

# Bay Area-wide tax aims to protect against rising sea levels

February 10, 2016  
Agenda Item 12c

By Denis Cuff [dcuff@bayareanewsgroup.com](mailto:dcuff@bayareanewsgroup.com)

Posted: 01/13/2016 03:07:24 PM PST Updated: about 16 hours ago

OAKLAND -- Bay Area voters will be asked in June to approve a \$12 annual parcel tax to protect and restore the San Francisco Bay shoreline and wetlands from rising sea levels due to climate change.

The proposed tax is believed to be the first to go on the ballot in all nine Bay Area counties. It needs two-thirds approval to pass.

In authorizing the measure unanimously on Wednesday, members of the San Francisco Bay Restoration Authority said the tax is needed to provide \$500 million over 20 years to fortify levees and create flood relief plains to protect homes, businesses, airports, highways and parks around the bay, and restore wetlands important to fish and wildlife.

"This is a historic day for Bay Area counties to get together on wetlands restoration on a scale not seen before," said Dave Pine, a San Mateo County supervisor who is chairman of the restoration authority board. "San Francisco Bay is a common resource people in our region want to protect. It's part of our identity."

The panel is made up of seven elected county, city and special district officials who oversee a partnership that aims to protect bay wildlife and wetlands.

Board members, environmentalist and business leaders say the tax is needed to guard against the growing risk of flooding from rising sea levels because of climate change. Scientists predict the sea level to rise 3 to 5 feet through 2100.

Business groups such as the Bay Area Council and Silicon Valley Leadership Group, and environmental groups such as Save San Francisco Bay, back the measure.

But not everyone is pleased.

Zelda Bronstein, of Berkeley, said big corporations, such as high-tech firms in the flood-vulnerable South Bay, would get a disproportion large benefit from the tax that would burden all Bay Area property owners for two decades.

"This isn't fair," she said Wednesday, urging the board to look into other financing tools that would make big corporations pay more.

John Gioia, of Richmond, a Contra Costa County supervisor on the restoration authority board, disagreed.

"This is not subsidizing any corporation," he said. "This is improving land under public ownership, making the bay more accessible, and cleaning the bay."

Gioia said \$1 a month per parcel is a modest price to invest to protect San Francisco Bay.

The Bay Area Council, a business coalition, supports the tax. The worst flood expected every 150 years from the combined impact of high tides and four-to-seven consecutive days of rain would cause more than \$10 billion in economic damage to the region, said Adrian Covert, the Bay Area Council's policy director.

Restoration board members also said they expect the tax dollars would provide leverage to secure federal grants.

The Contra Costa Taxpayers Association hasn't yet taken a stand on the measure, but a leader of the group said he is concerned 2016 is going to produce a rush of tax and fee ballot measures.

"We are worried this is going to put a tremendous burden on taxpayers," said Jack Weir, president of the taxpayers association board.

Weir said he believes the restoration tax is on the June ballot because backers want to avoid the November Presidential election ballot expected to be crowded with many other tax and fee measures. With many tax measures on the same ballot, voters are likelier to vote against all of them, he said.

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## LAFCO Sues Gilroy to Stop the Proposed 4,000 Homes

Posted: **Thursday, January 14, 2016 4:19 pm**

The Local Agency Formation Commission (LAFCO) filed suit Wednesday in Santa Clara County Superior Court against the city of Gilroy, saying that the city broke the law when it approved the annexation of 721 acres of farmland as part of a planned 4000-home development. It asks a judge to stop the city from moving forward on the plan.

The suit contends that the approval of the project was “improper“ and that “Gilroy violated CEQA (the California Environmental Quality Act) in numerous ways.”



Part of the 721 Acres outside town

LAFCO is a state-mandated agency with a local board that oversees growth in the county,

The suit says that the city didn’t fairly consider impacts such as water; is using agricultural land when there is enough other land in the city on which to develop; and hasn’t addressed needs for more police and fire services.

The pleadings note that the “site consists of largely prime agricultural land and that the City wants to include these lands in its [Urban Service Area] even as the City has substantial amounts of land within its current boundaries that are vacant or underutilized.”

LAFCO believes in the suit that “Gilroy failed to identify and adequately analyze” impacts of the project.

The agency asks the court “To set aside certification of the EIR,” and to rescind all actions related to its approval.

LAFCO contends that “the Final EIR concedes that there is a "shortfall of water supply" for the Project which relies, in part, on the ‘provision of recycled water" which is not part of the City's Recycled Water Master Plan.’ ”

“The EIR fails to provide a discussion of the effects of changes to the environment from the construction of new police office space and to include, to the extent possible, recommendations as to any mitigation needed to address the significant impacts of such a new police office.”

“The uncertain status of the 2040 General Plan update undermines the adequacy of the EIR's

entire analysis of cumulative impacts of the Project.”

According to the suit, the city failed to conduct sufficient environmental review for the project despite the fact that the project has the potential to cause a number of foreseeable direct and indirect potentially significant impacts. These include, but are not limited to, those described above and the following: impacts to aesthetics, agriculture, air quality, biological resources, geology and soils, hydrology and water quality, water resources, cultural resources, greenhouse gases, hazards, health risks, land use and planning, minerals, noise, population and housing, public services, recreation, transportation, utilities, cumulative impacts to the above, growth inducing impacts, and other types of environmental impacts, including both construction-related and operational impacts.

“LAFCO has incurred and will incur substantial attorneys' fees and litigation costs because of Respondents' unlawful acts. ...LAFCO is entitled to be reimbursed for its attorneys' fees and costs.”

Mayor Perry Woodward said he's not surprised by the suit and thinks the city and LAFCO can negotiate a compromise.

“We will work with LAFCO to make sure their concerns are addressed,” he said. “When you have two public agencies, they will work together to find common ground.”

Woodward, a proponent of the plan on a now evenly divided city council, said such suits are common in big developments and factor into why it takes so long to build in California.

“We've been saying all along that this will take 10 to 15 years. This isn't a short-range project. We will have a discussion with LAFCO and if we can find a middle ground, then we will move forward.”

Friday, January 15, 2016

[SanJoseInside](#)

# LAFCO Sues City of Gilroy over Proposed Housing Development

By [Dan Pulcrano @Pulcrano](#) / 16 hours ago



More than 700 acres of land in Gilroy has been designated for a new housing development that will reshape the city and South County.

The city of Gilroy broke the law when it approved [the annexation of 721 acres of farmland for a planned 4000-home development](#), the county's Local Agency Formation Commission (LAFCO) alleged in a lawsuit Wednesday.

The suit against the South County municipality, which was filed in Santa Clara County Superior Court, contends that the Dec. 7 approval, introduced by then-councilman Perry Woodward and approved on a 4-3 vote, was "improper" and that "Gilroy violated CEQA (the California Environmental Quality Act) in numerous ways."

Woodward was named mayor on Jan. 4 following ex-mayor Don Gage's resignation.



Perry Woodward was named mayor of Gilroy after a surprising resignation by Don Gage.

The suit contends that “Gilroy failed to identify and adequately analyze” impacts on water supply and police and fire services. The pleadings also note that the “site consists of largely prime agricultural land and that the City wants to include these lands in its [Urban Service Area] even as the City has substantial amounts of land within its current boundaries that are vacant or underutilized.”

The agency asks the court “to set aside certification of the EIR,” to rescind all actions related to its approval and reimburse the state-mandated county agency’s costs. “LAFCO has incurred and will incur substantial attorneys' fees and litigation costs because of Respondents’ unlawful acts. ...LAFCO is entitled to be reimbursed for its attorneys' fees and costs.”

Mayor Woodward downplayed the seriousness of the suit. “We will work with LAFCO to make sure their concerns are addressed,” he said. “When you have two public agencies, they will work together to find common ground.”

The project’s lead developer is Skip Spiering, who has taken Woodward out on duck hunting expeditions.

LAFCO members include Gilroy councilmember Cat Tucker, the current chair, county supervisors Mike Wasserman and Ken Yeager, Morgan Hill attorney Susan Vicklund Wilson, San Jose councilmember Johnny Khamis, open space district commissioner Sequoia Hall and water district board member Linda Lezotte. County supervisor Cindy Chavez just stepped aside as a commissioner but remains an alternate.

Between the 721-acre plan and other contemplated developments, the population of Gilroy would increase from 57,723 to 120,637, according to a 2014 study by San Jose-based Hexagon Transportation Consultants. Hexagon projects that morning rush hour trips on Highway 101 would nearly double from 20,438 to 39,763.

## **One Comment**

1. Vacancy Vaquero [Jan 14, 2016 @ 9:57 pm](#)

Even though Gilroy Councilmember Cat Tucker is the LAFCO Chair, she didn’t attend the special LAFCO meeting at which they decided to sue. Vice-Chair Wasserman presided and alternate Commissioner Tara Martin-Milius, a Sunnyvale Councilmember, voted in her place.

## Los Angeles Daily News

# Supervisor Antonovich wants to stop development because of Porter Ranch gas leak



A view from above of Porter Ranch and the Southern California Gas Co.'s Aliso Canyon storage field. File photo

By [Gregory J. Wilcox](#), Los Angeles Daily News

Posted: **01/17/16**, 5:11 PM PST | Updated: 1 day ago



Supervisor Michael Antonovich File photo

Los Angeles County Supervisor Michael D. Antonovich on Tuesday will ask fellow board members to join him in seeing what can be done about halting residential development in parts of the northern San Fernando Valley because of a leaking well in Southern California Gas Co.'s Aliso Canyon storage field above Porter Ranch.

At least for a while.

“Until a thorough investigation can take place as to what caused the leak and what safeguards will be put into place to prevent a failure of this magnitude again, it is not appropriate to build more residential development in close proximity to Aliso Canyon,” Antonovich said in a statement his office released on Friday.

This may be difficult, at least in one respect.

One of the projects targeted by the supervisor was approved 16 years ago.

Antonovich's request includes Deerlake Ranch, which the statement says is near the storage facility.

The tract of 314 homes, being developed by Newport Beach-based Foremost Companies, was approved in 2004 and is now in the process of pulling building permits, according to the supervisor's staff.

It's planned for 230 acres north of the 118 Freeway at Topanga Canyon Boulevard, 10 miles west of the entrance to the storage facility at Tampa Avenue and Sesnon Boulevard.

But the 3,600 acres facility includes a big swath of the Santa Susans Mountains that form the northern boarder of the San Fernando Valley.

Foremost spokesman Eric Shabsis was surprised by Antonovich's action.

"I have no comment at this time. I have not seen what the supervisor has proposed," he said. "We are not adjacent to the gas company property."

This is the second project Antonovich, whose district includes the gas field, has sought action on.

He made the same argument in mid-December when he asked the Local Agency Formation Commission to block the annexation of county property into the City of Los Angeles for the construction of the 188-unit [Hidden Creek development](#).

Antonovich also asked County agencies to look into redesignating the land as permanent open space.

But the gas well leak is a huge, serious problem.

It has forced more than 2,000 Porter Ranch residents to see alternative housing, at the gas company's expense, and it impacting property values and home sales.

Since the leak was discovered on Oct. 23 it has pumped more than 65,000 tons of methane into the air, according to the California Air Resources Board.

Last week the board said the most recent air samples show the rate of leaking methane has dropped 60 percent from its peak in late November.

And on Friday the state's Department on Conservation said that crews have halted attempts to kill the well by forcing a brine solution down it after seven failed attempts.

Crews are now relying on a relief well being drilled to kill the leaking one, but whether this works might not be known until spring.





From the Silicon Valley Business Journal:

<http://www.bizjournals.com/sanjose/news/2016/01/19/anti-sprawl-agency-lafco-sues-gilroy-over-massive.html>

# Anti-sprawl agency LAFCO sues Gilroy over massive growth plans

Jan 19, 2016, 5:26am PST **Updated: Jan 19, 2016, 7:42am PST**

Santa Clara County's chief overseer of municipal boundaries is suing the city of Gilroy over a proposed expansion that would add thousands of single-family homes on the city's edge, saying the city didn't perform adequate environmental studies of the project's impacts.

The lawsuit, filed last week by the Local Agency Formation Commission of Santa Clara County (LAFCO), says the city's analysis failed to ensure enough water for the project, didn't adequately mitigate for the loss of hundreds of acres of farmland and contained numerous deficiencies throughout its studies.

"The inadequacies described above ... require project approval to be revoked and the (environmental impact report) to be revised and recirculated before the project can proceed," LAFCO's attorneys state.

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LAFCO is a state-chartered agency tasked with reviewing city boundaries. Its goals include ensuring orderly development, discouraging sprawl, promoting the preservation of farmland and encouraging the efficient delivery of services. Its board is made up of city and county public officials, including Gilroy City Councilwoman Cat Tucker, who is its chair. Meeting minutes show she was absent on Jan. 5 when the board voted unanimously to initiate litigation against her city.

The lawsuit, first reported by Metro's Dan Pulcrano, adds a new wrinkle in a smoldering debate over land use and the future of development in southern Santa Clara County. It is extremely rare — perhaps unprecedented — for Santa Clara's LAFCO to sue a city over an annexation proposal, highlighting the state agency's concerns over the biggest expansion of a Santa Clara County city in decades.

"The reason this has gone to this step is because the issues are large and the differences are large," Mike Wasserman, vice chairman of LAFCO's seven-member commission, told me on Friday. "That's where we are right now."

At the same time, two landowners in another part of Gilroy — who had their annexation request delayed by city planners last year — also filed a lawsuit against the city last week, alleging similar inadequacies in the city's environmental review.



### CITY OF GILROY

The slashed and checked outline shows the expansion of Gilroy if a boundary change gets the go-ahead.

Gilroy's City Council voted in early December to move forward with expanding its so-called "urban service area" to include a 721-acre chunk of land north of the city's current boundaries. That's a sign that the city intends to annex and develop the area within the next five years. The plan would include up to 4,000 homes and 40 acres of commercial development, though technically no formal development proposal yet exists.

Proponents say the expansion is necessary to plan for Gilroy's orderly growth, and that the city has long contemplated annexing the area, called the North Gilroy Neighborhood District. The property is largely owned by Jeffrey Martin, who grows olives on a portion of it, but includes several other property owners as well.

"At least since the 1960s, the city's general plan has provided for growth in the area we're now calling the North Gilroy Neighborhood District," said interim city manager Ed Tewes. "In 1984, LAFCO put together a very extensive report that shows the city's sphere of influence should bring it in, because eventually it should urbanize."

But the idea has drawn intense opposition in Gilroy from residents who say the plan will add to traffic congestion. Meanwhile, environmental groups like the Committee for a Green Foothills worry it could set a precedent for more sprawl to replace farmland and habitat. That's a battle many conservationists thought they were winning, after plans to build thousands of homes in San Jose's Coyote Valley dissipated last decade.

"We cannot pave our streets, fix our sidewalks," Councilman Dion Bracco said at the City Council last month, before voting against the plan. "Our city's falling apart because we can't fix what we have, and we're adding more. It doesn't make sense."

LAFCO is not saying that Gilroy cannot expand its boundaries. Rather, it is asking the court to require Gilroy to set aside certification of the environmental impact report, complete a new one and halt any actions by the city or developer and property owner "pursuant to Gilroy's

approval of the project until Gilroy fully complies with all requirements of CEQA and all other applicable state and local laws, policies, ordinances and regulations," the complaint states. LAFCO is also seeking attorney's fees.

With the litigation, Gilroy faces essentially two choices: withdrawing its proposal and trying to address LAFCO's concerns, or fighting it tooth and nail in court.

In interviews on Friday, both Tewes and Wasserman played down the seriousness of the litigation, despite what appears to be an unprecedented step. Tewes said the city is "open to finding out what their precise objections are." Wasserman said LAFCO was required to litigate or else "it infers agreement" with the city's CEQA study. "I'm hoping we sit down, Gilroy and LAFCO, and work out these issues and get it resolved," he said.

The city council has yet to meet to decide how to respond to the litigation, Tewes said.

Meanwhile, the city faces a challenge from another quarter on similar grounds.

The petitioners in the other CEQA lawsuit are Ken Kerley and Daniel Fiorio, property owners who had requested an annexation of about 150 acres in the southern reaches in July of 2013. Those property owners, who were backed by homebuilder Standard Pacific Homes, say they were eventually told by city planners that they should withdraw their application while the city undergoes a review of its land-use bible, the city's general plan. They say the northern annexation was allowed to go forward, even though that general plan update remains unfinished.

Their attorney, Andrew B. Sabey of Cox, Castle & Nicholson LLP, declined to comment last week.

**Nathan Donato-Weinstein**  
Real Estate Reporter  
Silicon Valley Business Journal



## Contra Costa Times

# Guest Commentary: Bryan Scott: Stop asking ECCFPD to provide adequate services with inadequate funding

By Bryan Scott For the Times

Posted: 01/19/2016 03:15:53 PM PST Updated: about 17 hours ago

At its Dec. 7, 2015, meeting the East Contra Costa Fire Protection District Board voted 9-0 to accept a self-appointed task force's recommendation of short-term funding from the cities of Brentwood and Oakley, as well as the county. This one-time money will allow the ECCFPD to open a fourth fire station for less than two years.

The money is needed because the ECCFPD is unable to provide adequate fire and emergency medical services to the residents of the district, according to Fire Chief Hugh Henderson and Gus Vina, Brentwood's city manager who leads the task force. The ECCFPD receives the lowest property tax funding rate of any fire district in the county. This inadequate funding has forced the closure of five of its eight fire stations in recent years.

The county's auditor-controller, Bob Campbell, has estimated that within the fire district a total of \$154,000,000 is raised for government purposes through the 1 percent property tax. All real estate, except that property owned by government agencies, schools and religious organizations, is assessed the property tax. That translates to roughly \$1,400 of property tax money allocated for government services for each of the 110,000 residents of the 249-square-mile fire district.

The ECCFPD budget states that the district will receive \$11,654,565 in property tax funding this fiscal year. This translates to about \$106 for each of the 110,000 residents of the district. Of the total property tax district residents pay (\$1,400), just a small portion (\$106) is allocated to the life-preserving services the ECCFPD provides, only 7.57 percent.

Other county fire districts receive much more of this property tax funding.

The San Ramon Valley Fire Protection District receives \$349 per person for each of their 169,000 residents, and the Moraga-Orinda Fire Protection District receives \$366 for each resident it serves.

The most recent Local Agency Formation Commission examination of fire districts puts the county average of property tax funding at 12 percent. The ECCFPD would need to have their property tax funding increased by 63 percent, just to reach the county's "average" funding level. LAFCO is the county agency responsible for overseeing most forms of local government boundary change, including incorporation, annexations, and special district formations.

Elected government officials work for the people of the community, the residents and taxpayers and voters of the fire district. We, the people, need to allocate more of the property tax dollars collected within the fire district to the lifesaving services provided by the ECCFPD.

The city councils of Brentwood and Oakley, along with the County Board of Supervisors, need to change the allocation of the property tax. Each of these elected bodies recognizes the need, as evidenced by their recent contributions of one-time money to the ECCFPD.

To make a solution permanent, the leaders and members of the East County community need to agree to reallocate property tax funding allocation percentages so that ECCFPD has a level of funding comparable to other parts of the county.

It is time we stop asking the ECCFPD to provide adequate fire and emergency medical services with inadequate funding. Each body needs to hear from the residents they serve. They need to hear from the community that it is time to correct this underfunding situation.

Bryan Scott is a Brentwood resident who occasionally becomes a community affairs activist. He is Co-Chair of East County Voters for Equal Protection, a citizens action committee whose aim is to improve funding for the ECCFPD. Those interested in learning more about this grass roots effort can reach him by email at [scott.bryan@comcast.net](mailto:scott.bryan@comcast.net) or by telephone at 925-418-4428. The group's Facebook page is located at <https://www.facebook.com/EastCountyVoters/> on the Internet.

## Contra Costa Times

# Stormwater floods Modesto almond orchard in experiment to restore aquifer

By Lisa M. Krieger lkrieger@mercurynews.com

Posted: 01/20/2016 06:52:08 AM PST Updated: about 9 hours ago



Almond trees are flooded on Tuesday, Jan. 19, 2016, in Modesto, Calif. Scientists from UC Davis are flooding the almond orchard with about 7 inches of water at four different times as part of a groundwater banking experiment. (Aric Crabb/Bay Area News Group) ( ARIC CRABB )

MODESTO -- In an effort to restore California's desperately depleted ancient aquifers, scientists are testing an approach that seizes surplus winter rain and delivers it to where it's most useful: idle farms and fields.

On Tuesday, roiling, muddy water from the storm drains of the city of Modesto flooded an almond orchard, where UC Davis researchers will track its progress as it slowly percolates -- over weeks, months, even years -- into a 45-foot-deep underground reservoir.

"If we can recharge our basin during the wet years, that's water we have banked away for dry years," said farmer Nick Blom, who authorized the experiment on his orchards southwest of Modesto, where hundreds of trees are in winter slumber.



Stored rainwater is used to flood an almond orchard on Tuesday, Jan. 19, 2016, in Modesto, Calif. Scientists from UC Davis are flooding the almond orchard with about 7 inches of water at four different times as part of a groundwater banking experiment. (Aric Crabb/Bay Area News Group) ( ARIC CRABB )

The UC Davis team seeks to answer some hard questions: Is the water clean enough? Will it drown the valuable trees?

Could it introduce waterborne diseases or make trees more vulnerable to insect pests?

If the technique is proven safe and effective, the scientists will encourage its broader use on California's 3.5 million to 5.6 million acres of suitable soils.

The approach replicates Mother Nature's eons-old pattern, with wet winter storms restoring the state's depleted aquifers. But this balance has been upset by excess agricultural and urban "overdrafting" of this water supply. In short, we're taking more than we're giving.

Both farmers and state water experts urgently need a solution to the problem, which has stressed 21 of the state's aquifers, especially in Tulare County, in the southern San Joaquin Valley. In some areas, it is so severe that the land is subsiding -- permanently in some cases.

The state's first-ever groundwater protection law, passed by the Legislature in 2014, calls for "sustainable" aquifer management, said Helen Dahlke, assistant professor of UC Davis' department of land, air and water resources.



UC Davis professor Helen Dahlke is photographed at a monitoring station in an almond orchard on Tuesday, Jan. 19, 2016, in Modesto, Calif. Scientists from UC Davis are flooding the almond orchard with about 7 inches of water at four different times as part of a groundwater banking experiment. (Aric Crabb/Bay Area News Group) ( ARIC CRABB )

To achieve the necessary balance between supply and demand, it's not enough for farmers to simply reduce how much water they pump; they also need to return the water to its source, she said.

That's a tall order for many agriculturally rich parts of the state, especially the most arid regions.

If this experiment works, scientists envision pulling floodwaters off rivers such as the Sacramento and diverting them to dry regions via the state's vast network of canals. This would not only ease the risk of flooding but could also deliver water to drought-ravaged parts of the state.

Meanwhile, farmers elsewhere are enlisting other approaches. In the Pajaro Valley, farmers have dug small "percolation ponds" on the edges of their fields. Along the Consumnes River and Yolo Bypass, there are newly widened levee setbacks, giving river water more time to drain and recede.

"Hopefully, we can come up with a system so we can at least maintain the water table where it is right now," Dahlke said.

Such recharge strategies could face political, legal and economic challenges, the UC Davis team says.

Many people claim rights to the state's water the moment it lands from the sky. And the delivery canals aren't historically available in the winter. This is the time when they are cleaned and maintained.



Tuesday's experiment -- flooding a 5-acre field with 6 inches of water -- was possible only because the Modesto Irrigation District provides water to both the city of Modesto and surrounding farms. So it has control over water use and also has access to the intricate web of delivery canals.

If not diverted to the Blom farm, the storm drain water would have flowed into the nearby Tuolumne River. The experiment is funded by the Almond Board of California.

Scientists will monitor any root damage with underground cameras, inserted 3 feet deep through plastic tubes. They will also watch next spring to see if the trees bloom and leaf normally. And they will measure the orchard's almond production to see if yields decline.

To track water flow rates, they use temperature sensors; water retains heat more than the surrounding soil.

And they will test the loamy soil to make sure the water isn't delivering nitrates, salts or dangerous pollutants.

This Modesto basin could be quick to recover because it's shallow and relatively healthy. But other basins, such as those in the southern San Joaquin Valley, may need 20 years before the surface water gets to where it's needed -- and flows may need to be repeated annually, said Ken Shackel, a professor in the department of plant sciences at UC Davis.

If successful, "there is enough acreage in almonds and similar crops that it could make a huge difference to the state water balance," Shackel said. "And it is a lot cheaper than building a reservoir.

"We are thinking about this as the first step in a very long-term strategy."

Contact Lisa M. Krieger at 650-492-4098. Follow her at [Twitter.com/LisaMKrieger](https://twitter.com/LisaMKrieger) and [Facebook.com/LisaMKrieger](https://facebook.com/LisaMKrieger).

## 4,000 Home Development Off the Table

Posted: Thursday, January 21, 2016 11:01 am

Overwhelmed by public criticism and two lawsuits, the developers of the biggest housing project in Gilroy's history have pulled their application to take more time to sell it to the public.

Landowners proposed 4,000 homes including 1,500 units for "active seniors," two schools and parks for the 721-acre tract of farmland bordered by Monterey, Santa Teresa, Fitzgerald and Day roads.

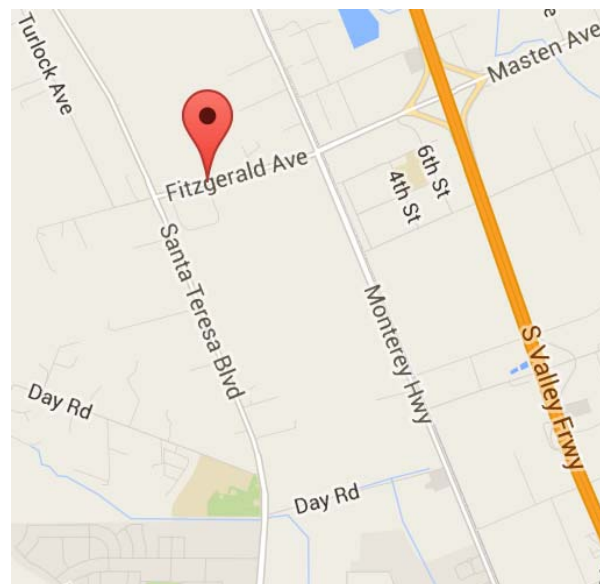
The land would have to be annexed by the city and would need approval from the county's Local Agency Formation Commission (LAFCO). The city voted Dec. 7 to move forward.

However, the developers on Wednesday temporarily shelved the project, saying they were advised by Mayor Perry Woodward to do so.

"I asked the applicant to please rescind their application to allow for time for the city and greater community to better understand the proposal, the benefits to our community, how it gains local control and fits within the collective long-term vision of Gilroy's future," said Woodward, a supporter of the project, in a press release.

Added developer Skip Spiering: "By heeding the mayor's request to pull our application for consideration at this time, we have chosen to temporarily take a step back. We will continue to work with the city of Gilroy and the local community to help them understand the long-term vision of Rancho Los Olivos and will engage community leaders, stakeholders and neighbors as we complete the 2040 General Plan."

The developers of what could be a \$3 billion project involving 27 landowners, including Jeff Martin, who owns 400 of the 721 acres. In a big public relations push, they have changed the name from Rancho 101 to Rancho Los Olivos (Ranch of the Olives) and launched a website ([rancho-olivos.com](http://rancho-olivos.com)) and Facebook page (Rancho Los Olivos Community), looking to improve their image. They have also hired a public relations firm, Farmhouse Communications, spearheaded by Kristina Chavez Wyatt, who as communications director, led the unsuccessful oil company-funded opposition to San Benito County's 2014 anti-fracking referendum.



Map of the 721-acre proposed area

The City Council is divided 3-3 on the proposal, with a seventh member due to be selected Jan. 25. The Planning Commission voted unanimously against it. Mayor Perry Woodward, Councilman Peter Leroe-Muñoz and Terri Aulman voted for it, while Dion Bracco, Cat Tucker and Roland Velasco opposed.

Spiering put a positive spin on the hold and the project, which was opposed by 2,000 people who signed an online petition.

“We are experiencing a groundswell of support from community members now that they are taking time to understand the details of the proposal and how it fits within the city’s long-term planning. The Rancho Los Olivos plan will address existing needs such as major roadway improvements, new schools and a much-anticipated active adult community.”

Meanwhile, other opponents of the project weighed in last week.

LAFCO and a group of developers filed separate suits asking the courts to stop the project, claiming that it is illegal, that a big environmental problem would cause too much demand for fire and police, and that its reviews were badly managed by the city.

The LAFCO suit contends that the approval of the project by the council was “improper” and that “Gilroy violated CEQA (the California Environmental Quality Act) in numerous ways.” The city voted in December to send the proposal to LAFCO for review, but the agency filed suit to stop the plan, even before it had a chance to vote on it.

The suit says the “site consists of largely prime agricultural land and that the city wants to include these lands in its [Urban Service Area] even as the city has substantial amounts of land within its current boundaries that are vacant or underutilized.”

The agency asks the court “to set aside certification of the EIR,” and to rescind all actions related to its approval.

Woodward said he’s not surprised by the suit and thinks the city and LAFCO can negotiate a compromise.

“We will work with LAFCO to make sure their concerns are addressed,” he said. “When you have two public agencies, they will work together to find common ground.”

Woodward said such suits are common in big developments and factor into why it takes so long to build in California.

“We’ve been saying all along that this will take 10 to 15 years. This isn’t a short-range project. We will have a discussion with LAFCO and if we can find a middle ground, then we will move forward.”

According to the LAFCO suit, the city failed to conduct a sufficient environmental review for the

project, given that it has the potential to cause a number of foreseeable and significant direct and indirect impacts. These include impacts on aesthetics, agriculture, air quality, biological resources, geology and soils, hydrology and water quality, water resources, cultural resources, greenhouse gases, hazards, health risks, land use and planning, minerals, noise, population and housing, public services, recreation, transportation, utilities, cumulative impacts to the above, growth-inducing impacts, and other types of environmental impacts, including construction-related and operational impacts.

LAFCO has also asked that the city pick up its legal fees, which could be considerable.

The second lawsuit, filed by developers Ken Kerley and Daniel Fiorio, argues that they were told not to pursue their plans to build housing in south Gilroy and then found the city approved the Rancho Los Olivos plan.

Their suit challenges the City Council's Dec. 7 decision to approve the 721-acre project and certify the environmental impact report, without first analyzing and mitigating potential environmental impacts.

The landowners' lawsuit also contends that the City Council's approval of the project causes the city's general plan to be "internally inconsistent," in violation of state planning and zoning laws.

Both suits also name the project's investors and landowners, including Martin Limited Partnership, Wren Investors LLC, and Mark Hewell.

Kerley and Fiorio are no strangers to City Hall. In July 2013 they were part of a consortium of landowners that submitted an application to amend the city's Urban Service Area to encompass approximately 150 acres in the unincorporated south Gilroy neighborhood district (called South Gilroy USA proposal in the lawsuit), where the two own property.

The petitioners allege that in January 2014, city staff provided them with an evaluation of the South Gilroy USA proposal and advised them to withdraw their application and not to resubmit until after the city adopted its 2040 general plan, which was then underway. The petitioners followed the recommendation and withdrew their application five days later.

In July 2014, the city accepted Martin Limited Partnership's application to add 721 acres into the city's USA boundary even as the city was still developing its 2040 general plan, contrary to the advice allegedly given to the South Gilroy USA landowners.

Approval of the 721-acre project is "premature and should await adoption of the 2040 general Plan," the lawsuit states.

The general plan was approved by the City Council on Jan. 4, clearing the way for an environmental review and final reading sometime this summer.

Interim City Administrator Ed Tewes said he expects that the lawsuits would be moot if the city

agrees Monday to withdraw its request to annex the land for the project. He said council will also consider decertifying the environmental impact report it agreed to in December.

## Editorial: LAFCO lawsuit an embarrassment for mayor and city council

Posted: Friday, **January 22, 2016** 10:12 am

The bungled attempt to slide the largest development in Gilroy's history through the county Local Agency Formation Commission came off the rails this week when LAFCO sued the city in Santa Clara County Superior Court. It's unprecedented for a city to be dragged into court by the very agency whose approval it needs, and the mayor and council members who voted to submit the half-baked application for a highly unpopular project should be embarrassed about the way this all was handled.



Mayor Perry Woodward

Citizens elect leaders to make wise and cautious decisions that reflect the will of their constituents, and the North Gilroy Neighborhood District initiative reflected none of those qualities.

Mayor Perry Woodward, especially, displayed poor judgment. He makes money litigating as a profession—he has sued the city of Gilroy and this newspaper in the past—and just signed on to work for a big San Jose law firm. He, more than anyone, should understand the need to follow procedures and keep the city out of court. Litigation between taxpayer-funded entities is a game that no one wins.

Luckily, landowner Jeff Martin made a sound decision to withdraw the application, promptly and without fuss. He has been a part of the community long enough to know which way the wind's blowing, and he wants to do the right thing.

In our view, a project this big should undergo a community visioning period, or charette, otherwise the nice watercolors, elegant website and new name—Rancho Los Olivos—are just lip gloss on a boar. It should have widespread community buy-in before it is handed off to regional agencies for approval. The process should not simply move from a small political in-group clumsily and arrogantly telling Gilroyans what's best for them to a slick PR campaign by an out-of-county agency hired to sell the plan. Instead, if it's to move forward, there has to be a genuine willingness to listen to a community that has spoken up loud and clear.

“I asked the applicant to please rescind their application to allow for time for the city and greater

community to better understand the proposal, the benefits to our community, how it gains local control and fits within the collective long-term vision of Gilroy's future," Woodward said in the developer's press release. First off, why was the mayor of Gilroy's position expressed through the project publicist's press release, rather than in a city announcement? Does the mayor work for the city, or the developer? Second, should the mayor, after two weeks on the job, be using the personal pronoun and instructing a private applicant how to conduct his business affairs? And, third, is the problem really that the citizens of this community are too uneducated about the project's fabulous benefits to "understand"?

If Woodward really wants to bring the community around on this defining issue, he can start by creating an inclusive city leadership, which means not hand-picking ideological soulmates for mayor pro-tempore and council appointee. If he goes ahead with Peter Leroe-Muñoz as his second-in-command and then engineers Bob Dillon's appointment—many City Hall watchers believe that that backroom deal's already been cut—Woodward will have a de facto four-member voting block to accelerate Gilroy's expansion over the objections of a large number, if not a majority of residents. And because a new general plan is in the works, Gilroy will live with the results of this political gamesmanship for decades to come.

We hope Woodward's colleagues on the council will realize that a mayor who's crashing into walls should not be followed blindly. Being aggressive and taking initiative can sometimes be confused with leadership.

A proclivity for action, to be sure, can be a very good thing when accompanied by sound judgment and a consensus of support. But when a moral compass is spinning freely and ambition charts the direction, what appears to be a march forward can really be just a bunch of lemmings sprinting to the cliff's edge, dazzled by the brilliance of a \$3 billion payday.



## SAN BERNARDINO: In tentative deal, county would take on fire services

By [RICHARD BROOKS](#)

2016-01-25 21:49:28



After years of battling, the bankrupt city of San Bernardino and its fire department union have reached an all-encompassing -- though tentative -- agreement that would enable the city to obtain its fire protection from a county fire district, city officials say in a written statement.

The announcement was released Monday, Jan. 25, after a closed session of the San Bernardino City Council. Details of the plan are scheduled to be released by Thursday in the agenda packet for a Feb. 1 meeting when the council is expected to consider granting final approval.

"The proposed global settlement will bring a close to nearly nine years of legal disputes between the firefighters and the city," according to the statement. "It will also assist in preventing future litigation and will save the city substantial legal costs and liabilities which would have otherwise been incurred."

Because the plan was discussed in closed session and requires ratification of both sides, union attorney Corey Glave declined to discuss details during a phone conversation Monday.

If ratified, the city statement says, the plan "will eliminate any union opposition in relation to annexation of fire services to the (proposed) County Fire District."

That proposed annexation is under review by the county's Local Agency Formation Commission.

On Wednesday, LAFCO is scheduled to consider a staff recommendation to approve the annexation.

"The plan is important to the city in that it provides a means to return to the city's coffers an estimated \$7 million to \$8 million for use in addressing other service deficiencies ... such as police protection, roads, parks or even street lighting," the city announcement quotes the LAFCO analysis as saying.

"LAFCO's conclusion is right on the mark," the announcement quotes City Attorney Gary Saenz as saying. "Although annexation comes with a special tax to property owners of \$148.23 per year, those are funds (that) will go directly to improving fire service.

"This, in addition to settling with the fire union, will allow us to redirect revenue that would otherwise go to litigation or status-quo fire services to crime prevention programs, parks and community services, and economic development."

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# California water: Silicon Valley leaders express skepticism of Gov. Jerry Brown's Delta tunnels plan

By Paul Rogers

[progers@mercurynews.com](mailto:progers@mercurynews.com)

Posted: 01/26/2016 07:06:38 PM PST Updated: about 6 hours ago



Chuck Bonham, director of the state Department of Fish and Wildlife, addresses the board at the Santa Clara Valley Water District Board chambers in San Jose, Calif., Tuesday, Jan. 26, 2016. In a Bay Area showdown over Gov. Jerry Brown's controversial \$17 billion plan to build two giant tunnels under the Delta to make it easier to move water south, Mark Cowin, the director of the state Department of Water Resources and Bonham made their case for the plan Tuesday at a public meeting of the Santa Clara Valley Water District. (Patrick Tehan/Bay Area News Group) ( Patrick Tehan )

SAN JOSE -- Three of Gov. Jerry Brown's top water lieutenants came to Silicon Valley on Tuesday to make the case for his \$17 billion plan to build two huge tunnels under the Delta to more easily move water from north to south.

But rather than embracing the idea, five of the seven board members of the Santa Clara Valley Water District -- whose support is considered critical to the controversial project -- instead voiced skepticism. Their concerns ranged from the price tag to environmental impacts to whether Santa Clara County property owners could be left with property tax increases without a public vote to pay for future cost overruns.

"For me there's a lot of uncertainty," said board Chairwoman Barbara Keegan. "I don't want urban water users to end up subsidizing rural water users."

Vice Chairman John Varela added: "We are talking about potential decisions we could make that very possibly could create extinction of species. I don't want to do that. Not on my watch."

Most of the water agencies supporting the tunnel plan are in Southern California and the Central Valley. The Santa Clara Valley Water District has so far been the Bay Area's largest supporter, which allows Brown to say the project isn't marked by the same north-south rivalry that resulted in a 1982 defeat at the ballot box of a similar "peripheral canal" plan he backed.

Brown's current plan is to build two tunnels, each 40 feet in diameter and 35 miles long, under the Sacramento-San Joaquin River Delta. The idea is to reduce reliance on the massive state and federal pumps at Tracy -- which are sometimes shut down to protect endangered salmon, smelt and other fish.

But environmentalists, Delta farmers and some Northern California lawmakers are trying to kill the proposal. They call it a water grab by Los Angeles and large corporate farmers in the Central Valley that would harm the water quality of the San Francisco Bay and the Delta, a vast network of sloughs and wetlands.

So far, the Santa Clara Valley Water District has contributed \$13.7 million toward the \$250 million the state has spent on reams of studies and analyses of the proposal. Other water agencies, including the Metropolitan Water District of Southern California, Westlands Water District in Fresno and the Kern County Water Agency, have contributed the rest.

State officials finished a draft environmental study last year. After the final version is completed this summer, they plan to ask the local water agencies for another \$1.2 billion to fund engineering and design studies, said Nancy Vogel, spokeswoman for the state Natural Resources Agency.

The Brown administration says that the local water agencies who support the plan also would be expected to pay the \$15 billion construction cost by raising their customers' water rates and property taxes.

The water agencies, including the Santa Clara Valley district -- which provides drinking water and flood protection to 1.9 million people -- must decide soon whether to continue to fund the studies or pull out. Earlier this month, the district's board forced out CEO Beau Goldie, in part over his robust support for the project, which some board members said had exceeded their level of comfort at times.

On Tuesday, Mark Cowin, director of the state Department of Water Resources, urged the agency to support the twin tunnels.

If built, Cowin said, the project would deliver about 4.9 million acre-feet of water a year from the Delta, enough for roughly 25 million people a year. That amount, he said, is roughly the same as what is being delivered now in an average year.

Some agencies, particularly in farm areas, have asked why they would spend billions of dollars for a project that delivers no more water than they are getting now. But Cowin said that the

tunnels are needed to help improve the system's reliability during earthquakes, in addition to offering flexibility so water can be taken out of the Delta at a new spot -- farther north on the Sacramento River near the town of Courtland. That, he said, would mean not having to rely as much on the Tracy pumps.

"This isn't a new water supply," Cowin said. "It's a modernization of an existing project."

Cowin said the price is high, but it would cost only \$5 a month for urban users.

Two other top Brown officials, Chuck Bonham, director of the state Department of Fish and Wildlife, and David Okita, director of ecosystem restoration for the Natural Resources Agency, highlighted the fact that the state also plans to restore 30,000 acres of wetlands and floodplains around the Delta.

"I'm thankful you are willing to take the time to look beyond the bumper stickers," Bonham told the board.

More than a dozen people spoke, representing some of the largest environmental groups in California, along with the League of Women Voters. All came out against the project.

Jonas Minton, a former deputy director of the state Department of Water Resources, said that Santa Clara Valley district will face costs of about \$500 million if all the major water agencies now involved decide to move forward. If Kern County pulls out, that rises to \$570 million. If only Metropolitan and Santa Clara Valley are left, the cost to Santa Clara ratepayers rises to \$1.5 billion, he said.

"We haven't gotten an answer yet that they are putting the money up," he said, suggesting instead that Santa Clara partner with the Contra Costa Water District to enlarge Los Vaqueros Reservoir in eastern Contra Costa County and share the water.

Other critics said the district should rely more on water recycling, conservation and stormwater capture. They argued that the tunnels are so large because Los Angeles and powerful farm agencies will eventually weaken environmental guarantees and drain more water from the north.

"This proposal will harm salmon. It's way too big," said John McManus, executive director of the Golden Gate Salmon Association.

Two water district board members, Tony Estremera and Nai Hsueh, expressed support for the plan, noting that the district gets 40 percent of its water supply from the Delta.

"Cost should be one consideration," Hsueh said. "But it shouldn't be the entire consideration."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJM](https://twitter.com/PaulRogersSJM).

## Contra Costa Times

# Richmond: 'We have work to do,' mayor says in annual address

By Sarah Tan

[stan@bayareanewsgroup.com](mailto:stan@bayareanewsgroup.com)

Posted: 01/26/2016 09:25:56 PM PST Updated: about 20 hours ago

RICHMOND -- Mayor Tom Butt said Tuesday that Richmond's financial situation would require some changes in the coming years and acknowledged that it is not stable or sustainable.

Those ongoing fiscal woes, along with more positive highlights, such as an overall decline in crime and unemployment in the city, were discussed in Butt's second State of the City address.

"The short story is that while the city's fiscal condition has been stabilized, our trajectory is not sustainable," Butt said. "We have work to do."

In 2015, bond rating agencies Moody's and Standard & Poor's downgraded Richmond's issuer rating, with Moody's downgrading Richmond to junk bond status, meaning the city may have to pay higher interest rates to borrow money in the future.

Until December, Richmond had been on a "credit watch" by Standard & Poor's. Butt mentioned in his look forward for 2016 that addressing this situation would require the city to make some big changes because it would need to find a way to save \$8.7 million through budget reductions this year.

"Our top priority is ensuring Richmond's budget is sustainable, both in the short term and the long term," Butt said.

He added that he will be asking the City Council to look for ways to cut expenses. He also suggested ways the city may raise its revenues, such as through instituting a soda tax, increasing the marijuana business tax and taxing Airbnb rentals.

A majority of Richmond's revenue comes through sales and property taxes, and Butt said that revenue has been low because of lower property values.

He also addressed a recent uptick in crime, though he also noted an overall 10-year decline since 2006. He also mentioned that it was his goal to reduce the city's annual homicides to a number in the single digits by 2017, saying that Richmond's financial situation was second only to his concern to increase public safety in the city.

Overall, however, the mayor was optimistic about Richmond's outlook in 2016. He mentioned that Richmond last year approved \$170 million in projects, which will include the building of some affordable and market-rate housing. He also mentioned that in 2015, the city's unemployment rate dropped to 5.2 percent, slightly below the state's rate of 6.3 percent.

"2016, here we come, get out of our way," he said.

Sarah Tan covers Richmond. Contact her at 510-262-2789. Follow her at [Twitter.com/sarahjtan](https://twitter.com/sarahjtan).



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## Let's save the fire district, spend tax money wisely

Bryan Scott  
Jan 27, 2016

At the Dec. 7 meeting, the East Contra Costa Fire Protection District (ECCFPD) Board voted 9-0 to accept a self-appointed task force's recommendation of short-term funding from the cities of Brentwood and Oakley, as well as the county.

This one-time money will allow the ECCFPD to open a fourth fire station for less than two years. The money is needed because the (district) is unable to provide adequate fire and emergency medical services to residents, according to Fire Chief Hugh Henderson and Gus Vina, Brentwood's city manager, who leads the task force. The ECCFPD receives the lowest property-tax funding rate of any fire district in the county. This inadequate funding has forced the closure of five of its eight fire stations in recent years.

Bob Campbell, the county's auditor-controller, has estimated that within the fire district, a total of \$154,000,000 is raised for government purposes through the 1 percent property tax. All real estate, except property owned by government agencies, schools and religious organizations, is assessed the property tax. That translates to roughly \$1,400 of property-tax money allocated for government services for each of the 110,000 residents of the 249-square-mile fire district.

The ECCFPD budget states that the district will receive \$11,654,565 in property-tax funding this fiscal year. This translates to about \$106 for each of the 110,000 residents of the district. Of the total \$1,400 property taxes paid, just a small portion of \$106 is allocated to the life-preserving services the ECCFPD provides, only 7.57 percent.

Other county fire districts receive much more of this property-tax funding. The San Ramon Valley Fire Protection District receives \$349 per person for each of their 169,000 residents, and the Moraga-Orinda Fire Protection District receives \$366 for each resident they serve.

The most recent Local Agency Formation Commission (LAFCO) examination of fire districts puts the county average of property-tax funding at 12 percent. The ECCFPD would need to have their property-tax funding increased by 63 percent just to reach the county's average funding level. LAFCO is the county agency responsible for overseeing most forms of local government boundary change, including incorporation, annexations and special-district formations.

Elected government officials work for the people of the community - the residents, taxpayers and voters of the fire district. We, the people, need to allocate more of the property-tax dollars collected within the fire district to the life-saving services provided by the ECCFPD.

The city councils of Brentwood and Oakley, along with the county supervisors, need to change the allocation of the property tax. Each of these elected bodies recognizes the need, as evidenced by their recent contributions of one-time money to the ECCFPD.

In order to make a solution permanent, the leaders and members of the East County community need to agree to reallocate property-tax funding percentages so (the district) has a level of funding comparable to other parts of the county.

It is time we stop asking the ECCFPD to provide adequate fire and emergency medical services with inadequate funding. Each body needs to hear from the residents they serve. They need to hear from the community that it is time to correct this under-funding situation.

*Bryan Scott is a Brentwood resident who occasionally becomes a community affairs activist. He is co-chair of East County Voters for Equal Protection, a citizens' action committee whose aim is to improve funding for the ECCFPD. For more information, email [scott.bryan@comcast.net](mailto:scott.bryan@comcast.net), call at 925-418-4428 or like the group on Facebook at [www.facebook.com/EastCountyVoters](http://www.facebook.com/EastCountyVoters).*

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## Lafayette Station 16 Rehabilitation Update

*By Nick Marnell*

Firefighters assigned to Contra Costa County Fire Protection District station 16 in Lafayette likely feared less for their lives entering a burning building than they did when they returned to the station. The building suffered possible mold contamination from rodent infestation, and the county pulled out the engine company and closed the distressed fire station in 2012. An on-again, off-again joint venture with the Moraga- Orinda Fire District to build a fire station in north Orinda crumbled in August when ConFire chose to rehab station 16.

"I am almost embarrassed to say that I had been convinced that station 16 was condemned and could not be fixed," said fire chief Jeff Carman, given a report by a building contractor indicating that the 58-year-old structure was not beyond repair. Based on that preliminary information, the chief presented a rehabilitation plan in August to his board of directors, which unanimously supported the effort and told Carman to report back with a final proposal.

Not willing to be fooled again, Carman demanded a written report confirming that the Los Arabis Drive fire station was repairable, so the district hired H. D. Rueb Structural Engineers of Pleasant Hill to do the assessment. The company visited the station site four times in September and October and its report, delivered to ConFire Dec. 7, concluded, "The general structural appearance of the building appears to be adequate."

The report noted that the structure will require seismic upgrades and that the interior concrete slabs, one of them significantly cracked, should be replaced. It also recommended a geotechnical analysis on the soil below the slabs, which deputy chief Lewis Broschard said will soon be completed. "The concrete floor has sagged considerably and we need to determine why," said Carman. "So we will cut a couple of access points in the slab floor to determine soil quality and get a look at what happened to cause the sag." The rehab plan was to jackhammer up the slabs and replace them with new ones, but the chief said he must be assured that whatever happened below the floor will not happen again.

Design work must also be completed, from which the district can develop construction documents and then determine approximate costs to rehab the station. "I think before we go after design work we want to make sure there isn't something bad going on under the slab," said Carman.

Notwithstanding the unknown below the interior building slabs and the holdup in completing the station design, Carman said he still expects to present the board a financial plan for the rehab by March.

"It's an aggressive timeline, but I think we can do it," said the chief.

The initial estimate for rehabbing station 16 was \$1 million.

Reach the reporter at: [nick@lamorindaweekly.com](mailto:nick@lamorindaweekly.com)

[back](#)

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## San Bernardino County Sun

# San Bernardino gets \$148 parcel tax, fire outsourcing



Local Agency Formation Commission voted unanimously to move forward Wednesday with the city of San Bernardino's proposal to annex the 137-year old San Bernardino Fire Department into Fire Protection District Service Zone FP5-5, giving responsibility for fire and emergency medical response to the county fire department. PHOTO BY RYAN HAGEN

By [Ryan Hagen](#), The Sun

Posted: **01/27/16**, 11:09 AM PST | Updated: 2 hrs ago



Scores of San Bernardino residents and business owners attended a meeting Wednesday where the Local Agency Formation Commission voted unanimously to move forward with the city's proposal to annex the 137-year old San Bernardino Fire Department into Fire Protection District Service Zone FP5-5, giving responsibility for fire and emergency medical response to the county fire department. PHOTO BY RYAN HAGEN

SAN BERNARDINO >> A plan to outsource the city Fire Department and add a parcel tax of \$148 per year took a big step forward Wednesday with the unanimous approval of the agency in charge of overseeing that process.

The [Local Agency Formation Commission](#), or LAFCO, voted to move forward with San Bernardino's proposal to annex the 137-year old San Bernardino Fire Department into Fire Protection District Service Zone FP5-5, giving responsibility for fire and emergency medical response to the county fire department. That also means that zone's tax — \$148 per parcel in fiscal year 2016-17, and increasing by up to 3 percent each year — would be applied to each of the more than 42,000 properties in the city.

LAFCO will mail a form to registered voters and landowners that allows them to protest that move, which could kill it if enough protest.

But commissioners said that while they were sympathetic to concerns about new taxes and the sentiment that City Hall caused the financial problems this move aims to fix, the annexation proposal was the only way to give the city adequate, sustainable public safety.

“I don’t like this decision,” said Commissioner Acquanetta Warren, who is also mayor of Fontana. “But we’re here because we need to lead. ... If public safety has more cuts, it could be on the level of Armageddon for this city.”

Public safety — both fire and police protection — would continue to deteriorate if the plan wasn’t approved, said Andy Belknap of Management Partners, a consultant for the city.

“This will allow the city to get a sustainable level of service — which we are not at right now,” Belknap said. “The city fire service has been under severe stress for years.”

Overdue equipment maintenance and faster response times — in part due to the use of the county dispatch system — would be part of the switch, Belknap said, adding that the use of “tremendous economies of scale” was a path successfully taken by Fontana, Santa Ana, Irvine and other cities.

The city projects the plan will add \$7 million to \$8 million to its coffers, much of which will be used on a five-year plan to [ramp up the Police Department](#), he said.

Outsourcing the Fire Department was a key part of the [Plan of Adjustment](#) that the city passed in April to guide its exit from bankruptcy and continued recovery, said City Attorney Gary Saenz.

“(The exit plan) is extremely comprehensive — it touches on almost every type of service — and it’s extremely cohesive, with parts working together,” Saenz said. “Two of the most important components of the plan are addressing our deficiencies in police and fire.”

San Bernardino County Fire Chief Mark Hartwig said the county would take local accountability seriously.

The city’s acting fire chief, Tom Hannemann, said the city will continue to provide excellent service until the county takes over, when it would also provide excellent service.

And a statement to LAFCO by the San Bernardino City Professional Firefighters — who recently came to a [tentative “global settlement”](#) with city officials that includes ending all their litigation against the city — supported the move.

Going to the county would begin the reversal of years of cutbacks, John Marini said on behalf of the union. He said that as a firefighter he knows what remaining an in-house department means.

“It means more [closed fire stations](#),” he said. “It means [less firefighters](#).”

The county’s proposal would extend employment to San Bernardino employees with the rank of captain or below.

A majority of the 15 speakers who addressed LAFCO said they opposed the plan, in many cases because of the tax.

“You’re making more homeless people,” resident Sandra Ibarra said, crying, as she said she had just become a homeowner and now couldn’t afford it.

Residents of other cities who own property in the city said it would hurt them, as well, and residents suggested landlords would pass the cost on to tenants who couldn’t afford it.

Several also questioned the fairness of subjecting a city of more than 200,000 to a new tax by annexing the city into a district that was formed by a vote of only about 3,000 people in the High Desert. LAFCO’s attorney, Clark Alsop, said an appellate court decision and attorney general opinion supported the move’s legality.

The commission’s decision begins a 30-day reconsideration period, during which anyone affected by the decision can ask that the process be repeated if they show that relevant information was not considered, said LAFCO Executive Director Kathleen Rollings-McDonald.

“If no one requests reconsideration, as soon as that period is completed, then we will put together and advertise an eighth-page legal ad and send all the individual notices to the landowners about their protest rights,” Rollings-McDonald said. “The commission granted today, instead of the 30-day recommended, a 45-day protest period.”

That 45-day period would still allow the switch-over to meet the goal date of July 1, the beginning of the fiscal year, Rollings-McDonald said. That is the earliest it could happen.

However, enough protests would end the process.

- The plan will be terminated if LAFCO receives a protest from more than 50 percent of registered voters.
- An election will be called if protest is received from at least 25 percent but less than 50 percent of the registered voters, or if 25 percent to 100 percent of the number of landowners — who own at least 25 percent of the total land value — submit written protest.

## Guest Column: Growth doesn't mean sprawl

Jeff Martin | Posted: Thursday, January 28, 2016 9:11 am

When I came to Gilroy in 1980, the Gilroy Dispatch was filled with letters about rampant growth. The development at the time was the Northwest Quadrant. The claims were that Gilroy was sprawling, we were becoming another San Jose and we were losing our small town charm.

I hear these same fears echoed today at the city's proposal to annex land of which I am an owner to the north of town. There are a lot of differences between then and now and a lot has thankfully changed since then.

The County's Local Agency Formation Commission (LAFCO) is the body that determines where urban expansions should and should not occur. Their goal is to encourage orderly boundaries, discourage urban sprawl and to preserve agricultural and open space lands.

The ultimate physical boundaries and services area line for any city is called the Sphere of Influence (SOI) line. At the time, Gilroy's northern SOI line was at Church Avenue in San Martin; Morgan Hill's southern SOI Line was at Church Avenue in San Martin. Theoretically, Gilroy and Morgan Hill could have expanded to this common road.

After a lengthy study, LAFCO decreed in their own 1984 SOI study that Gilroy should push back to Masten/Fitzgerald and Morgan Hill should retreat to Middle Avenue. This is a 3.5-mile separation that specifically addressed the fear of sprawl. Further, the Santa Clara County Board of Supervisors made this area a protected rural residential special use area in the general plan.

Not too many years later, Gilroy took a major step to address rampant growth in residential development by instituting the Residential Development Ordinance (RDO). The intent was to place a numerical annual limit on the number of homes that could be approved and built. For 20 years since the beginning of the RDO, Gilroy has grown at a modest 3 percent rate.

As time went on, Gilroy realized that while they had a handle on the volume of residential development, they did not have sufficient control of the quality of the homes, developments,



Jeff Martin on his 400 acres

neighborhoods, related infrastructure and services. All of these projects around town resulted in unsystematic, piecemeal development leading to problems such as the traffic congestion on Santa Teresa near Christopher High School.

The Neighborhood District Zoning Ordinance was implemented in the 2002 general plan as a strategic growth management tool that encourages greater innovation to achieve housing and community design goals. As the city's zoning code states, these districts were put in place to protect, maintain, and enhance the quality of the city's existing residential neighborhoods.

Former mayor Don Gage, Mayor Perry Woodward and councilmembers Peter Leroe-Muñoz and Terri Aulman took leadership and made the right call in proceeding with the annexation processes for the North Gilroy Neighborhood District—to gain permanent, local control over the planned future growth area, eliminating piecemeal development, maximizing community benefit (schools, roads, highway access, high-end retailers, taxes and fees), preserving our rural character and encouraging comprehensive, thoughtful investment over the next 20-plus years.

The fact is, not a speck of dirt will likely be turned for at least 10 years. This opportunity gives our community time to pause, reflect, engage, consider and verify the facts, cooperatively and carefully plan for a future of our hometown that we can continue to be proud of.

*Jeff Martin owns land that is part of the proposed 721-acre North Gilroy Neighborhood District development. He wrote this column for The Dispatch.*

## Local PR pro takes on a big local development challenge

Posted: Thursday, **January 28, 2016** 9:16 am

As the local public relations professional behind the 247-megawatt Panoche Valley solar project and the No on Measure J campaign, which failed to stop a citizen-led effort to ban fracking in San Benito County in 2014, Kristina Chavez Wyatt is no stranger to controversy.

A native Gilroyan with strong ties to the civic and business networks of the tri-county area, Wyatt, owner-operator of Farmhouse Communications in Hollister, was handpicked to explain the merits of the contentious 721-acre Rancho Los Olivos proposal for north Gilroy to the community and area stakeholders.

Joining the team in December, Wyatt launched a website ([rancho-olivros.com](http://rancho-olivros.com)) and Facebook page in January, just as the project's application with the city was rescinded at the behest of Mayor Perry Woodward, and after two lawsuits were filed alleging the city's approval ran counter to state environmental guidelines.

Tasked with conveying the “process, methodology, truth and vision” of the proposal, Wyatt said she plans to present to community organizations like the Chamber of Commerce and Rotary as well as neighborhood groups—anyone interested in learning more about the proposal.

The mother of twin four-year-old girls is even open to a land use discussion over coffee or a play date.

“So much of it depends on people's questions and concerns,” said Wyatt. “You could talk until you are blue in the face but what you really want is to find out what are their concerns.”

Referring to herself as a “policy nerd,” Wyatt recently won an award as part of an interdisciplinary consulting team for its work on the economic development element of the city of Salinas general plan.

Wyatt said she has begun meeting with community leaders, like Gilroy Police Chief Denise Turner, and the results of her discussions will be featured in the Rancho Los Olivos website's FAQs.



Kristina Chavez Wyatt

“We are also trying to encourage people to get engaged with the city,” she said. “A lot of it has to do with understanding the planning process and how to work with your elected officials.”

Fully aware of the heightened emotions surrounding the Rancho Los Olivos project, Wyatt is undeterred.

“People don’t like engaging in what they think are contentious political discussions and I don’t really mind it, as long as I can stick to the facts and the truth and talk about what could be best for our community from a public policy standpoint,” said Wyatt, adding that she strives to maintain good relationships throughout the process.

Friendly and down-to-earth, Wyatt said when she is not in her professional attire she is usually wearing jeans and cowboy boots.

An 11-year resident of Hollister, she has ties to the regional agricultural industry. Her husband farms and grows blackberries while she is active in the farm bureaus of San Benito, Monterey and Santa Clara counties. Wyatt was appointed by Gov. Jerry Brown in July 2014 to serve as a Trustee of the San Benito County Fair.

When asked about the impact of Rancho Los Olivos to the ongoing loss of farmland in the county, Wyatt said it was important to preserve agriculture only where it is viable.

“The cost of inputs, labor, regulation, taxation and unwilling neighbors in Santa Clara County have pushed out agriculture,” she said.

“While people like looking at crops, they don’t like the dust, the chemicals, and they don’t like seeing agricultural employees,” she said, adding that some longtime farming families in the county have kids that do not want to be in farming anymore, and so the only way for the family to recoup value or to retire is to develop their property.

Wyatt said while the Rancho Los Olivos application was pulled, the vision for the project is still very much alive.

“The reality is, there is no development. There is a vision plan,” she said. “The reason why there is a vision plan is because LAFCO says you have to have one if you are even going to have the discussion, because you need facts behind it. LAFCO said in the 1960s and 1990s, if the city is to grow, it should be in the northwest quadrant, and that makes sense. It is contiguous to the urban area and its closer to transportation.”

Wyatt said the lawsuit by LAFCO effectively stopped the transfer of information from the applicants via city staff to the agency, whose approval they need to move forward with the annexation. As for the project’s time frame, that discussion is still ongoing.

“We need to talk to city leaders and LAFCO to answer their questions, because nothing can happen without the annexation.”

## New cooperation among water agencies

Posted: Thursday, January 28, 2016 3:54 pm

Regional water agencies have been communication and cooperating for the past few years in stark contrast to past years when fights and lawsuits were more the order of the day as each agency sought to get its share.

The new cooperation has been formalized in two major agreements, both approved Wednesday, June 27, but the East Valley Water District (EVWD) Board of Directors.

EVWD General Manager John Mura gave much of the credit to Doug Headrick, general manager of the San Bernardino Valley Municipal Water District, for bringing local water agencies into the fold for the benefit of all.

The agreements also will take the lead in complying with existing law and judicial decisions. At the same time, it undermines efforts of the Local Agency Formation Commission (LAFCO) to force agencies to combine. Mura added that several agencies are very frustrated and angry about some of LAFCO's tactics.

One of the new agreements is the Groundwater Sustainability Council memorandum of understanding. The goal of this document is "to ensure that these groundwater basins are managed in a manner that will be reliable over the long term."

Agencies will work together to provide storage of water in the wet years to provide for adequate supply in the dry years, avoiding the "feast and famine" practices of the past, like the present drought restrictions.

A second document, a memorandum of understanding for the Bunker Hill Basin Conjunctive Use projects also calls for water agency leaders to work together to provide the best reliability for the least cost.

The two documents puts into agreements that have already taken place, for the most part in "handshake" deals among agencies.



## Contra Costa Times

# Bay Point: Ambrose pool rebuild again delayed by money woes

By [Sam Richards](#)

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Posted: 01/29/2016 06:33:55 PM PST Updated: 3 days ago

BAY POINT -- The resurrection of the Ambrose Park swimming pool is facing more delays, as the lowest among the latest round of bids for the work came in at about \$682,000 more than expected.

That is about 25 percent higher than the estimated cost of to rebuild the pool and replace the restrooms and associated outbuildings at the pool in Ambrose Park, which has been closed since 2009.

"That's a pretty big gap," said Doug Long, general manager of the Ambrose Recreation and Park District. "It's a surprise; the whole point of the redesign was to come in within budget."

Added Ambrose board President Judy Dawson, "I believe the project is still alive and well, and I'm looking at it very positively."

In any event, finding the needed money to close the gap and solicit a new round of construction bids will likely delay the project by months, if not longer.

The pool refurbishing project has been seven years in the planning, and has faced frequent money shortages and three project redesigns. But as recently as October, Ambrose leaders were optimistic that the needed money was in place, and that the remodeling plans -- scaled back from the original rebuild plans, with a pool about two-thirds the size of the old one -- and that almost all the money seemed to be in place gave rise to optimism.

Members of the citizen group West Pittsburg for Progress said this latest setback does nothing to bolster their faith that the pool will ever open again.

"I don't think they've been trying to get that money -- I don't think the effort has been there," said Eduardo Torres, a leader of the "Progress" group that has made the pool one of its main causes. His feelings on the matter are much like they were the last time the pool bids were significantly higher than the pot of money.

"Right now, there's zero confidence in the community with the board and the (Ambrose) general manager," he added.

Ambrose Park was annexed by the city of Pittsburg in September 2008, and therefore the city has influence over approving the pool plans. The Pittsburg Planning Commission in October approved the design review for the project, the last city approval needed.

Long said Friday it is now more important than ever to seek the needed money wherever possible, including from the county, the city of Pittsburg, area businesses and industries and other grant sources.

"We're working diligently to see if we can get some support somewhere to finally get this thing done," he said.

Torres said Long and other Ambrose officials have pledged before to do this.

"I want to see evidence they're actually reaching out to find money, something tangible," Torres said.

Contact Sam Richards at 925-943-8241. Follow him at [Twitter.com/samrichardsWC](https://twitter.com/samrichardsWC)

## Imperial Beach News

# Imperial Beach & LAFCO Sued Over Jurisdiction Of Sewer Service For Proposed Navy Campus

by Alessandra Selgi-Harrigan | Posted: Saturday, **January 30, 2016** 10:36 am

The City of Coronado has sued the City of Imperial Beach and the Local Agency Formation Commission (LAFCO) over jurisdiction to provide sewer service to the future Navy Coastal Campus, a \$1 billion project with construction scheduled to start in the fall. The complex will be comprised of a number of buildings for a total of 1.5 million square feet and will be the home of the Naval Special Warfare Command. Imperial Beach has a standing agreement to provide sewer service to the Navy since its incorporation in 1956. Prior to the incorporation of the city of Imperial Beach, the sewer district in the area (that is now IB) provided sewer service to the Navy.

Once the city was incorporated it inherited that agreement. "Our records go back to 1967 and state this is another five year extension to the agreement," said Imperial Beach City Manager Andy Hall.

About 10 years ago the Navy started studying the Naval Radio Facility location on the Strand to serve as a Navy campus. When the Environmental Reports were disclosed the City of Coronado responded with a 21 page document that requested that if IB was going to provide sewer service it needed the approval of LAFCO. LAFCO responded that since there was a standing agreement between Imperial Beach and the Navy predating 2001 the agreement was exempted from LAFCO's jurisdiction. LAFCO's executive director Michael Ott made a determination that the agreement predated 2001 and that decision upheld by LAFCO's board was approved it 7 to 1 votes.

LAFCO is an agency set up under state law that in simple terms puts together and makes sure boundaries are logical within cities and decides who provides services. "One of their duties is to decide service areas," confirmed Hall. The lawsuit points to LAFCO for allowing Imperial Beach to provide sewer service.

"We have always provided sewer service. If we did not have this agreement we wouldn't provide it. IB doesn't care. If [the Navy] says 'we have worked out an agreement with Coronado'...fine, but we have a contractual obligation and we'll not renege on our contract and we plan to honor it," said Hall.

It is to be noted that Imperial Beach would not benefit financially because the revenue is rolled back into the sewer enterprise fund and cannot be used for any other project. The same goes for the City of Coronado. "The Navy has made it clear they expect us to continue this agreement." said Hall.

The lawsuit states that the Navy Campus is within the Coronado's city boundaries and therefore "Imperial Beach has no authority to provide sewer service to the Coastal Campus Project....Sewer service many [sic] only be provided in another city's boundaries upon the consent of the affected city."

"IB agrees with the premise of Coronado that their city should provide sewer service within its municipalities but we have an agreement with the Navy before the formation of LAFCO. We are not going to go after providing water or police; we agree they should provide their own municipal services," said Hall. "We agree with the premises [of Coronado's position] but have an agreement we believe we have to honor."

"The city hopes to resolve the matter through negotiation. We feel that we have put forward a proposal that allows us to retain local control, does not affect the project's schedule and allows Imperial Beach to upgrade its infrastructure," read a statement via email from Coronado City Manager Blair King to the Eagle & Journal. The email also read, "That the proposed wastewater extension be allowed to exist for fifty years as long as the project remain the project described in the Environmental Impact Statement: (this will allow for the recovery of any costs for the investment in public infrastructure); we have asked to be held harmless and indemnified from any sewer spills that occur in Coronado originating from the City of Imperial Beach's Wastewater operations; we have asked that if Imperial Beach makes a profit from Coronado be returned to Coronado; and we have requested that stalled talks with regard to a Recycled Water Project be resumed."

The City of Coronado has asked the Navy to provide a recycled water system and provide water to its parks and golf courses.

Mayor Serge Dedina was surprised about the lawsuit. "I'm shocked the City of Coronado is doing this...we have a commitment with the Navy...we are stuck in the middle. Coronado has a \$45 to 46 million dollar budget we have a third of that," he said adding that the city has already spent \$10,000 to \$15,000 that could otherwise be used for other projects within the city.

A press release by the City of Imperial Beach states: "Legal action by Coronado could result in termination of the very important Special Warfare Campus that is vital for U.S. national security. That is because environmental studies to analyze the new sewer alignment will take many months, significantly increase the cost of the facility, and jeopardize the funding for a project deemed critical in the War on Terror."

## Contra Costa Times

# Kensington: Residents critical of local police board say cops have harassed them

By [Thomas Peele](#)

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Posted: 01/31/2016 04:05:00 PM PST Updated: about 5 hours ago

KENSINGTON -- In this bucolic East Bay hillside town divided by constant political strife, residents have watched the local police board's every move for years. Now some of them say they are being watched back -- and sometimes harassed.

As an outside police force investigates claims from one of Kensington's critical board members that two cops pulled her over and threatened to arrest her, some residents and former elected officials have come forward to say they've endured similar treatment after asking tough questions to the town's board that does little more than oversee its 10-member police department.

The uproar is the latest turmoil in this upscale community just months after the police chief's ouster over a scandal in which a Reno prostitute stole an officer's badge and gun.

Emails, interviews, police and town documents show at least four other people have made similar allegations here in the last five years and five others have come to the newspaper with complaints.

They range from a former California Inspector General to senior citizen activists. Some say they were followed home by cops who parked outside their houses. One former board member said the town's police launched a sexual harassment investigation against her after claiming she exposed herself to officers sent to deliver town documents to her house.

The feud has grown during nearly two years of contract talks with the police unions. Some critics insist officers should contribute to the cost of pension and health care benefits they now receive for free.

Police services board President Len Welsh downplayed the claims, saying that he believed the incidents were misinterpreted as threats and that police need "better training in how they appear in other people's eyes. People are very sensitive." But he added that some of the complaints "happened before my time" and he didn't know details.

The rancor is another example of how small towns with politically active citizens like Kensington can turn into a "fiefdom," said retired Superior Court Judge and San Jose Independent Police Auditor LaDoris Cordell. "If people are being harassed and retaliated against for exercising their First Amendment rights it is very scary."

Even a former high-ranking state official, former Inspector General Laura Chick, told this newspaper she felt intimidated after speaking critically of the town board at a community meeting.

She said two police officers came to her home days later and told her a 911 call had been made from the residence. But she'd made no such call, she said, and was the only one home other than a young grandchild.

"I wouldn't let them in," she said. "I don't get intimidated easily, but this was intimidating, unsettling. It was soon after I spoke. It was connected." She said she called police and was told the incident occurred because of a 'crossed wire.' It was ridiculous."

Town board member Vanessa Cordova, who has pushed for reforms, said police once came to her home claiming a 911 call had been made, which she also denied making. Cordova's complaint that two Kensington officers pulled her over in Berkeley in November is under investigation after Kensington's interim police Chief Kevin Hart asked Richmond police to review whether the officers harassed and threatened her as she claims.

Former police Chief Greg Harman, in office when nearly all of the allegations occurred, didn't return calls for interviews. He was forced out last year for his handling of Sgt. Keith Barrow's discipline after the officer's off-duty encounter with a prostitute in a Reno hotel room.

Barrow, who is the president of the local police union, also didn't return messages. The union's attorney Justin Buffington returned a message late Friday but did not provide a specific comment.

Hart, who recently wrote in a local online forum, "I am disappointed by how quickly the conspiracy theories arise within this community," didn't return messages.

Kensington officials "need to look very carefully at (the allegations) and track (them). There's a pattern," said Chick, who is also a former Los Angeles city councilwoman.

"Instances of harassment in Kensington have been legion, particularly for people who have become active in (district) business," said Cathie Kosel, a former board member and harsh critic of Harman.

In 2010, while Kosel was still on the board, district lawyer Kurt Franklin sent her an email with a shocking claim: Two cops were accusing Kosel of exposing herself to them.

"They said I'd answered my door and that I'd been naked. It takes your breath away to be in your 60s and have someone accuse you of indecent exposure," Kosel said recently. "They were trying to scare the crap out of me."

Kosel said the incident never happened. She was not charged with a crime. But Harman ordered a sexual harassment investigation, "having overheard comments by officers in the hallway at headquarters," and hired a lawyer to conduct it, Franklin wrote.

Kosel pushed back, demanding that if the cops had seen her naked, they could describe several scars on her body. But she said she never got an answer.

Eventually the allegation drifted away after Kosel lost a re-election bid. The investigator, Lee Ann Wallace, never submitted a report, Franklin emailed Kosel in 2012. Wallace declined to comment. Franklin did not return messages.

It's not just board members making claims. Three residents told the newspaper they had been followed closely by police cars after speaking out at public meetings. "They were 2 feet off my bumper. They're following old ladies around," Marilyn Stollen said.

UC Berkeley emeritus professor Andrew Gutierrez filed a formal complaint of intimidation in 2013 that two officers made a sharp U-turn and drove up behind his car at a high speed. Both he and the officers pulled over, but the cops remained in their car.

In response to Gutierrez's complaint, Harman wrote that the officers chose not to cite him for a broken taillight. The reason, the chief wrote: "to avoid any type of allegation of harassment made by you ... because of prior criticisms you have made against the Kensington Police Department."

Follow Thomas Peele at [Twitter.com/thomas\\_peekle](https://twitter.com/thomas_peekle).

## Contra Costa Times

# San Pablo: Doctors Medical Center property to be sold to hotel group

By [Tom Lochner](#)

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Posted: 02/02/2016 08:05:47 AM PST Updated: about 16 hours ago



Doctors Medical Center closes its doors in San Pablo, Calif. on Tuesday, April 21, 2015. (Kristopher Skinner/Bay Area News Group)

SAN PABLO -- The buildings and property that housed Doctors Medical Center, shuttered last year when it ran out of money, is under contract to be sold to a Davis-based operator of boutique hotels for \$13.5 million.

Royal Guest Hotels operates five hotels, according to its website: University Park Inn & Suites, Best Western Plus Palm Court Hotel and Aggie Inn, all in Davis; and Hotel Med Park and The Inn Off Capitol Park, both in Sacramento.

The board of the West Contra Costa Healthcare District, which owns the hospital, accepted Royal Guest Hotels' offer in January over those of several other bidders, some of whom offered more cash, although the firmness of the higher offers was in doubt.

"The board decided that other deals would take too long to close and were too speculative, in part because of needed environmental studies and city approvals -- especially if demolition and new construction were involved," a health care district staff report reads in part. "In staff's opinion the RGH deal provides more certainty and hopefully a shorter wait."

John Troughton, vice president at Sacramento-based Kennedy Wilson, the real estate brokerage that represented the health care district, opined that the district "is receiving a fair price for DMC."

Doctors Medical Center, which opened in 1954 as Brookside Hospital, closed its doors to patients on April 21 after years of financial struggles that officials blamed largely on low

reimbursement rates for Medi-Cal and Medicare patients, who constituted about 80 percent of DMC's patient mix. The hospital's emergency room closed in 2014.

District officials said last year that a viable and sustainable offer from a hospital operator would have priority over a more lucrative one for the remaining 8.3 acres of the hospital campus. In March, the district sold to the city of San Pablo a 2.5-acre slice of the campus that is being leased to the adjacent Lytton Rancheria casino for parking.

In the summer, the Salvation Army made an offer for the campus but withdrew it, according to the district staff report. Another offer, for \$19 million, from Drever Capital, was withdrawn as well; Drever had proposed renovating DMC and use it as a dementia facility, according to the staff report.

V Covington LLC, also known as US HealthVest, and Central Valley Specialty Hospital also made tentative offers that did not come to fruition, according to the district staff report.

The deal with Royal Guest Hotels is expected to close in six or seven months.

San Pablo, which had a right of first refusal to buy the property, decided not to exercise that right at a closed-session City Council meeting last week. "The price we would have to match is way too high and would be an unacceptable use of public funds," San Pablo Mayor Rich Kinney explained Monday.

"If that high-end hotel comes in here, it could be a very good thing for our community," Kinney said. A hotel would generate tax funds, he said, adding, "Most hotels around here are almost packed. All over West County, it's hard to find a room in a decent hotel."

Royal Guest Hotels did not return calls this week seeking comment.

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