

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

August 12, 2015 (Agenda)

August 12, 2015
Agenda Item 8

LAFCO 09-07 Laurel Place/Pleasant View Annexation to the City of Concord
PROPOSERS Curt Blomstrand, Lenox Homes – landowner/petitioner

ACREAGE &
LOCATION Approximately 5.86± acres located on Laurel Drive and Pleasant View Lane in unincorporated Concord (Ayers Ranch) – see map (Attachment 1)

PURPOSE Provide municipal services to the property. The Commission will also consider the corresponding detachment of the subject territory from County Service Area (CSA) P-6.

SYNOPSIS

One of the property owners has petitioned LAFCO to annex the properties to the City of Concord.

In 2007, the City requested approval from LAFCO to extend sewer service to the Laurel Drive properties through an out of agency service agreement. LAFCO approved the out of agency service agreement conditioned upon the properties, along with the intervening parcels on Pleasant View Lane, being annexed to the City.

The properties proposed for annexation are located in the Ayres Ranch area, which is an unincorporated island, completely surrounded by the City of Concord. LAFCO encourages the City of Concord to annex this island to provide for a logical boundary, enhance service efficiency, and for other reasons as set forth in the CKH Act. The island issue was also discussed in several LAFCO Municipal Service Reviews.

Since 2008, LAFCO staff has participated in numerous meetings with City of Concord and County staff, residents, developers and representatives from County Supervisor, District IV office to discuss annexation of the entire island. These discussions are ongoing. However, the subject annexation (LAFCO 09-07) has been deemed complete and is presented for the Commission's consideration.

DISCUSSION

The CKH Act sets forth factors that the Commission is required to consider in evaluating any proposed change of organization or reorganization as discussed below (Government Code §56668). In the Commission's review and evaluation, 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 site is within the City of Concord's SOI and within the County Urban Limit Line.

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

The annexation area consists of 13 residential lots. Eight of the lots comprise Laurel Place Subdivision ("Laurel Place lots"); the other five lots are owned by other parties ("other lots"). The 8-lot Laurel Place subdivision was approved by the County, is built and occupied. The 4-lot subdivision on Pleasant View Lane is approved by County, the final map is approved; however, there is no grading or construction at this time. The other property on Pleasant View Lane contains a single-family residential unit; no additional construction is proposed on this property at this time.

The County General Plan designates the Laurel Place lots as Single Family Residential Low Density (1.0 – 2.9 dwelling units/acre), and the other lots as Single Family Residential High Density (5.0 – 7.2 dwelling units/acre). County zoning includes R-15 (15,000 sq. ft. minimum lot size) for the Laurel Place lots, and R-10 (10,000 minimum sq. ft. lot size) for the other lots.

The City of Concord General Plan designates the Laurel Place lots as Rural Residential (>2.5 dwelling units/acre), and the other lots as Low Density Residential (2.5 – 10 dwelling units/acre.). City zoning designates the Laurel Place lots as PR 20 (a "pre-zoning" designation for the City's R-20 category – 20,000 sq. ft. minimum lot size), and PR-10 for the other lots (10,000 sq. ft. minimum lot size). No change in land use is proposed.

The landowners in the annexation area have existing/pending projects and permits within the County. Should LAFCO approve the annexation, the landowners request that LAFCO defer recording the annexation until the existing/pending projects are complete.

Surrounding land uses include single family low density residential to the east and north, and single family high density residential to the west and south.

The current and proposed uses are consistent with the City's land use and rezoning designations.

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

The properties proposed for annexation contain no prime farmland or land covered under Williamson Act Land Conservation agreements.

4. Topography, Natural Features and Drainage Basins:

The site and surrounding areas are generally flat with no significant natural features.

5. Population:

Pursuant to the CKH Act, the proposal territory is inhabited as it contains 12 or more registered voters. There is a potential to develop the "other lots" and add up to eight single

family residential dwelling units, resulting in an estimated population increase of 22± persons based on City of Concord growth projections.

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. The proposed annexation will have minimal effect on regional housing needs.

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

In accordance with Government Code §56653, 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. The plan shall include all of the following information and any additional information required by the Commission 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 "Plan for Providing Services within the Affected Territory," has been provided. The properties proposed for annexation are served by various local agencies including, but not limited to, Contra Costa County Fire Protection District and Contra Costa Water District (CCWD). Upon annexation, the City of Concord will provide City services to properties. The City indicates that it is able and willing to serve the property. The level and range of services will be similar to those provided by the City and to similar properties currently within the City's boundaries. Costs associated with serving the site will be borne by the City.

The area proposed for annexation is currently within the countywide police services district: County Service Area (CSA) P-6. Previously, state law provided that once property was annexed to a city it was automatically detached from a CSA. Subsequently, the law was modified and now requires LAFCO to specify whether or not the annexation area is to be detached from a CSA. Typically when an area is annexed to a city, it is detached from a CSA, as the County no longer provides service, and the city assumes the provision of municipal services. Thus, it is recommended that if the annexation is approved, the subject territory be detached from CSA P-6. The effect of the detachment will result in the CSA's allocation of ad valorem property tax (1%) being transferred from the County to the City following annexation, and the P-6 special assessment will cease. Further, the City and County have agreed to use the master tax sharing agreement for this annexation.

8. Timely Availability of Water and Related Issues:

The area proposed for annexation is within the boundaries of CCWD, which provides wholesale and retail water, and serves an area of 220± square miles and over 500,000 people. Water service includes production, distribution, retail, treatment, recycling and conservation services. The District's primary source of water supply is the United States Bureau of Reclamation's Central Valley Project. The District indicates it is able and willing to serve the properties proposed for annexation.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within tax rate area 79036. The total assessed value is \$5,517,668 (land value \$3,115,839) based on the 2015-16 roll. The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

In November 2006, Contra Costa County, as Lead Agency, adopted an Initial Study and Mitigated Negative Declaration (MND) in conjunction with the eight-lot subdivision and associated rezoning of the property, construction of a private road and trail, and the extension of a sewer line across a creek. The applicant subsequently reconfigured and revised the sewer plan to connect to the City of Concord's sewer system, to avoid the creek, and to include adjacent properties.

The MND did not address issues related to annexation to the City of Concord, reconfiguration of the sewer system, or inclusion of the adjacent properties. Consequently, additional environmental review was needed. The LAFCO Planner prepared an addendum to address these issues. An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 of the CEQA Guidelines calling for the preparation of a subsequent negative declaration have occurred. The addendum is consistent with the CEQA criteria as set forth in CEQA Guidelines Section 15164. Copies of the CEQA documents are available in the LAFCO office.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are more than 12 registered voters in the area proposed for annexation. Thus, the area proposed for annexation is considered inhabited, and the Commission's action is subject to notice, hearing, as well as conducting authority (protest) proceedings. All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the annexation area(s) have received notice of the August 12 LAFCO hearing.

All of the original landowners have provided written consent to the proposed annexation. Further, Deferred Annexation Agreements ("DAAs") were previously recorded against all

properties within the annexation area by either current or prior landowners. This means that landowners and registered voters who live in this proposed annexation area do not have the right to file a written protest in relation to this annexation proceeding, should protest proceedings be required.

As of this writing, LAFCO has received no objection from any affected landowner or registered voter. If no objection is received from an affected party prior to the conclusion of the hearing on August 12, the Commission may waive the protest proceedings. However, if any objection is received at any time prior to or during the hearing, then a protest hearing is required.

12. Boundaries and Lines of Assessment:

The annexation was submitted in 2009. Since then, the 8-lot subdivision was developed and additional parcels were created; consequently, the annexation area now has 14 parcels. The annexation is contiguous to existing City boundaries. A map and legal description to implement this change have been received and reviewed by the County Surveyor.

13. Environmental Justice:

Government Code §56668(o) requires that LAFCO 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.

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** APPROVE the annexation including the amendment to detach the annexation area from CSAs P-6 and adopt the resolution (Attachment 2).
- A. Determine that Contra Costa County, as Lead Agency, prepared and adopted a Mitigated Negative Declaration relating to the Laurel Place Lots pursuant to the California Environmental Quality Act (CEQA).
 - B. Determine that Contra Costa LAFCO, as a Responsible Agency, has considered the Addendum with the adopted Mitigated Negative Declaration.
 - C. Adopt this report and approve the proposal, to be known as the **Laurel Place/Pleasant View Annexation to the City of Concord and Corresponding Detachment from CSA P-6**, subject to the following terms and conditions:

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.
 2. Prior to recordation, the applicant shall deliver an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
 3. Defer recordation of annexation map to August 2, 2016 to allow the developer time to complete site and house construction and obtain necessary County permits.
- D. Find that the subject territory is inhabited and that the annexing agency has consented to waiving the conducting authority proceedings. However, less than 100% of the affected landowners/registered voters have consented to the annexation. Should LAFCO receive any objection to the annexation from an affected landowner or registered voter prior to or during the public hearing, then a subsequent protest hearing is required. Should no protest be received, then the Commission may waive the protest hearing and direct LAFCO staff to complete the proceedings.

Option 2 Adopt this report and DENY the annexation.

- A. Determine that Contra Costa County, as Lead Agency, prepared and adopted a Mitigated Negative Declaration relating to the Laurel Place Lots pursuant to the California Environmental Quality Act (CEQA).
- B. Determine that Contra Costa LAFCO, as a Responsible Agency, has considered the Addendum with the adopted Mitigated Negative Declaration.

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

RECOMMENDATION

Approve Option 1.

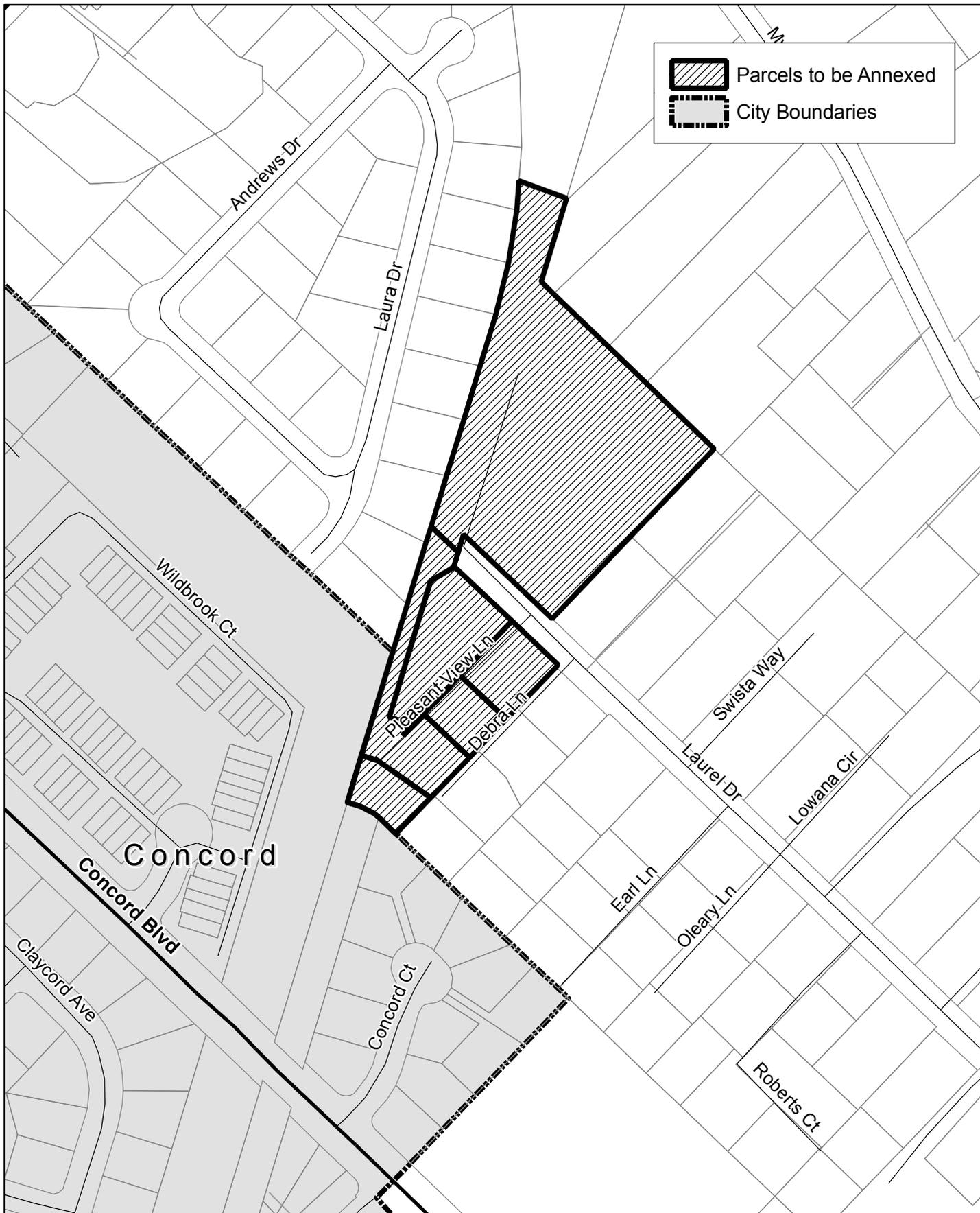
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

c: Distribution

Attachments:

1. Annexation Map
2. LAFCO Resolution 09-07

LAFCO No. 09-07: Laurel Place/Pleasant View Annexation to the City of Concord and Detachment from County Service Area P-6



RESOLUTION NO. 09-07

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
LAUREL PLACE/PLEASANT VIEW ANNEXATION TO THE CITY OF CONCORD AND
CORRESPONDING DETACHMENT FROM COUNTY SERVICE AREA P-6**

WHEREAS, a proposal to annex territory to the City of Concord was filed with Executive Officer of the Contra Costa Local Agency Formation Commission by an affected landowner pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

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

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

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the Laurel Place/Pleasant View Annexation 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, at a public hearing on August 12, 2015, the Commission amended the proposal to include the concurrent detachment of the subject property from County Service Area (CSA) P-6; and

WHEREAS, the Local Agency Formation Commission determines the Laurel Place/Pleasant View Annexation proposal to be in the best interests 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. Determine that Contra Costa County, as Lead Agency, prepared and adopted a Mitigated Negative Declaration relating to the Laurel Place Lots pursuant to the California Environmental Quality Act (CEQA).
2. Determine that Contra Costa LAFCO, as a Responsible Agency, prepared an Addendum to the County's Mitigated Negative Declaration and has considered the Addendum with the adopted Mitigated Negative Declaration.
3. Said boundary reorganization is hereby approved.
4. The subject proposal is assigned the distinctive short-form designation:

**LAUREL PLACE/PLEASANT ANNEXATION TO THE CITY OF CONCORD AND
CORRESPONDING DETACHMENT FROM COUNTY SERVICE AREA P-6**

5. 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.

Contra Costa LAFCO
Resolution No. 09-07

6. The subject territory shall be liable for any existing bonded indebtedness of the annexing agency, if applicable.
7. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.
8. Prior to recordation, the applicant shall deliver an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
9. LAFCO will defer recordation of annexation map for up to one year (August 2, 2016) to allow the developer time to complete site and house construction and obtain necessary County permits.
10. Said territory is found to be inhabited.
11. The proposal has 100% landowner consent; no affected landowners/registered voters opposed the annexation. Said conducting authority proceedings are hereby waived.
12. All subsequent proceedings in connection with this boundary 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 August 2015, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ROB SCHRODER, 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: August 12, 2015

Lou Ann Texeira, Executive Officer