#### CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

March 13, 2024 (Agenda)

March 13, 2024 Agenda Item 6

LAFCO 23-13 Annexation to City of Martinez/Detachment from County Service Area (CSA) P-6 – Bay's Edge

<u>APPLICANT</u> City of Martinez

SYNOPSISThis is an application to annex numerous parcels totaling 1.46+ acres to City of Martinez<br/>and detach from CSA P-6. The subject area is located at 3128 Sycamore Street as shown<br/>on the attached map (Exhibit A) and is adjacent to the City boundary. The subject parcel<br/>is currently vacant and undergoing grading to support a 30-unit multi-family project<br/>("Bay's Edge").

In April 2021, at the City's request, LAFCO approved out of agency water service to the subject property. LAFCO conditioned the service on submittal of an annexation application. The City requested, and LAFCO approved, an extension of time as the City was updating its General Plan. On September 29, 2023, the City submitted to LAFCO a boundary reorganization application.

#### DISCUSSION

Government Code (GC) §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 area proposed for annexation is within the City's SOI.

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

The subject parcel is located within the voter approved Urban Limit Line. The subject area is surrounded to the west, north, and south by single-family homes, and to the east by an electric utility corporate office. The subject area is pre-zoned Multiple Family Residential (M-29-P) and conforms to the City's prezoning designation. The City's General Plan designation for the subject area is Residential Very High which allows multi-family housing at residential densities between 20.1 and 30.0 dwelling units per acre.

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

The subject area contains no prime farmland or land covered under the Williamson Act Land Conservation agreements.

#### 4. Topography, Natural Features and Drainage Basins:

The subject area is within an urbanized area and slopes upward towards Howe Road. The subject area is located at a topographic level below nearby scenic ridges and hills located to the west of the site. No significant natural features would affect the area.

#### 5. Population and Fair Share of Regional Housing:

Proposed use of the subject property is construction of a 30-unit multi-family project. The projected growth is 75 persons based on the average median household size of 2.5 persons.

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

If a proposal for a change of organization or reorganization is submitted, the applicant shall also submit a plan for providing services within the affected territory (GC §56653). A plan for services is included with the application. The plan shall include all 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 annexation area is currently served by various local agencies including, but not limited to, Contra Costa County, Contra Costa Water District, Mt. View Sanitary District, and Contra Costa County Fire Protection District.

#### 8. Timely Availability of Water and Related Issues:

Pursuant to the CKH, LAFCO must consider the timely and available supply of water in conjunction with a boundary change proposal. Contra Costa LAFCO policies state that any proposal for a change of organization that includes the provision of water service shall include information relating to water supply, storage, treatment, distribution, and waste recovery; as well as adequacy of services, facilities, and improvements to be provided and financed by the agency responsible for the provision of such services, facilities, and improvements.

In conjunction with LAFCO's 2021 approval of out-of-agency service, the City extended municipal water service to allow for development of the project. In conjunction with the City's 2021 application, they provided a description of the infrastructure which included approximately 600 linear feet of 8-inch water main for domestic and fire use. Each lot has a separate water system consisting of a one-inch lateral pipe, a one-inch water meter, and a backflow device. All construction costs were borne by the property owner. The estimated demand for water is approximately 5.08-acre feet per year for both indoor and outdoor use. The City indicated it has adequate water to serve the subject area.

#### 9. Assessed Value, Tax Rates, and Indebtedness:

The annexation area is within tax rate area 76006. The assessed value for the annexation area is \$4,515,674 (2023-24 roll). The territory being annexed shall be liable for all authorized or existing taxes and bonded debt comparable to properties presently within the annexing agencies.

#### **10. Environmental Impact of the Proposal:**

In 2006, Contra Costa County, as Lead Agency, prepared and approved an Initial Study/Mitigated Negative Declaration (IS/MND) in conjunction with the proposed development project pursuant to the California Environmental Quality Act (CEQA). The IS/MND identified potentially significant effects (i.e., Air Quality, Biological Resources, Geology/Soils, Hydrology and Noise). Mitigation measures were adopted which reduced all impacts to a less than significant level; therefore, there are no significant and unavoidable impacts. The IS/MND also noted that domestic water service to the project area will be provided by the City of Martinez

In 2020, the County prepared an Addendum to the 2006 IS/MND. The Addendum addressed issues not previously covered in the IS/MND including identifying LAFCO as a Responsible Agency pursuant to CEQA, discussion of the need for OAS, the deferred annexation agreement and/or annexation, and approval by LAFCO to allow for municipal water service by the City of Martinez. The County's environmental documents are adequate for LAFCO purposes and are available through the LAFCO office.

#### 11. Landowner Consent and Consent by Annexing Agency:

The landowner and applicant consent to the proposed reorganization.

#### 12. Boundaries and Lines of Assessment:

The annexation area is within the City's SOI. A map and legal description to implement the proposed annexation were received and are subject to final approval 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 annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

#### 14. Disadvantaged Communities:

In accordance with State legislation, 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 annexations 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 Department of Conservation and Development, the subject area is not within a DUC.

#### 15. Comments from Affected Agencies/Other Interested Parties:

Pursuant to LAFCO law, all registered voters and landowners within the proposal area and within 300 feet of the exterior boundaries of the area(s) were sent written notice of the LAFCO hearing. County Elections confirmed there are zero registered voters in the subject area; therefore, the subject area is considered uninhabited. The subject area is currently vacant.

To date, LAFCO has received no objections to the proposed annexation; therefore, the protest hearing is hereby waived pursuant to GC §56663.

#### 16. Regional Transportation and Regional Growth Plans:

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to GC §65080 [GC §56668(g)]. Further, the Commission may consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or sub regional basis (GC §56668.5). Regarding these sections, LAFCO looks at consistency of the proposal with the regional transportation and other regional plans affecting the Bay Area.

SB 375, a landmark state law, requires California's regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB 375, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), in July 2013, adopted Plan Bay Area as the "Regional Transportation Plan and Sustainable Communities Strategy" for the San Francisco Bay Area through 2040. Plan Bay Area focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions. The Plan's key goals are to reduce GHG emissions by specified amounts; and plan sufficient housing for the region's projected population over the next 25 years.

In October 2021, ABAG and MTC adopted *Plan Bay Area 2050*, which serves as the Bay Area's official long-range plan for housing, economic development, transportation, and environmental resilience for the next four years. While prior iterations of *Plan Bay Area* focused on transportation and housing, the 2050 plan expands the scope introducing strategies for long-term economic development and environmental resilience, while meeting federal and state requirements.

## ALTERNATIVES FOR COMMISSION ACTION

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

- **Option 1** Adopt this report and approve LAFCO Resolution No. 23-13 (Attachment 1), making CEQA findings and approving the proposal, to be known as *Annexation to City of Martinez/Detachment from County Service Area P-6*.
- **Option 2** Adopt this report and DENY the proposal.

# **Option 3** If the Commission needs more information, CONTINUE this matter to a future meeting.

# **<u>RECOMMENDED ACTION</u>:** Approve Option 1

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

<u>Exhibit</u>

A. Map - 23-13 - Annexation to City of Martinez/Detachment from CSA P-6

Attachment

- 1. Draft LAFCO Resolution 23-13
- c: Michael Chandler, City Manager Michael Cass, City of Martinez Michael Arikat, Millennium Properties

LAFCO 23-13 Bay's Edge Reorganization: Annexation to City of Martinez and Detachment from CSA P-6



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Inits inter of utalset was detailed by the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is citled. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.

Map created 01/12/2024 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W

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#### **RESOLUTION NO. 23-13**

## RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING ANNEXATION TO CITY OF MARTINEZ AND DETACHMENT FROM COUNTY SERVICE AREA (CSA) P-6 – BAY'S EDGE

**WHEREAS**, the above-referenced proposal was filed with the Executive Officer of the Contra Costa Local Agency Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (§56000 et seq. of the Government Code); and

**WHEREAS**, the Executive Officer 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 gave notice of the Commission's consideration of the proposal; and

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

WHEREAS, at a public hearing held on March 13, 2024, 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 recommendations, the environmental documents and determinations, applicable General and Specific Plans, consistency with the spheres of influence, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that no affected landowners/registered voters within the subject area object to the proposal; and

**WHEREAS**, the applicant has delivered to LAFCO an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions to challenge the annexation; and

**WHEREAS**, the Local Agency Formation Commission determines the proposal to be in the best interest of the affected area and the 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 Commission is a Responsible Agency under the California Environmental Quality Act (CEQA), and in accordance with CEQA, considered the environmental effects of the project as shown in Contra Costa County's Initial Study/Mitigated Negative Declaration and Addendum. The Commission finds that all changes or alterations in the project that avoid or substantially lessen its significant environmental effects are within the responsibility and jurisdiction of the County and not LAFCO, and that changes have been, or can and should be, adopted by the County as the lead agency.

- 2. Annexation to City of Martinez and Detachment from CSA P-6 1.47+ acres (numerous parcels) is hereby approved.
- 3. The subject proposal is assigned the following distinctive short-form designation:

# ANNEXATION TO CITY OF MARTINEZ/DETACHMENT FROM COUNTY SERVICE AREA P-6

- 4. The boundary of the subject area is found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
- 5. The subject area shall be liable for any authorized or existing taxes, charges, and assessments currently being levied on comparable properties within the annexing agencies.
- 6. The subject area is uninhabited.
- 7. No affected landowners or registered voters within the subject area object to the proposal, and the conducting authority (protest) proceedings are hereby waived.
- 8. All subsequent proceedings in connection with this annexation shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 13<sup>th</sup> day of March 2024, by the following vote:

AYES: NOES: ABSTENTIONS:

ABSENT:

DONALD A. BLUBAUGH, 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.

Dated: March 13, 2024

Lou Ann Texeira, Executive Officer