CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Lou Ann Texeira

Executive Officer

40 Muir Road, 1st Floor • Martinez, CA 94553 e-mail: LouAnn.Texeira@lafco.cccounty.us (925) 313-7133

NOTICE AND AGENDA FOR REGULAR MEETING

Wednesday, January 10, 2024, 1:30 PM

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS

The public may attend this meeting in person at the following locations: Board of Supervisor Chambers, County Administration Building, 1025 Escobar St. 1st Floor, Martinez, CA 94553. The public may also attend this meeting remotely by Zoom or telephone.

If joining remotely by Zoom, please click the link below:

Please click the link below to join the webinar:

https://cccounty-us.zoom.us/j/81904157585

Or Telephone:

Dial:

USA 214 765 0478 US Toll USA 888 278 0254 US Toll-free

Conference code: 220394

LAFCO meetings are audio recorded and posted online at http://contracostalafco.org/meetings-and-public-hearings/. Audio recordings are available the day following the LAFCO meeting. LAFCO meeting materials and staff reports are available online at http://contracostalafco.org/meetings-and-public-hearings/.

PUBLIC COMMENT: The Commission will consider all verbal and written comments received. Comments may be emailed to LouAnn.Texeira@lafco.cccounty.us or by U.S. mail to Contra Costa LAFCO at 40 Muir Road 1st Floor, Martinez, CA 94553. Please indicate the agenda item number, if any. If you want your comments read into the record, please indicate so in the subject line. For public hearings, the Chair will announce the opening and closing of the public hearing. The Chair will call for verbal public comments.

NOTICE TO THE PUBLIC

Disclosable public records for a regular meeting agenda distributed to a majority of the members of the Commission less than 72 hours prior to that meeting will be made available on http://contracostalafco.org/meetings

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 was 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 accommodation for persons with disabilities planning to join the meeting. Please contact the LAFCO office at least 48 hours before the meeting at 925-313-7133.

JANUARY 10, 2024 CONTRA COSTA LAFCO AGENDA

- 1. Call to Order
- 2. Roll Call
- 3. Selection of 2024 Chair and Vice Chair
- 4. Recognition of Outgoing Chair
- 5. Approval of Minutes of the December 13, 2023, regular LAFCO meeting
- 6. 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 within the jurisdiction of the Commission and is not scheduled for discussion as part of this agenda. No action will be taken by the Commission at this meeting on any item not appearing on this agenda.

BUSINESS ITEMS

- 7. *Commissioner Terms* On May 6, 2024, five LAFCO Commissioner seats will expire, including the two Public Member seats. The Commission will consider appointment options and provide direction regarding filling the public member seats.
- 8. *LAFCO Policies and Procedures Proposed Updates –* consider approving proposed updates.
- 9. FY 2023-24 Mid-Year Budget Report receive FY 2023-24 mid-year budget report.

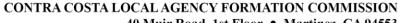
INFORMATIONAL ITEMS

- 10. Current and Potential Applications update on current and potential applications information only
- 11. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
- 12. Commissioner Comments and Announcements
- 13. Staff Announcements/Newspaper Articles/CALAFCO Update

ADJOURNMENT

Next regular LAFCO meeting is February 14, 2024, at 1:30 pm.

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





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Donald A. Blubaugh Public Member

> **Gabriel Ouinto** City Member

Federal Glover County Member

Michael R. McGill Special District Member

Scott Perkins City Member

Patricia Bristow Special District Member

ALTERNATE MEMBERS

Diane Burgis County Member

Scott Pastor Special District Member

Charles R. Lewis, IV Public Member

> Edi Birsan City Member

January 10, 2024 (Agenda)

Contra Costa Local Agency Formation Commission 40 Muir Road, First Floor Martinez, CA 94553

January 10, 2024 Agenda Item 3

Selection of Commission Officers for 2024

Dear Members of the Commission:

The procedure for selecting officers for the Contra Costa LAFCO is described in Section 1.4 (Rules and Procedures) of the Commission Handbook and provides for the following:

- The members of the Commission shall elect a Chair and Vice Chair at the first meeting of the Commission held in January of each year or as soon thereafter as practicable.
- The Chair and Vice Chair shall serve for one-year terms, or until their successors are elected, whichever occurs later.
- Officers shall be selected from the categories of members in the following order:

County member 1 Special District member 1 City member 1 Public member County member 2 Special District member 2 City member 2

In 2023, County member Federal Glover served as Chair and Public member Don Blubaugh served as Vice Chair.

RECOMMENDATION – Per the Commission's policy, it is recommended that the Commission select a Public member as Chair and a Special District member as Vice Chair to serve until January 2025. Don Blubaugh's term as public member ends May 6, 2024 (see agenda item No. 7). If Don Blubaugh is appointed as Chair, his term as Chair would also end on May 6, 2024, and the Commission would have to appoint a new Chair for the remainder of 2024.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

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RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION COMMENDING

Federal Glover

January 10, 2024 Agenda Item 4

For Dedicated and Outstanding Service as Contra Costa LAFCO Chair - January - December 2023

WHEREAS, Local Agency Formation Commissions (LAFCOs) were created by the Legislature in 1963 to encourage the orderly formation of local governmental agencies, preserve agricultural and open space lands, and discourage urban sprawl; and

WHEREAS, Commissioners rely on their expertise and experience while serving on LAFCO, and exercise responsibility through a countywide, LAFCO perspective in making decisions; and

WHEREAS, Contra Costa LAFCO appointed County Member Glover to serve as LAFCO Chair in 2023; and

WHEREAS, during Chair Glover's term, Contra Costa LAFCO initiated a County Service Area Municipal Service Review; initiated a special study covering cemetery districts; approved six boundary changes; approved dissolution of the Knightsen Town Community Services District; approved activation of latent powers for CSA R-7; updated the LAFCO Employee Benefits and Salary plans; approved Policies & Procedures updates; welcomed new employee Anna Seithel; received the *Special District Risk Management Authority* President Awards for our Property Liability and Workers Compensation Programs; completed two financial audits; received quarterly budget reports; and submitted legislative position letters.

NOW, THEREFORE, BE IT RESOLVED that Contra Costa LAFCO hereby extends its recognition and appreciation to Commissioner Federal Glover for his dedicated service as its presiding LAFCO officer in 2023.

PRESENTED by Contra Costa LAFCO on January 10, 2024.

Candace Andersen, County Member Edi Birsan, City Member Donald A. Blubaugh, Public Member Patricia Bristow, District Member Diane Burgis, County Member Charles R. Lewis, IV, Public Member Mike McGill, District Member Scott Pastor, District Member Scott Perkins, City Member Gabriel Quinto, City Member

Lou Ann Texeira, LAFCO Executive Officer Thomas Geiger, LAFCO Legal Counsel Anna Seithel, LAFCO Clerk Analyst

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CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MEETING MINUTES December 13, 2023

January 10, 2024 Agenda Item 5

- 1. Commissioner Blubaugh was acting Chair for today's meeting.
- 2. After Roll Call, the meeting of December 13, 2023, was called to order at 1:35 p.m. (Agenda Items 1 2).

The following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Federal Glover, Chair (absent)	Charles R. Lewis, IV	Lou Ann Texeira, Executive Officer
Don Blubaugh, Vice Chair	Edi Birsan	Tom Geiger, Commission Counsel
Candace Andersen (arrived at Item 4)	Diane Burgis (absent)	Anna Seithel, LAFCO Clerk Analyst
Patricia Bristow	Scott Pastor (absent)	
Mike McGill		
Scott Perkins Gabriel Quinto		

The Commission meeting is being held via Zoom videoconference and in person. The public may attend in person, via Zoom, or listen to the meeting telephonically and comment by calling in to the teleconference meeting per the instructions on page one of the agenda. As required by the Brown Act, all votes taken this afternoon will be done by a roll call vote of the attending Commissioners participating via teleconference and in person.

3. Approval of November 8, 2023, Minutes

Vice Chair Blubaugh invited comments from the Commission and the public regarding approval; there was no public comment, nor Commissioner comment. *Upon motion by Commissioner McGill and second by Commissioner Bristow, by a 5-0 vote, the Commission unanimously approved the meeting minutes of November 8, 2023.*

VOTE:

AYES: Blubaugh, Bristow, McGill, Perkins, Quinto

NOES: None

ABSENT: Andersen, Burgis, Glover, Pastor

ABSTAIN: None

4. Public Comments

Chair Blubaugh invited comments from the public; there were no comments.

Commissioner Andersen arrived at this time.

BUSINESS ITEMS

5. Cemetery District Special Study — authorize LAFCO staff to execute a contract with Berkson Associates to prepare a fiscal and operations study of the Alamo Lafayette and Byron Brentwood Knightsen Union cemetery districts. Following the staff report, Vice Chair Blubaugh asked for comments from the public and Commissioners. Commissioner Bristow expressed concerns with consolidation of the two cemetery districts. Commissioner Andersen suggested LAFCO look at all governance options. ALCD District Manager Howard responded to Commissioner questions.

Upon motion by Commissioner Andersen, and second by Commissioner Bristow, by a 6-0 vote, the Commission unanimously approved moving forward with a Cemetery District Special Study.

VOTE:

AYES: Andersen, Blubaugh, Bristow, McGill, Perkins, Quinto

NOES: <u>None</u>

ABSENT: <u>Burgis, Glover, Pastor</u>

ABSTAIN: None

6. Wastewater Municipal Service Review (MSR)/SOI Updates - Contract Extension – SWALE, Inc. – consider extending the existing contract with SWALE, Inc., and subcontractors to June 30, 2024, in conjunction with the 3rd round Wastewater MSR/SOI Updates covering 20 local agencies. Following the staff report, Vice Chair Blubaugh asked for comments from the public and from Commissioners. Commissions provided comments. There was no public comment Upon motion by Commissioner McGill, and second by Commissioner Andersen, by a 6-0 vote, the Commission unanimously approved the contract extension.

VOTE:

AYES: Andersen, Blubaugh, Bristow, McGill, Perkins, Quinto

NOES: None

ABSENT: <u>Burgis, Glover, Pastor</u>

ABSTAIN: None

7. Updates to LAFCO Employee Benefit Plan – consider approving updates to LAFCO Employee Benefit Plan. Following the staff report, Vice Chair Blubaugh asked for comments from the public and Commissioners. There was no public comment. Commissioners provided comments and questions. Upon motion by Commissioner Perkins, and second by Commissioner Andersen, by a 6-0 vote, the Commission unanimously approved updates to LAFCO Employee Benefit Plan.

VOTE:

AYES: Andersen, Blubaugh, Bristow, McGill, Perkins, Quinto

NOES: None

ABSENT: Burgis, Glover, Pastor

ABSTAIN: None

INFORMATIONAL ITEMS

- 8. *Current and Potential Applications -* update on current and potential applications *information only*
- 9. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA) information only
- 10. Commissioner Comments and Announcements *Commissioner McGill noted:*
 - December 1, 2023, CALAFCO Board of Directors Meeting
 - January 5, 2023, CALAFCO Board of Directors Meeting
 - January 12, 2024, CALAFCO Legislative Committee Meeting

11.	Commissioner Comments and Announcements: call voting.	Commissioner Perkins asked about protocol for roll-
	Vice Chair Blubaugh adjourned the meeting a	at 2:00 pm.

ADJOURNMENT

Next regular LAFCO	meeting is January	10,	2024,	at 1:30 p	om.
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	Executive Officer	

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Lou Ann Texeira

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Donald A. BlubaughPublic Member

Gabriel Quinto
City Member

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Michael R. McGill Special District Member

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Charles R. Lewis, IV
Public Member

Edi Birsan City Member

January 10, 2024 (Agenda)

Contra Costa Local Agency Formation Commission 40 Muir Road, First Floor Martinez, CA 94553 January 10, 2024 Agenda Item 7

LAFCO Commissioner Terms

Dear Commissioners:

BACKGROUND: The authority and procedures for appointing members of the Commission are set forth in the Cortese Knox Hertzberg Act (CKH). All terms of office on LAFCO are for four years, expiring on the first Monday in May, unless procedures adopted by the Commission specify an alternative date to apply uniformly to all members. Appointments are as follows:

- City Members The two regular City members and one alternate member must be members of a city council during the time they serve. They are chosen by, and serve at the pleasure of, the *City Selection Committee* (i.e., Contra Costa County Mayors Conference). (Gov. Code §§56325, 56335) The Committee consists of the mayor of each city. In the absence of the mayor, another member of that city council may be appointed to attend and vote in place of the mayor. City Selection Committee meetings are open to the public.
- 2) **County Members -** The two regular County members and one alternate member must be county supervisors when they serve. They are appointed by, and serve at the pleasure of, the Board of Supervisors.
- Special District Members The two regular special district members and one alternate member must be members of the governing board of an independent special district while they serve. They are chosen by, and serve at the pleasure of, the Special District Selection Committee. The Committee consists of the presiding officer of each independent special district in the county, and its meetings are open to the public. The LAFCO Executive Officer calls and gives notice of these Committee meetings, per statute.
- Public Members The one regular public member and one alternate member are appointed by, and serve at the pleasure of, the regular city, county and special district Commissioners. The method for selecting public members is determined by the City, County and Special District members. At least four affirmative votes are required to appoint the public members, and there must be at least one vote from each of the other member categories: City, County and Special District. The Commission has the

option of appointing the Public Members with or without a formal recruitment process. The use of any alternative selection process requires at least four affirmative votes, and there must be at least one vote from each of the other member categories: City, County and Special District.

DISCUSSION: The terms of the following Commissioners will expire on May 6, 2024:

- ♣ City Member Gabriel Quinto
- ♣ County Member Diane Burgis
- ♣ Special District Member Michael McGill
- ♣ Public Members Charles Lewis and Donald Blubaugh

As previously noted, the Commission appoints the Public Members. The terms of Public Member Blubaugh and Alternate Public Member Lewis expire on May 6, 2024. Commissioner Blubaugh advised LAFCO that he will not seek re-appointment. The Commission has the option of either appointing Alternate Public Member Lewis to the Public Member seat or directing LAFCO staff to initiate a recruitment for the Public Member seat. If the Commission chooses to appoint Commissioner Lewis to the Public Member seat, then the Commission should direct LAFCO staff to initiate a recruitment for the Alternate Public Member seat.

Previously, the Commission formed a committee to assist with screening and interviewing Public Member and Alternate Public member applicants. The Committee is typically comprised of one City, one County, and one Special District Commissioner.

RECOMMENDATION: Provide direction to staff regarding the Public Member and Alternate Public Member seats.



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County Member

Michael R. McGill

Special District Member

Scott Perkins

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Public Member **Gabriel Quinto** City Member

> Patricia Bristow Special District Member

ALTERNATE MEMBERS

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Special District Member

Charles R. Lewis, IV Public Member

Edi Birsan

City Member

January 10, 2024 (Agenda)

Lou Ann Texeira

Executive Officer

Contra Costa Local Agency Formation Commission 40 Muir Road, 1st Floor Martinez, CA 94553

January 10, 2024 **Agenda Item 8**

Policies and Procedures Update

Dear Members of the Commission:

This is a report from the LAFCO Policies & Procedures Committee recommending the following updates to the Commissioner Handbook. The Committee recommends updates to Section 2.1(I)(11) and Section 2.1(O), as follows:

Section 2.1 – POLICIES AND STANDARDS

Our current policy (Section 2.1(I)(4)) provides for maximum flexibility on the timing of MSRs and states "LAFCO will determine when MSRs are necessary. Generally, reviews will be prepared in conjunction with SOI studies or updates; however, MSRs may also be conducted independent of SOI updates based on a number of factors to be determined by the Commission. Such factors may include public health or safety issues, service provision issues associated with areas of potential growth or development, etc."

Accordingly, to preserve this flexibility on timing, it is recommended that Section 2.1(I)(11) be revised as follows:

I. **Municipal Service Reviews**

11) Timing

On or before January 1, 2008, and every five years thereafter, the Commission shall, as necessary, review and update every sphere of influence [§56425(g)]. MSRs will be completed, as necessary, concurrent with SOI formations, updates, or substantial amendments, but not less than every five

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It is also recommended that Section 2.1(O) be updated with more current information on total gross value of agricultural crops in Contra Costa County as follows:

Policies and Procedures Update Page 2

O. Agricultural and Open Space Preservation Policy

Preface: The total gross value of agricultural crops in Contra Costa County was \$109,440,491 120,441,000 in 20217. Agriculture is an important economic sector in Contra Costa County. The value of agricultureal has fluctuated in recent years. 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

RECOMMENDATION: Approve amendments to Section 2.1, Policies and Standards, subsection (I)(11) and subsection (O), as proposed.

Respectfully submitted,
Don Blubaugh and Chuck Lewis

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January 10, 2024

Contra Costa Local Agency Formation Commission 40 Muir Road, 1st Floor Martinez, CA 94553

January 10, 2024 Agenda Item 9

Fiscal Year 2023-24 Mid-Year Budget Report

Dear Members of the Commission:

This is the second quarter (mid-year) budget report for FY 2023-24, which compares adopted and actual expenses and revenue for the period July 1, 2023 through December 31, 2023.

The LAFCO operating budget includes several components: salaries/benefits, services/supplies, a contingency/reserve fund, Other Post-Employment Benefits (OPEB) and retirement pre-funding accounts. The budget is based on the "bottom line," which allows for variation within line-item accounts if the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

The LAFCO budget is funded primarily by the County, cities, and independent special districts, with each group paying one-third of the LAFCO expenses. The County pays one-third, and the city and district shares are prorated based on general revenue reported to the State Controller's Office. LAFCO also receives revenue through application fees and interest earnings.

DISCUSSION

On May 10, 2023, the Commission adopted the final FY 2023-24 budget with total appropriations of \$956,775, which includes an \$87,000 contingency/reserve fund. The FY 2022-23 budget does not include prefunding of the Other Post-Employment Benefits (OPEB) or prefunding of the Contra Costa County Employees' Retirement Association (CCCERA) liability due to overfunding in both accounts.

With 50% of the fiscal year elapsed, the LAFCO's total expenditures are \$279,179 or 30% of total appropriations (including contingency). The Commission budgeted \$451,137 in salaries/benefits for FY 2023-24; at the end of the second quarter, actual expenses total \$180,684 or 40% of the budgeted amount. The Commission budgeted \$418,638 in services/supplies; and at the end of the second quarter, actual expenses total \$98,495 or 23.5%.

The primary sources of revenue are local agency contributions, application fees, and available fund balance. Total revenues received during the first half of FY 2023-24 are \$941,563 (including appropriated fund balance) or approximately 98.4% of estimated revenues. As of this writing, all local agencies have remitted their annual apportionments to LAFCO.

As for application activity, FY 2023-24 mid-year application activity is greater that FY 2022-23. During the first half of FY 2022-23 LAFCO received two new applications, and during the first half of FY 2023-24 LAFCO received three new applications.

Other revenues include investment earnings through the OPEB trust account, which remains in that account, and fund balance. LAFCO budgets fund balance to offset agency contributions. The FY 2023-24 budget includes \$250,000 in budgeted fund balance. See table below for a summary of mid-year expenditures and revenues.

Account	FY 2023-24	Mid-Year
	Final Budget	Actuals
Salaries & Benefits	\$ 451,137	\$ 180,684
Services & Supplies	418,638	98,495
Contingency/Reserve	250,000	0
OPEB Trust		
CCCERA Pre-Fund		
Total Appropriations	\$ 956,775	\$ 279,179
Agency Contributions	\$ 676,775	\$676,775
Application/Other Revenue	30,000	\$ 11,358
Interest Earnings	-	-
Fund Balance	250,000	250,000
Total Revenues	\$ 956,775	\$ 938,133

No budget adjustments are needed currently. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

RECOMMENDATION

It is recommended that the Commission receive the FY 2023-24 mid-year budget report.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER



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Lou Ann Texeira
Executive Officer

December 13, 2023

Contra Costa Local Agency Formation Commission 40 Muir Road, 1st Floor Martinez, CA 94553

January 10, 2024 Agenda Item 10

Current and Potential LAFCO Applications

Dear Members of the Commission:

SUMMARY: This report includes active and potential LAFCO applications and is an informational item.

DISCUSSION: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 gives LAFCOs regulatory and planning duties to coordinate the formation and development of local government agencies and their municipal services. This includes approving and disapproving boundary changes, boundary reorganizations, formations, mergers, consolidations, dissolutions, incorporations, sphere of influence (SOI) amendments, and extension of out of agency services (OAS). Applications involving jurisdictional changes filed by landowners or registered voters are placed on the Commission's agenda as information items before action is considered by LAFCO at a subsequent meeting (Gov. Code §56857).

There is currently one approved proposal awaiting completion, six current applications that are either incomplete and/or awaiting a hearing date, and several potential applications.

Current Proposals – Approved and Awaiting Completion

 ← Chang Property Reorganization (LAFCO 18-06)

Application filed by the landowner to annex $66.92\pm$ acres to City of San Ramon, Central Contra Costa Sanitary District and East Bay Municipal Utility District and detach from County Service Area P-6. The subject area is located at the intersection of Crow Canyon and Bollinger Canyon Roads in unincorporated San Ramon. The Commission approved the boundary reorganization in August 2017 with conditions. One of the conditions (i.e., open space easement) has not yet been met. The applicant requested and received several time extensions with the current extension to June 30, 2023 to complete the easement. On June 14, 2023, the Commission approved an extension of time to June 30, 2024.

Current Applications – Under Review/Pending

- ♣ Bay's Edge Reorganization Annexation to City of Martinez and Detachment from CSA P-6 (LAFCO 23-13) On September 29, 2023, the City of Martinez filed an application to annex to the City and detach from CSA P-5 a 1.47± acre property located at the northwest corner of Sycamore St and Santa Fe Ave. The proposed boundary reorganization was a condition of LAFCO's approval for out of agency water service in April 2021.
- ♣ Faria Southwest Hills (FSH) Boundary Reorganization (LAFCO 21-05)
 In June 2021, the City of Pittsburg filed an application with LAFCO to annex 606± acres to the City, Contra Costa Water District and Delta Diablo, and detach from CSA P-6. The project includes development of up to 1,500 residential units. The LAFCO application was deemed incomplete. Subsequently, a lawsuit was filed.

On February 9, 2022, Contra Costa County Superior Court ruled that the City violated CEQA. The Court issued a writ of mandate compelling the City to set aside the project approvals and the certification of the Final EIR, and that further consideration of the project must comply with CEQA and be consistent with the Court's ruling. On August 15, 2022, the City Council voted to repeal and set aside all approvals for the FSH Annexation Project.

In January 2023, the City of Pittsburg published a Notice of a Public Hearing regarding the *Faria/Southwest Hills Annexation Project* and *Revised and Updated Final Environmental Impact Report*. Between 2010 and 2023, LAFCO staff submitted 10 comment letters regarding the City's CEQA documents noting project and EIR deficiencies. Only one of LAFCO's comments was addressed. The comment letters also note staff's concerns that the "Revised and Updated EIR" was not recirculated under CEQA Guidelines section 15088.5.

Following recent City Planning Commission and City Council meetings where the Planning Commission denied the project and the City Council approved the project, the City resubmitted to LAFCO an updated application (May 2023). On July 10, 2023, LAFCO staff sent the applicant a letter with a list of questions and comments. On August 31, 2023, LAFCO staff received a response letter from the applicant. On September 21, 2023, LAFCO sent a follow-up/status letter. The applicant responded to most questions. Application is pending additional information.

- Tassajara Parks Project Boundary Reorganization (LAFCO 16-06)
 - The landowner filed an application to annex $30\pm$ acres to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD). The project includes development of 125 single-family homes. The subject area is located east of the City of San Ramon and the Town of Danville. The application is currently incomplete. The project was litigated and on June 29, 2023, the Contra Costa County Superior Court ruled the final EIR prepared for the project provided insufficient information and analysis about the project's water supply. The LAFCO application is currently on hold pending additional court proceedings.
- ♣ <u>LAFCO Tassajara Parks Project SOI Amendments (LAFCO 16-07)</u>
 The landowner filed an application to amend the SOIs for CCCSD and EBMUD by 30± acres in anticipation of corresponding annexations. The application is currently incomplete as noted above.

Potential and Other Applications

On April 14, 2021, LAFCO approved extension of out of agency water service by the City of Martinez to the Bay's Edge Subdivision 9065 located in unincorporated Mt. View. LAFCO's approval was conditioned on the City's commitment to annex the subject parcels to the City of Martinez by *August 31*, 2022, in the event the entirety of Mt. View was not annexed to the City prior to that date. On August 10, 2022, the Commission approved extending the deadline to August 31, 2023. In March 2023, the City submitted a draft application to LAFCO staff for review. LAFCO staff provided comments. On September 29, 2023, the City submitted an application to LAFCO, which is currently under review.

There are several potential applications that may be submitted to LAFCO in the near future, including annexations to Byron Bethan Irrigation District, Contra Costa Water District, and Central Contra Costa Sanitary District. Also, since completion of the 2021 *Park & Recreation Municipal Services Review*, the Commission discussed dissolving CSA R-9. The matter was continued to March 2024 to allow additional time for community input.

RECOMMENDATION – Informational item – no actions required.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

Attachment – Current Applications Table

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION CURRENT APPLICATIONS – January 10, 2024

File #	APPLICATION NAME/LOCATION	APPLICATION SUMMARY	STATUS
16-06	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	Application submitted in May 2016 by the landowner to annex 30± acres to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) to support development of 125 residential lots and related improvements. On July 13, 2021, the County Board of Supervisors certified the project EIR, amendment the ULL, executed a land preservation agreement, and acted on various discretionary project approvals.	Application is currently incomplete. Await certified EIR, updated application, and other information. The project is currently being litigated.
16-07	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	Application submitted in May 2016 by the landowner to amend the SOIs for CCCSD and EBMUD in anticipation of annexation.	Application is currently incomplete. Await certified EIR, updated application, and other information. The project is currently being litigated.
21-05	Faria Southwest Hills Reorganization: proposed annexations to City of Pittsburg, CCWD and DD of 606± acres located southwest of the City of Pittsburg	Application originally submitted in June 2021 by City of Pittsburg to annex 606± acres to the City, Contra Costa Water District (CCWD) and Delta Diablo (DD) and detach from County Service Area (CSA) P-6 to support hillside estate development of up to 1,500 units.	Following litigation and approval of the project by the Pittsburg City Council on April 17, 2023, the application was resubmitted to LAFCO (May 2023). LAFCO staff reviewed the application and sent a letter to the City and developer with questions and comments. On August 31, 2023, LAFCO received a response letter from the applicant. On September 21, 2023, LAFCO sent a follow-up/status letter. Staff is working with the applicant to obtain additional information.
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21-17	Dissolution of County Service Area R-9	LAFCO initiated dissolution of CSA R-9	Pending update in March 2024.
22.42	Day's Edge Deergenization	Application submitted Contember 20, 2002 as a	Application is surrently under review
23-13	Bay's Edge Reorganization: Annexation to City of Martinez and detachment from CSA P-6	Application submitted September 29, 2023 as a condition of LAFCO's approval of out of agency water service in April 2021.	Application is currently under review.

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AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING December 13, 2023 9:00 a.m. Board Conference Room 1200 Concord Avenue, Suite 350 Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

- 1. Pledge of Allegiance.
- 2. Public Comment (3 minutes/speaker).
- 3. Recognition of Wrally Dutkiewicz for 10 years of service.

CONSENT ITEMS

- 4.A All Consent Items are to be approved by one action unless a Board Member requests separate action on a specific item. (Action Item)
 - I. Approve the following routine items:
 - a. Certifications of membership.
 - b. Service and disability allowances.
 - c. Death benefits.
 - d. Investment liquidity report.
 - II. Accept the following routine items:
 - a. Disability applications and authorize subpoenas as required.
 - b. Investment asset allocation report.
 - III. Receive the 2024 Compliance Activity Plan as presented to the Audit Committee at the November 29, 2023 meeting.
 - IV. Receive the Contra Costa County Human Resources Department employer audit report as presented to the Audit Committee at the November 29, 2023 meeting.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- V. Receive the Contra Costa County Administrator's Office employer audit report as presented to the Audit Committee at the November 29, 2023 meeting.
- VI. Receive the Contra Costa Animal Services employer audit report as presented to the Audit Committee at the November 29, 2023 meeting.
- VII. Consider and take possible action to approve the 2023-2024 Internal Audit Plan, as recommended by the Audit Committee.
- VIII. Consider and take possible action to approve the Internal Audit Charter, as recommended by the Audit Committee.
- 4.B Consider and take possible action on Consent Items previously removed, if any. (Action Item)

CLOSED SESSION

5. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	Type Sought	<u>Recommendation</u>
a. Stephen Bame	Service Connected	Service Connected
b. Ma Teresa De Guzman Agas	Non-Service Connected	Non-Service Connected
c. Michael Marshall	Service Connected	Service Connected
d. Richard Nogueira	Service Connected	Service Connected
e. Damon Pellegrini	Service Connected	Service Connected
f. Casey Reel	Service Connected	Service Connected

6. CONFERENCE WITH LABOR NEGOTIATORS (Government Code § 54957.6)

Agency designated representatives: Christina Dunn, Acting Chief Executive Officer Erica Grant, Human Resources Manager Alison Flowers, CCCERA's Chief Negotiator

Employee Organization: AFSCME Local 2700

7. PUBLIC EMPLOYMENT (Government Code § 54957(b))
Title: Chief Executive Officer

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OPEN SESSION

- 8. Consider and take possible action regarding service connected disability retirement allowance of deceased member Michael Newton. (Action Item)
- 9. Review of total portfolio performance for period ending September 30, 2023. (Presentation Item)
 - a. Presentation from Verus
 - b. Presentation from staff
- 10. Update on private equity and real estate allocations. (Presentation Item)
- 11. Pension administration system project update: (Presentation Item)
 - a. Update from staff
 - b. Presentation from Segal
 - c. Presentation from Sagitec
- 12. Report from Audit Committee Chair on the November 29, 2023 Audit Committee meeting. (Presentation Item)
- 13. Consider authorizing the attendance of Board: (Action Item)
 - a. 35th Annual Pension & Benefits Seminar, NAPO, January 28-30. 2024, Las Vegas, NV.
 - b. Advanced Trustees and Administrators Institute, IFEBP, February 12-14, 2024, Orlando, FL.
- 14. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Board will adjourn in honor of Russell Watts' retirement.

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By KATE TALERICO | ktalerico@bayareanewsgroup.com | Bay Area News Group

PUBLISHED: December 10, 2023 at 6:45 a.m. | UPDATED: December 10, 2023 at 8:10 a.m.

The homes Brookfield Properties is building in Dublin are typical of those that draw first-time buyers to the suburbs — 2,200 square feet, two-car garages and enough bedrooms to support a growing family. But there's one major difference: shared walls.

In the Bay Area, the single-family home hegemony of the suburbs is crumbling under the weight of prices. As land costs increase, developers looking to rein in expenses must build up and attached, rather than outward.

Welcome to the condo era — the Bay Area's new starter home.

"We're going vertical," said Emily Boyd, director of land acquisition at San Francisco-based Brookfield.

In 1995, single-family detached homes made up 75% of <u>newly built housing units</u> in the Bay Area. Now, that number is just 37%, according to U.S. Census Bureau data. "Anything in the core Bay Area, we're really relegated to doing infill projects," said Josh Santos, president of Landsea, a developer building condos in Alameda, Sunnyvale and Dublin.

For many, the single-family home still remains an American ideal — but these days, the eye-popping \$1.27 million median Bay Area price tag has put that dream further out of reach. For those still looking to get a foothold into the real estate market without having to brave a dreaded super-commute, a condo is often the compromise.

"It's a tradeoff: how much time do you want to spend in a car, versus do you need to have a yard?" Boyd said.

Emily Boyd, Director of Land Acquisition at Brookfield Properties, gives a tour of a home at the Boulevard in Dublin, Calif., on Monday, Dec. 4, 2023. The Boulevard is a condominium community located near the Dublin/Pleasanton BART station. With seven neighborhoods and 1,700 dwelling units the Boulevard was built six years ago. The Bay Area is seeing an increase of higher density condos similar to the Boulevard replacing the more traditionally single family homes. (Jose Carlos Fajardo/Bay Area News Group)
That was the calculus that Yolanda and Byron Shao weighed when they bought a new attached home earlier this year in Sunnyvale, where the median single-family home goes for nearly \$2.4 million. After getting outbid twice, the Shaos decided to look into buying new construction. With their budget of \$1.7 million, a townhouse was within reach.

"If I didn't have a budget, of course I would buy something that was spacious, with a great location," Yolanda Shao said. "But budget is everything in the Bay."

The couple settled on a four-bedroom townhouse in Landsea's Lavender community in Sunnyvale. It's enough space for an office each, plus a bonus room that Yolanda uses for something she'd always dreamed of doing during the seven years she lived in New York, but never had the space — fostering litters of kittens.

"We definitely enjoy the extra room," she said.

The Shaos sacrificed outdoor space for a closer commute, but they prefer it that way — Yolanda loves her 10-minute bus ride. Plus, after killing a few houseplants they received as housewarming gifts, the Shaos realized they might not be cut out for yard work.

That's the case for many millennials buying homes in these communities.

"Demographically, we're shifting away from the traditional grass lawn and white picket fence to something that's more low maintenance and suits the lifestyles of busy working adults," Boyd said.

While the yards may be smaller, that's about all that's shrunk. New condos average between 2,000 and 2,800 square feet — in line with the median size of all new homes in the Bay Area, according to data from John Burns Real Estate Consulting.

Builders squeeze the extra square footage into these denser lots by going up to three stories, and sometimes even four. Take a typical 2,200 square foot, \$1 million condo in Boulevard, the Brookfield community in Dublin: on its first floor is a two-car garage; the second, a living room and kitchen; on the third and fourth floors, the bedrooms and bathrooms. Other condos are set up more like an apartment, with units stacked on top of each other, accessible via elevator.

"These denser condo styles are often the stepping stones for folks that are growing out of an apartment lifestyle," Boyd said. "It's not like stairs and elevators are foreign concepts."

Going dense gets you a discount. Compare the cost of the Boulevard condo -\$1 million - to a new detached 2,200 square foot home in Concord, which costs \$1.3 million.

Though many single-family homeowners cherish their sense of privacy and large lots, Bay Area developers have been building homes closer and closer together for years. Back in the 1980s when Dublin was still a small community of 13,469 and land was cheap and plentiful, developers built homes on 15,000 square foot lots with grassy backyards and long driveways. By the 2000s, the lots had shrunk to 6,000 square feet, and by the 2010s, they were down to 3,000, with gaps between each house small enough a homeowner could reach out their window to shake a neighbor's hand.

Eventually, though, even these close-set homes become so outrageously expensive that developers now reason that homebuyers will settle for a more affordable option, even if that means sharing a wall.

"The market for single-family homes has to be priced so high that a three-story townhouse is enough of a bargain against the traditional stuff that people are willing to make the sacrifice," said Charles McKeag, president of BrightSky Residential.



A view of the interior of a home at the Boulevard in Dublin, Calif., on Monday, Dec. 4, 2023. The Boulevard is a condominium community located near the Dublin/Pleasanton BART station. With seven neighborhoods and 1,700 dwelling units the Boulevard was built six years ago. The Bay Area is seeing an increase of higher density condos similar to the Boulevard replacing the more traditionally single family homes. (Jose Carlos Fajardo/Bay Area News Group)







Beyond the cost of land, increased pressure on cities to build more housing also has spurred vertical development.

Many Bay Area suburbs have long had a buyer pool for denser housing — but by zoning mostly for single-family homes, they have severely limited where it can go. But the state has stepped up enforcement of laws that require cities to plan for more housing and threatened to strip funding and local control if they resist.

To developers, it seems to be working.

"It has absolutely spurred a densification of developable land amongst cities," Santos said. His firm, Landsea, is currently working on a 54-acre, 500-unit development in Dublin.

That's the kind of <u>"missing middle"</u> housing options that experts say are necessary to address the years-long affordability crisis plaguing the Bay.