

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

March 12, 2014
Agenda Item 6

March 12, 2014 (Agenda)

LAFCO 13-08 Northeast Antioch Reorganization Area 2A - Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and detachment from County Service Area (CSA) P-6. *This item was continued from the February 12, 2014 LAFCO Meeting*

PROPONENT City of Antioch (by Resolution)

ACREAGE & LOCATION Area 2A comprises 116± acres (19 parcels) and is located immediately west of State Route 160 (Attachment 1).

PURPOSE Provide municipal services to the area, which is largely built out with marina commercial, storage and incidental uses, along with several dwelling units.

SYNOPSIS

This is one of three separate boundary reorganization proposals submitted by the City of Antioch to annex the greater Northeast Antioch area to the City and to DDSD. Both the PG&E Reorganization (Area 1) and Northeast Antioch Reorganization Area 2B were approved by the Commission on January 8, 2014. In total, these areas comprise 678± acres and have significantly different characteristics and land uses (Attachment 2).

This report is for Area 2A, a proposal to annex 116± acres (19 parcels) to the City of Antioch and to DDSD, and detach the same area from CSA P-6, the County police district.

DISCUSSION

The Cortese Knox Hertzberg Act (CKH Act) sets forth factors that the Commission must consider in evaluating any proposed change of organization or reorganization as discussed below (Gov. Code §56668). In the Commission's review of these factors, no single factor is determinative. In reaching a decision, each factor is to be evaluated within the context of the overall proposal.

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

LAFCO is charged with both regulatory and planning functions. Annexations are basically a regulatory act, while establishing spheres of influence (SOIs) is a planning function. The SOI is an important benchmark as it defines the primary area within which urban development is to be encouraged. In order for the Commission to approve an annexation, it must be consistent with the jurisdiction's adopted SOI. The annexation area is within both the City of Antioch and the DDSD SOIs, and within both the City of Antioch and County voter-approved Urban Limit Lines.

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

Area 2A is part of the City's Eastern Waterfront Employment Focus Area as identified in the City's General Plan. In 2011, the City and County formed a committee to develop and implement a joint economic development strategy for the Northeast Antioch area. This committee was instrumental in addressing some of the concerns relating to the reorganization proposals, including fiscal and infrastructure issues.

The land in Area 2A is largely built out and includes some underdeveloped properties. Existing uses are predominately marina, commercial, storage and incidental uses, along with several residential dwelling units. The City's General Plan designations for Area 2A include "Marina/Support Uses" and "Commercial." The City has rezoned Area 2A as "Urban Waterfront" and "Regional Commercial."

Surrounding land uses include the San Joaquin River to the north; Highway 160 and heavy industrial to the east; heavy and light industrial to the south; and heavy industrial to the west.

The current and proposed uses are consistent with the City's plan and rezoning designations. No changes in land uses are proposed.

Other factors relating to land use and growth that LAFCO considers in its review of a proposal are a regional transportation plan and regional growth goals and policies.

In consideration of these factors, LAFCO staff reviewed the *Plan Bay Area* which is a long-range integrated transportation and land-use/housing strategy through 2040 for the nine county San Francisco Bay Area. In July 2013, the *Plan* was jointly approved by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). The *Plan* includes the region's Sustainable Communities Strategy and the 2040 Regional Transportation Plan.

The *Plan* identifies Priority Development Areas (PDAs) - 25 in Contra Costa County, and Priority Conservation Areas (PCAs) - 12 in Contra Costa County. Area 2A is not identified as a PDA.

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

The State Department of Conservation produces a map every two years which identifies California's agricultural lands (e.g., Prime Farmland, Unique Farmland, Farmland of Statewide Importance, Farmland of Local Importance, Grazing Land, etc.) based on ratings that take into account soil quality and irrigation status.

Both LAFCO law and the California Environmental Quality Act (CEQA) provide their respective definitions of "agricultural land" and "prime agricultural land."

Under CEQA, the conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance is considered a significant impact.

As noted in the City's environmental analysis, the Northeast Antioch reorganization area contains some Farmland of Statewide Importance and some Farmland of Local Importance in Areas 1 and 2B; however, there is no farmland located in Area 2A. Further, no portion of the reorganization area is under a Williamson Act Land Conservation Agreement.

4. Topography, Natural Features and Drainage Basins:

Area 2A is located just south of the San Joaquin River. A portion of Area 2A immediately adjacent to the San Joaquin River is located within a 100-year flood hazard zone. As discussed in the City environmental review, the City's project does not propose any new buildings or structures within an identified area of heightened flood risk.

The area has a relatively level topography. There are no other significant natural features affecting the proposal.

5. Population:

The area is designated primarily for marina, commercial, storage and incidental uses. There are an estimated four existing residential units in Area 2A, which appear to be caretaker quarters for existing storage facilities. Additionally, there is a small number of boat residents in the area. In accordance with the City's General Plan and zoning designations, no new residential development is proposed for this area. Thus, no increase in population is anticipated.

6. Fair Share of Regional Housing:

Pursuant to §56668 of the CKH Act, LAFCO must consider in the review of a proposal 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. Regional housing needs are determined by the State Department of Housing and Community Development; the councils of government throughout the State allocate to each jurisdiction a "fair share" of the regional housing needs. Given the current and proposed land uses in Area 2A, there is no impact to regional housing needs associated with the proposed reorganization.

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

In accordance with Government Code §56653, whenever a local agency submits an annexation application, the local agency must also submit a plan for providing services to the annexation area. The plan shall include all of the following information and any additional information required by LAFCO:

- (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 City has provided a "Plan for Services" as required by statute. The level and range of services will be comparable to those services currently provided within the City. City services will be needed to support future development in the area. As part of the reorganization proposal, the City and County have entered into both tax sharing and infrastructure agreements.

Following annexation, the City will provide a range of municipal services to Area 2A, including police, streets and roads, street lighting, drainage, parks & recreation, library, and other services. Fire services will continue to be provided by the Contra Costa County Fire Protection District (CCCFPD).

Following annexation, the City will also provide sewer collection, and DDSB will provide sewer treatment and disposal. The City will provide retail water, and Contra Costa Water District (CCWD) will provide wholesale water to the City as summarized below. The City has existing sewer and water lines located within Area 2A that can serve the area following annexation.

Police Services – Law enforcement services are currently provided to Area 2A by the Contra Costa County Sheriff's Department. Upon annexation, police services will be provided by the City of Antioch, and the area will be detached from the County's police services district (CSA P-6).

The City's standard for providing police services is 1.2 sworn officers per 1,000 residents. By including Community Service Officers in the sworn officer category, Antioch has maintained this ratio. Police response times are dependent on the agency's staffing level and size of the jurisdiction served. The Antioch General Plan establishes a response time goal of 7-8 minutes for Priority 1 (emergency) calls. The Antioch Police Department reports that the average response time is 11 minutes due to a lack of staffing. The City's CEQA document concludes that the three Northeast Antioch annexation areas would not significantly impact or worsen the ratio of police staff to population or adversely affect the response times.

Streets and Roads – The City indicated that the road network is already in place in Area 2A. The City anticipates that as development occurs in Northeast Antioch, appropriate frontage improvements will be made to existing public streets in this area. The City currently maintains 314 total centerline miles; 669 total lane miles. There is one mile of public streets within Area 2A that would be added to the City's road inventory following annexation.

Street Lighting - The City reports that there are several existing street lights in Area 2A in close proximity to Highway 160, which are installed and maintained by Caltrans. Any new street lights installed in Area 2A would be in conjunction with new development.

Drainage – The City indicates that there are currently no drainage facilities that serve the annexation area; however, there are two large storm drain trunk lines that cross Wilbur Avenue and drain into the San Joaquin River. The extent and location of any storm drainage improvements in Area 2A will depend on future development in the area. Capacity in the existing storm drain lines is limited, and significant new development within the Northeast Antioch reorganization area will require construction of a new outfall to the San Joaquin River. All new development in the annexation area must comply with provisions of various municipal, regional, State and federal requirements, including measures to remove pollutants from stormwater for compliance with the federal Clean Water Act and the National Pollution Discharge Elimination System (NPDES).

Parks & Recreation – The City of Antioch has 33 parks. The City's General Plan Performance Standards for parks propose five acres of improved public and/or private neighborhood parks and public community parkland per 1,000 residents, including appropriate recreational facilities. The City exceeds this standard when the trail system, the Costa Loma Regional Park, and the Lone Tree Golf Course are factored in. There are currently no public parks in the Northeast Antioch reorganization area.

The City operates a comprehensive recreation program including aquatics, sports, leisure time activities, community and cultural events, Prewett Family Water Park, Senior Center, youth activities, excursions, and 300 instructional programs for pre-school, youth, adult, seniors, and on-line.

The annexation is not expected to create any significant demand on the City's existing parks & recreation facilities and programs due to the limited number of residents in the area.

Other Services – The City provides a multitude of other services, including art & cultural, capital improvements, code enforcement, landscape maintenance, library and special services which will be extended to Area 2A following annexation.

Fire Protection – Fire and emergency medical services are, and will continue to be, provided by CCCFPD following annexation. There are four fire stations located in Antioch. Station 81 is located in the downtown area at 315 W. 10th Street; Station 82 is located at 196 Bluerock Drive, just west of Lone Tree Way in the south central portion of the City; Station 83 is located at 2717 Gentrytown Drive, just south of Buchanan Road in the western portion of the City; and Station 88 is located at 4288 Folsom Drive, just east of Hillcrest Avenue in the eastern portion of the City.

The City's CEQA document concludes that the annexation will result in no change to fire services and no impacts will occur.

Sewer Services – The City provides wastewater collection services, while DDS D provides conveyance, treatment and disposal services to the City.

Currently, Area 2A is served by onsite septic systems. Following annexation, municipal wastewater services will be available to the area. The existing sewer line in Wilbur Avenue, which runs along Area 2A's Wilbur frontage, was installed by PG&E in conjunction with LAFCO's previous Out of Agency service approval; the line was later extended by NRG. Given that the existing Wilbur sewer line is at the "doorstep" of the Area 2A properties, connecting to this sewer line will be straightforward. It should be noted that there are a number of deep parcels in the area that will require lengthy connections, some as long as 1,000 lineal feet.

The City's current population is 105,117 residents in a 28 square-mile service area. The City's wastewater collection system consists of 319 miles of gravity pipeline with three pump stations.

DDS D serves the cities of Antioch and Pittsburg and the unincorporated community of Bay Point. DDS D serves a population of approximately 190,567 residents in a service area of 49+ square miles. DDS D has over 49 miles of sewer main and five pump stations. The District's treatment plant capacity is 16.5 million gallons per day (mgd); in 2012, the average dry weather flow (ADWF) was 14.2 mgd.

Regarding capacity, the City's existing ADWF is 7.4 mgd; and the future ADWF is 10.7 mgd. The City estimates that the future peak dry weather flow (PDWF) is 16.8 mgd. DDS D allows an ADWF of 16.5 mgd. As noted above, during 2012, the ADWF influent to the treatment plant was 12.7 mgd; in 2005 and 2010, the ADWF influent to the treatment plant was 14.2 mgd and 13.2 mgd, respectively. It is estimated that all three reorganization areas (Areas 1, 2A, 2B) have an existing estimated ADWF of 2.42 mgd which will increase to 3.71 mgd at buildout.

Both the City and DDS D indicate that they have the capacity to serve the Northeast Antioch reorganization area.

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

Pursuant to the CKH Act, LAFCO must consider the timely and available supply of water in conjunction with a boundary change proposal. In accordance with Contra Costa LAFCO

policies, any proposal for a change of organization that includes the provision of water service shall provide 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.

The City provides water treatment and distribution services, with 328 miles of main, seven pump stations and 11 reservoirs. The City obtains a majority of its water supply from CCWD, along with diversions from the San Joaquin River.

CCWD's boundary encompasses 220± square miles in central and eastern Contra Costa County. CCWD's untreated water service area includes Antioch, Bay Point, Oakley, Pittsburg, and portions of Brentwood and Martinez. The District's treated water service area includes Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), Diablo Water District (Oakley), and the City of Antioch. CCWD serves approximately 500,000 (61,085 water connections). The primary sources of water are the U.S. Bureau of Reclamation Central Valley Water Project and delta diversions.

Regarding the water distribution system, the City currently has existing "looped" water mains located in the Northeast Antioch annexation area, consisting of a 16-inch main that runs north/south along the length of Viera Avenue, a 12-inch water line that runs east/west along the length of Wilbur Avenue through Area 1, and 12-inch and 16-inch water lines that run along East 18th Street. Also, there is an existing 8-inch water line in Bridgehead Road that can serve properties in that area. These existing water lines provide the backbone of a future water delivery system that will ultimately be developed to serve properties and businesses located in the Northeast Antioch reorganization area.

The City, in its Water Master Plan, examined the City's ability to serve all three subareas. The analysis confirms that, given the City's allocation of raw water and the City's rights to future water supplies of raw water, and based on the City's current and planned treatment capacity, the City has the ability to provide potable water to all three subareas based on the level of existing and future development.

The City reports that most of the existing uses in Area 2A currently have City water; and that these water service connections pre-date LAFCO.

9. Assessed Value, Tax Rate Areas and Indebtedness:

The annexation area is within tax rate area 53004. The total assessed value (secured and unsecured) is \$18,346,281 (2013-14 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies, if applicable.

10. Property Tax Exchange

Revenue and Taxation Code §99(b)(6) requires adoption of a property tax exchange agreement by affected local agencies before the Commission can consider a proposed boundary change. Both the City and County have adopted resolutions approving a tax revenue allocation agreement covering all three annexation areas.

11. Environmental Impact of the Proposal:

The City of Antioch, as Lead Agency, prepared and adopted the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration (IS/MND). The City's IS/MND identified potentially significant impacts resulting from Air Quality, Biological Resources, Cultural Resources, Hazards & Hazardous Materials and Noise. Mitigation measures have been provided for each potentially significant impact, reducing all to a less than significant level. Copies of the City's document were previously provided to Commissioners and are available for review in the LAFCO office. The LAFCO Environmental Coordinator finds the City's CEQA document sufficient for LAFCO purposes.

12. Landowner Consent and Consent by Annexing Agency:

At the February 12 LAFCO hearing, members of the Sportsman Yacht Club advised LAFCO that they did not want to be annexed to the City of Antioch. At the direction of the Commission, City, County and LAFCO staff met with members of the yacht club, and property owners and residents of Area 2A to hear their concerns. A community meeting was held on February 27 at 6:30 p.m. at the New Bridge Marina Yacht Club, located in Area 2A. There were over 50 attendees at the meeting. City staff prepared a Frequently Asked Questions Concerning Annexation (Attachment 3) which was distributed at the community meeting. At the meeting, City, County and LAFCO staff addressed a range of issues and questions. City staff responded to questions relating to water and sewer services, utility connection fees/rates and potential funding/grant options, zoning and land use, police and marine patrol services, the City's ability to serve the area, curbs and sidewalks, access roads and easements, code enforcement and eminent domain. County staff provided information regarding environmental health and septic system requirements. LAFCO staff provided information regarding LAFCO's role, mission and authority, LAFCO proceedings, protest thresholds, islands and Disadvantaged Unincorporated Communities (DUCs). The majority of attendees indicated opposition to the annexation.

In addition, after the February 12 LAFCO meeting, County Elections advised LAFCO that they had miscalculated the number of registered voters in the annexation area. County Elections reports that there are 13 voters in the annexation area, instead of nine, as previously reported. This makes the area "inhabited" instead of "uninhabited" as previously reported, and changes the protest proceedings and thresholds. Thus, the Commission's action is subject to notice, hearing, as well as protest proceedings. If the Commission approves the annexation as proposed, a subsequent notice and protest hearing will follow. Authority to conduct the protest hearing has been delegated to the LAFCO Executive Officer.

13. Boundaries and Lines of Assessment:

Area 2A is contiguous to existing City of Antioch boundary. A map and legal description to implement the proposed boundary change have been received and are subject to approval by the County Surveyor.

On January 8, 2014, the Commission approved the annexation of Area 1, which is adjacent to Area 2A. The annexation of Area 2A will prevent the area from becoming an island, which would be surrounded by the City of Antioch to the west and south, the City of Oakley to the east, and the San Joaquin River to the north.

14. Environmental Justice

One of the factors LAFCO must consider in its review of an application is the extent to which the proposal 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.

15. Disadvantaged Communities

In accordance with recent legislation (SB 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 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 and City Planning Departments, the annexation area does not meet the criteria of a DUC.

16. Comments from Affected Agencies/Other Interested Parties

On February 26, 2014, LAFCO received a letter from Steve Klee, Chairman and General Manager, The New Bridge Marina, Inc., expressing support for the proposed boundary change (Attachment 4).

Members of the Sportsman Yacht Club expressed their opposition to the annexation at the February 12, 2014 LAFCO meeting and at the community meeting on February 27, 2014.

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 options:

- Option 1** If the Commission needs more information, CONTINUE this matter to a future meeting. The LAFCO hearing may be continued from time to time but not to exceed 70 days from the date specified in the original notice (Gov. Code section 56666).
- Since the February 12 LAFCO meeting, a number of issues relating to water service and the annexation boundary have arisen. Additional time is needed to research these issues, and for City staff to discuss these matters with the City Council. The Antioch City Council is expected to discuss the matter on March 25, 2014. Thus, it is recommended that the Commission continue the matter to the April 9, 2014 LAFCO meeting.
- Option 2** Reopen public hearing to accept additional evidence and public comment, if any; close the public hearing and approve the reorganization as submitted by the City.
- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration as prepared and adopted by the City of Antioch.

- B. Adopt this report, approve the attached resolution (Attachment 5), and approve the proposal, to be known as **Northeast Antioch Reorganization (Area 2A) - Annexations to the City of Antioch and Delta Diablo Sanitation District (DDSD) and detachment from County Service Area P-6** subject to the following:
1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
- C. Find that the subject territory is inhabited, and the reorganization is subject to a subsequent conducting authority (protest) hearing.

Option 3 Reopen public hearing to accept additional evidence and public comment, if any; close the public hearing and take the following actions:

- A. Certify it has reviewed and considered the information contained in the City's Mitigated Negative Declaration.
- B. Adopt this report and DENY the proposal.

RECOMMENDED ACTION:

Option 1

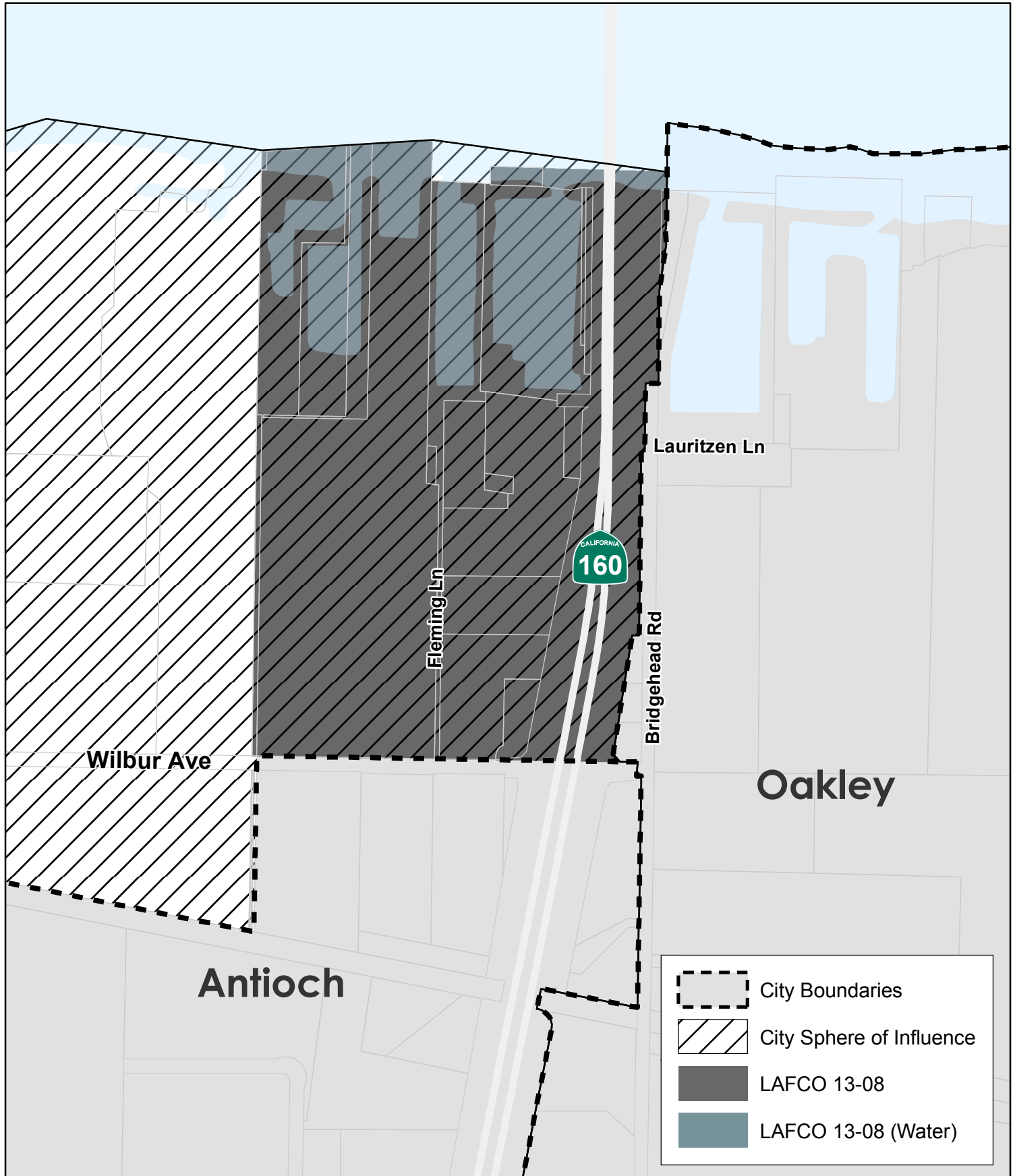
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CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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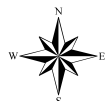
Attachments

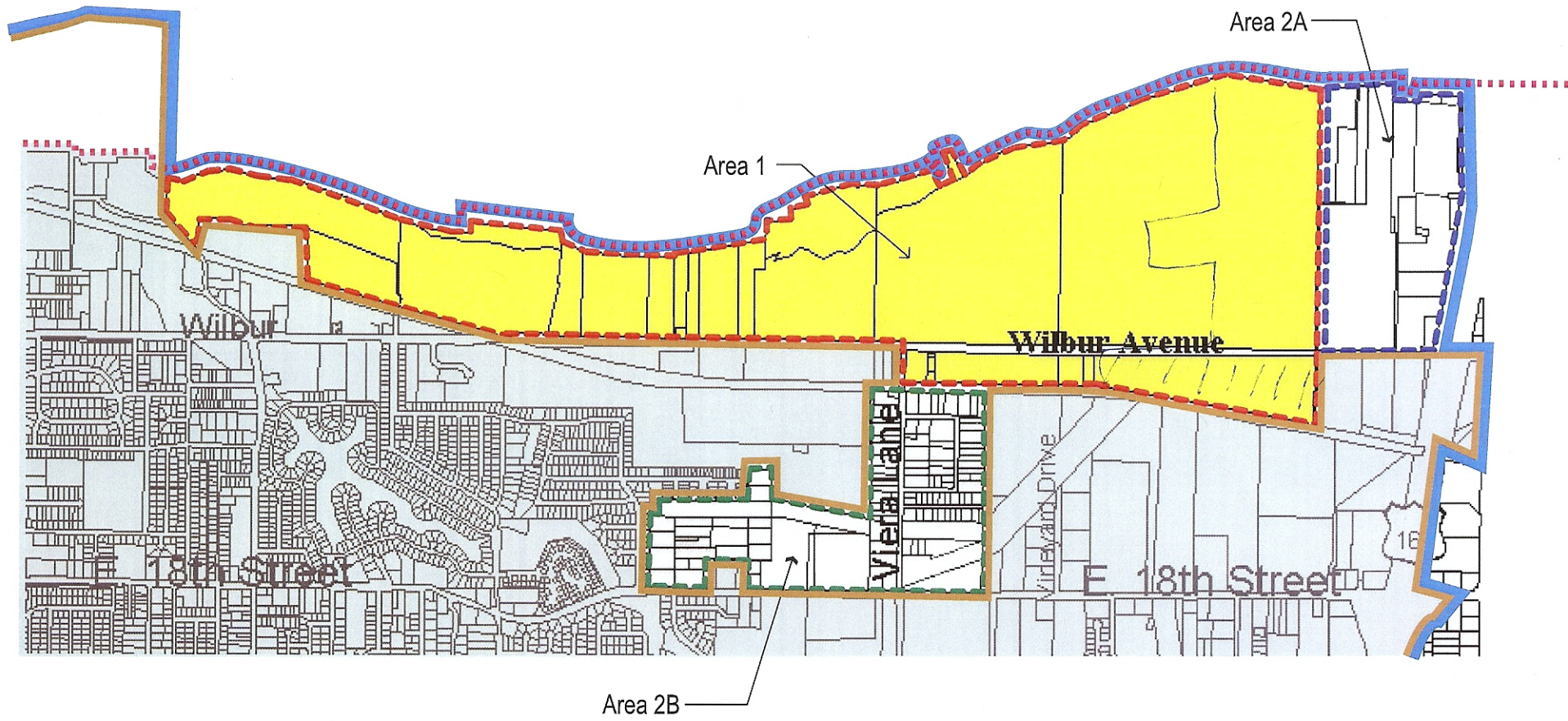
1. Map of Area 2A Reorganization
2. Map of Northeast Antioch (Areas 1, 2A and 2B)
3. Frequently Asked Questions Concerning Annexation
4. Letter dated February 22, 2014 from Steve Klee, Chairman and General Manager, The New Bridge Marina, Inc.,
5. Draft LAFCO Resolution – Area 2A

LAFCO No. 13-08 Northeast Antioch Area 2A Reorganization Annexations to City of Antioch and Delta Diablo Sanitation District Detachment from CSA P-6



	City Boundaries
	City Sphere of Influence
	LAFCO 13-08
	LAFCO 13-08 (Water)





LEGEND

- Urban Limit Line
- City Sphere of Influence (SOI)
- City Boundary
- DDSD Service Boundary and SOI
- Area 1
- Area 2A
- Area 2B

EXHIBIT 2
 Current Administrative Boundaries
 Industrial Areas Along Wilbur Avenue –
 Administrative Reorganization

February 27, 2014

**Frequently Asked Questions Concerning (FAQ's) Concerning Annexation,
and the Implications of Annexation for Annexation Area 2A
Updated February 27, 2014**

Part 1: Description of Annexation, LAFCO, and History

#1. What is annexation? Annexation is a process that permits a City or other government agency to add land to its boundaries. In order to annex land, a City must submit an annexation application with the agency known as the Local Agency Formation Commission (LAFCO). The City has submitted an application to annex Area 2A to the City of Antioch and to the Delta Diablo Sanitation District(DDSD) as part of the larger Northeast Antioch Annexation. Other annexation applications were also filed by the City as part of the Northeast Antioch Annexation process, as described in the following sections.

#2. What is LAFCO? Every County in California has a LAFCO. LAFCO is a State mandated independent agency, and is not part of any city, county or special district. LAFCO is responsible for overseeing orderly growth and development, including the extension of government services to those who need them. Before deciding whether to approve an annexation, LAFCO will hold public meetings to give interested parties the opportunity to express their opinions on the annexation.

The LAFCO Board typically meets in Martinez once a month, and consists of seven voting members: two members of the Board of Supervisors, two representatives from Cities, two representatives from Special Districts, and one "at large" public member, plus one alternate member in each category. For more information regarding Contra Costa LAFCO please visit the website at www.contracostalafco.org or call (925) 335-1094.

#3. What is Area 2A and what is the Northeast Antioch Annexation? Area 2A consists of approximately 94 acres, and is bounded by Hwy 160 on the east, the San Joaquin River on the north, the PG&E Gateway power plant on the west, and Wilbur Avenue on the south. The marinas, including New Bridge and Sportsman Yacht Clubs, are located in Area 2A. The proposed annexation of Area 2A is part of a much larger annexation referred to as the Northeast Antioch Annexation. The Northeast Antioch Annexation consists of a total of 678 acres and involves three separate annexation applications, consisting of proposals by the City to annex Area 1 (the large 481 acre industrial area centered on Wilbur Avenue), Area 2A (the 94 acre area just described), and Area 2B (the 103 acre residential area generally located near Viera Avenue, Saint Claire Drive and Trembath Lane).

#4. What is the history behind the proposed annexation of Area 2A? In 2007, the City submitted an annexation application to LAFCO requesting permission to annex Area 1 (the large industrial area along Wilbur Avenue). At that time, the City conducted polls to determine the interest of residents/property owners in annexing to the City and DDSD. This polling showed

that the majority of residents/property owners in Areas 2A and 2B opposed annexation to the City, while Area 1 supported annexation. Based on this polling, the City at that time declined to submit annexation applications for Areas 2A and 2B. In May 2012 LAFCO sent a letter to the City urging the City to submit annexation applications for Area 2A and Area 2B, in addition to the already received application for Area 1. LAFCO made this request of the City to avoid leaving small isolated unincorporated pockets of land that would be difficult for the County to efficiently serve. It is important to note that LAFCO's mission strongly discourages the continued existence and creation of small unincorporated "islands" surrounded by incorporated communities. In June 2012, the Antioch City Council, taking into consideration LAFCO's interests and concerns, directed City staff to submit annexation applications for Areas 2A and 2B.

After lengthy negotiations, the City and County in November 2013 approved agreements resolving how taxes from the annexation areas would be shared and infrastructure improvements implemented. With these agreements in place, LAFCO, on January 8, 2014 approved the annexation of Areas 1 and 2B to the City of Antioch and DDS. On February 12, 2014 LAFCO held a hearing to consider the annexation of Area 2A. Based on public testimony received during this hearing, LAFCO continued the hearing on Area 2A to the March 12, 2014 LAFCO meeting to allow time for City, County, and LAFCO staff to provide annexation related information to interested parties in Area 2A.

Part 2: How Annexation is Decided

#5. Who decides whether an annexation is approved or not? The LAFCO Commissioners are the ones who decide whether to approve an annexation application. This decision making process by LAFCO is conducted with public notice and a public hearing in which residents/property owners and other interested parties will be able to make comments and voice concerns. If LAFCO approves an annexation, then in most cases a "Protest Hearing" is scheduled. The protest proceedings are summarized below.

If there are 12 or more registered voters in the annexation area (i.e., "inhabited"), and if any voter or landowner objects to the annexation, then a Protest Hearing is held. If less than 25% of voters or landowners (owning at least 25% of the assessed value of land) file a written protest, then the annexation is ordered. If 50% or more of the voters protest the annexation, it is terminated. If at least 25% but less than 50% of the voters or landowners) protest the annexation, then the annexation is subject to approval by the registered voters.

If there are fewer than 12 registered voters in the annexation area (i.e., "uninhabited"), and less than 100% of the landowners have consented to the annexation, then a Protest Hearing is held. If written protests are filed by less than 50% of the landowners (owning less than 50% of the assessed value of land), the annexation is finalized and the land in question becomes part of the City. However, if 50% or more of the landowners (owning at least 50% of the assessed value of land) file a written protest, then the annexation is terminated.

Based on updated information LAFCO received from the County Registrar of Voters, there are currently 13 registered voters in Area 2A. Therefore, Area 2A under LAFCO requirements is considered to be “inhabited”.

#6. What are the next steps for the Area 2A annexation process, and how can residents/property owners have input and become involved in the process? As mentioned previously the Area 2A annexation was continued to the March 12, 2014 LAFCO meeting. At this upcoming meeting interested parties can speak and make comments to the LAFCO Commission during the public hearing. At the March 12, 2014 LAFCO meeting, the Commissioners will take one of the following actions, 1) approve the annexation (with or without conditions/amendments), or 2) deny the annexation, or 3) continue the matter to the April 9, 2014 LAFCO meeting.

Part 3: Fiscal Effects of Annexation, Taxes, Other Costs

#7. How would annexation effect the taxes paid by property owner in Area 2A? Any time the topic of annexation is raised, a question that typically comes up is how will annexation impact effect a property owners taxes. The short answer in almost cases is “not at all”! Many years ago before the passage of Proposition 13 in the late 1970’s, there could be a significant difference between property tax rates between different jurisdictions. However, Proposition 13 leveled the playing field, and with a few exceptions, property tax rates are uniform in California. The following is a brief summary of the tax implications of annexation for Area 2A:

- **Property Taxes: No increase.** Explanation: Property taxes will not be affected by annexation to the City, as the City and County property tax rates are the same. In addition, annexation will not trigger a reassessment of property.
- **Sales Taxes: Only impacts property and business owners buying or selling a taxable product within Area 2A.** Explanation: In November 2013 the voters of the City of Antioch passed a ½ cent temporary sales tax. A number of nearby jurisdictions have a similar tax, including the cities of Concord and Pittsburg. The impact of this sales tax would be either minor or nonexistent for most properties located in Area 2A given the lack of retail uses in Area 2A. As a sales tax, it would be paid by a customer buying a product or merchandise sold within Area 2A.
- **School Costs: No increase.** Explanation: Area 2A is already within the Antioch Unified School District. Annexation will have no impact on school costs, such as Mello Roos.
- **Cost of Business License: Slight cost reduction.** The City’s formula for computing the cost of business licenses in most cases results in a lower cost than a comparable County business license
- **Fire Service: No increase.** Explanation: Annexation will not change or impact in any way the delivery or cost of Fire Service to Area 2A. The ability to connect to City water through annexation should allow existing and any new structures to meet fire flow requirements.
- **Public Safety: Improvement in police service at no additional cost.** Explanation: Given the number sworn officers working for the City and proximity of those officers as compared to the County sheriff, the response time for Public Safety personnel will almost certainly

improve with annexation to the City. There will be no additional Public Safety costs to Area 2A due to annexation

Part 4: Zoning, Grandfathering of Existing Uses/Businesses

Aside from the fiscal or monetary impacts of annexation, the next most common concern raised in relation to annexation is based on the underlying assumption that Cities and Counties have significantly development standards or land use requirements. The following section addresses these questions:

#8. What will be the impacts of annexation on Area 2A in terms of land use, zoning, and building code requirements?

- **Zoning and Land Use:** The City and County General Plan and Zoning requirements for Area 2A are similar. Both jurisdictions have the same type of water oriented Zoning Designations for the existing marinas, while the City and County have commercial and industrial requirements for the land located closer to Wilbur Avenue. In the cases where there are some differences in the details of the Zoning between the County and the City, such as setbacks, the City's Zoning Ordinance is structured in such a manner that it allows existing facilities to be "grandfathered" if they were legally developed in the County under standards that differ from the City's zoning requirements.
- **Building Code:** The City and County both rely on the same State Uniform Building Code. Therefore the same Building Code standards will apply to Area 2A irrespective of annexation status.
- **Road Standards, Sidewalks, and related Improvements:** One area of difference between the City and County are the standards that are used for public improvements, such as street widths, the use of sidewalks, street lights etc. Where the County may call for a rolled curb and sidewalk, the City may require a monolithic curb and detached sidewalk. However, these requirements are only applicable to improvements within the public right of way. The only public right of way in or adjacent to Area 2A is Wilbur Avenue. Therefore, the vast majority of parcels in Area 2A would not be affected by this underlying difference in City versus County right of way standards. In the case of parcels that have a Wilbur frontage, this issue of streets standards would only be triggered in the event of a major new development project being proposed for Area 2A

Part 5: Questions Concerning Connecting to City Utilities

#9. What utilities does the City have that can serve Area 2A, and can Area 2A property owners connect to those utilities? The City currently has both sewer and water installed on the north side of Wilbur Avenue immediately adjacent to Area 2A. The sewer line, at 15 inches in diameter, is sized to handle the ultimate projected waste water flow from the surrounding area. The line is also deep enough that it should allow existing buildings in Area 2A to gravity flow to the City's Wilbur sewer. When the Wilbur sewer line was built "stub outs" were constructed to

fronting properties on Wilbur Avenue to allow convenient sewer connections without having to tear up the street. The City also has a large water line located on the north side of Wilbur Avenue. The City's water system adjacent to Area 2A is "looped", which allows for the high pressure needed to meet typical building fire flow requirements.

All developed properties within Area 2A currently rely on onsite septic systems to handle waste water flow. It is the City's understanding that most properties within Area 2A currently have City water service. This existing water service was evidently granted prior to the existence of LAFCO. Under current LAFCO requirements, the City can only provide sewer and water outside its boundaries with an "Out of Agency Service Agreement" approved by LAFCO. LAFCO has typically been restrictive in approving these kinds of agreements, and LAFCO law only allows such an Agreement to be authorized if an annexation application is pending, or if there is an existing or impending threat to the health and safety of the public (e.g., failed septic system, contaminated well). As a result, the only practical way for parcels in Area 2A to hook up to the City's sewer system, or to secure increased water capacity from the City, is through annexation.

With annexation, any property within Area 2A can hook up to the City's sewer and water systems. While most parcels within Area 2A currently have City water service, any increase in the capacity of the existing water service, by either adding connections or upsizing the water line (for example to meet fire flow), would trigger a requirement for annexation. While the existing septic fields in Area 2A have been in operation a long time (in some cases over 50 years), the age of the septic systems in and of itself is a cause for concern. Another relevant factor is the proximity of Area 2A to the river, along with the high water table that comes with such proximity. Given the increasingly restrictive Federal and State Clean Water requirements, which are set up in a manner so as to progressively "ratchet up" their standards over time, the age of the existing septic systems and their proximity to the San Joaquin River should be a cause of concern for any Area 2A property owner. This ability to hook up to City utilities is likely the single most significant actual/potential benefit of annexation to the City.

#10. Will property owners be required to hook up to the City sewer/water systems after Annexation? The short answer is "no". Most properties within Area 2A will **not** be required to be hook up to City sewer, unless they are located a close distance from an existing sewer line as explained in the following section. Annexation will give property owner the option to hook up, which would not otherwise exist without annexation. The City's existing ordinance stipulates that any property in the City with a septic system that is located within 200 feet of a City sewer line is required within 30 days to hook up to the sewer line. The distance is measured from the location of the sewer connection in the building to the sewer line. Most properties in Area 2A would not be impacted by this requirement, given how far they are located from the Wilbur sewer line.

For most of Area 2A, annexation will give owners the option to hook up to sewer if and when their septic systems fails, or the repairs to the septic system approach the cost of connecting to City sewer. Without annexation property owners will not have this "fall back" option of connecting to City sewer.

#11. What can be done by the City or others to reduce or offset the utility hook up costs?

Neither the City nor DDSD offers waivers for the cost of connection fees, as public agencies cannot legally require rate payers to shoulder cost reductions for others. However, the City in the past has offered deferrals in paying such connection costs, where payments could be spread out over multiple years. Another possibility is the ability of the City to apply for and possibly secure grant funding from State and Federal agencies to pay for and otherwise offset the cost of connections fees, and costs such as running sewer laterals. There is a significant amount of grant funding currently available at the State and Federal level to address “clean water” issues.

It is important to note that while the City can fund improvements to public streets, such as installing sewer and water, the City can't legally do so on private property. The only public street in or adjacent to Area 2A is Wilbur Avenue. Wilbur already contains sewer and water lines adequate to serve Area 2A. Any sewer laterals connecting to Wilbur Avenue would be located on private property, and therefore could not be funded by the City.

#12: What are the Cost Implications of connecting or not connecting to City sewer? While there are benefits to hooking to City utilities, what are the costs? In order to connect to City facilities property owners will need to construct laterals to the existing City facilities, pay connection fees, and close existing septic fields. These costs are discussed below (water connection costs are not discussed given that most parcels in Area 2A are already hooked up to City water).

Sewer Laterals: The costs of constructing sewer laterals from private property within Area 2A to the City utilities in Wilbur Avenue would be the responsibility to the property owner, not the City. This cost could be significant, particularly for the parcels near the river that are located as much as 800 to 900 feet from Wilbur Avenue. There may be an opportunity for property owners to share the cost of extending a sewer line that serves multiple properties. Given the length of laterals, soil conditions, and the high water table, properties owners may want to consult their own engineer to get an estimate of the cost of constructing sewer laterals.

Connection Fees: The City's current base sewer connection fee is \$2,229. Larger capacity connections depending on the use would increase on a sliding scale that can be found on the City's web site in the City's “Master Fee Resolution”. In addition to City fees, Delta Diablo Sanitation District (DDSD) has a base facility connection fee of \$5,033. DDSD charges are on a sliding scale based on water flow and are available on the DDSD web site.

Other Connection Related Costs: There would be a one time cost to abandon an existing septic field (typically \$2,500). In addition to connection fees, DDSD collects an annual base charge of \$262/year to fund their ongoing sewage treatment operation. The City charges \$123/year for maintenance of the sewer collection system. These amounts are typically collected with the property tax bill.

Potential Costs of Not Connecting to City Sewer: Any evaluation of the costs of connecting to City sewer needs to be balanced by the short and long terms costs of maintaining or improving

an existing septic field. In the short term, costs for a septic field would most likely be periodic pumping or minor repair costing from several hundred to several thousand dollars. However, at some point the septic system will inevitably need to be replaced due to failure and/or due to toughening State and Federal requirements. This is where the cost can be significant, as “state of the art” septic systems designed to handle the high water table could cost \$50,000 or more, and require regular inspection and maintenance.

Part 6: City’s Reasons for Requesting Annexation

#13. What are the City’s reasons for requesting the Northeast Antioch annexation, and what are the benefits to the City? The “history” behind the City’s submittal of the annexation application for Area 1, and the addition of Areas 2A and 2B is explained in “Part #1, Section 4” of this FAQ. The City has two key reasons for pursuing the Northeast Antioch Annexation, tax base and jobs, both of which are important to the City.

Tax Base: The annexation of the Northeast Antioch Area will increase the City’s annual property tax revenue by an estimated \$900,000 per year. The recently completed PG&E Gateway Power Plant, and the just completed NRG Marsh Landing Facility, account for almost \$1 billion in new assessed value. Annexation will allow the City to collect its share of this new tax base. In addition, both the City and the County could receive \$1 million (\$100,000/year for 10 years) in annexation “incentive funds” from NRG. It should be emphasized that the vast majority of this new annexation related revenue that would “flow” to the City post annexation will be generated by Area 1. Of the over \$900,000 in projected new property tax revenue the City will receive from the Northeast Antioch Annexation, approximately 97% will be generated by Area 1, with Area 2A only accounting for a little over \$12,700/year (about 1.4% of the total).

Jobs/Economic Development: The City’s other key reason for pursuing annexation of the Northeast Antioch Area is to enhance the region’s economic development potential in both the short and long term. The majority of the heavy industrial uses that previously occupied the area have disappeared over the years, in part due to State and Federal environmental regulations that restrict industrial uses from pumping water from the river and returning the processed water directly back to the river. Annexation to the City and DDSD would allow these large vacant and underutilized properties, as well as smaller parcels, to hook up to City utilities, thereby opening up hundreds of acres of land for new job creating industrial uses. New industrial development will further increase the area’s tax base, as well as bring new better paying jobs to the region.

If you need clarification on the preceding information, or have additional questions please contact Senior Planner Mindy Gentry (925) 779-7035 (mgency@ci.antioch.ca.us) or contact Victor Carniglia, Consultant for the City of Antioch at 925-779-7036 (vcarniglia@municipalresourcegroup.com)

THE NEW BRIDGE MARINA, INC.
216 Valparaiso Avenue* Atherton, California 945027* (650) 328-5776

February 22, 2014



Lou Ann Texeira
Executive Director LAFCO
LAFCO Offices-6th Floor
651 Pine Street
Martinez, Calif. 94553-1228

Dear Madam Director:

We at New Bridge Marina want to express our disappointment at the lack of understanding and failure to appreciate the benefits of annexation expressed by the multiple fractional interest Sportsmen owners at the public hearing on February twelfth.

As the property manager at New Bridge Marina for 38 years and with my real estate brokerage work in rural communities with Dr. John Timothy Winneberger (PHd, Berkeley) a recognized expert in septic drain field and sanitation matters, I know that all drain fields eventually fail and one must logically prepare a "back up plan" for that eventuality.

Then too, the total near lack of security, the multitudinous incidence of trespass, petty theft, and general lack of law enforcement I experienced for 20 years as an owner and property manager of the San Joaquin Yacht Harbor, next door neighbor to Sportsman Yacht Harbor, makes me wonder why these gentlemen are selling themselves short and acting in their own disinterest!

As a current next door neighbor to a favorite local drug dealing rendezvous site we will welcome the Antioch police Department with open arms and appreciation!!

Respectfully,

The New Bridge Marina, Inc
By Steve Klee Chairman and Manager

*Harbor Location: Hwy 160, foot of Antioch Bridge, Antioch, Calif. (925) 757-1500

RESOLUTION NO. 13-08

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
NORTHEAST ANTIOCH REORGANIZATION AREA 2A: ANNEXATIONS TO THE
CITY OF ANTIOCH AND DELTA DIABLO SANITATION DISTRICT AND
DETACHMENT FROM COUNTY SERVICE AREA P-6**

WHEREAS, the Area 2A reorganization (marina area) proposal 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 the Area 2A proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the Area 2A proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, the Local Agency Formation Commission determines the Area 2A proposal to be in the best interests of the affected area 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 Commission finds that as a Responsible Agency under the California Environmental Quality Act (CEQA), it has reviewed and considered the information contained in the Northeast Antioch Area Reorganization Initial Study/Mitigated Negative Declaration as prepared and adopted by the City of Antioch.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:

**NORTHEAST ANTIOCH REORGANIZATION AREA 2A: ANNEXATIONS TO THE
CITY OF ANTIOCH AND DELTA DIABLO SANITATION DISTRICT AND
DETACHMENT FROM COUNTY SERVICE AREA P-6**

4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
5. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.

Contra Costa LAFCO
Resolution No. 13-08

6. The City of Antioch delivered an executed indemnification agreement between the City and Contra Costa LAFCO providing for the City to indemnify LAFCO against any expenses arising from any legal actions challenging the Area 2A reorganization.
7. The territory proposed for reorganization is inhabited and is subject to conducting authority (protest) proceedings.
8. All subsequent proceedings in connection with the Area 2A reorganization 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 12th day of March 2014, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

DWIGHT MEADOWS, 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 12, 2014

Lou Ann Texeira, Executive Officer