

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

August 12, 2015

Board of Supervisors Chambers
Martinez, CA

1. Chair Rob Schroder called the meeting to order at 1:34 p.m.
2. The Pledge of Allegiance was recited.
3. Seating of Commissioners

Contra Costa County Counsel Sharon L. Anderson administered the oath of office to Stanley Caldwell, elected as Alternate Special District Member.

4. Roll was called. A quorum was present of the following Commissioners:

City Members Rob Schroder and Don Tatzin.
County Member Alternate Candace Andersen.
Special District Members Mike McGill and Igor Skaredoff and Alternate Stanley Caldwell.
Public Member Don Blubaugh.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, Planner Nat Taylor, and Clerk Kate Sibley.

5. Approval of the Agenda

Upon motion of Tatzin, second by McGill, Commissioners, by a vote of 6-0, adopted the agenda.

AYES: Andersen (A), Blubaugh, McGill, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M), Piepho (M)
ABSTAIN: none

6. Public Comments

Chris Lauritzen, representing Ironhorse Sanitary District (ISD), introduced Chad Davisson, ISD's new General Manager, who spoke on the district's new recycled water distribution program.

7. Approval of July 8, 2015 Meeting Minutes

Upon motion of Skaredoff, second by Andersen, the minutes were approved by a vote of 6-0.

AYES: Andersen (A), Blubaugh, McGill, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M), Piepho (M)
ABSTAIN: none

8. Informational Presentation - Diablo Water District - Drought Management Efforts

Chair Schroder introduced Mike Yeraka, General Manager of Diablo Water District (DWD). Mr. Yeraka has been the General Manager and Chief Engineer at Diablo Water District for the past 23 years. Previously, he served as an engineer at Contra Costa Water District. Under his leadership, the DWD has constructed the 40-million GPD (gallons per day) Randall-Bold Water Treatment Plant in Oakley; developed groundwater wells to supplement surface water supplies; constructed a water delivery system to the City of Brentwood during their period of high growth; and developed a real-time water rate model.

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Mr. Yeraka began by pointing out that DWD has seen a 28% reduction in water consumption overall. They asked customers to cut back 40% outside, and 10% (or as much as possible) inside, and they have responded well to the challenge. The District has an active program of monitoring water users, and has been giving away free shut-off nozzles to those who need them. They are offering free 20-minute irrigation consultations.

Most importantly, DWD has gone to tiered rates (as recommended in LAFCO's 2007 Water/Wastewater MSR); Mr. Yeraka provided comparisons with water districts in the area. Additionally, DWD staff can read about 25% of their customers' water meters from the office, which allows them to call anyone who has unusual water use to discuss the problem with them.

Commissioners provided comments, noting that DWD has been proactive in its efforts, and thanked Mr. Yeraka for his presentation. (DWD presentation available on the LAFCO website)

9. LAFCO 09-07 - Laurel Place/Pleasant View Annexation to the City of Concord and Concurrent Detachment from County Service Area (CSA) P-6

The Executive Officer introduced this proposal to annex to the City of Concord approximately 6 acres located at Laurel Drive and Pleasant View Lane in the Ayers Ranch area. This proposal was submitted by Lenox Homes as a condition of LAFCO's out of agency service approval in 2008. The purpose of the annexation is to allow for City services, including sewer. It is also proposed that the subject area be detached from CSA P-6; if the area is annexed it will rely on City police services rather than County Sheriff services.

Following brief questions and comments by Commissioners, the Chair opened the public hearing.

Dan Freeman with Lenox Homes thanked the Commissioners for the hearing and acknowledged the many years that it has taken to get to this point; and that in this time an eight-lot subdivision has been built and is already inhabited, and a four-lot subdivision is following closely. There is a new urban trail as a result of this project.

The Chair closed the public hearing.

Upon motion of Blubaugh, second by Tatzin, Commissioners unanimously, by a 6-0 vote, certified that it reviewed and considered the information contained in the CEQA documentation; approved the proposal to be known as Laurel Place/Pleasant View Annexation to City of Concord and Concurrent Detachment from CSA P-6, with specified conditions, including that recordation of the annexation will be deferred to as late as August 2, 2016; found that the subject territory is inhabited, has less than 100% consent of the affected landowners and registered voters, that no affected landowners/registered voters opposed the annexation in writing, that the annexing agency has given written consent to the waiver of conducting authority proceedings, waived the protest proceeding, and directed staff to complete the proceeding by August 2, 2016.

AYES: Andersen (A), Blubaugh, McGill, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M), Piepho (M)
ABSTAIN: none

10. LAFCO 14-05 - Reorganization 186 (Magee Ranch/SummerHill): Annexations to CCCSD and EBMUD

The Executive Officer noted that the hearing on this item, a proposal submitted by CCCSD to annex property to CCCSD and EBMUD in conjunction with a 69 lot single family subdivision, had been continued from the May 13, 2015 meeting. The Court of Appeals scheduled oral arguments on August 4, which starts the 90-day clock for the court to issue a decision; the case was argued and submitted, and there was no ruling on August 4th. Following distribution of the agenda packet, but prior to the meeting, LAFCO received a letter from Maryann Cella, member of SOS-Danville,

requesting a boundary reduction to the proposal; this letter was distributed to Commissioners and will be included in the next hearing on this item.

Maryann Cella, member of SOS-Danville, distributed a newspaper article regarding the court case, and urged Commissioners to reduce the boundary of the proposed annexation and protect the area designated as protected permanent open space.

Upon motion of Tatzin, second by Andersen, Commissioners, by a 6-0 vote, kept the public hearing open and continued it to the September 9, 2015 meeting.

AYES: Andersen (A), Blubaugh, McGill, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M), Piepho (M)
ABSTAIN: none

11. Agriculture & Open Space Preservation Policy and Workshop

The Executive Officer introduced Chris Howard, Senior GIS Planner in the County Department of Conservation and Development (DCD), who worked with Commissioners Tatzin and Burke on the development of a series of maps that accompany the day's discussion. Mr. Howard prepares most of the maps used by LAFCO, for proposals, MSRs, and the LAFCO Directory of Local Agencies. He and the DCD GIS team maintain the key data sets for the County, and prepare most of the maps used by the County.

Commissioner Tatzin laid out the plan for the presentation, beginning with the maps that Mr. Howard created. The second part will be a series of four slides (i.e., decision tree) that ask questions to be answered by Commissioners, with input from members of the public in attendance.

Mr. Howard reviewed a set of ten maps of Contra Costa County, beginning with an illustration of prime agricultural soil and important farmland throughout the county. The designations (light, medium, and dark green) are derived from the Natural Resources Conservation Service (NRCS) (light green; NRCS, an agency of the U.S. Dept. of Agriculture), the State of California Farmland Mapping and Monitoring Program (medium green), and a combination of the two, covering both prime agricultural soil and important farmland (dark green). In response to questions, Mr. Howard confirmed that these designations are serving as a proxy for LAFCO and CEQA prime ag designations, which do not exactly match. Commissioner Tatzin pointed out that the ten maps to be presented today are distillations of many more maps that could have been shown. Commissioner Tatzin stated that these maps also don't indicate whether the land is being irrigated (one of the indications of land value). Additionally, any place that has been developed will not show land that at one time would have been prime agricultural land.

The second map shows the areas of the county that are "inside urban services districts" (cities and special districts both) where obtaining services such as sewer and water would not require a LAFCO action. The third map added the County Urban Limit Line (ULL) and cities' urban growth boundaries (UGB) to this information, highlighting certain areas (both inside and outside the ULL or UGB) that may need LAFCO action to obtain urban services.

Commissioner Tatzin explained that the following maps would, through a series of overlays, reduce the amount of land that might come before LAFCO for urban services. With the fourth map, Mr. Howard laid the agricultural lands over the layers showing urban services districts.

The fifth map shows an overlay of a darker gray color, which represents parks and protected open space, and the lighter gray has been expanded to include developed land which will never again be agricultural land.

The sixth map adds to the darker gray color other areas that are private open space (e.g., Save Mount Diablo) and "facility buffers," areas around refineries, quarries, landfills, etc.

With the seventh map, Williamson Act Contracts land and agricultural easements have been added to the dark gray area, further reducing the endangered agricultural lands (sometimes temporary protection).

The eighth map adds the County's Agricultural Core protection from the General Plan to the dark gray color on the map. As Commissioner Tatzin explained, all of this tends to reduce the likelihood that land in the dark gray area will be brought before LAFCO for urban services.

Commissioner Tatzin pointed out that what the maps have shown to this point are lands primarily *outside* the ULL or UGBs. The ninth and tenth maps focus on areas *inside* the ULL or UGBs that have some level of agricultural soil. Some LAFCO ag policies have recommended that lands in this category should be removed from spheres of influence (SOIs) of jurisdictions when they're prime ag land.

The ninth map shows the prime ag lands that are inside the ULL and UGBs that would have the potential for LAFCO action, and the tenth map highlights those areas. The areas in gold/orange are not prime ag land; rather, they are developable areas that may need LAFCO-approved urban services. The green areas are prime ag land within the ULL and UGBs.

Commissioners offered comments and questions regarding the maps.

Commissioner Andersen pointed out that the county and cities have been doing a good job of protecting prime ag land. Commissioner McGill asked if, in protecting ag land, we are keeping orderly growth in mind; this is an important aspect of LAFCO's mission. Commissioner Andersen stated her concern about ensuring that cities have an opportunity to weigh in on this issue if LAFCO goes forward with developing a policy.

Commissioner Tatzin suggested that LAFCO needs an update on Plan Bay Area and how it relates to anticipated growth in Contra Costa County.

Commissioner Skaredoff commented that Contra Costa Resource Conservation District (CCRCD) is now working on urban agriculture and the value of even small pockets of agriculture to quality of life (and food) in the urban areas. This map could be extremely useful to CCRCD. Commissioner McGill also mentioned the farm partnership CCCSD has entered into on 15 acres of their buffer land.

Chair Schroder asked for public comment on the maps.

Juan Pablo Galván, with Save Mount Diablo (SMD), noted that some of the areas inside the ULL are significant habitat areas for a number of species, particularly within the Pittsburg UGB. He reminded LAFCO to include open space lands, including where grazing takes place.

Joel Devalcourt, with Greenbelt Alliance (GA), noted that they submitted a letter that includes a map showing at-risk lands—the vast majority of these are at urban edges or outside of the ULL because they are not permanently protected. The restricted view of the dark gray area is somewhat misleading; many of those at-risk lands could in fact come to LAFCO, especially in the Brentwood area.

Kathryn Lyddan, Brentwood Agricultural Land Trust (BALT), noted it is important to recognize the County's efforts to protect land through policy measures—but these are not permanent protection, and there have been efforts (failed so far) to move the urban area out into protected ag land.

Commissioner Tatzin suggested that staff add a page to the LAFCO website that focuses on this issue, including the maps presented today as well as other reports and materials. He then briefly presented his "decision tree" slides and suggested that Commissioners discuss them one slide at a time.

Commissioner McGill commented that there are certain things, like the Ag Core and the ULL, that are policies; one of the speakers implied that if LAFCO policy is layered on top of these, these policies may become stronger. But policies can be changed, so there are no guarantees.

Commissioner Andersen suggested that LAFCO hold discussions with County and city representatives before proceeding with an ag & open space policy. Commissioner Andersen commented that the maps don't seem to show that there is much land at risk. She supports keeping ag land in production, but doesn't want LAFCO to overreach.

Most of the Commissioners generally agreed that the engagement of stakeholders is desirable before moving ahead with developing a policy on ag and open space preservation.

Commissioner Tatzin pointed out that in the absence of a policy, LAFCO is limited in the conditions it can impose on an application. He believes that Commissioners should proceed with developing a policy, and LAFCO's role is different from the role of the land use agencies (i.e., County and cities) and what they can do within their own boundaries in accordance with their General Plans.

Commissioner Tatzin also noted that it may be easier to develop definitions for ag land and its preservation, and more difficult to develop definitions for open space preservation.

Commissioner Tatzin also commented that it may be easier for agencies to respond to a draft LAFCO policy rather than put forward an open set of questions.

In response to a question from Commissioner McGill regarding the placement of conditions on an application, the Executive Officer replied that LAFCO has broad discretion in applying terms and conditions, but that a specific policy would be beneficial. Legal Counsel Anderson stated that it always depends on the facts, but there would surely be occasions when a policy would be useful.

Casey McCann, Brentwood Community Development Director, reported that the Brentwood City Council and the new City Manager, Gus Vina, will participate in a two-day policy workshop in early September. Among the issues to be considered are a master phasing plan for future development of areas beyond the ULL, and whether the city should update its current agricultural plan, which was last updated in 2008. The city's newly adopted general plan identifies two future growth areas in prime agricultural land: the "Measure L" area abutting the west side of Sellars Road, and an area adjoining the south side of Marsh Creek Road. There are also two remaining areas on the west side of town (Ginocchio property, claimed by both Brentwood and Antioch in their planning areas; and another property on the south side of Balfour Road) that are designated for development. The future disposition of all of these areas will be addressed by the City Council, and Mr. McCann hopes to report back with updates after that workshop.

At the request of Commissioner McGill, John Kopchik, Director, County Department of Conservation and Development, reported that the County is required to review the voter-approved ULL in 2016, not in terms of moving it but to examine if it's working. There are restrictions on moving the ULL without voter approval; it can only be moved with certain findings, and only if it's less than 30 acres with those findings. Otherwise, it must be taken to the voters.

Commissioners discussed the issue of housing needs and the ongoing importance of getting input from local agencies—and what LAFCO does and does not have jurisdiction over. Commissioner McGill referenced the recent LAO report on California's high housing costs. Commissioner Tatzin noted that the Contra Costa Transportation Authority (CCTA) is considering placing a half-cent sales tax on the November 2016 ballot; the ULL emanated from voter-approved Measure C in 1985, which formed the CCTA. As part of its update process, CCTA has convened an Expenditure Plan Advisory Committee, which will advise on both the expenditure plan and the growth management plan. Commissioners suggested that CCTA is another group to contact about LAFCO's role.

Lisa Vorderbrueggen, with Building Industry Association of the Bay Area (BIA), urged LAFCO to consider potential consequences of erecting more barriers to production of housing during this housing crisis, and commented on LAFCO's responsibility to balance the competing interests of orderly development and preservation of ag & open space lands. Ms. Vorderbrueggen commented that the workshop and maps have demonstrated that policies are in place to protect the land in virtual perpetuity; very little land is at risk of conversion from agriculture to urban uses. If most of these

lands are already protected by the various policies, what is LAFCO trying to achieve through an agricultural and open space preservation policy? She cited passages of the CKH that limit LAFCO's role in land use.

Juan Pablo Galván stated that SMD can immediately identify 1,500 units of development needing annexation to cities that might be affected by a LAFCO ag and open space preservation policy, which would enable LAFCO's stated purpose and its existing authority. Many LAFCOs, including four in close proximity to the Bay Area, have policies that include measures such as mitigation ratios and agricultural buffers. They encourage LAFCO to go forward in guiding smart development by developing an agriculture and open space (including rangeland) preservation policy.

Joel Devalcourt, GA, referred again to the letter submitted by GA for this meeting, as well as the maps submitted for the workshop. The GA has been active in this county for several decades. Agriculture provides about \$100 million to the county's economy, and there is a huge ecotourism impact related to the county's open space; there are many ways these areas can be valued, and they should all be considered. We have lost 20% of farmland just since 1990 and we still have at risk about 18,000 acres. There have been numerous attempts to break the ULL; it is constantly being challenged at every part of its border throughout the county. The framework for a policy is there for LAFCO, and years of regional planning show that 100% of the county's growth can be accommodated within the ULL. It is incumbent on all to make sure that infill development is easy to do rather than going outside already developed land.

Commissioner Schroder responded that infill development is the hardest kind of development to do, and cities need all the help they can get from groups like the GA and SMD to make this happen.

Kathryn Lyddan, BALT, noted that Contra Costa agriculture is a regional resource; we're talking about protecting a resource that feeds not only the Bay Area but the nation and even the world. The \$100 million economy it represents is only the "farmgate" value, and doesn't include the multiplier effect. It also provides us with climate change protection as well as other protections. While there are policies protecting this land, they are not enough. As long as they're just policies and not permanent protection, there is still speculation that the lands are developable, and that impacts the whole economic dynamic of agriculture on the urban edge. When the ULL is challenged, or when a city's general plan suggests development of lands at its edge, agricultural land value escalates and farmers can no longer afford to buy that land and have their businesses pencil out for agriculture. This land needs to be strategically permanently protected to preserve not only the ag land itself but also the agricultural economy. LAFCO is in a unique position to protect ag & open space land.

Maryann Cella, SOS-Danville, echoed Commissioner Skaredoff's comments regarding the value of these agricultural and open space lands, not just as producers of food crops but also as habitat for endangered species, flood control, among other benefits. She urged Commissioners to remember that the biggest stakeholders are those in the immediate community next to the ag and open space and grazing lands, and suggested that cities should be asked, as LAFCO engages with them on this topic, to actively consider preserving open space in projects that come to them.

Chad Godoy, County Agricultural Commissioner, stressed the importance of agriculture to this county, and urged Commissioners to develop a preservation policy, which he feels is overdue. There are still about 30,000 acres of high quality farm land (not counting grazing land), but every time you take away a little bit of this land, the rest becomes less viable. This affects the ag industry as a whole as well as the rest of the economy. The multiplier effect mentioned by Kathryn Lyddan is being studied by his department, and he will share it with LAFCO when it is completed.

Gretchen Logue, resident of Tassajara Valley, heard about this meeting just the night before, and she expressed strong support for an agriculture and open space preservation policy. Open space is important to people who live in and move to Contra Costa County. To her and her neighbors, the

housing crisis is represented by what she has seen happen to Alameda County around Dublin. She encourages LAFCO to work to protect these spaces.

Commissioner McGill confirmed that it would be useful to see the multiplier effect report when it is finished by the Agriculture Department. Housing data will be critical in this discussion. In the CKH, prime agricultural land has a number of items that qualify it; he's not sure about open space—and that needs to be identified by each city, which may have various definitions of open space in their planning areas—that may also change over time.

Commissioner Tatzin acknowledged that, while there were only six Commissioners sitting at the dais, there is general interest in pursuing a policy, but that the next step should be communicating with cities, CCTA, the County, and others. At the same time, LAFCO would like more information, such as the agriculture multiplier effect study, GA's information and maps, information regarding the sustainable community strategy mandated by State law and that cities and the county have adopted.

Commissioner Andersen suggested a quick survey of cities' general plans. The Executive Officer responded that they have emailed all the cities, asking for their general plans, policies, guidelines regarding ag and open space, and general comments, and have heard back from only four cities.

Commissioner Andersen further stated that she is questioning to what extent LAFCO is the one to protect open space and ag lands.

Commissioner Tatzin reminded Commissioners that any LAFCO policy will focus on annexations and SOI actions.

Commissioner Skaredoff suggested that the same kind of systematic information gathering that was done for agricultural land should also be done for open space lands.

Commissioner McGill would like a better understanding of the County's housing needs and the overall range of housing. He added his appreciation to Commissioners Tatzin and Burke and to staff for their hard work on this issue.

Further discussion ensued regarding a timeline and the various presentations that will need to be made. Commissioner Tatzin suggested presenting to the Public Managers Association, the Contra Costa chapter of the California Special Districts Association, CCTA, as well as the County's Transportation and Infrastructure Committee and subsequently the Board of Supervisors. A report will be made once these presentations are under way.

12. LAFCO Fee Schedule Update

The Executive Officer reported that in June the Commission discussed the LAFCO fee schedule, which was last amended in 2007, and expressed interest in updating the fee schedule and enhancing cost recovery. The Commission also asked for information regarding LAFCO's "customers" (i.e., applicants). Staff noted that applications can come to LAFCO either through a public agency or a petition of landowners or voters. The majority of our applications come from public agencies—the County, cities, and special districts—that have the ability to recover their costs.

LAFCO staff conducted a comprehensive review of LAFCO's fees, looking at historical fee adjustments, average staff time spent on proposals and projects, and surveying 13 other LAFCOs (Bay Area & urban) for comparability.

The proposed adjustments to Contra Costa LAFCO's fee schedule focus on improving cost recovery, and bringing Contra Costa LAFCO fees closer to the average of other Bay Area and urban LAFCOs, while also enhancing revenue, which ultimately benefits the agencies that annually fund LAFCO.

Upon motion of Andersen, second by Tatzin, Commissioners unanimously, by a 6-0 vote, reviewed the proposed revisions to the LAFCO Schedule of Processing Fees; directed staff to circulate the proposed fee schedule to all local agencies and interested parties pursuant to Government Code

§66016; and fixed October 14, 2015, at 1:30 p.m. as the date and time for the public hearing to consider adoption of the revised Contra Costa LAFCO Schedule of Processing Fees.

AYES: Andersen (A), Blubaugh, McGill, Schroder, Skaredoff, Tatzin
NOES: none
ABSENT: Glover (M), Piepho (M)
ABSTAIN: none

13. Special District Risk Management Authority (SDRMA) Board Election

Subcommittee members Commissioner Schroder and Commissioner Skaredoff reported that they had reviewed the four candidates for the SDRMA Board of Directors and recommended Ed Gray (Incumbent), Director/President, Chino Valley Independent Fire District; R. Michael Wright, Director/President, Los Osos Community Services District; and Sandy Seifert-Raffelson (Incumbent), District Clerk, Herlong Public Utility District for the open positions.

Upon motion of Blubaugh, second by McGill, Commissioners unanimously, by a 6-0 vote, approved the subcommittee's recommendation; adopted Resolution No. 2015-01 containing the Official 2015 SDRMA Election Ballot; and directed staff to file the LAFCO resolution with SDRMA prior to August 25, 2015.

14. Correspondence from CCCERA

There were no comments on this item.

15. Commissioner Comments and Announcements

Commissioner McGill reported that he attended the CALAFCO Legislative Committee meeting on July 24, and the CALAFCO Board meeting on July 31.

Commissioner Schroder announced that he has located wine and beer for the CALAFCO 9th Annual Beer & Wine Competition—both entries are from Martinez: Creek Monkey Tap House/Rock Steady Brewing and Climbing Monkey Winery.

16. Staff Announcements

The Executive Officer reported on legislation that the CALAFCO Legislative Committee is following: AB 851, regarding disincorporations, is still moving; AB 1532, the omnibus bill, has been chaptered; SB 239, pertaining to fire districts, has been modified and the CALAFCO Legislative Committee has removed its position of opposition and adopted "no position"; SB 88, the trailer bill addressing consolidation of water districts, has been signed by the Governor and CALAFCO is currently working with the State Water Board on cleanup and implementation.

Additionally, the Executive Officer announced that at its recent meeting, the CALAFCO Board approved an increase in conference registration fees and the hiring of a conference coordinator.

The meeting adjourned at 3:58 p.m.

Final Minutes Approved by the Commission September 9, 2015.

AYES: Blubaugh, McGill, Schroder, Skaredoff
NOES:
ABSTAIN: Butt (A)
ABSENT: Glover (M), Piepho (M), Tatzin (M)

By  _____
Executive Officer