

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

March 14, 2018 (Agenda)

March 14, 2018
Agenda Item 6

LAFCO 18-02 City of Martinez - Out of Agency Service Request (2415 Donald Avenue)

SYNOPSIS

This is a request by the City of Martinez to provide municipal water service outside its jurisdictional boundary to one parcel located at 2415 Donald Avenue in the unincorporated Mt. View area. The parcel (APN 378-091-007) is 0.10± acre (see Attachment 1). The property owner is constructing a residential duplex on the property through Contra Costa County; construction is currently underway.

The County zoning for the property is D-1 (Two Family Residential - 8,000 square foot minimum lot size), and the County's General Plan designation is ML (Multiple Family Residential – Low). The City's current General Plan and pre-zoning designation for this property is "Industrial." The City is in the process of updating its General Plan and zoning designations, and this property will be addressed through the City's process. The subject parcel is located within the City of Martinez sphere of influence (SOI) and within the City's Urban Limit Line. Surrounding uses include single family residential to the north, east and west, and commercial to the south.

According to the City's application, the City is currently providing water service to the neighborhood surrounding the subject property. The area is also within the Mt. View Sanitary District service boundary.

DISCUSSION

Statutory Framework – Out of Agency Service – The Government Code and local LAFCO policies (Attachment 2) regulate the extension of out of agency service. Government Code §56133 states that "A city or district may provide new or extended services by contract or agreement outside of its jurisdictional boundary only if it first requests and receives written approval from the Commission." Further, the law provides that LAFCO may authorize a city or district to provide new or extended services under specific circumstances: a) outside the agency's jurisdictional boundary but within its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

The Commission's current policies regarding out of agency service are consistent with State law in that annexations to cities and special districts are generally preferred for providing municipal services. However, there may be situations where health and safety, emergency service, or other concerns warrant out of agency service. Historically, out of agency service is considered a temporary measure, typically in response to an existing or impending public health and safety threat (e.g., failing septic system, contaminated well); or in anticipation of a future annexation.

City's Prior Commitment to Annexations – As noted in the 2008 and 2014 *Water/Wastewater* and the 2009 *Central County Sub-regional LAFCO Municipal Service Reviews (MSRs)*, the City is providing water services beyond its corporate limits to 1,500± water connections. The LAFCO MSRs recommend that the City of Martinez annex areas receiving city services, as appropriate. The MSRs note that the 1,500 water connections serve residents who do not have representation in terms of electing the Martinez City Council and governance issues. City staff indicates that those residents who receive out of agency water service have the right to address the City Council regarding policy decisions. Further, they have equal rights under Proposition 218 to protest water rate increases.

The City of Martinez has demonstrated commitment to annexing these unincorporated areas through prior actions including preparing fiscal studies analyzing the impacts of annexing these areas to the City (i.e., Alhambra Valley, North Pacheco, Mt. View); rezoning these areas; adopting resolutions affirming the City's pledge to annex these areas (i.e., Alhambra Valley, Mt. View); and prior annexation efforts including the successful annexation of a portion of Alhambra Valley, and the attempted annexation of North Pacheco, which was approved by LAFCO, but rejected by the voters. Further, the City requires property owner(s) to sign and record a deferred annexation agreement when applying for out of agency service.

While the City has taken actions in furtherance of future annexations of most of these areas, the outcome of the fiscal studies show a negative fiscal impact to the City; thus, annexation of most of these areas, including the Mt. View area, are not financially viable.

Consistency with LAFCO Policies – The City has applied to LAFCO to extend out of agency water service to the subject property, which is located in the Mt. View area. There are currently no public health/safety issues on the property. The extension of water service will enable development of the property.

Contra Costa LAFCO's policies are consistent with Government Code §56133, in that out of agency service can be extended either in response to a threat to the health and safety of the public (e.g., failed septic system, contaminated or dry well, etc.), or in anticipation of annexation.

In addition, the LAFCO policies contain the following provisions which are relevant to this proposal:

3) *Objective – Out of agency service is generally not intended to support new development.*

The out of agency service request is intended to serve infill development of a residential duplex.

4) *Out of Agency Service Policies: General Statements*

a) *Annexation to cities and special districts involving territory located within the affected agency's SOI is generally preferred to out of agency service.*

As noted in the City's letter (Attachment 3), annexation of the subject parcel is not feasible at this time due to service, cost, access, and other factors.

b) *LAFCO will consider applicable MSRs and discourage out of agency service extensions that conflict with adopted MSR determinations or recommendations.*

The previous LAFCO MSRs recommended annexing properties that are receiving, or will require, City water service, as appropriate.

5) *Form of Request*

Request in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. This dual application requirement may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

- *Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011*

The subject parcel is contiguous to the City boundary.

- *Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable*
- *Other circumstances which are consistent with LAFCO statute and the polices of Contra Costa LAFCO*

The City notes that onsite systems (i.e., septic, well) are not feasible due to physical restrictions on the property.

- *If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., rezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate steps toward eventual annexation.*

As noted in the City's letter, the City intends to annex the Mt. View area in the future. The City Council adopted two resolutions affirming the City's intent to pursue annexation of the Mt. View area, along with a non-binding strategy and timeline for annexation of the area by the year 2030. Further, the City has obtained and recorded a deferred annexation agreement on the subject parcel.

The subject property is contiguous to the City boundary. Consequently, the property owner previously applied to LAFCO to annex the property to the City. Subsequently, City staff informed LAFCO that the City cannot support annexation at this time due to service and cost concerns. LAFCO staff explored the possibility of the county continuing to provide municipal services to the property (i.e., law enforcement, public works, etc.) post annexation. The County was agreeable; however, this arrangement could result in service confusion and inconsistency, and would necessitate a new property tax transfer agreement between the City and County. Consequently, the annexation application could not proceed and was voided. Accordingly, LAFCO staff, City staff and the property owner agree that the most desirable and expedient approach is to proceed with an out of agency service request.

Water Supply to the Subject Property – The subject property is located in the Mt. View area, which is mostly developed and characterized primarily by residential with some commercial, industrial and public uses. Most of the developed properties in the Mt. View area receive water service through the City of Martinez.

The City indicates that it has adequate water to serve the subject property. According to the City, water service could be provided to the parcel from the City's existing 6-inch water main on Donald Avenue. Infrastructure includes lateral(s), meter(s), and backflow prevention device(s). The service line will be used for domestic and fire supply.

The property owner is responsible for all site development, improvement and start-up costs including those associated with the domestic water system; operational and maintenance costs will be funded through water service and water usage fees collected by the City of Martinez.

Environmental Review – The City of Martinez found the project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15303, and has filed a Notice of Exemption. The LAFCO Environmental Coordinator has reviewed this document and finds it adequate for LAFCO purposes.

ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation and determination of local agency boundaries, and facilitating the efficient provision of public

services. The CKH provides that LAFCO can approve with or without amendments, wholly, partially, or conditionally, or deny a proposal. The statute also provides LAFCO with broad discretion in terms of imposing terms and conditions. The following options and recommended terms and conditions are presented for the Commission's consideration.

Option 1 **Approve** the out of agency service request as proposed and approve Resolution No. 18-02 (Attachment 4).

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determinations of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APN 378-091-007 located at 2415 Donald Avenue in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one residential duplex unit,
 - 2. The City of Martinez has delivered to LAFCO an executed deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA, and
 - 3. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service.
 - 4. Pursuant to LAFCO's policies, waive the condition to require a corresponding annexation application due to the City's inability to extend City services, with the exception of water, to the parcel at this time.

Option 2 **Deny** the request, thereby prohibiting the City of Martinez from providing water service to the subject property.

Option 4 **Continue** this matter to a future meeting in order to obtain more information.

RECOMMENDATION

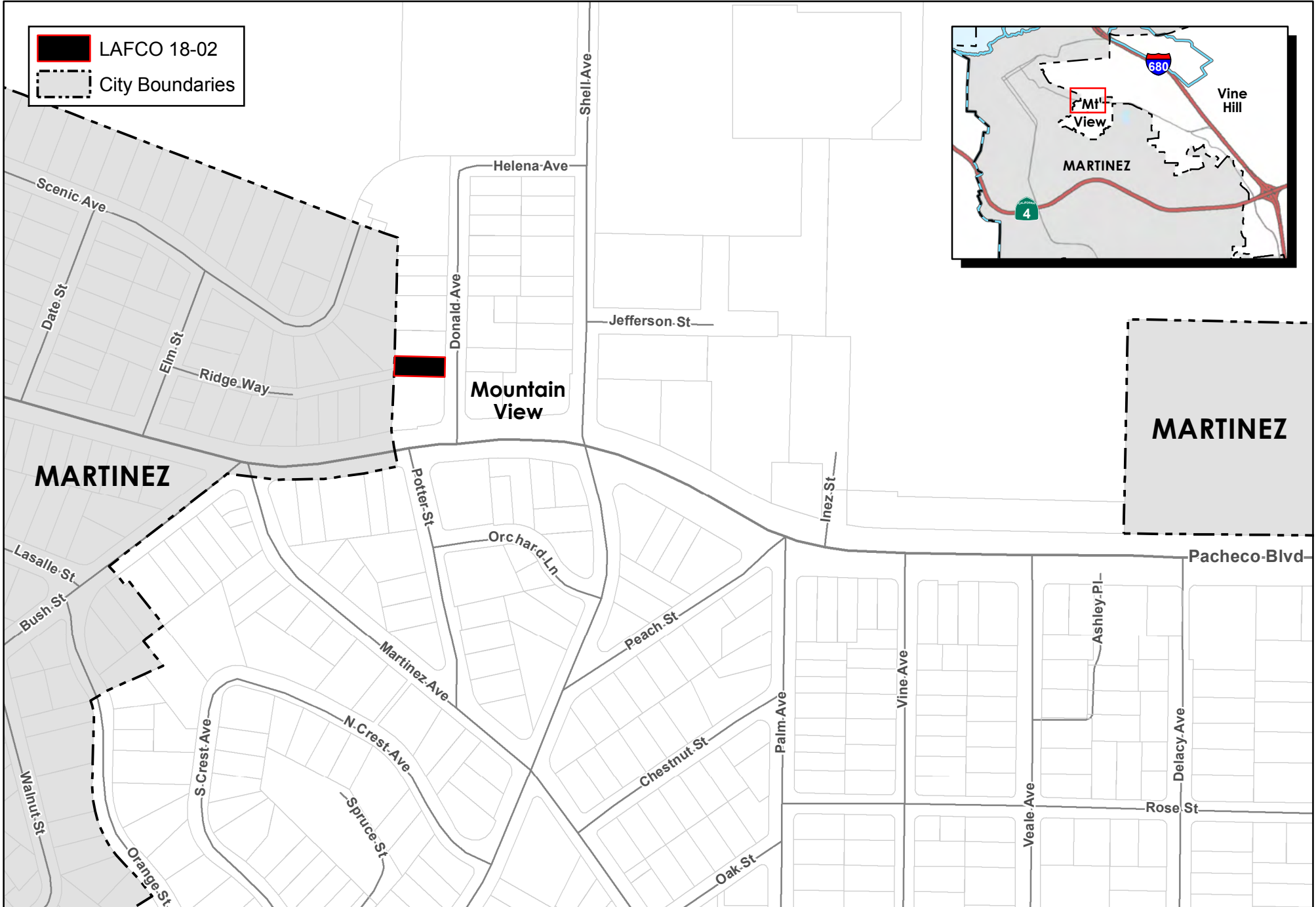
Option 1 – Approve out of agency service request with conditions as noted.

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LAFCO

Attachments

- 1. Map of Subject Parcel
 - 2. LAFCO Policies for Out of Agency Service Agreements
 - 3. City of Martinez Letter
 - 4. Draft LAFCO Resolution 18-02
- c: Tim Tucker, City of Martinez
Christina Ratcliffe, Community and Economic Development Director
Robert Christie and Delia Estrada, Property Owners

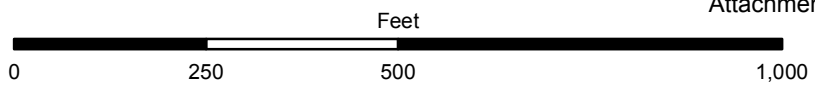
LAFCO No.18-02 City of Martinez Out of Agency Service (2415 Donald Ave, 378-091-007)



LAFCO 18-02
 City Boundaries

Map created 02/21/2018
 by Contra Costa County Department of
 Conservation and Development, GIS Group
 30 Muir Road, Martinez, CA 94553
 37.59:41.791N 122.07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation
 and Development with data from the Contra Costa County GIS Program. Some
 base data, primarily City Limits, is derived from the CA State Board of Equalization's
 tax rate areas. While obligated to use this data the County assumes no responsibility for
 its accuracy. This map contains copyrighted information and may not be altered. It may be
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Attachment 1



2.1 POLICIES AND STANDARDS

J. Policies for Out of Agency Service Agreements

I. Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires a city or special district to obtain written approval from LAFCO prior to providing new or extended service outside its jurisdictional boundary, with certain exceptions (Gov. Code §56133). This section of the CKH sets forth a two-pronged test or criteria under which requests for out of agency services may be approved: either in response to an existing or impending threat to the health or safety of the public, or in anticipation of a later change in organization (i.e., annexation) for areas within the subject agency's sphere of influence (SOI). Specific procedures for submitting an out of agency service application can be found in Contra Costa LAFCO's Commissioner Handbook, section 3.15 *Provision of Services by Contract*.

II. Purpose

The purpose of these policies is to guide the Commission in reviewing city and district requests to provide new or extended services by agreement outside their jurisdictional boundaries. This includes establishing policies and procedures to ensure that the application meets one of the two criteria under which approval may be granted, and to ensure consistency with respect to form, review and consideration of requests.

III. Objective:

The objective of these policies is to ensure that the extension of services by cities and districts outside their jurisdictional boundaries is logical and consistent with supporting orderly growth and development in Contra Costa County. Out of agency service is generally not intended to support new development.

IV. Out of Agency Service Policies

A. General Statements

- 1) Annexation to cities and special districts involving territory located within the affected agency's sphere of influence (SOI) is generally preferred to out of agency service.
- 2) LAFCO will consider applicable Municipal Service Reviews (MSRs) and discourage out of agency service extensions that conflict with adopted MSR determinations or recommendations.
- 3) Requests for out of agency service agreements are subject to the applicable provisions of the California Environmental Quality Act (CEQA).
- 4) Commission approval is not required for cities or districts to provide new or extended services outside their jurisdictional boundaries if any of the exemptions apply in accordance with §56133(e) – see Section 3.15 for exceptions. The Commission encourages cities and districts to work with the Executive Officer in determining when the statutory exemptions may apply.

B. Form of Request

1. All Requests

Requests to authorize out of agency service shall be filed with the Executive Officer by the affected city or district. The application shall be signed by an authorized representative of the city or district. Requests shall be made in writing with a completed LAFCO application, payment in the amount prescribed under the Commission's adopted fee schedule, appropriate environmental document, proposed service agreement, and an executed and recorded deferred annexation agreement (DAA) and waiver of property owner protest rights. The recorded DAA shall run with the land and be binding on all future owners of the property. An indemnification agreement will be required with each application.

All requests for out of agency service are subject to the applicable provisions of CEQA.

2. Requests Due to Health or Safety Emergency

The Commission may authorize a city or district to provide new or extended services outside their jurisdictional boundary and outside or inside their SOI in response to an existing or impending threat to public health or safety ("emergency" – e.g., failing well or septic system) with documentation from the County Environmental Health Division, and in accordance with §56133(c) and LAFCO procedures. If LAFCO approves an emergency out of agency service request, and the city or district fails to initiate the provision of services within six months of the Commission's approval, the out of agency service approval shall expire, unless otherwise specified by LAFCO.

The Commission authorizes the LAFCO Executive Officer, in consultation with the Chair or Vice Chair, to approve a city's or district's request for out of agency service if there is an existing or impending public health or safety emergency, as documented by the County Environmental Health Division. The Executive Officer shall report to the Commission on his or her administrative approval of any emergency out of agency service agreements at the next regularly scheduled LAFCO meeting. Such administrative approval can be made if the following criteria are met:

- The property is currently developed
- The lack of service being requested constitutes an *immediate* (i.e., approval needed within two months) health and safety concern as documented by County Environmental Health
- There are physical restrictions on the property that prohibit a conventional service delivery method (i.e., septic tank, private well, etc.)

3. Requests in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. This dual application requirement may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

- Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011
- Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable

- Other circumstances which are consistent with LAFCO statute and the policies of Contra Costa LAFCO

If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., rezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate steps toward eventual annexation.

C. Review of Request

The Executive Officer shall review the request in accordance with CKH and LAFCO's policies and procedures.

D. Consideration of Request

Once a request is deemed complete, the Executive Officer will prepare a written report with a recommendation. The Executive Officer will present his or her report and recommendation at a public hearing for Commission consideration in accordance with CKH and LAFCO's policies and procedures. The Executive Officer's written report will be made available to the public for review prior to the scheduled hearing and include an evaluation of the following factors:

- 1) The ability of the applicant to extend the subject service to the affected land without adversely affecting current service levels within the existing service boundary.
- 2) If the request is to address a health or safety emergency, whether the documentation satisfactorily demonstrates compliance with CKH and LAFCO policies and procedures.
- 3) If the request is in anticipation of future annexation, whether the application provides adequate assurances in furtherance of a future annexation.
- 4) The application's consistency with the policies and general plans of affected local agencies.
- 5) The application's effect on growth and development within and adjacent to the affected land; and whether the out of agency service extension will contribute to premature development of fringe areas or development in areas designated for non-urban uses.
- 6) Whether the proposal contributes to the premature conversion of agricultural land or other open space land.

The Commission and the Executive Officer, as authorized by the Commission, may approve the request for out of agency service with or without conditions, or may deny the request. Unless otherwise specified in the LAFCO resolution of approval, out of agency service is allowed for the subject application only, and any future extension or expansion of service is subject to LAFCO's approval.

If the request to provide out of agency service is approved or denied, the applicant may request reconsideration within 30 days citing the reasons for reconsideration.



City of Martinez

525 Henrietta Street, Martinez, CA 94553-2394

February 28, 2018

Ms. Lou Ann Texeira
Contra Costa LAFCO
651 Pine Street, 6th Floor
Martinez, CA 94553

Subject: Mountain View Out of Agency Water Service Requests

Dear Ms. Texeira:

The City is aware that the issue of municipal services in unincorporated areas is a concern to LAFCO. There is a long history of out of agency service (OAS) in some areas, including Martinez. LAFCO law and local policies discourage OAS and encourage annexation in order to meet LAFCO policies and reduce sprawl. The City supports LAFCO's goals and is, in fact currently processing an annexation in preparation of bringing it to LAFCO that would eliminate a "cherry stem" configuration in the southwestern edge of the City.

However, there are parcels in the Mountain View area, where the City cannot support annexation at this time (see map, attached). The parcels are located outside of the City limits, but within the water service area and the Sphere of Influence. For many years, the City has processed applications for out of agency water service in the area in anticipation of future annexation, requiring deferred annexation agreements. To that end, the City Council of the City of Martinez adopted Resolutions No. 101-16 and No. 102-16 on December 21, 2016 (Resolutions attached).

Resolution No. 101-16 affirms the City Council's intent to pursue annexation of the entire unincorporated Mountain View area. Resolution No. 102-16 establishes a non-binding strategy and timeline for the future annexation of the area. The process includes informing residents of accomplishments in the City that benefit residents, polling residents on ideas for improvements and programs in the City, and a staff report to Council every five years on the status, quantity and location of deferred annexation agreements. The resolution notes the non-binding intent to annex the area by the year 2030.

LAFCO is currently processing three out of agency water service requests for the Mountain View area. There are a handful of additional vacant parcels within the area. The City believes that annexation of individual parcels is not feasible at this time and that the appropriate means to provide water service is through an Out of Agency Agreement, concurrent with a deferred annexation agreement.

It is not cost effective, or feasible, for the City to provide full City services to the few remaining vacant parcels within the Mountain View area. Such an annexation would result in the City providing water service, while the County would continue to provide a majority of services such as road maintenance and Sheriff. Further, as the County would maintain these responsibilities, they would require certain taxes to continue with the County. This would require a new tax sharing agreement for each of these individual parcels. Creating a new tax sharing agreement for a few parcels to be annexed in an area that is largely developed is not feasible, nor does it serve the goals of LAFCO.

Further, City staff believes that the LAFCO Policy supports the Out of Agency Service agreement in these particular cases. Per the LAFCo Policy:

...The Executive Officer shall report to the Commission on his or her administrative approval of any emergency out of agency service agreements at the next regularly scheduled LAFCO meeting. Such administrative approval can be made if the following criteria are met:

- *There are physical restrictions on the property that prohibit a conventional service delivery method (i.e., septic tank, private well, etc.)* [emphasis added]

In the case of the few remaining vacant parcels within the Mountain View area, a private well is not possible. The majority of the Mountain View area is almost fully developed and served solely by City water. It is far easier and supports the goals of LAFCo to serve these parcels with an Out of Agency Service agreement and deferred annexation agreement.

The LAFCO Policy also states:

c) Requests in Anticipation of Annexation

An out of agency service application must be accompanied by a change of organization or reorganization application, including an approved tax sharing agreement, in order for LAFCO to determine that the out of agency service is in anticipation of a change of organization (i.e., annexation) within the next 12 months. *This dual application requirement*

may be waived in certain situations by the Commission if compelling justification is provided. Circumstances which may warrant such a waiver include, but are not limited to, the following:

- Lack of contiguity (e.g., city boundary) when the project was approved prior to 2011
- Service is only needed to serve a portion of a larger parcel, and annexation of the entire parcel is not desirable
- *Other circumstances which are consistent with LAFCO statute and the policies of Contra Costa LAFCO*

If immediate annexation (i.e., within 12 months) is not a feasible alternative, then the extension of services may be approved in anticipation of a later annexation if the agency provides LAFCO with a resolution of intent to annex, as well as appropriate assurances (e.g., rezoning, plan for annexation, deferred annexation agreement, etc.) which demonstrate that out of agency service is an intermediate step toward eventual annexation. [Emphasis added]

The City of Martinez has provided LAFCO with resolutions of intentions to annex the area, as well as rezoning most of the area to be in conformance with the current County zoning. In addition, the City will require deferred annexation agreements to all parcels within the area that request Out of Agency service.

City staff notes that General Plan designation and pre-zoning for the property on Donald Avenue is Industrial. Staff is aware that this does not match the current uses of the area. In the course of the General Plan Update, anticipated to be completed this year, and subsequent Zoning Code update, the City plans to correct the map to be in keeping with current County land uses.

The City will continue to pursue the strategy outlined in Resolution No. 102-16 and follow the strategy and timeline for annexation by 2030. In this way, services are provided that are in conformance with LAFCO policies, while ensuring the eventual annexation of the area.

The City supports LAFCO's goals of "discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances."

We believe that in the case of the few remaining scattered parcels within the Mountain View area, individual annexations of these small parcels are not feasible. The City has met the policy guidelines of LAFCO for exceptions to annexation requirements by adopting two resolutions committing to annexation

of the entire area by 2030, and requiring deferred annexation agreements for any parcels served with City water that remain in the County.

We look forward to our continued coordination of orderly development with LAFCO and the County, and support LAFCO staff's recommendation to approve the out of agency service.

Kindest Regards,

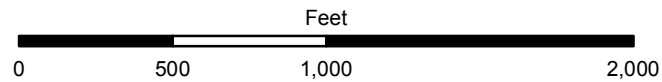
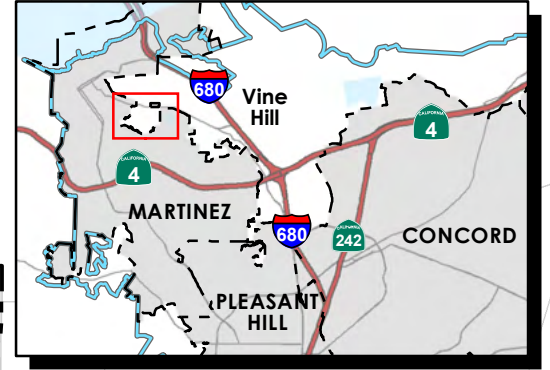
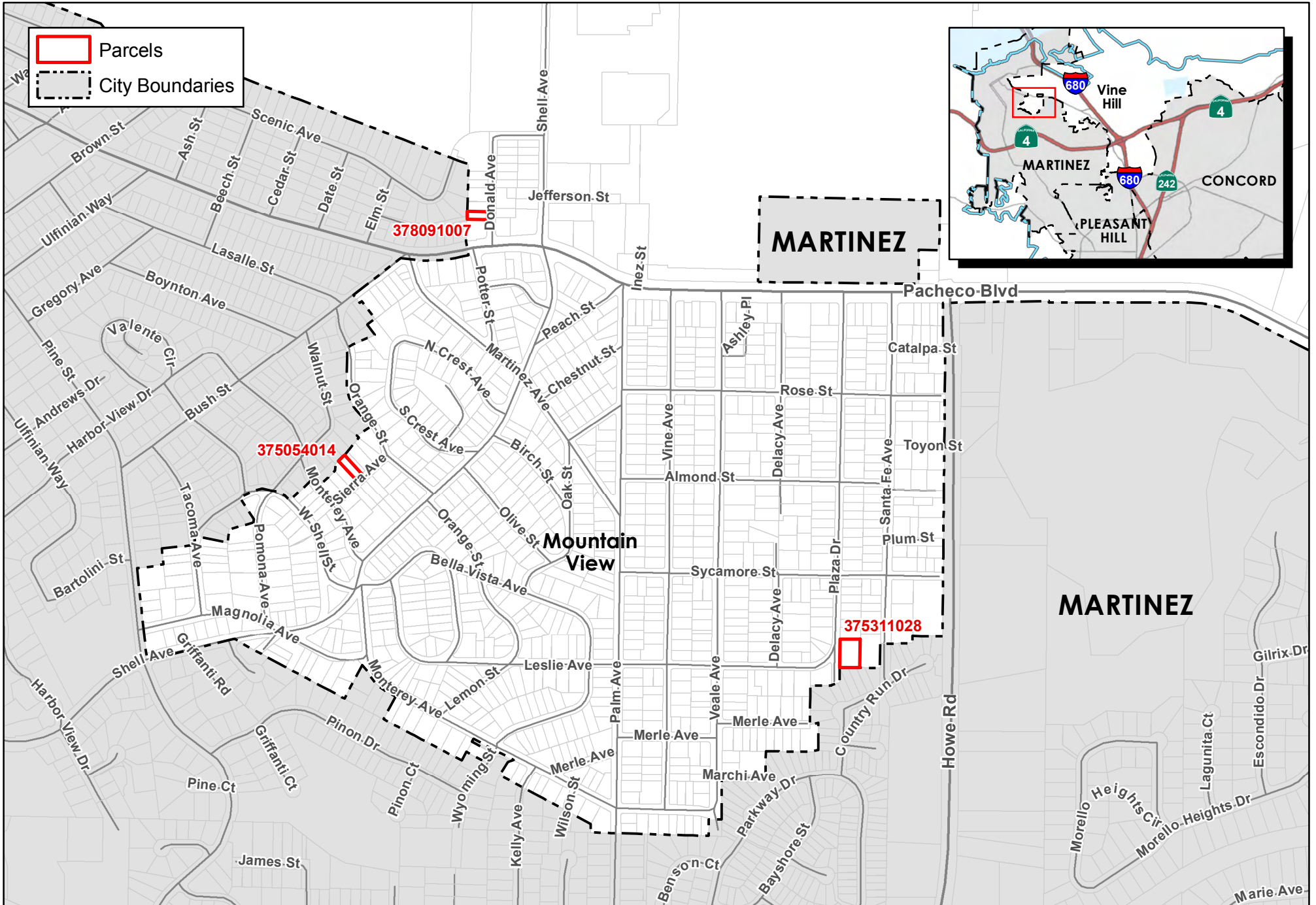
A handwritten signature in blue ink that reads "Christina Ratcliffe". The signature is written in a cursive, flowing style.

Christina Ratcliffe, AICP
Community and Economic Development Director

Attachments:

Map showing three active OAS requests in Mountain View Area
Martinez City Council Resolution 101-16
Martinez City Council Resolution 102-16

Mt View Area



RESOLUTION NO. 101-16

**AFFIRMING THE CITY COUNCIL INTENT TO PURSUE ANNEXATIONS
WITHIN THE CITY'S SPHERE OF INFLUENCE IN THE UNINCORPORATED MOUNTAIN VIEW AREA**

WHEREAS, the City Council of the City of Martinez (Council) has previously included the area commonly known as Mountain View within their Sphere of Influence (SOI); and

WHEREAS, Mountain View is general bordered by Pacheco Boulevard, Howe Road, Monterey Avenue and Bush Street; and

WHEREAS, the Council has dedicated funding and directed staff to investigated annexations within portion of the City of Martinez's Sphere of Influence (SOI) including the area commonly known as Mountain View; and

WHEREAS, the Council has pre-zoned the Mountain View SOI to be consistent with current Contra Costa County zoning; and

WHEREAS, the Council direct staff to report to the Council every five year at a minimum the feasibility additional annexations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Martinez affirms the Council intent to pursue annexations within the City's Sphere of Influence in the unincorporated Mountain View area.

* * * * *

I HEREBY CERTIFY the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 21st day of December, 2016, by the following vote:

AYES: Councilmembers Lara DeLaney, Noralea Gipner, Mark Ross, Vice Mayor Debbie M^cKillop, and Mayor Rob Schroder

NOES: None

ABSENT: None


RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

RESOLUTION NO. 102-16

**ESTABLISHING A NON-BINDING STRATEGY AND TIMELINE FOR FUTURE ANNEXATIONS
WITHIN MOUNTAIN VIEW**

WHEREAS, in the past the City Council of the City of Martinez (Council) has pursued annexations within the City of Martinez's Sphere of Influence (SOI) including the area commonly known as Mountain View; and

WHEREAS, Mountain View is general bordered by Pacheco Boulevard, Howe Road, Monterey Avenue and Bush Street; and

WHEREAS, the Council believes that a non-binding multi-phase iterative process to annex unincorporated properties along the Pacheco Boulevard corridor is the most likely process for annexing the Mountain View within the Martinez Sphere of Influence; and

WHEREAS, the Council direct staff inform residents of Mountain View SOI on a regular basis of accomplishments within the City Limits that benefit non-residents such as park, road and water system improvements; and

WHEREAS, the Council direct staff poll residents of Mountain View SOI on a regular basis regarding ideas and desires for improvements and programs the City could implement or maintain that also benefit residents and non-residents; and

WHEREAS, the Council requests staff report to the Council every five year at a minimum the status, quantity and location of Differed Annexation Agreements; and

WHEREAS, it is the non-binding intent to annex property along the Pacheco Boulevard corridor which includes the Mountain View area by the year 2030.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Martinez establishing a non-binding strategy and timeline for future annexations within Mountain View.


* * * * *

I HEREBY CERTIFY the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 21st day of December, 2016, by the following vote:

AYES: Councilmembers Lara DeLaney, Noralea Gipner, Mark Ross, Vice Mayor Debbie M^cKillop, and Mayor Rob Schroder

NOES: None

ABSENT: None


RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

RESOLUTION NO. 18-02

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING THE CITY OF MARTINEZ TO PROVIDE OUT-OF-AGENCY WATER SERVICE
TO APN 378-091-007 (2415 DONALD AVENUE)**

WHEREAS, the above-referenced request has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

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

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval is needed in order to provide water services to the property in anticipation of a future annexation; and

WHEREAS, the City of Martinez and the property owners have entered into a Deferred Annexation Agreement in support of the future annexation of the property to the City of Martinez.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determination of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to APN 378-091-007, located at 2415 Donald Avenue in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one residential duplex unit on the parcel,
 - 2. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service, and
 - 3. The City of Martinez and the property owner(s) have signed the deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA.
- C. Approval to extend City of Martinez services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

* * * * *

PASSED AND ADOPTED AS REVISED THIS 14th day of March 2018, by the following vote:

- AYES:
- NOES:
- ABSTENTIONS:
- ABSENT:

Michael R. McGill, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: March 14, 2018

Lou Ann Texeira, Executive Officer