

Commentary: My Plan for Building the Perfect California City

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Agenda Item 13c

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Welcome to ‘Joeville,’ Where the First Rule Is Not to Play by the Rules

By Joe Mathews.

Recently a startup founder in San Jose asked me a question: What would you do if you were starting a California city?

My first answer: Get my head examined.

For 40 years, the state government and California voters have steadily reduced the revenues and limited the discretion of municipal governments; anyone who starts a new city in such conditions is insane by definition. Our newest cities—like Jurupa Valley and Menifee in Riverside County—have struggled to survive.

Then I reconsidered. No, I don’t believe in the advanced dream cities that technologists at Google parent Alphabet or startup accelerator Y Combinator want to conjure. But maybe you could form a workable California city—by exploiting California’s present-day realities, rather than bowing to them.

I certainly know how I *wouldn’t* start a new city: by electing a city government, building expensive housing, or hiring the police and firefighters whose salaries and retiree benefits swallow municipal budgets whole.

Instead, I’d start my California city—let’s call it Joeville—by bringing on board the most important person in any California city: the developer.

Spit out your coffee if you must, but cities thrive or wither by the quality of their developers. California laws on politics, open meetings, and open records so greatly restrict the power of our public officials that they often can’t talk freely and legally to each other. As a result, developers don’t just create projects—the good ones become the hubs of communication, the head coach through which all the players in a city talk and plan.

What would my developer develop first? Certainly not streets, houses, or businesses. Those can come later. If you want a great California city, you should start with a big research university.

It’s no accident that California’s most successful post-war city—Irvine—got a University of California campus in 1965, six years before the city incorporated in 1971. Or that Stanford

started in 1891, three years before Palo Alto incorporated in 1894. Universities also can transform small and sleepy towns. Look at La Jolla: Once a retirement village for Navy people, it became an international center for research and technology after it got a UC campus.

Universities perform many roles in building community: They are economic engines, provide a look for the city, and attract talented people from around the world. The good ones work to address social challenges, too. And California needs more of them, given our shortage of college graduates.

If you doubt their impact on cities, consider San Bernardino and Riverside, as James and Deborah Fallows do in their terrific new book, *Our Towns: A 100,000-Mile Journey Into the Heart of America*. “Riverside and San Bernardino were similar-sized cities with similar economic prospects at the end of World War II,” they write, but now Riverside is 50 percent bigger. “Their prospects began diverging in the 1960s—Riverside’s up, San Bernardino’s down—when Riverside was chosen as the site of a new University of California campus and San Bernardino was not.”

Only with a university would Joesville be viable. I’d put mine in the city center, not on the outskirts as was done, mistakenly, with the new UC campus in Merced. I’d also put my university in charge of the local school district—creating a teachers college in the process.

With the schools in place, the developer could turn to developing a tax base. Under California’s misbegotten tax system, the best-off cities often are those that collect the most sales taxes. That’s why retail-poor San Jose, despite having so many rich homeowners, has a weak city government, while the city of Cerritos, with its auto mall, is rich.

My city would be designed around two highly attractive retailers that produce huge sales and taxes: Costco and an Apple store. I’d attach the Apple store to a luxury hotel so that I could tax its rooms, too. And since those retailers pay well, many of their employees could become, along with the university students, my city’s first residents.

You probably think that, at this point, we’d establish a city government to set up services. Think again. Local officials in California are so weak as to be useless. Better to have citizens take the lead.

California’s preeminent expert on local participation, Pete Peterson, dean of Pepperdine University’s School of Public Policy, offered a number of suggestions for Joesville. First, it should be a charter city with its own mission statement, drafted by citizens, that answers the questions: What are we for? Why are we doing this? These ideas would help the town form its own distinct identity. Joesville could have its own local holiday—Founding Day—in the town’s public square, called the *zócalo* (which happens to be the name of the media nonprofit where I work), at which the mission statement would be read.

Peterson suggests that since the citizens would be leading the governance of their city, residents should attend a multi-day “Citizens Academy” where they would learn the basics of municipal

government, including budgeting. Then citizens would be asked to serve on government commissions and local nonprofits.

Peterson says that Joeville could increase citizen engagement through its design. To encourage neighbors to get to know each other, city code might require porches to be built on the fronts of houses, with no attached garages.

Once Joeville's citizens are engaged, we'd be free to set up whatever municipal departments are required. Joeville wouldn't be afraid to contract out services, especially police and fire, given the expense, so as to have more money for libraries, parks, and civic forums. In this, Joeville would be typical: Fewer than one-quarter of California cities are responsible for all of their own municipal services.

Now, by this point, you're thinking that Joeville is fantasy. Wouldn't Joeville be stopped in its tracks by California's regulation and litigation? Yes, which is why we'd lobby state legislators to have the entire city declared to be a stadium—not for sports, but of civic experimentation. The state, you see, routinely gives environmental and regulatory exemptions to stadiums, if little else.

Of course, Joeville still needs to find financing. In the meantime, California's nearly 500 cities, struggling with state restrictions on funding and governance, might adopt Joeville's civic motto: "You'll Never Win If You Play By California's Rules."

[Originally posted at Zocalo Public Square.](#)

Water Deeply

California Limits Daily Personal Water Use to 55 Gallons – Kind Of

The state's new per capita limit on indoor water use is groundbreaking, but there is no practical way to enforce it. Rather, it is intended to inspire more conservation and guide larger efforts by water utilities.

Written by [Matt Weiser](#) Published on June 20, 2018 Read time Approx. 4 minutes

California has always been America's leader on environmental policy, and water is no exception. So it was hardly surprising when the state made headlines across the nation in early June with a new policy on residential water use: Californians will be limited to 55 gallons per person per day for their indoor water needs.

The rule is apparently the first of its kind in the nation. But lost in the excitement is the fact that water agencies have no way to measure how much water their customers use indoors. Homes have only one water meter, and it provides no information about where water is used or for what purpose.

In reality, it turns out, the 55-gallon limit is not a limit at all. It is merely an aspirational target meant to motivate customers to conserve.

“The statewide indoor water use standard is not enforceable on individual water users,” said Dave Bolland, director of state regulatory relations at the [Association of California Water Agencies](#). “There is no provision [in the law] that requires individual households to meet a specific water use target.”

The [pair of new laws](#) that enacted the 55-gallon target, Assembly Bill 1668 and Senate Bill 606, set it as a goal that water utilities must meet by averaging across all their customers. Water agencies must create a “water budget,” aggregated across their entire service area, that includes indoor water consumption, water applied for landscape irrigation, commercial and industrial use and water lost due to system leakage.

The overarching goal is to create a culture of permanent water conservation, and to sustain the progress made by emergency measures during California's five-year drought.

But even in the new aggregated water budgets, utilities have no way to know for sure how much total water is being used indoors by their customers. They'll be guessing.

And water agencies are not required to ensure indoor water use hits the 55-gallon target, even as a system-wide average. Utilities only face a threat of fines by the state if they fail to live within their total water budget.

“It will be up to the local urban water suppliers to determine how to meet these aggregate water budgets,” Bolland said.

So if the 55-gallon limit is not really a limit, and nobody even knows if it’s being met, what good is it?

Environmental groups supported the 55-gallon target as a public education tool.

“I think the reason the number is important is because it does provide a barometer against which to measure water usage,” said Sara Aminzadeh, executive director of the [California Coastkeeper Alliance](#). “There’s a public awareness benefit. But I still would say the legislation is somewhat of a missed opportunity to make some deeper water conservation and efficiency gains.”

One reason, she said, is that 55 gallons is probably too generous.

During California’s recent five-year drought, a number of cities reduced total residential water consumption well below 55 gallons per person per day. And that included landscape irrigation. Examples include San Francisco and Santa Cruz. Granted, these are coastal cities with mild climates, well-established water conservation campaigns and receptive citizens.

But per person indoor water use, by itself, probably doesn’t vary much across the state. Everyone needs more or less the same amount of water for bathing, cooking and cleaning. This is especially true with the broad adoption of water-efficient appliances and fixtures.

What does vary a lot is outdoor water use, because it depends on individual landscaping choices and local microclimate.

“We feel that [55 gallons] is a standard that 90 percent of water suppliers are likely already meeting,” Aminzadeh said. “I don’t want to diminish the benefit of this legislation. It’s great to see permanent water conservation legislation. But at the same time, I’m looking at a climate emergency around water scarcity issues, and really asking: Did we go far enough, and could we go further?”

The new legislation does require the target to be ratcheted downward, to 52.5 gallons in 2025, then 50 gallons in 2030. It also requires the state’s Department of Water Resources and Water Resources Control Board to analyze progress on indoor water conservation, and report back to the legislature in 2021 with any recommendations to shrink the standard. So, if progress indicates the target should be lower, there’s a process to make it happen.

Another issue overlooked in the excitement about the 55-gallon target is the fact that water budgets create a new record-keeping headache for water utilities. This is one reason the Association of California Water Agencies and a number of individual water utilities opposed the legislation. They support continued conservation progress, Bolland said, but they don’t want the state telling them how to conserve water, because every region has unique conservation priorities.

For the [San Diego County Water Authority](#), which opposed the legislation, one priority is economic growth. Dana Frieauf, the utility's water resources manager, said her agency was concerned draconian conservation rules handed down by the state could discourage commercial and industrial businesses from locating in the area.

She said the aggregated water budgets, rather than a strict indoor or commercial requirement, give water agencies the flexibility they need to comply. But it still won't be easy, she said.

"We wanted to make sure whatever this objective is, it doesn't harm the continued economic growth within our region," she said. "It's up to the water agency to decide how they want to achieve the savings. They could decide they want to achieve all the savings outdoors. It just depends."

WESTERN WATER

Dry wells, sinking land and fears of a global food crisis

[Jeremy P. Jacobs](#), E&E News reporter Greenwire: Monday, **June 25, 2018**



The Friant-Kern Canal flows beside an orange grove in Tulare County, Calif. The canal carries water from Friant Dam on the San Joaquin River through the San Joaquin Valley in central California. Don Barrett/Flickr

This article was updated June 26 at 11:46 a.m. EDT.

TULARE COUNTY, Calif. — The bottom is falling out of America's most productive farmland.

Literally.

Swaths of the San Joaquin Valley have sunk 28 feet — nearly three stories — since the 1920s, and some areas have dropped almost 3 feet in the past two years.

Blame it on farmers' relentless groundwater pumping. The plunder of California's aquifers is a budding environmental catastrophe that scientists warn might spark a worldwide food crisis.

"This is not sustainable," said Jay Famiglietti, a senior water scientist at NASA's Jet Propulsion Laboratory. "If those aquifers continue to be depleted and if we start running out of water in these big aquifer systems, the global food system is going into meltdown mode."

Hidden from view, groundwater accounts for 30 to 60 percent of the water that Californians use every year, depending on how much rain and snow the state receives.

The invention of the centrifugal pump after World War I made industrial agriculture possible in the state's mostly arid Central Valley, which produces a third of America's vegetables and two-thirds of its fruits and nuts.

But groundwater has never been carefully managed, experts say. Aquifers, they say, should be buffers and a backstop in California's drought-and-deluge climate.

Scientists use a banking analogy to explain groundwater's role: Surface water from rain and melted snowpack should be the state's checking account, and groundwater its savings, used only when absolutely necessary.

"The way we have been using groundwater, we are not doing that," said Tara Moran of the Stanford University Woods Institute for the Environment. "We're not letting the savings account build back up in wet periods."

From 1960 to 2016, California pumped about 80 million acre-feet more than what was naturally replenished. An acre-foot is 326,000 gallons — about what two Los Angeles families use in a year.

It would take the District of Columbia 700 years to use 80 million acre-feet of water, according to Helen Dahlke, a leading researcher on the topic at the University of California, Davis.

Since the 1920s, California has pumped between 150 million to 160 million acre-feet that haven't been replenished.

That pumping and the resulting sinking of the San Joaquin Valley is "one of the single largest alterations of the [planet's] land surface attributed to humankind," the U.S. Geological Survey has concluded.

For decades, California did not monitor or record groundwater pumping and levels. A first-of-its-kind NASA study last month used satellites to determine how much fresh water is being lost around the globe, including from groundwater aquifers.

It found Southern California racked up a water deficit of about 45 gigatons from April 2002 to April 2015 through excessive groundwater pumping and dry weather — an average of about 4.2 gigatons per year. A gigaton is enough to fill 400,000 Olympic-size swimming pools.

Forty-five gigatons would fill Lake Mead, the country's largest reservoir, almost 1 ½ times.

"It's an intense rate of depletion," said Matthew Rodell, an author of the NASA study. "It's a disturbing trend."

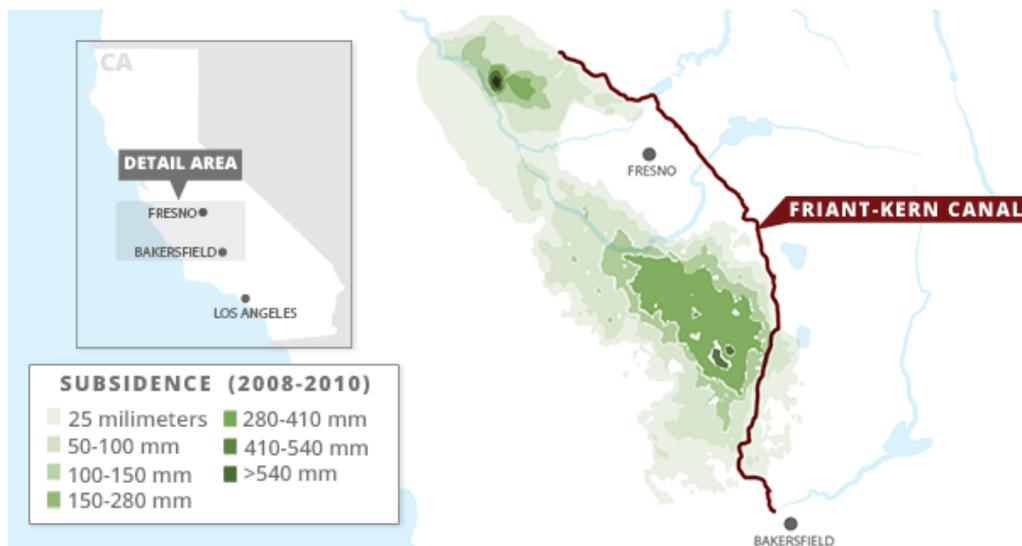
And it has devastating environmental impacts. Because groundwater feeds rivers, depleted aquifers then decimate aquatic ecosystems and habitat for endangered species.

It also hits people hard. During California's recent drought, hundreds of private wells in the San Joaquin Valley town of East Porterville went dry, leaving rural homeowners with no water as industrial agriculture spent millions of dollars to drill deeper wells. Recent research further suggests the pumping has led to water contaminated with higher concentrations of arsenic and other carcinogens.

Depleted aquifers also allow salt water to creep inland, rendering high value cropland — such as the Salinas Valley near Monterey — useless. And winds whipping across dried landscapes fill the sky with toxic dust.

The groundwater disaster isn't confined to California. The NASA study found rapid groundwater use in other heavily irrigated farming areas, such as northern India and northern China. Rodell and Famiglietti concluded it is among the most pressing environmental issues facing the world.

"[T]he key environmental challenge of the 21st century may be the globally sustainable management of water resources," they wrote.



Claudine Hellmuth/E&E News; Data: U.S. Geological Survey

'A huge amount of uncertainty'

California legislators stepped up to try to curb groundwater use, passing the Sustainable Groundwater Management Act (SGMA) in 2014, the state's first attempt at regulating groundwater use.

The law tries to address six major "sins": water table decline, degraded water quality, land subsidence, surface water depletion, reduction in groundwater storage and seawater intrusion.

The law identifies 127 medium- or high-priority basins that account for 96 percent of the state's groundwater use and most of its overlying population. (In total, there are 517 groundwater basins and subbasins in the state.)

Of those, 21 basins are considered critically overdrawn, which the law defines as "present water management practices [that] would probably result in significant adverse overdraft-related environmental, social, or economic impacts."

The law gives overseers of those basins 20 years to achieve sustainability beginning in January 2020. But regulators are seeking to develop draft plans by the middle of next year.

And there are major questions and challenges ahead in those basins.

To get political support for getting the bill passed, its sponsors compromised, leaving basin plans to local managers and new entities called groundwater sustainability agencies, or GSAs. If their plans are insufficient, the state is the backstop. It can step in and require changes, but that would likely extend the timeline until meaningful reforms are implemented.

There's a wide variation in the number and expertise of those agencies. A Stanford University study found many basins have multiple GSAs. A basin in the eastern San Joaquin Valley, for example, has nearly 20.

All GSAs in a basin must come to agreement on the groundwater sustainability plan, or GSP, submitted to the state. Some are still squabbling over what methodologies and data to use, creating what experts expect to be a breeding ground for litigation.

And there are concerns that despite provisions aimed at protecting poor communities that rely on groundwater, big agricultural companies are controlling the process. Those worries have come to a boil in the Cuyama Valley, an isolated swath of central California that's home to one of the country's largest carrot growers, as well as many poor people.

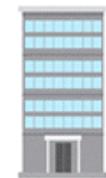
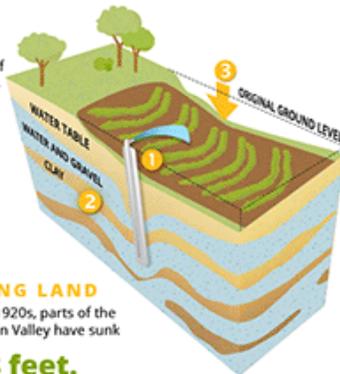
The valley depends entirely on groundwater. Its basin is critically overdrawn, it receives about a dozen inches of rain a year or less, and Harvard University's endowment fund recently planted an 850-acre vineyard there.

"There is a huge amount of uncertainty around SGMA," said Christina Babbitt of the Environmental Defense Fund.

SAN JOAQUIN VALLEY LAND SUBSIDENCE

WHAT HAPPENS

- 1 For irrigation, farmers drill through a thick layer of clay to reach deep aquifers of water and gravel.
- 2 Pumping sucks water out of the small spaces between gravel particles, causing them to compact.
- 3 Heavy land above sinks.



SINKING LAND

Since the 1920s, parts of the San Joaquin Valley have sunk

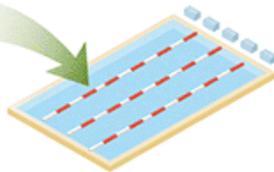
28 feet.

That's almost equal to a **three-story building.**

HOW MUCH WATER

Southern California has averaged a water deficit of about 4 gigatons of water per year since 2002 due to groundwater pumping and changes in precipitation.

One gigaton of water would fill **400,000** Olympic-size swimming pools.



AFFECTED AREAS

Half of California's critically overdrafted groundwater basins are in the San Joaquin Valley.

21 IN CALIFORNIA TOTAL
11 IN THE SAN JOAQUIN VALLEY

Source: California Department of Water Resources

Famiglietti, a major proponent of the bill, still cautioned that "sustainable" is a "misnomer."

"Most people [are] thinking of sustainable, or sustainability, as not using more water than is available on a yearly basis," he said. "That's never going to happen in California. What we are going to have is managed depletion."

Nowhere are these issues more apparent than the San Joaquin Valley, ground zero for SGMA implementation.

The valley accounts for half of California's food production, but to grow those crops, farmers pull nearly 2 million acre-feet more water out of the ground than is replenished per year — a massive overdraft that some experts think will increase in the coming years.

Eleven of the state's 21 critically overdrawn groundwater basins are in the valley, which has lost 95 percent of its natural wetlands.

While many aspects of groundwater management are complicated — how to measure it, how water moves underground, how to define basins, how to obtain accurate private well data — SGMA solutions are straightforward: Either find a way to recharge more water into the basin's aquifer to raise the water table or use less of it.

Reducing groundwater use in the San Joaquin Valley will have major financial impacts. Some water districts have suggested that a quarter of irrigated land or more will need to be fallowed, some 700,000 acres — more than 1,000 square miles.

Claudine Hellmuth/E&E News (infographic and diagram); Freepik.com (pool and building icons); Data: California Department of Water Resources/NASA/USGS

That has led many to focus on recharge, figuring out ways to put surplus water in wet years back into groundwater aquifers.

But to do that, arid areas here in the southern San Joaquin Valley must be able to get that water from the wet north. And subsidence affects that, as well; it has caused significant damage to crucial infrastructure that can move that water.

"The conveyance capacity is a bottleneck for recharge," said Ellen Hanak of the nonpartisan Public Policy Institute of California (PPIC), who has written extensively about the San Joaquin Valley.

NASA's Rodell said most of the world has yet to attempt to tackle the groundwater depletion problem as California did with SGMA. The law is driving innovative water management techniques, including groundwater trading.

"People," he said, "will be watching to see if it works or not."



Doug DeFlicht operates the Friant Water Authority that delivers water from the Bureau of Reclamation's Central Valley Project to San Joaquin Valley farmers. Jeremy P. Jacobs/E&E News

'Make-or-break times'

Doug DeFlicht knows a lot about groundwater depletion.

He operates the Friant Water Authority, delivering water from the Bureau of Reclamation's Central Valley Project that was built in the 1930s and '40s because farmers in the San Joaquin Valley were rapidly depleting their aquifers.

The plan was to capture excess stormwater and runoff from the Sierra Nevada near Fresno behind the 319-foot Friant Dam, which was completed in 1942.

Water then was sent down two canals, the 152-mile Friant-Kern and 36-mile Madera, to farms as far south as Bakersfield to supplement their water supplies and reduce the reliance on groundwater.

DeFlicht, 47, said there are parallels between then and now.

"This problem has gotten so bad that we have to do something about it," he said. "And that's what happened before they built the Friant-Kern Canal."

But the canal only partially accomplished the objective of balancing groundwater use. The Friant Water Authority — which represents the majority of Friant Division water users and maintains and operates the Friant-Kern Canal — says that for 50 years, its users maintained a stable surface and groundwater supply.

Not all the farms near the canal are hooked into the system. And those that weren't continued to pump groundwater at a breakneck pace.

Subsidence continued. By the 1970s, the Friant-Kern Canal's capacity was significantly diminished, leading to millions of dollars in upgrades completed in 1979.

Again, that didn't solve the problem. Farmers' pumping went on, and so did the sinking.

Now it's damaged again.

Sixty percent of the water that the canal was designed to move can't get there. It runs straight into bridges. Or it laps up over the sides of the canals.

"There used to be a decent amount of freeboard under these bridge piers," DeFlitch said on a recent spring afternoon. "We now have to run right up to them."

It's worst between miles 100 and 110 going south, where DeFlitch points to a lowered bridge. The gravity-fed canal is about 20 feet deep. But because of subsidence, there's a "bowl" in the bottom of it where water gets stuck.

Combined with the sinking bridges, that bowl reduces the canal's capacity. It was built to stream about 3,300 to 3,500 cubic feet of water per second (cfs). Last year, the water authority commissioned a study that said it could still convey up to 1,900 cfs.

DeFlitch said that day they had ratcheted up the water to about that rate.

He pointed to a water mark on the bottom of the bridge.

"We've hit up and have started to come back down," he said. They were now running the canal at about 1,800 cfs, evidence the subsidence has continued since the study was finished last year.

It will take \$300 million to \$500 million for the fixes DeFlitch believes are needed. That money and more — up to \$750 million — could come from a water bond measure on the November ballot.

DeFlitch hopes SGMA will end the cycle of groundwater depletion, subsidence and costly repairs by stabilizing the water table.

"We are in make-or-break times," DeFlitch said. "There is marked change that needs to happen, or it just never works again."



Edwin Camp's family has been growing almonds, grapes, tangerines and other crops in Kern County, Calif., for 80 years. He is seen here in a field of new stock almond trees. Jeremy P. Jacobs/E&E News

'Time is our enemy'

Edwin Camp obsessively tracks how much water makes it down the Friant-Kern Canal every day.

Camp's family has been growing almonds, grapes, tangerines and other crops in Kern County near Bakersfield for 80 years. He is also president of the Arvin-Edison Water Storage District, one of the county's recharge facilities.

The district opened in 1942, then joined DeFlicht's Friant Division in the 1950s when groundwater levels "started tanking."

Arvin-Edison serves about 150,000 acres of cropland. It operates in two ways that both depend on water deliveries from the Friant-Kern Canal.

It takes surface water transported by the canal and delivers it directly to farmers so they don't pump groundwater, a so-called in lieu program.

And in wet years, it spreads water from the canal over percolation basins, where water can seep down and replenish the aquifer.

Camp, 61, a large guy with a gray goatee, said their "very existence" depends on the canal's deliveries. Before it was damaged, the program successfully maintained groundwater levels in the district for years. But it is now severely compromised by subsidence along the canal.

"It's what we've been doing for a long time," he said in an interview in his office. "That's why the subsidence issue is so hard-hitting to us. Not having those wet-year supplies in the amount you count on is devastating."

Recent research suggests that California's boom-and-bust rain cycles may get more extreme, exacerbating the swings between intensely wet years and lengthy droughts.

From October 2016 to September 2017, the state's wet weather allowed the San Joaquin Valley to recharge about 10 million acre-feet, bringing it into a positive groundwater balance for the first time since 2011, according to research from the nonpartisan PPIC.

But those types of years are growing scarce.

"People have been actively recharging, and that is increasing," PPIC's Hanak said. "But unless our weather changes dramatically, we don't get a lot of those really wet years."

Hanak said that on average about 500,000 acre-feet of water will be available to recharge in the valley after factors including environmental considerations are taken into account.

That's not enough to offset the valley's overdraft. It might account for only about a quarter of the overdraft valleywide.

And in order to do that, the water has to get from the wet north to the drier south, where most of the valley's recharge facilities — like Camp's — are located.

Some farming interests and their allies in Congress have pushed for building a new dam to increase surface water capture and deliveries to the area. They have pushed for years to build the Temperance Flat Dam, a 665-foot impoundment that would feed water into the northern end of the Friant-Kern Canal.

The dam would cost \$2.6 billion and store 1.3 million acre-feet of water. But critics say it would increase deliveries by less than 100,000 acre-feet per year.

DeFlicht, who also supports building Temperance Flat, noted that during the wet 2017, subsidence alone prevented the canal from delivering 300,000 acre-feet.

Camp said the biggest problem is uncertainty. His basin has yet to agree on many of the underlying methodologies needed to comply with SGMA, leading to political and potentially legal conflicts.

"We're all concerned," he said. "You are trying to make future plans with information you don't know today."

When asked how SGMA will directly affect Arvin-Edison's and his operations and whether a concrete plan would be in place by the 2020 deadline, Camp demurred.

"I wish we knew," he said. "Time is our enemy right now."

The eye-popping definition of what is “low income” in the Bay Area increases again

By [Annie Sciacca](#) | asciacca@bayareanewsgroup.com | Bay Area News Group
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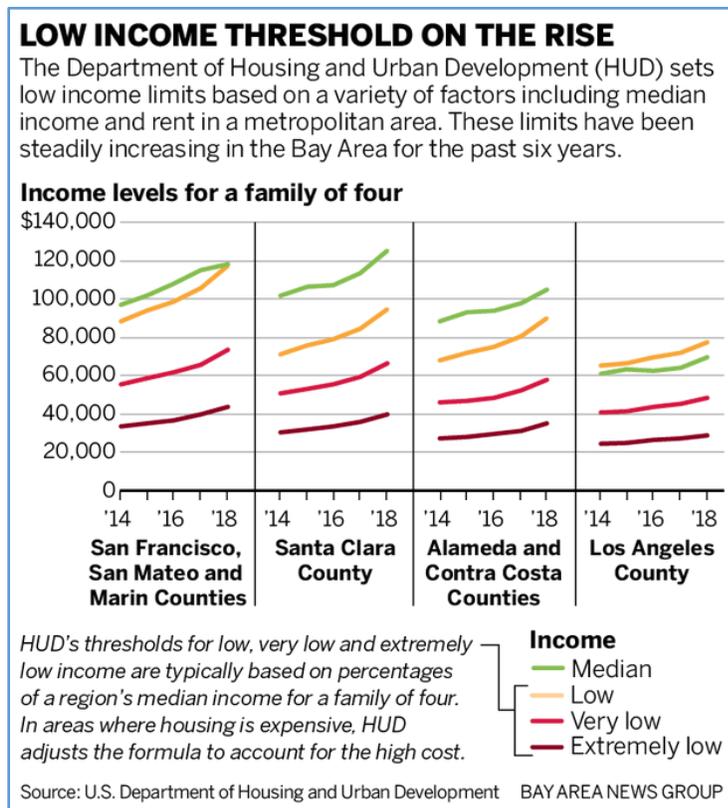
In a region where even people with six-figure incomes struggle to find a place to live, the threshold for who qualifies as “low income” just keeps going up.

Reflecting the Bay Area’s relentless rise in housing costs, the U.S. Department of Housing and Urban Development’s latest definition of the “low” income level to qualify for certain affordable housing programs stands at \$117,400 per year for a household of four people in San Francisco, Marin and San Mateo counties.

That’s up more than 10 percent from last year and is the highest in the nation.

Households in those three counties that are considered “very low” income bring in as much as \$73,300 per year and the threshold for “extremely low” for a family of four is \$44,000, according to HUD’s recently released 2018 limits. The median family income for those areas is \$118,400, according to HUD.

Santa Clara County is close behind. There, a household of four bringing in \$94,450 is now considered low income under the HUD guidelines, and for Alameda and Contra Costa counties, \$89,600 is the low-income threshold.



The federal income limits, which set a threshold that determines who can qualify for affordable and subsidized housing programs such as Section 8 vouchers, have risen for at least the last four consecutive years.

But they’re still not keeping pace with the price of housing in some areas. The median price of resale homes has increased 25 percent in the past year in Santa Clara County, 11.8 percent in Alameda and 10 percent in Contra Costa. In May, the median price for a single family home in the Bay Area reached a record \$935,000, according to real estate data firm Core Logic.

“It just demonstrates how broken and unsustainable our housing market is,” said Amie Fishman, executive director

of the Non-profit Housing Association of Northern California. “More and more people are unable to afford housing.”

At his job as a third-grade bilingual education teacher at Lincoln Elementary, Richmond resident Jesus Galindo makes roughly \$60,000 per year. The “low income” threshold for a single person in Contra Costa County by HUD guidelines is \$62,750.

In many respects, Galindo feels well-off financially. He bought a house in Richmond about three years ago, he said, on which he estimates he spends 33 percent of his income each month. He lives within walking distance of the school where he teaches, so his transportation costs are minimal and he rarely shops for clothes or splurges on any luxuries. But that does not mean he’s not immune to the financial concerns shared by many in the Bay Area.

He knows what it’s like to live with much less. He moved around the state growing up, as his father struggled sometimes to make even \$15,000 in a year in his job as a day laborer and moved the family to find places they could afford.

His parents currently live in Los Banos, which is having its own affordability issues as more people move there, Galindo said, but the idea that his parents cannot afford to live in the Bay Area is difficult.

“For someone who loves the Bay Area, and loves Richmond,” he said, “that breaks my heart.”

Galindo wonders whether he will ever be able to afford having his own family.

“Raising a family in the Bay Area is very expensive,” said Galindo, whose partner is also a teacher. “Even though I own my home, babysitting is expensive, the cost of food is expensive.”

And he sees the impact of the Bay Area’s rising rents on both his teacher colleagues and the families of students he teaches.

“The families I work with in Richmond ... they can’t afford to live here anymore, they’re pushed out,” he said.

The 2018 HUD increases broaden the pool of people eligible for some federal housing programs or subsidies, but they’re unlikely to make much difference in a region already suffering from a shortage of affordable housing.

Michael Santero, director of asset management for San Jose-based nonprofit affordable housing developer and manager First Community Housing, said waitlists are often years-long and turnover is low.

According to HUD, low-income families are defined as families whose incomes do not exceed 80 percent of the median family income for the area. Very low-income families are defined as those whose incomes do not exceed 50 percent of the median. But to accommodate high-housing cost areas like the Bay Area, the limits are adjusted in a way that exceed those percentages.

Santero said that while most of the First Community Housing properties house families whose incomes are below 60 percent of the median, he’s not surprised to see that people at the 90 percent level are in need of affordable housing, considering the price of market rents in the Bay Area, which average between \$2,500 and \$3,500 locally, according to a recent RentCafe study.

One in three households in California — about 3.3 million families — are struggling to reach a decent standard of living, even though most of those households include full-time workers, according to United Ways of California.

In a recently released report, the nonprofit coalition said its measure for a decent standard of living included the cost of housing, childcare, transportation, healthcare and food. Families below the federal poverty level spend as much as 79 percent of their income on their homes, according to the report.



SAN FRANCISCO, CA – APRIL 21: A sign is posted in front of an apartment building on April 21, 2015 in San Francisco, California. According to a report by Forbes magazine, San Francisco, Oakland and San Jose top the list of worst places in the nation for renters. (Photo by Justin Sullivan/Getty Images)

The Bay Area’s HUD income limits outstrip Los Angeles, where the HUD-determined low-income threshold for a family of four is \$77,500, and New York City, notorious for its high costs of housing, where the limit for the same size household is \$83,450.

“California needs 1 million more units of affordable housing for people at the very low and extremely low (income limits) — those struggling the most,” said Fishman.

While some argue that simply producing more housing at market-rate levels will alleviate the crunch, Fishman said a more active approach is required.

“The market will never produce homes for people at that level,” she said. “The market produces housing for those at the top.”

While she hopes a state bond that will be on the ballot this November to allocate more funds for affordable housing will help, she said the next California governor is going to have to take this issue “head on.”

The increase of HUD’s income limits, Fishman said, is “exactly the indicator of how broken the market is, how unsustainable it is, and how the affordability crisis has gone up the income scale.”

After back-and-forth, Measure I prevails in Martinez by 103 votes

By [Nate Gartrell](#) | ngartrell@bayareanewsgroup.com | Bay Area News Group
PUBLISHED: June 25, 2018 at 3:45 pm | UPDATED: **June 25, 2018** at 4:15 pm

MARTINEZ — A measure that requires voter approval to make changes to any open space, park or outdoor recreation lands barely eked out a victory over a competing measure, according to election results released Friday.

Measure I, a citizens' initiative, beat Measure F — a similar city measure, except it wouldn't have applied to private lands — by 103 votes, 5,452 to 5,349. The results took three weeks to come in as Contra Costa County staff and volunteers counted roughly 70,000 mail-in votes that arrived at the final hour.

Both measures received a majority of votes, with Measure I at 51.89 percent and Measure F at 50.51 percent. Measure I won by getting the more votes of the two. County election officials say they have received no requests for a recount.

“It's been a hectic four weeks and we've been sitting on the edge of our seats,” said Tim Platt, a vocal proponent of Measure I.

He called the results a “big win” for Martinez and added, “right now we need to celebrate the voters' decision to protect these very, very special lands for us, our children and our town.”

Measure F proponents argued that Measure I would take away landowners' rights to use private, open space land for any other purpose and impede their ability to sell. Supporters of Measure I argued the public deserved to vote on any approved change to public or private open space land.

Measure I would give voters final say on these council open-space decisions. The council's Measure F would only require a public vote for lifting open space designations for public land.

Both measures were created during a months-long debate over a proposed residential development on 27 acres of private land at the former Pine Meadow Golf Course, which was designated open space/recreational in city documents for about 40 years. The City Council changed its designated use, and approved DeNova Homes' plan for residential housing on the property last year. It has led to multiple lawsuits.

“This victory tells everyone how important these lands are for all of us, for our children and for our town,” Platt said in a written statement to this newspaper.

East Bay Times

Proposed North Richmond annexation means more services, higher taxes



A woman walks past a faded mural on a building on Third Street near Chesley Avenue in North Richmond, Calif., on Monday, March 31, 2014. North Richmond residents have voiced their opposition to efforts by the city to annex the 1.5 square mile enclave of about 3,700 people. (Kristopher Skinner/Bay Area News Group)

By [Ali Tadayon](#) | atadayon@bayareanewsgroup.com | Bay Area News Group
PUBLISHED: June 26, 2018 at 7:31 am | UPDATED: **June 26, 2018** at 7:33 am

RICHMOND — North Richmond, a 1.5-square-mile unincorporated pocket surrounded by Richmond, could be annexed into the city — if its residents are OK with that.

Annexation would mean access to city programs such as rent control, more direct political representation and possibly more public safety for North Richmond residents, but that would come at a cost. Annual property taxes would rise by \$140 per \$100,000 of a home's assessed value.

City and county officials want North Richmond residents to decide for themselves whether the benefits are worth paying higher taxes.

People who have attended informational public meetings led by city and Contra Costa County liaisons still seem relatively split on annexation, with slightly more people opposing it, county Supervisor John Gioia said in an interview.

The informational meetings will continue, and the city will tally results from a mailer with a ballot to return asking whether people want annexation. The results will help Richmond officials decide whether to continue the annexation process through the Contra Costa County Local Agency Formation Commission — a regional agency that oversees annexations.

About 3,700 people live in the 1.5 square-mile area pocketed between Chelsea Avenue, Parr Boulevard, Garden Tract Road and a Union Pacific rail line parallel to Giant Road. It is completely surrounded by incorporated Richmond.

The enclave is the result of World War II-era housing restrictions that barred African-Americans from buying homes in Richmond.

About 18 people attended one of the meetings Thursday night at Shields Reid Community Center. Most were opposed to — or at the least skeptical of — annexation.

Rarain “Ray” Thomas, 42, who attended the meeting, thinks a spike in taxes will drive longtime residents out, and gentrification will ensue. A study authorized by the North Richmond Municipal Advisory Council said North Richmond residents’ property taxes would rise 0.14 percent if the area were annexed, adding \$140 per \$100,000 of a home’s assessed value to a homeowner’s annual property tax.

If a home had an assessed value of \$300,000, property taxes would increase by \$420 a year. About two-thirds of the area’s houses were built before 1969 and many are valued at \$250,000 or less, the report said.

The increase may break the bank for many North Richmond residents who live on fixed incomes, Thomas said. Thomas does not live on a fixed income, but would still feel the pain of the tax increases, he said.

“It’s a detriment to homeowners like myself. Our taxes would be raised, which many of us are struggling to pay now,” he said in an interview.

Yet only about 27 percent of the homes in North Richmond are owner-occupied, the study said. Renters could benefit from the city’s rent control ordinance if the community is annexed; no rent control ordinances currently apply to North Richmond.

North Richmond residents would also have better access to government if annexation were to occur, the study said. The closest government hub would be a few miles away at Richmond City Hall, as opposed to the county seat almost 20 miles away in Martinez.

Thomas moved to the area in 2010 from Oakland, where he grew up, and watched many people be driven out of that city as housing costs soared, he said. He fears North Richmond residents will have the same fate, and said he thinks the plethora of undeveloped land in the area is what’s enticing to Richmond city officials.

“For the residents who have been here for 20, 30 years, this is a hidden gem, this is it, and I want it to remain a hidden gem,” Thomas said.

Gioia said he believes gentrification in Richmond and surrounding west Contra Costa County areas is a larger issue that should be dealt with at a regional level. Annexation will not spur development, he said; the state of the local real estate market is what’s doing that.

Sabrina Smith bought a house in North Richmond in February after renting in the city of Richmond for years. When rent at her apartment neared \$3,000, she and her family moved out. She worries that if she can’t afford to pay her taxes, she may have to leave the Bay Area.

“Where would I go? Everywhere’s so expensive in the Bay Area, they’re driving people of color like us out,” she said in an interview.

In addition to the property tax increase, Richmond has a higher sales tax, 9.25 percent, than the county, at 8.25 percent. Utility taxes would be 5 to 10 percent higher for North Richmond residents under annexation.

Gioia said the majority of North Richmond residents still don’t know much about the annexation proposal and what it means.

He himself supports the effort, though he wants his constituents to decide for themselves whether they think it’s a good or bad idea. The clearest benefit of annexation, he said, is more effective policing.

The Contra Costa County Sheriff’s Department currently serves North Richmond, though it is surrounded by the Richmond Police Department’s jurisdiction. In many instances, it would be more efficient for a Richmond police officer to respond to an emergency call. Richmond police’s crime prevention programs would also be implemented in the area, which has been hit hard by crime and gang violence.

Smith said she is satisfied with the sheriff’s department’s service. Her daughter recently had to call during an emergency and deputies arrived quickly, she said.

From 2010 to 2014, 19 people were killed in North Richmond, but charges were only filed in five cases. The clearance rate for homicides in Richmond is much higher, the study said.

“In my role as a representative for that community, I believe that long-term, it is better having one police agency serving North Richmond than two,” Gioia said. “That, over time, hopefully means better public safety. But I also appreciate that there are people who are unable to pay increased taxes today to get that benefit. This is not an easy issue; if it were, (annexation) would have happened by now.”



Published June 27th, 2018

MOFD projects a strong fiscal year ahead

By Nick Marnell

The Moraga-Orinda Fire District board approved the 2018-19 district budget at its June 20 meeting, and continuing along the same healthy financial track as many Lamorinda public agencies, MOFD projects a general fund balance of \$5.9 million, the highest number in its history. The projected general fund balance of 24 percent of 2018-19 general fund revenue exceeds the 17 percent board policy, though the district goal is to achieve a 50 percent reserve.

The most controversial budget item was the funding of the district retiree health care and pension stabilization trusts. The district set up the two trust funds in order to mitigate the fluctuations of payments demanded by its pension fund manager, the Contra Costa County Employees Retirement Association.

In 2018, each trust was funded at \$374,000. For 2019, the board recommended a funding increase in the retiree health care trust to \$440,000 and in the pension stabilization fund to \$1.1 million. The strategy was vilified by the firefighters and Director Kathleen Famulener, who questioned the timing of the increased expenditure with labor negotiations ongoing. The district contract with its firefighters expires on June 30. Fire Chief Dave Winnacker stressed at the meeting that the \$1.5 million, though budgeted, will not be immediately transferred into the trust funds. "This projection is tentative," the chief said. "The actual amount of the transfer will be determined by a later board action, and the transfer of funds may only occur after the board makes that determination."

The basic numbers read this way: general fund revenue up 8.7 percent to \$24.6 million, primarily due to a 6.1 percent projected increase in property tax revenue. General fund expenses are projected to rise 7 percent to \$23.4 million.

The district also expects to complete the construction of Fire Station 43 in north Orinda in the next fiscal year.

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East Bay Times

Lafayette council sets special session on proposed 315-apartment plan



A proposed housing development site along Deer Hill Road is photographed on Wednesday, March 7, 2018 in Lafayette, Calif. (Aric Crabb/Bay Area News Group)

By [Jon Kawamoto](#) | jkawamoto@bayareanewsgroup.com | Bay Area News Group

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LAFAYETTE — The Lafayette City Council has scheduled a special meeting next week in light of the developer’s intent to resubmit plans for up to 315 apartments on the Deer Hill site north of Highway 24.

At Monday’s joint City Council and Planning Commission meeting, Councilman Ivor Samson raised the issue of discussing the Terraces project soon. The meeting is scheduled at 5 p.m. Tuesday, according to the city’s website.

The apartment project was put on hold in 2014, when the city and developer negotiated a plan to scale back the project to 44 houses on the 22-acre site. That housing plan, known as Measure L, was defeated by Lafayette residents in June.

On June 15, in a letter sent to the city, developer O’Brien Land Company of Menlo Park and Anna Maria Dettmer, trustee of the AMD Family Trust that owns the property at 3233 Deer Hill Road, asked that Lafayette “immediately resume processing of the apartment project and all of its applications.”

The environmental impact report and the project application for the apartment project have been completed, but the Terraces plan has not been approved by the city.