will get rid of the contract with CalFire, which is currently used to serve parts of unincorporated areas of the district.

"I don't think this will end up being good for the district," she said. "I think you are going to get back into a situation where Morgan Territory, Marsh Creek and now Byron are going to petition again and use whatever legal means they have to separate. There is no reason for us to be part of this district if we are eventually going to lose the Amador (CalFire) contract and have no fire service."

Bethel Island resident Mark Whitlock expressed a similar concern.

"Logistically, for us in Bethel Island, we have a very big concern about having zero representation, with Brentwood and Oakley owning the lion's share of voters," he said.

The measure on the November ballot will only ask voters if they will approve switching to an elected board. If the measure receives a majority vote, the board seats would be filled in a separate election in November 2017. The initial election is slated to cost the district around \$112,000.

Opinions varied among board members on whether future board members should be elected at large or by wards. If the district is broken into wards, a consultant would be brought in, costing an unknown amount. This would ensure the wards are broken up evenly, based on population, and confirm no member of the populous is left unrepresented.

The majority of fire agencies in Contra Costa County are governed using elected boards, with the Moraga-Orinda Fire Protection District using a ward system and the San Ramon Valley and Rodeo-Hercules fire protection districts using an at-large system. The Contra Costa Board of Supervisors governs the nearby Contra Costa Fire Protection District and Crockett-Carquinez Fire Department.

Board president Joel Bryant said regardless of how the district board is chosen, it would have a responsibility to represent every district resident.

"This district as a whole is responsible for fire protection," he said. "Ward or no ward, the responsibility will be the same."

Board members Randy Pope and Meghan Bell both expressed support for breaking the district into wards to ensure residents in unincorporated areas are adequately represented.

"I feel very strongly it should be by ward, and we (should) pay close attention to how the lines are drawn to make sure every type of area has representation, because it would be very easy for Brentwood and Oakley to steamroll the rest of the unincorporated, lower-density population areas," said Pope.

Board member Erick Stonebarger countered that board members elected district-wide would be a better representation model, because each member could represent the entire district.

"I think the best representation for the district is a district-wide line," he said. "Everyone would be able to vote for whomever was the best candidate to take that position."

The district board plans to further discuss the matter at its June 20 meeting, which will be held inside the Oakley City Council Chambers, at 3231 Main St. The time of the meeting will be announced on June 18, at eccfpd.org.

Accepting 'new normal' for water, brings more challenges (East Bay Times guest commentary)

By Alexander R. Coate and Jerry D. BrownEast Bay Times guest commentary
East Bay Times

Posted: Fri Jun 17 13:00:00 MDT 2016

Droughts happen. And every one teaches us new habits and shows us new challenges. Droughts remind us that water is precious.

We write this on behalf of 10 member agencies of the Bay Area Water Agencies Coalition who serve more than 6.3 million Bay Area residents and thousands of businesses in Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Sonoma and Solano counties.

We thank our customers for their exceptional response to this drought and their tremendous conservation actions.

We also know they will maintain these water-wise habits for years -- reducing demands on future supplies. Is conservation here to stay? Count on it.

These are not just water-wise habits. Our customers have taken permanent water efficiency actions: upgrades in appliances and irrigation systems, replacement of turf, repair of leaks.

In just the last two years alone, customer rebates for high-efficiency toilets, efficient clothes washers, and lawn replacements will save 831 million gallons per year of drinking water for Bay Area communities.

These permanent savings are not a new trend. Our local water agencies have active conservation programs that have been in place for decades.

Our rebate programs, home water-wise evaluations and audits, and lawn replacement programs were in place and ready for when dry years arrived.

We have been advancing water efficiency, water-wise habits, and leak detection in various forms for years. With this recent drought, we are learning new lessons that will help us advance our programs and maintain the water savings our customers have achieved.

As we look ahead and consider new state directives, improved snowpack and water-supply conditions, and the possibility of returning dry conditions, we want to thank Gov. Jerry Brown and the State Water Resources Control Board for recognizing that local water agencies know our customers, water supplies and challenges best.

Our water systems, many put in place 100 years ago or more, are incredibly reliable.

As we adapt to a "new normal," we also must recognize challenges that lie ahead.

With successful conservation and water wise habits come reduced water sales, challenging revenue shortfalls and the need for cost efficiencies.

Water service is a capital-intensive business. With substantial fixed costs, achieving financial sustainability is key. Forgoing upkeep on the maintenance of the water systems that the Bay Area depends upon is not an option.

We also must pursue local and regional water supply reliability efforts, which include new infrastructure, recycled water projects and development of other alternative water supplies.

Municipal water systems are amazing, complex operations that must be managed responsibly. Before a single drop of water is delivered to your tap, it has been collected and transported from its source, treated and tested, and traveled miles to get to your home or business.

The complex water treatment and delivery process is a responsibility entrusted to us by our customers, and we work to deliver that service to homes and businesses, with the fire protection and water quality you expect, 24 hours a day, 7 days a week.

We are proud of the service we provide, and we encourage you to learn how we deliver safe drinking water to your tap every day.

Thank you again to our customers, local leaders and the state. Together, we successfully made it through this dry period. Together, we will move forward with new habits learned, new efficiencies locked in, and a commitment to planning wisely for the future.

Alexander R. Coate is general manager of East Bay Municipal Utility District and Jerry D. Brown is general manager of the Contra Costa Water District. Also signing the piece were water managers Robert Shaver, Alameda County Water District; Nicole Sandkulla, Bay Area Water Supply and Conservation Agency; Joy Eldredge, city of Napa; Krishna Kumar, Marin Municipal Water District; Harlan L. Kelly Jr., San Francisco Public Utilities Commission; Grant Davis, Sonoma County Water Agency; Roland Sanford, Solano County Water Agency; and Jill Duerig, Zone 7 Water Agency.

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East Bay Times

Should California limit the number of small, new water systems?

By Paul Rogers, progers@bayareanewsgroup.com

Posted: 06/20/2016 05:25:27 AM PDT

California's drought has revealed that when it comes to water, not every community is equal.

Large urban areas, from the Bay Area to Los Angeles, asked residents to conserve, raised rates to buy water from other places and generally have gotten by without much inconvenience, other than brown lawns and shorter showers.

But communities served by smaller systems, from farm towns to forest hamlets -- often lacking money, expertise and modern equipment -- have struggled and, in some cases, nearly run out of water entirely.

Now, a bill by a Bay Area state lawmaker aims to slow the spread of little "mom and pop" water providers by making it very difficult to create new ones.

The problem, says state Sen. Bob Wieckowski, D-Fremont, is that California has 7,642 water systems. Some serve only campgrounds, prisons or schools. Of the ones in communities with full-time residents, 63 percent have 200 or fewer connections.

Many have no permanent employees. Some own only one well and have leaky, aging pipes and tanks. State records show they have far more health violations than large city water districts, involving everything from arsenic to bacteria levels in drinking water.

"We see a proliferation of these small districts, some with 100 homes, 200 homes, even 15 homes," Wieckowski said. "Some of them are just putting in a well and saying, 'this is a water district' without the money or the technical expertise to operate it."

Under current law, in much of California anyone can create a private company or a new public agency to set up a water system with a vote from local officials, such as the county.

Wieckowski's bill, Senate Bill 1263, would require applicants instead to identify other water agencies within 3 miles, then meet with those agencies, and write a report comparing how much it would cost residents to simply connect to the existing, larger water system rather than creating a new one. Every new system would need a permit from the State Water Resources Control Board in Sacramento.

"There's no rhyme or reason now," he said. "We need to be more efficient."

The bill, which passed the Senate 21-14 last month, also requires a study of how a new system's supply would hold up over 20 years, including in droughts.

But the debate, pitting environmentalists against business interests, is raising questions about whether bigger is better, and how much local control matters.

Opponents include the California Chamber of Commerce, California Building Industry Association and Association of California Water Agencies. They note that it's often developers who need to create new water systems, particularly if they can't work out agreements with existing ones.

"In its current form, the bill would set up an open-ended bureaucratic process that could make it more expensive to build new homes and developments," said Valerie Nera, a lobbyist with the California Chamber of Commerce.

Supporters cite a 2015 state water board report that showed systems with under 200 connections accounted for 69 percent of all arsenic violations in the state, 94 percent of nitrate violations and 92 percent of bacteria violations.

"Some of these smaller agencies are not able to provide people with clean water," said Kathryn Phillips, director of Sierra Club California. "We've seen a lot of that happening in the San Joaquin Valley, and we want to make sure that doesn't happen again. This provides more oversight."

But others say having larger agencies provide water gives locals less say over rates and rules.

"We've seen what happens with consolidation of smaller business into larger corporations. Sometimes you don't have the same level of service, and you can fall through the cracks," said Tyler Boswell, who works as an operator for seven small water systems in the mountains between Los Gatos and the Santa Cruz County line.

In 2014, as the drought worsened, Boswell watched as Aldercroft Heights, a small community near Lexington Reservoir whose water system serves 350 people, was told by San Jose Water Co., which serves 1 million people, that it might run out of water. The reason: San Jose Water was going to stop releases of water from Lake Elsman, which empties into Los Gatos Creek, the main source of water for Aldercroft Heights.

The tiny community dug a well, put in strict conservation rates and got by when natural springs continued to feed the creek. Other small areas had an even rougher time.

Lompico, a community of 480 people east of Boulder Creek in the Santa Cruz Mountains, saw its wells drying up in 2014.

"It was pretty bad. We were running out of water," said Merrie Schaller, a former member of the Lompico Water District board. "We have old redwood tanks. Everything leaks. We had to tell people, 'Don't use water unless you have to.' Nobody could grow a garden."

The district, founded generations ago when the area was a collection of summer vacation cabins, raised rates and got a grant from the state to build an emergency pipeline connecting it with the larger San Lorenzo Valley Water District. A vote to merge with that district failed by one vote, but then passed on a later vote, and took effect this month.

"A lot of it is emotional," she said. "People here said it was cool to have our own water district. They thought nobody gets to tell us what to do. But the state tells us what to do. Everybody has to meet the public health standards, and it's not cheap."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJMN](https://twitter.com/PaulRogersSJMN).

Contra Costa, Alameda: Agriculture finds room to grow

By Sam Richards, srichards@bayareanewsgroup.com

Posted: 06/24/2016 02:28:31 PM PDT | Updated: a day ago

While "U-pick" berries, Livermore wine grapes and Brentwood sweet corn may be most people's mental image of East Bay agriculture, Contra Costa and Alameda counties produce a wide variety of crops and livestock -- and in a wide array of settings.

Even with the explosion of new subdivisions and strip malls in the early 2000s, and despite the drought after that, agriculture's various forms remain key economic drivers in both counties after almost 200 years. Some sectors are on a distinct upswing, including cattle, wine grapes and urban farms, and overall agricultural income is trending upward.



Mariana Malevich, of Hayward, shows off a large beet grown at City Slicker Farms in Oakland, Calif., on Friday, June 24, 2016. This urban farm grows and sells their produce on site in a totally urban setting. Contra Costa and Alameda counties produce a wide variety of crops and livestock even as both counties become more urbanized. (Dan Honda/Bay Area News Group)

"There is a lot of urban farming, sustainable urban landscaping, farmers markets, things that aren't obvious in the crop reports," said Edmund Duarte, Alameda County's deputy agricultural commissioner. "Agriculture is a pretty diverse industry."

Contra Costa County's 2015 overall agricultural production value was up more than 7 percent from the previous year, according to the county's 2015 Annual Crop and Livestock Report, approved by county supervisors Tuesday and submitted to the state.

Alameda County numbers were still being updated this past week, but Duarte said that the county's two biggest agricultural sectors, wine grapes and cattle, will likely continue to grow over the next several years.

With less land devoted to agriculture now than there was two decades ago, farmers have had to adjust.

"Contra Costa agriculture has gotten smaller in the past 20 years, but a number of farmers have shifted to a higher-value type of farming -- crops for the table," said Chad Godoy, Contra Costa County's agricultural commissioner.

That evolution has long since come to the Brentwood-Discovery Bay-Delta islands area, Contra Costa's agricultural core, where crops destined for the dinner table, not a food processor or grain elevator, have increased in importance. It's in full effect at G&S Farms, a 1,000-acre operation just east of Brentwood, where the sweet corn harvest is now in full swing. All of the estimated 20 million ears to be harvested this year will go straight to grocery stores near and far.

"There's great demand for local product and good support from retailers" like Safeway, said Glenn Stonebarger, a partner in the family-owned farming operation that also grows cherries, beans and cannery tomatoes.

The 'multiplier effect'



Crews harvest sweet corn at G&S Farms in Brentwood, Calif., on Friday, June 24, 2016. Contra Costa and Alameda counties produce a wide variety of crops and livestock even as both counties become more urbanized. (Dan Honda/Bay Area News Group)

There are also the visitors to the wineries in the established Livermore region and in up-and-coming wine regions like Lamorinda, plus East Contra Costa's U-pick farms and the more than 60 certified farmers markets throughout both counties. The ever-popular "multiplier effect" of money from agricultural workers, buyers and support businesses made the total estimated agriculture-related economy worth \$225 million in Contra Costa in 2015, according to the county's annual crop report.

The gross value of Contra Costa's crops and related products in 2015 was about \$128.5 million, up 7.24 percent from 2014. Notable items in the report included a 27 percent increase in the value of vegetable and seed crops (mostly sweet corn and table and cannery tomatoes) and a 17 percent decrease in value for the tree nut crop, mostly in far eastern Contra Costa, thanks to both poor market conditions and smaller overall yield.

The cherry crop was again below average in 2015, the report said, mostly because of bad weather (including untimely late-season rains) that harmed the fruit.

Contra Costa's leading agricultural products in 2015, in descending order, were cattle, tomatoes, sweet corn, miscellaneous vegetables, grapes, field corn, alfalfa, walnuts, miscellaneous field crops, cherries, peaches, livestock pasture, apricots and wheat.

Variety is a key

Jeff Langholz, a senior researcher at the consulting firm Agricultural Impact Associates, said Contra Costa has maintained a healthy variety of crops.

"By maintaining its economic diversity within agriculture, Contra Costa County is insulating itself from future economic shocks, rather than put all its eggs in a single basket," said Langholz, whose firm helped prepare this year's Contra Costa agricultural report.

In Alameda County, the gross crop value, Duarte said, rose from \$35 million in 2010 to \$46 million in 2014. It's a less diverse agricultural economy than the one in Contra Costa, with fruit and nuts -- propelled by the Livermore wine region's grape growing -- representing the greatest agricultural value, followed closely by cattle. Those, along with nursery trees, shrubs and flowers, make up most of that county's agricultural production, Duarte said.

Outside of Contra Costa's "agricultural core," small pockets of production include the up-and-coming wine regions in Lamorinda, Walnut Creek and Martinez, the nurseries of Richmond and the wide-open spaces for cattle in the hills between Martinez and Hercules, in the Tassajara Valley east of Danville and on various East Bay Regional Park District properties.

The heart of Alameda County's agricultural area is the Livermore-Pleasanton-Sunol wine region, plus the ranch operations concentrated in the same general area, but it also encompasses the open spaces north of Interstate 580 from North Livermore into the hills west of Dublin, where cattle roam.

Future looks good

Godoy said Contra Costa growers have weathered the drought relatively well, thanks largely to widespread use of drip irrigation and through area irrigation districts' relatively robust senior water rights, ensuring at least a semblance of a steady supply. Livermore area wineries also have adopted drip irrigation on a large scale.

Urban farms, resembling community gardens but with a distinct commercial aspect, have long been established in Oakland and Berkeley, and are gaining popularity now with the "farm to table" movement and campaigns to bring healthier food to the inner cities. The West Oakland Farm Park, a large plot of farmland and open park space, opened earlier this month.

"I think it's going to be an important niche, providing locally grown vegetables and fruits," said Stephen Wheeler, a landscape architecture professor at UC Davis, who called such operations "community-supported agriculture."

A fifth generation of Stonebarger's family is now working at G&S Farms, even as relatively new tract homes have been built less than 200 feet from the nearest G&S fields. That interface, and the inevitable clashes with modern suburbia, present liability issues, he said.

But the county, especially the city of Brentwood, has been supportive of G&S and other farms, Stonebarger said, and the hand-picked, high-quality corn his farm supplies has never been more popular.

"I think the growers have contributed to Brentwood's good name; it's a good brand," he said.

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC).

East Bay Agriculture

To see Contra Costa County's 2015 Crop Report, go to www.cccounty.us/DocumentCenter/View/41302

Alameda County's latest agricultural report, from 2014, can be viewed at

www.acgov.org/cda/awm/resources/2014cropreport.pdf

Information on the West Oakland Farm Park is available at www.cityslickerfarms.org/farmpark

East Contra Costa Fire polls voters on proposed tax with negative results

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com
East Bay Times

Posted: Thu Jun 23 12:23:08 MDT 2016

OAKLEY -- A survey of residents in the East Contra Costa Fire District shows that most would not support a utility user tax to shore up the cash-strapped agency.

A task force that has spent the past year wrestling with ways to drum up a steady source of revenue for the historically underfunded district commissioned the poll, which consisted of interviews with 894 people by phone and email over the course of a week.

The Fire and Medical Services Task Force, which comprises 10 government and fire district officials, earlier this month floated the idea of asking voters in November to approve a tax on electricity, gas, cable TV and telephone service.

But the results released Wednesday suggest that it's unlikely the proposal would garner the simple majority vote required to pass: The highest rating the tax received anywhere in the district's service area was 47 percent.

"The public appears to be happy with being underserved," said Fire Chief Hugh Henderson, noting that 69 percent of the respondents indicated they are pleased with its performance.

Before settling on the utility user tax, the task force also had considered proposing another parcel tax or benefit assessment; the fire district pursued each of those options in 2012 and 2015, respectively, but voters rejected both.

A utility user tax has two advantages: It needs a simple majority vote to pass unlike the two-thirds margin that a parcel tax requires, said Brentwood City Manager Gus Vina, who heads up the task force.

In addition, it's more equitable because everyone would pay whereas parcel taxes and benefit assessments affect only property owners, he said.

"I thought we had something that was very different and maybe would get some traction, but that doesn't appear to be the case," Vina said.

One thing he is sure of, however, is that the fire district and task force must keep trying to get the public to understand the dangers of having only three stations.

"The issue is too critical to give up," he said.

People either can approve a tax or pay more for their homeowners' insurance -- assuming they can get it, Vina said, noting that some area residents say their insurance carriers are denying coverage altogether.

Since the task force formed in June 2015, it also has recommended that East Contra Costa Fire reopen Knightsen's station and update its master plan, which specifies how many stations the district needs to accommodate a growing population while achieving response times that meet industry standards.

The consulting firm that East Contra Costa Fire hired to update that 10-year-old document presented its findings Monday: The conclusion was that the district needs nine stations if it hopes to respond to emergencies in its more rural areas within eight minutes.

The agency currently operates just three stations that serve about 115,000 residents. The estimated cost of establishing four stations in Brentwood, three in Oakley and two in unincorporated areas is \$15.6 million annually, according to the consultant's report.

Reach Rowena Coetsee at 925-779-7141. Follow her at [Twitter.com/RowenaCoetsee](https://twitter.com/RowenaCoetsee).

East Bay Times

San Ramon: Police Chief Gorton to be interim city manager

[By Sam Richards, srichards@bayareanewsgroup.com](mailto:srichards@bayareanewsgroup.com)

Posted: **06/25/2016** 08:50:56 PM PDT | Updated: a day ago

SAN RAMON -- With the impending retirement of City Manager Greg Rogers, police Chief Joe Gorton has been appointed interim city manager effective July 1.

Gorton, 50, has been with the department since it was established in 2007, when the city opted to stop contracting with the Contra Costa Sheriff's Department for police services. Gorton has been chief since November 2013, succeeding the first chief, Scott Holder, upon his retirement.

"In the short term, my job is to keep San Ramon on a steady path," the one overseen by Rogers since April 2011, Gorton said. Gorton said his city manager duties will take precedence over his police chief work and plans on delegating more of the latter functions to the police department's command staff.

Rogers announced last month he would retire July 1 to end a 25-year career in government, including the past 13 years in San Ramon. Mayor Bill Clarkson and Vice Mayor Scott Perkins praised Rogers' strength in negotiating the city's finances since the recession in an era of increased online shopping and a smaller brick-and-mortar sales tax base.

"He really put the city back on its feet after the Great Recession, and thanks to his leadership we're in a really good position going forward," Clarkson said.

Rogers said he is proud of his work as San Ramon's finance director to help shore up the city's fiscal footing, and as city manager helping oversee the opening in 2014 of Rancho San Ramon Community Park and the May opening of the new San Ramon City Hall, long in the planning.

"I feel like the city is in better shape than when I came, and that's always been my goal," Rogers said.

That said, plenty of challenges await his long-term successor. The city will have to develop a more robust revenue stream to pay for upkeep of what will soon be a half-billion-dollar infrastructure of streets, bridges and sewers serving a growing city, Rogers said.

Part of that growth figures to be driven by the City Center commercial/residential project on Bollinger Canyon Road envisioned as the downtown San Ramon has never had. Designed by renowned architect Renzo Piano, this will be a signature project for the city, set to open in 2018.

Clarkson said no timeline has been established to choose a permanent successor to Rogers; the City Council will likely start talking about it in July, he said. Perkins said it might be better to wait to begin the search until at least November, when three of San Ramon's five council members are up for re-election, or possibly after Jan. 1.

"We'll likely get a better pool of applicants if we wait," Perkins said.

Gorton said he is thus far unsure about pursuing the city manager's job beyond the interim. He said he's never held such a job before but said that as a member of San Ramon's "executive management team," he has a pretty good handle on the various issues and challenges facing the city.

"If I find it feels right for me, then I would consider throwing my hat in the ring for the permanent position," said Gorton.

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC).

East Bay Times

Contra Costa County: Fire crews spread thin as flames rage in Brentwood, Antioch

By Rick Hurd, rhurd@bayareanewsgroup.com

Posted: 06/26/2016 10:12:19 AM PDT | Updated: about 19 hours ago

A homeowner was hospitalized, a firefighter injured and a Brentwood home destroyed in the last of a string of fires in Contra Costa County on Saturday that spread crews thin and left them weary on a day when temperatures reached the high 90s.

Medics treated and released the firefighter for a heat-related injury, Fire Chief Hugh Henderson of the East Contra Costa Fire Protection District said. He was part of a crew of 21 that needed eight hours to put out the house fire in the 100 block of Sycamore Avenue after it started around 3:28 p.m., Henderson said.

Fire crews controlled that blaze in about 90 minutes, and many of the firefighters then were dispatched to fight a four-alarm fire in Antioch. Those remaining at the Brentwood scene needed another 6 1/2 hours to make sure the fire would not reignite, Henderson said.



An Antioch home was damaged by a fire Saturday. (Contra Costa Fire)

The Brentwood fire broke out as crews were fighting a grass fire that claimed 45 acres and destroyed a building near Willow Pass Road and Evora Road in an unincorporated part of the county between Concord and Bay Point.

At the same time, crews also were responding to the blaze in Antioch at a home in the 900 block of Burwood Way that grew to five alarms.

That fire started when a man threw a cigarette out his window, said Fire Marshal Robert Marshall of the Contra Costa Fire Protection District. It destroyed one home and damaged two others.

A multivehicle crash on Highway 4 that involved a person trapped in a vehicle further complicated the efforts, delaying the response to the Antioch fire and allowing it to spread, authorities said.

The California Highway Patrol did not have information on that incident available Sunday morning.

"In many ways, it was a perfect storm of events," Henderson said.

The fires also highlighted the challenge the district faces after closures to two East County stations last year, Henderson said. The fire in Brentwood left that area uncovered by other fire crews for an eight-hour span, Henderson said.

"If another fire had broken out, it would've been put out by agencies coming from Alameda and San Joaquin counties," Henderson said.

The blaze in Brentwood appears to have started in a back shed, and it extended into the house through an open patio after several explosions in the shed, according to a statement from East County Fire Battalion Chief Jeff Burris.

The fire also caused power lines to fall, which delayed the attack from one side of the home for 45 minutes, Burris said. That delay, along with the diversion of some firefighters to the blaze in Antioch, caused the house fire to spread to the attic, Burris said.

A Brentwood police officer also suffered a heat-related illness and was treated and released at the scene, Burris said. An update on the resident who suffered heat-related injuries and was hospitalized was not available immediately.

Investigators have not determined the cause of that fire.

In Antioch, they talked to the resident of the home who threw the cigarette out the window, Marshall said.

Authorities did not announce any arrests immediately.

"It's a careless fire, but there will be repercussions for the gentleman who started it," Marshall said.

Temperatures topped out at 98 degrees on Saturday in Concord and Antioch, according to the National Weather Service. High winds also made the conditions difficult.

Staff writer Karina Ioffe contributed to this story. Contact Rick Hurd at 925-945-4789 and follow him at [Twitter.com/3rdERH](https://twitter.com/3rdERH).



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ConFire Chief: Reach Out, He'll Be There

By Nick Marnell



Jeff Carman Photo provided

The Contra Costa County Fire Protection District was in dire need of strong leadership. The district had closed four fire stations after a failed 2012 parcel tax initiative, the labor group had tuned out management, property tax revenue was flat and according to the county administrator, the district was headed toward bankruptcy. Lafayette, a city that accounted for more than \$8 million a year in tax revenue, threatened to detach from the district after the closure of one of its fire stations and plans for a replacement station stalled. If that weren't doom and gloom enough, a consultant warned the county that the ConFire business model was unsustainable.

It was the exact opportunity that Jeff Carman, a 29-year veteran of the Roseville Fire Department, had been seeking.

"I was ready for the challenge," said Carman, who took over as chief of the \$100 million district in October 2013. "They wanted someone who would look at things differently. ConFire is much bigger than Roseville, so it was a little intimidating. I knew it wasn't a boutique fire department," - over 240 ConFire suppression personnel respond to 45,000 calls a year out of 25 staffed fire stations - "but I was up for it."

Carman, 52, in good enough shape that he recently took up snowboarding, started as a junior firefighter for the city of Grass Valley. As soon as he turned 18 he went to work for an ambulance company. He rose to assistant chief of operations at Roseville, leading the largest all-hazard fire district in the second-most industrialized county in California. There he faced his most difficult decision as an incident commander. ... continued on page A8

A fire in a tank car holding 270,000 gallons of propane forced the evacuation of nearly 5,000 homes in the city of Lincoln. "A two-mile blast if it exploded, seven to eight thousand fatalities," Carman said. "It would have killed more people than any incident I've been in." How to keep the rail car cool enough so it wouldn't blow up, with temperatures rising to 1,000 degrees, was the challenge. "If it hit 1,200 we knew it would explode. It was the toughest decision I ever made: should we just let this thing blow, or deal with it? The group agreed - we had no choice. We had to go in. We sent firefighters into the blast zone for 36 hours, pumping 5,500 gallons of water a minute, until the car ran out of fuel."

That was the decisive leadership ConFire desperately sought, and Carman quickly got his chance to exhibit that leadership.

Jumping Right In

A consultant told the fire board that the struggling district should take two engines out of service in select companies and replace them with three, two-person squads, since more than two-thirds of the district calls were medical related. "But what about the third that are fire responses?" said Carman, who fought the proposal and secured agreement from his directors. "The board gave me the latitude to do what I saw was right, and it has paid off."

"He was open and transparent with us serving on the fire board, and also with our employees and labor groups," ConFire board chair Candace Andersen said.

The chief took off from there.

The district hadn't hired firefighters in five years. Mandatory overtime racked the staff, which was down 40 positions. "We had an internal clash with human resources. They weren't working fast enough. We started meeting and broke down the barriers," Carman said. The district filled three fire academies in 18 months and today is nearly fully staffed.

"We didn't get along with the sheriff's department," the chief said. Again he reached out. "My first day on the job I had a meeting at the sheriff's office," said assistant chief of operations Lon Goetsch. "We talked about partnering to use their helicopter for fire rescue in addition to law enforcement." The departments struck a deal, and ConFire now has a dedicated budget for an aerial rescue program. The helicopter crew recently helped ConFire rescue a collapsed hiker in the Lafayette hills.

Building Morale

After the parcel tax defeat, the rank and file felt betrayed by the public, and they did not trust the fire and county leadership. "Carman built morale. He visited every station, consistently, a couple a week. He asked for feedback," said Vince Wells, president of International Association of Fire Fighters Local 1230. "In our contract negotiations, during conflict with the negotiating team, instead of the usual standard of the chief staying out of it, he spoke up and advocated for us to get a deal done."

The city of Lafayette, bitter over the closure of fire station 16 at the western end of the city, threatened to detach from the district. Carman held things together by meeting with city officials and task force members and updating them on ConFire's progress. "I had to show the public that we're worth what they're paying for. The firefighters do some incredible work, and they just go back to their stations and don't talk about it. On the one hand, I admire that. But, you've got to let people know what you're doing." In May, the ConFire board approved a total rebuild of station 16.

Carman's legacy with ConFire will likely be tied to his integration of nearly the entire county emergency ambulance transport system into the fire district. A non-traditional revenue source, yes, for a district that sorely needs revenue; but by absorbing the ambulance system into ConFire, where he can control dispatch, Carman saved the duplication of an engine and a private ambulance response, easing wear and tear on the engines and keeping them available for fire emergencies. It was a first-of-its-kind amalgamation in recent California history.

"Carman always gave me a heads-up before a controversial subject, like, starting the ambulance business," Wells said. "He wanted our buy-in before he even approached the board." Added Goetsch, "He used his industry contacts and pulled all of that expertise together. He reached out to fire chiefs throughout the county, then to his boss and then the board."

The chief said his ambulance deal is his favorite. "We were able to take the money that was going to the private company and use it to enhance our local medical system."

Working with MOFD

Even a deal that fell through did not stain Carman's image: the fire station 46 joint venture

between ConFire and the Moraga-Orinda Fire District. Carman inherited the project, an attempt to save each fire district \$1 million annually in operating costs by consolidating two stations at the Orinda-Lafayette border.

"The 46 project was a little frustrating," Carman said. "It looks so good to the public, like it's so easy to do, but it involved two drastically different agencies and putting them under the same roof. I never think anything is impossible, but that was going to be problematic."

MOFD chief Stephen Healy praised Carman's efforts through the tedious, time-consuming negotiation process. "He was always very respectful toward our organization, which I really appreciated," Healy said. "We're still friends and have since worked together on a number of other projects."

A County Leader

Bankruptcy is no longer mentioned. Neighboring agencies have reached out to ConFire, for help with everything from additional mutual aid to station construction. Impenetrable walls barely exist between ConFire and other county departments. Tax revenue increased, and after years of zero spending on capital projects, the district unveiled a 5-year, \$36 million capital improvement plan. "I've never worked harder than I am now," Goetsch said. "We've revitalized our organization."

"I am enjoying my job every day," Carman said. "It has its challenges but we seem to be solving them and that is satisfying. I appreciate the support we get from the community."

Lafayette fire commissioner Bill Granados summarized maybe best of all the respect the chief has garnered.

"Every decision the guy has made has been the right one," he said.



The Chief off duty in Cabo Photo provided

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Despite Surplus, Moraga-Orinda Fire District Still Bugged Down By Budget Sticking Points

By Nick Marnell

Even as the Moraga-Orinda Fire District projected a general fund surplus of nearly \$250,000 for fiscal year 2016-17, Fire Chief Stephen Healy warned that the district still struggles with employee recruitment and retention, and the firefighters union complained about district income inequality. The district board approved a budget June 15 that included general fund revenue of \$20.4 million, a 4.6 percent increase over the prior year thanks in large part to a 6.3 percent increase in property tax revenue, with general fund expenses increasing 7 percent to \$20.2 million. Much of the expense increase was due to higher salaries and benefits, including retirement contribution costs and health insurance charges.

"Recruiting and training firefighters is very expensive," the chief told the board earlier. "We need to remain competitive in the regional job market." Healy noted that the improved economy in the Bay Area is adding pressure for public agencies to stay competitive, with agencies that offer the best pay and benefits pulling tenured employees away from other agencies.

"Our firefighters have never asked to be the highest paid in the area, but have only asked to keep pace," Healy said, pointing to an internal salary survey which found that the MOFD firefighters are paid more than 20 percent below the Bay Area average of comparable fire districts. "We must retain the high quality employees that we currently have," the chief said.

The firefighters union added its own take to the salary discussion by lashing out at the district board over the chief's 4.5 percent pay increase, which pushed his salary to \$229,000 effective July 1.

"If you go back 10 years ago to July 2006, the signed contract for the chief position included a base salary of \$173,000," Local 1230 representative Mark DeWeese told the board, noting that the 32 percent increase for the chief's salary far exceeded the 12.5 percent pay increase for the rank and file over the same period.

"Income inequality is a major national political issue and we have a similar problem here in our district," DeWeese said.

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Tax Disparity in MOFD is Still a Hot Issue in Orinda

By Nick Marnell

Orindans frustrated with a perceived tax funding inequity perpetrated by the Moraga-Orinda Fire District made their case to the district board June 15, and for once the directors promised to fully investigate the residents' concerns.

MOFD is funded mainly through two distinct revenue sources: the ad valorem 1 percent tax on real property and the special district-assessed parcel tax, called the fire flow tax, roughly billed at six cents per square foot of a residence. For fiscal year 2016-17, MOFD projects property tax revenue of \$18.5 million and fire flow tax revenue of slightly more than \$1 million.

Though all residents of the district pay the 1 percent tax to Contra Costa County, the amount of the tax allocated to the fire district varies by municipality. Again roughly speaking, more than 22 cents out of the Orinda property tax dollar goes to MOFD, while 19 cents per tax dollar is delivered to the district out of

Moraga.

This uneven percentage distribution, which is based upon allocations determined under Proposition 13, is one aspect of the Orindans' perceived funding inequity. Another is assurance of the use of Orinda tax dollars only in Orinda, which some perceive as a promise made to Orindans before the 1997 merger of the Orinda Fire Protection District with the Moraga Fire Protection District. MOFD has operated as a consolidated district since 1999, with all services provided on an integrated basis, so somehow the script went sideways and the district veered off track, according to Orinda resident Steve Cohn.

"The framers of the merger from the Orinda side did make their intentions very clear with regards to the 22.8 percent of Orinda's ad valorem property taxes going to MOFD," Cohn said. He cited material printed in the voters' pamphlet endorsing the measures for the creation of MOFD, which stated that one of the driving forces for the creation of the new district was to "insure that fire protection dollars Orindans pay will stay in Orinda."

But statements made in voter pamphlets are not binding whatsoever, said Dick Olsen, then-vice chair of the Moraga Fire Committee. "Whatever was presented is immaterial," he said. Comments in voter pamphlets are merely a form of free speech, and they carry no official weight.

Yes, a tax disparity existed at the time, said director Brad Barber of Orinda, but it apparently was not of interest to the district founders or to the voters, or nobody knew what to do about it.

"We never discussed property tax equity then. There were too many other things going on," said Gordon Nathan, one of the early MOFD directors.

Solutions were in short supply, with Vince Maiorana of Orinda suggesting that MOFD raise the Moraga tax allocation rate to 22 percent, something the district has no authority to do. Moraga director Fred Weil, long critical of the Orinda complaints, again emphasized that what is relevant is not the revenue distribution but the service provided by the district.

Nevertheless, unlike abjectly dismissing the Orindans' concerns as they had in previous years, the directors agreed to continue the discussion of all aspects of district funding at a full board session, likely later this summer, with the intention of formalizing a policy decision on tax equity.

"Either it's equitable and here's why, or let's answer the question and do all the math, no matter how long it takes, until we resolve it," said Alex Evans, a director from Orinda.

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East Bay Times

Delta islands sale blocked by court order again

By Denis Cuff, dcuff@bayareanewsgroup.com

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SACRAMENTO -- The sale of four Delta islands to Southern California's largest water district was put back on hold Friday by an appeals court as Northern California opponents plan to take their case to the state Supreme Court.

Contra Costa and San Joaquin counties, environmentalists, and Delta land owners have opposed the move as linked to the governor's plans to build twin water tunnels to export pumps near Tracy in the southern Delta. Two of the islands are along the route for the tunnels.

One day after lifting a temporary order that blocked the sale, the state's Third District Court of Appeal reinstated the stay, preventing the big Metropolitan Water District from completing the \$175 million purchase of the islands.

The new stay lasts through July 15.

The plaintiffs plan to take advantage of the time to seek a sale injunction from the state Supreme Court, said Tony Rossmann, a Berkeley attorney for project critics.

Opponents say the tunnels will be used to export more Delta water to Southern California, and they assert that an environmental impact report should be done before the land sale is allowed.

Metropolitan Water District has argued there is no reason to stop the sale nor require an environmental report because no formal plan has been filed to use the island properties in a water project.

"We believe it's a simple purchase," said Metropolitan spokesman Bob Muir.

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Alamo's New Fire Station Under Construction

East Bay Times

Five years after it was approved to be built, the construction of a fire station on the corner of Miranda Avenue and Stone Valley Road is underway.

San Ramon Valley Fire Protection District Fire Chief Paige Meyer halted the construction process after he was hired in 2013, citing a shortage of funds. Construction was restarted earlier this year, he said.

"We are looking at a 12-month process, around Feb. 1 of next year," said Meyer about the time frame of completing the construction.

Meyer said the cost of constructing the building is close to \$4.3 million and that the total cost of the project is closer to \$4.7 million. The 7,968-square-foot building is on a 1.1-acre lot. It will house two fire companies -- one three-person, one two-person.

Changes have been made to the original plans for the station, which called for a 9,400-square-foot edifice in 2011. The overall area footprint of the building was reduced, six bathrooms were reduced to three, and the size of the gym was reduced. A classroom and suite/sitting areas in the firefighter bathrooms were also reduced, Meyer said.

"Particularly in the redesign of the station after the new chief came in, the design is much improved," said Mike Gibson, a member of the Alamo Improvement Association planning committee and board. "There was also very good cooperation with the district, in terms of doing lots of little things to blend the station into the neighborhood in terms of the walls and the generators. I'm pretty pleased."

Advertisement

Meyer said that one of the main reasons there was a need for a new station was the age of the current station, which he said was built in 1958. It is located less than a half-mile away on Stone Valley from the new station site. Another main reason is the location of the new station, Meyer said. It is at an intersection where the lights can be controlled to stop traffic.

"We know that Stone Valley is a fairly busy road, so to be at an intersection was a big deal for us," Meyer said.

It will also be an environmentally-friendly station with solar panels, Meyer said. Meyer praised the fire board, which he said "has done a great job of managing the district's funding and being smart and savvy on how to build the station. Let's not overextend ourselves; let's build it when we can financially handle it."

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