



Lou Ann Teixeira
Executive Officer

May 13, 2026
Agenda Item #6

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

May 13, 2026 (Agenda)

LAFCO 25-06 – Annexation to City of Clayton – Clayton Estates

APPLICANT

Jim Moita, Julie Moita, and Vince Moita - (Landowners)

SYNOPSIS

The applicant proposes to annex 41.5± acres (two parcels) located along Marsh Creek Road for residential development. The location is east of the City of Clayton. The primary purpose of the Marsh Creek Road Specific Plan (MCRSP) was to recognize the unique rural character of its study area, to develop appropriate areas for residential development, and to guide and regulate development and to protect and enhance the area's natural amenities and features, and to afford recreational opportunities and public access.

DISCUSSION

Government 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 as discussed below.

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

The property proposed for annexation has been within the City of Clayton's SOI since the 1990s. No SOI amendment is required. Regarding the County Urban Limit Line (ULL), 13.5± acres are within the ULL, and 28.5± acres are outside the ULL, but would later be part of the ULL adjustment pursuant to a forthcoming application under Contra Costa County to move the ULL by less than 30 acres to conform with the City's existing SOI and match legal boundaries of the lots. In addition, these parcels have maintained *Single Family Residential – Low Designation (LD)* for over 35 years. The City General Plan designates less than half the area for LD Single Family Low Density, with more than half designated for Open Space.

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

The existing land use is cattle grazing for fire mitigation purposes. The applicant notes that cattle grazing is not economically viable land use given the high property taxes and special assessments intended to support development. The land is undeveloped besides an access road. The proposed boundary would facilitate the use of less than half of the land for low-density residential and dedication of over 50% of the land use for open space, such use being consistent with the MCRSP.

County's land use and zoning for the parcel is Community and Regional Recreational. The County General Plan designation is Open Space/Recreation. No changes to the General Plan or zoning designations are proposed in conjunction with this proposal.

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

The subject area contains no prime farmland, no land covered under the Williamson Act Land Conservation agreements, no conservation of agricultural land, no agricultural preserve area, no land within a land conservation easement, and not adjacent to a greenbelt. The proposal eliminates the need for septic.

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

The topography is generally flat and marshland. The northern half of the western property line of the proposal area abuts the *Clayton Community Clayton Community Park and Diablo View Middle School*. The southern half of the western property line of the proposal abuts the Oak Creek Canyon subdivision. To the east of the site, land is designated as Development Area A2 of the *Marsh Creek Road Specific Plan* intended for a 6-unit single-family development approved within the last five years under the Marsh Creek Road Specific Plan. There are several other areas that are designated for low, medium and moderate density. To the east of the site, land is designated as “Development Area 2.”

5. ***Population:***

Regarding population, no units exist on the annexation site. The annexation might allow for future development of 29-35 single-family homes. Assuming 35 units are built and an average household of 2.5, and approximately 87 people might be added to the City.

6. ***Fair Share of Regional Housing:***

The pre-zoning allows for 29-35 single-family homes, which would assist the City in achieving its Regional Housing Needs Allocation (RHNA). Opponents have voiced concern regarding “luxury housing” that does not address the housing crisis. The proposed annexation is not expected to promote or discourage the fair treatment of minorities or economically disadvantaged groups.

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

An application for a change of organization or reorganization typically requires a plan for providing services within the affected territory (Gov. Code §56653). The plan for service is available in the LAFCO office at 40 Muir Road, Martinez. The plan for service includes all of the following information and any additional information required by the Commission and/or the LAFCO 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 applicant points to sections of the Marsh Creek Road Specific Plan (MCRSP) and the City of Clayton’s General Plan that the applicant believes are relevant to the annexation application.

1. **MCRSP – Circulation Element** (Road Design CI-1, CI-2, Figure 10, Figure 11, Figure 13)

These provisions address roadway planning, roadway design standards, circulation patterns, access to adjacent parcels, and intersection configurations for the MCRSP area.

2. **MCRSP – Infrastructure Element** (Wastewater Policy IN-3, IN-4, Figure 16, IN-5)

These provisions address wastewater collection through the City of Clayton’s sewer system, preparation of an area-wide sewer study, feasible trunk sewer routes, sizing of sewer mains, cost allocation, environmental review and downstream collection-line improvements.

3. **MCRSP – Implementation Element** (Policy IM-8, IM-9, IM-10, IM-11, IM-12) – These provisions directly address annexation of the Specific Plan area, including amending the City’s Sphere of Influence (SOI). These provisions directly address annexation of the Specific Plan area, including amending of the City’s Sphere of Influence, development under City jurisdiction, and orderly phased annexation.
4. **City of Clayton General Plan – Land Use Element** - The final page of the Land Use Element, as amended January 17, 2023, contains the City’s official Annexation and Sphere of Influence policy. This policy reflects the City’s adopted position regarding annexation of all land within its Sphere of Influence and its intent to guide development and service planning for those areas. *“It is therefore the policy of the City of Clayton to annex all land within its Sphere of Influence and to promote development of land in the City of Clayton.”*

LETTERS FROM CITY OF CLAYTON AND CONTRA COSTA COUNTY

On May 5, 2026, the City of Clayton City Manager submitted a letter raising concerns about the proposed application. These include concerns about the plan for services required by Government Code section 56653, whether the 1995 Marsh Creek Road Specific Plan and EIR have been reviewed to determine whether any changed circumstances require supplemental review, and the status of the property tax sharing agreement. On May 7, 2026, the Contra Costa County Conservation and Development Director submitted a letter raising concerns about CEQA, the Urban Limit Line of both the County and the City, and the existing property tax transfer agreement between the County and cities in the County, including Clayton.

RECOMMENDTION:

The Commission is authorized to consider comments of any affected local government agency as a factor in its review of a proposal (Government Code section 56668(j)) to allow the City of Clayton the opportunity to provide additional information and details about the concerns raised in its letter, and any other local agencies the opportunity to comment. It is recommended that the Commission:

1. Open the public hearing;
2. Receive testimony; and
3. Continue the hearing to a time and date certain.

Low Ann Teixeira

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

Exhibit A – Annexation Map

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