

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

August 8 18, 2017 (Agenda)

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Agenda Item 7

LAFCO 18-06 Chang Property Reorganization: Annexations to the City of San Ramon, Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) and Corresponding Detachment from County Service Area (CSA) P-6

PROPONENT Vicky Chang, Landowner

SYNOPSIS The applicant proposes to annex 66.92± acres (APNs 208-240-039/038/009) to the City of San Ramon, CCCSD and EBMUD, and a corresponding detachment from CSA P-6. The subject area includes a 60.56± acre portion of the Chang property (195± acres), plus two other parcels: Mast property (0.44± acres) and Panetta property (2.5± acres). The area is located at the intersection of Crow Canyon Road and Bollinger Canyon Road in the unincorporated San Ramon area - see attached map (Exhibits A1-A3).

The purpose of the proposal is to allow for the extension of municipal city, wastewater and water services to facilitate the development of 43 single-family large lot homes and 18 accessory dwelling units on the Chang property, which is consistent with the City of San Ramon's Northwest Specific Plan (NWSP). The Mast property is developed with one single family residence and related structures; and the Panetta property contains structures consistent with the current agricultural uses on the property. The Mast and Panetta properties are included in the application to avoid the creation of islands. No anticipated changes in land use on the Mast and Panetta properties will result from the proposed boundary changes.

On June 26, 2018, the San Ramon City Council adopted Resolution No. 2018-079 in support of the proposed SOI amendments and corresponding annexations to the City of San Ramon, CCCSD and EBMUD.

BACKGROUND

The proposal comprises a portion of the Chang property, plus two other parcels (Mast and Panetta). The Chang property consists of open space utilized for agriculture and rangeland. The Mast property is developed with one single family residence and related structures; the Panetta property contains structures consistent with the current agricultural uses on the property. The purpose of the proposed boundary changes is to facilitate development of the Chang property. The proposed development includes 43 single-family large lot homes, 18 accessory dwelling units, a tot lot, neighborhood park, and trail connections, along with landscaping, utilities and street improvements. Surrounding land uses include open space and agricultural uses to the north and west, multi- and single-family residential to the east, and single-family to the south.

The remainder of the Chang property (131± acres) remains outside the proposal area as unincorporated land with open space, agricultural and scenic uses. A total of 177± acres will be preserved for these uses, 134± of which will be subject to a perpetual open space easement, in conjunction with this project.

In March 2018, the landowner submitted applications to Contra Costa LAFCO to amend the SOIs of CCCSD and EBMUD and annex the subject area to the City of San Ramon, CCCSD and EBMUD. Included with the application was a request that Alameda LAFCO transfer jurisdiction to Contra Costa LAFCO to process these applications, as Alameda is designated the principal county for LAFCO proceedings [i.e., the county having the greatest portion of the assessed value, as shown on the last equalized assessment roll, of all taxable property within the district - Government Code (CG) §56066]. Contra Costa LAFCO submitted a request to Alameda LAFCO for transfer of jurisdiction, which Alameda LAFCO approved on March 8, 2018.

DISCUSSION

Government Code §56668 sets forth factors that the Commission must consider in evaluating a proposed boundary change as discussed below. In the Commission's review, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The area proposed for annexation is within the SOI of the City of San Ramon, and now within the SOIs of CCCSD and EBMUD as approved by the Commission on July 11, 2018. The subject area is within the City of San Ramon's voter approved Urban Growth Boundary (UGB), and within the Contra Costa County Urban Limit (ULL). The remainder of the Chang parcel (131± acres), which is not proposed for annexation, is outside the UGB and ULL.

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

The reorganization proposal includes a portion of the Chang parcel and two other parcels (Mast and Panetta). The Chang property is utilized for agriculture and rangeland (i.e., grazing). The Mast property includes one residential unit and other structures, and the Panetta property also includes various structures associated with the current agricultural uses.

The County and City General Plan (GP) and zoning designations for the subject parcels are shown in the table below:

Property	County GP	County Zoning	City GP	City Zoning
Chang	Agricultural Land (AL)	A-4 (Agricultural Preserve – parcel 40 acre minimum)	Hillside/Residential/Parks/Open Space	Hillside/Residential/Parks/Open Space
Mast	AL	A-2 (General Agricultural – parcel 5 acre minimum)	Open Space	Open Space
Panetta	AL	A-2	Parks	Parks

The proposed boundary reorganization will facilitate development of the Chang property to include 43 single-family large lot homes, 18 accessory dwelling units, tot lot, and other facilities. There is no development proposed for the Mast and Panetta properties in conjunction with this proposal.

In accordance with the CKH, no subsequent change may be made to the general plan or zoning for the subject area that is not in conformance to the rezoning designations for a period of two years after the completion of the annexation, unless the legislative body for the city makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the rezoning in the application to the Commission [GC §56375(e)].

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

As noted above, the project site and surrounding areas are active grazing land, but are not under a Williamson Act Land contract. There are lands under Williamson Act contract approximately one mile northwest of the site and one mile to the south. Based on the applicant's assessment, the site does not meet LAFCO's definition of "prime agricultural land" (GC §56064), but does qualify as "agricultural" land" (GC §56016) due to active grazing on the property.

The proposed land uses will impact the agricultural land. Although no mitigation measures were included in the environmental documents for the project, the landowner has agreed to preserve 177±

acres as permanent open space. In addition, the project includes dedication of a public access trail easement to the East Bay Regional Park District (EBRPD) for a potential future trail.

4. Topography, Natural Features and Drainage Basins:

The 195± acre site contains steep slopes in the western portion of the site, with more level ground in the eastern portion where the development is proposed. One major and two minor ridgelines extend into the project site from the northwest. Several landslide deposits were identified across the site, as well as relatively thick deposits of colluvium, both of which could be subject to slope instability. The City's environmental document notes that existing slope stability issues could be addressed with conceptual corrective grading. Elevations range from 580± feet (along Bollinger Canyon Creek at the eastern end of the site) to 1,250± feet (in the site's northwest corner). The City has included mitigation measures to address the slope issues.

Bollinger Creek extends along the eastern frontage of the project site, flowing in a southerly direction, supporting oak woodlands and riparian habitats. There also are two minor drainages that carry storm water from the upper hills along the central and the westerly portions of the project site, draining to the east and southeast and connecting with Bollinger Creek.

Surrounding land uses include single-family and rural residential and undeveloped land to the east; undeveloped land to the west; rural residential and undeveloped land to the north; and single-family residential and office development to the south.

5. Population:

Development of up to 43 single-family residential units and 18 accessory dwelling units is planned for the annexation area. The estimated population increase for the annexation area is approximately 162 based on the U.S. Census Bureau data for the City of San Ramon.

6. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. Regional housing needs are determined by the State Department of Housing and Community Development; and the councils of government throughout the State allocate to each jurisdiction a "fair share" of the regional housing needs (GC §65584).

In Contra Costa County, ABAG determines each city's fair share of regional housing needs. Each jurisdiction is required, in turn, to incorporate its fair share of the regional housing needs into the housing element of its General Plan. In July 2013, ABAG adopted the 2014-2022 Regional Housing Needs Allocation (RHNA) Plan for the San Francisco Bay Area. The RHNA Plan includes the following allocations for the City of San Ramon: total RHNA is calculated at 1,417 units, including 340 above moderate, 282 moderate, 279 low and 516 very low income units.

The proposed annexation includes 43 single family residential and 18 accessory dwelling units. The accessory dwelling units will contribute to meeting the very low, low to moderate income share of housing units allocated to the City of San Ramon by ABAG, while the 43 single family residential units will contribute to meeting the City's overall share of housing.

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

Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan for services is available in the LAFCO office. The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The annexation area is currently served by various local agencies including, but not limited to, Contra Costa County and the San Ramon Valley Fire Protection District (SRVFPD). The proposal before the Commission includes annexations to the City of San Ramon, CCCSD and EBMUD for the provision of municipal services, including water and sanitary sewer services. Municipal services are needed to support future development in the area. The level and range of services is expected to be comparable to those services currently provided within the City. As part of the proposal, the City and County will rely on the master tax sharing agreement.

Following annexation, the City of San Ramon will provide a range of municipal services to subject territory, including drainage, streets and roads, police, parks & recreation, street lighting, and other services. Fire service will continue to be provided by the SFVFPD.

Drainage Services – Existing storm drainage facilities in the vicinity of the project area consist of a City-owned storm drain line within Bollinger Canyon Road. The City indicates there are no deficiencies with this line. The City's Plan for Service notes that the project will have two storm drain systems and will be self-contained with appropriate infrastructure (i.e., bioretention facilities, inlets, pipes, drainage ditches, catch basins, etc.). The developer of the Chang Subdivision will be required to fund the design, construction and connections fees associated with the on-site storm drainage infrastructure. The Chang project's Geologic Hazard Abatement District (GHAD) and its Homeowners Association (HOA) will be responsible for the system maintenance, to the extent the infrastructure remains private and is not dedicated to the City.

Streets and Roads – Principal roadways in the vicinity of the project area include Bollinger Canyon Road and Crow Canyon Road. Bollinger Canyon Road is an east-west arterial roadway that provides access for the City of San Ramon between the Dougherty Valley area in the east and the Las Trampas Regional Wilderness in the west. Crow Canyon Road is a southwest-northeast arterial roadway that connects Castro Valley and Danville.

The 16± acres of land within the Chang property to be developed are generally located at the north-west corner of the intersection of Bollinger Canyon Road and Crow Canyon Road just outside of the City of San Ramon's city limits. These lands would be accessed via the proposed entry roadway/main access off Bollinger Canyon Road. The proposed entry to the Chang project will be located midway between Deerwood Drive and the future Faria Preserve Parkway on the western side of Bollinger Canyon Road. As proposed, an internal road will be constructed to provide access to the residences.

In conjunction with the Chang project, frontage improvements will be installed along Bollinger Canyon Road that include turn lanes, curb, gutter, sidewalk, and Class II bicycle lanes.

The Chang project is expected to generate a net average of 529 trips per day, including 41 trips during the a.m. peak hour and 54 trips during the p.m. peak hour. Trips by trail and neighborhood park users from the surrounding area were assumed in the overall trip generation, although these trips are not likely to occur during the a.m. or p.m. peak periods. The City's traffic impact analysis concludes that traffic generated from the Chang project would not exceed the City's established level of service standards.

The developer of the Chang Subdivision project is required to fund the design and construction of the on-site private roadway network to serve the Chang project in accordance with the applicable conditions

of approval and the City's requirements and standards. The Chang project's HOA would be responsible for maintenance of the on-site roadways, to the extent this infrastructure remains private, and not dedicated to the City.

The developer will finance the design and construction of the street improvements to Bollinger Canyon Road and will offer to dedicate them to the City of San Ramon, at which time, the City would assume responsibility for maintenance of these improvements.

Police Services – Law enforcement services are currently provided to subject area by the Contra Costa County Sheriff's Office. Upon annexation, police services will be provided by the City of San Ramon, and the area will be detached from the County police services district (CSA P-6).

The San Ramon Police Department (SRPD) operates from its headquarters located at 2401 Crow Canyon Road, approximately 0.5 miles from the project site. The SRPD employs 66 sworn officers who serve a community of more than 78,350 residents spanning an area of over 18.5 square miles. This represents a ratio of 0.84 officers per 1,000 residents, which exceed the adopted standard of 0.8.

In March 2015, the SRPD expanded to a "6 beat" system. This allows the department to add an additional officer to each patrol team and minimize some of the larger beats, depending on the city's needs, time of day and staffing levels. The primary benefit is additional staffing on patrol and reducing overall response times within the city.

The City reports that as of 2012, the average response time for routine calls was under 11 minutes, and the median response time for emergency calls (Code 3, with lights and sirens) was approximately 4:25 minutes, which is within the adopted response time standard of 3 to 5 minutes for priority calls.

During calendar year 2017, the city averaged 1,412 calls per month; and the total number of violent crimes per 1,000 residents was 0.71.

Development of the Chang property will result in an increase in calls for service. Residential development on the site was envisioned in the City's General Plan and in the NWSP, with environmental impacts analyzed in associated CEQA documents, including the Chang Project Initial Study/Mitigated Negative Declaration. Impacts with respect to police services were found to be less than significant.

The City indicates that given the Chang project is consistent with the City's General Plan and NWSP, no additional police personnel, equipment, or facilities are needed to serve the Chang project. The addition of approximately 160 new residents within the project area is not anticipated to adversely affect the City's adopted standards for staffing or priority call response times.

The developer of the Chang project will be required to pay applicable police protection-related development fees at the issuance of building permits. While the City does not have a police development fee, development is required to offset impact to services through participation in a Community Facilities District or similar financing mechanism.

Parks & Recreation – The City of San Ramon Parks & Community Services Department maintains 52 park sites totaling 356.4 acres. Of the 52 sites, 35 are dedicated community parks, neighborhood parks, or specialized recreational areas or facilities, and the remaining 17 are school parks.

The City's current standard for functional public parkland is 6.5 acres per 1,000 residents, 4.5 acres per 1,000 residents for neighborhood and school parks, and 2 acres per 1,000 residents for community parks and specialized recreation areas. According to the General Plan, the City plans to expand parkland to accommodate for the projected growth of 96,000 residents by 2035, providing 655.8 acres of parkland at buildout. The parkland ratio at buildout of the General Plan is expected to be 7.12 acres per 1,000 residents, which would exceed the City's current standards.

The nearest existing park to the project site is Mill Creek Hollow, roughly 0.5 mile east of the proposal area. The NWSP provides for the creation of a community park in the adjacent Faria parcel, in addition to a 2-acre neighborhood park within the Chang project area.

The Chang project includes a private tot lot to serve residents, and an offer to dedicate and construct a 2-acre neighborhood passive park and recreational uses to serve the Chang project area and the broader community. The Chang project will also preserve 177± acres of the total Chang property as open space and related nonurban uses. Further, the Chang Project is offering to dedicate a public access trail easement to the EBRPD for a potential future trail.

The City's Plan for Service notes that given the relatively small size, coupled with the park and recreational amenities the Chang project will provide, the project is not expected to negatively impact existing neighborhood and regional parks or other recreational facilities. Moreover, the Chang project will contribute to the City's expanded parkland pursuant to the General Plan and NWSP.

In addition to park and open space amenities, the City operates a comprehensive recreation and community services program including aquatics, trails and open space, performing arts, community events, classes for all ages (preschool to seniors), sports and fitness, art and culture, along with volunteer opportunities.

The developer of the Chang project is required to fund the design and construction of the neighborhood park, and to offer to dedicate the park to the City of San Ramon, pursuant to the conditions of approval. The developer is also required to pay park and recreation related development fees at the issuance of building permits to the extent that fee credits associated with the park dedication do not eliminate the obligation.

Street Lighting – The City's Public Services Division maintains City parks, roadway medians and other open space. The City's Landscape and Lighting District provides maintenance and electrical service to landscaped areas in 17 zones and over 3,800 streetlights throughout the City.

The Chang project includes construction of internal roads and will create a new intersection at Bollinger Canyon Road. New lighting will be installed by the developer and maintained by the Chang project's HOA along the internal roads and in accordance with Landscape and Lighting District standards. To the extent lighting improvements are installed in any roadways/medians that are dedicated to the City, the City will be responsible for maintenance of these improvements.

The developer will be required to fund the design and construction of on-site street lights within the project site in accordance with the City's conditions of approval, requirements and standards. The Chang project's HOA will be responsible for maintenance of the private streetlights.

The developer is also required to fund the design and construction of off-site streetlights along Bollinger Canyon Road. The Chang project could either create a new Landscape and Lighting District or annex into an existing one to fund operation and maintenance of the off-site streetlights in accordance with the conditions of approval.

Other Services – The City of San Ramon provides a multitude of other services, including administration (finance, human resources, information technology), economic development, building & safety, landscaping and trees, library, garbage/recycling, and other services.

Fire Protection – Fire and emergency medical services are, and will continue to be, provided by SRVFPD following annexation. The SRVFPD's boundary area is 155± square miles, and encompasses the City of San Ramon, Town of Danville, the unincorporated communities of Alamo, Blackhawk and Diablo, along with Morgan Territory and the Tassajara Valley.

The SRVFPD provides medical emergency response; fire prevention and suppression; hazardous materials service; heavy rescue; and related services fire and emergency services. The District operates 10 fire stations, four of which are in San Ramon as shown in the table below:

SRVFPD Fire Stations - San Ramon

Station No.	Address	Station Condition	Distance to Project Site	Staff
30	11445 Windemere Pkwy	Excellent	9.8 miles	Captain (1), Engineer (1), Firefighter/Paramedic (1), Training Captain, Safety Officer
34	12599 Alcosta Blvd	Good	3.1 miles	Captain (2), Engineer (2), Firefighter/Paramedic (2)
38	1600 Bollinger Canyon Rd	Good	0.2 mile	Captain (1), Engineer (1), Firefighter/Paramedic (1)
39	9399 Fircrest Lane	Good	6.6 miles	Captain (1), Engineer (1), Firefighter (3), Paramedic (2)

Source: 2016 Contra Costa LAFCO Municipal Service Review

The fire station closest to the Chang project area is Station No. 38, which is less than 0.2 mile from the project site. The District's goal is a response time of 5 minutes 95% percent of the time. The estimated travel time from Station No. 38 to the subject areas is approximately 45 seconds, which is within the National Fire Protection Association response time guideline of 5 to 6 minutes 90 percent of the time. The City concludes that the Chang project will not negatively impact fire services in the area, or require new or expanded facilities.

The Chang project provides several means of ingress and egress, including a primary access road and an emergency vehicle access road, with an intersection at Crow Canyon Road located approximately 1,700 feet west of the Bollinger Canyon Road/Crow Canyon Road intersection.

The project area is located in a high fire hazard severity zone, pursuant to the California Department of Forestry and Fire Protection (CalFire). The City indicates that the Chang project area will have a network of water mains, fire hydrants, and water laterals to service the proposed residential lots and related improvements, all of which would be consistent with applicable code requirements and other standards. It is anticipated that the Chang project area will be served through a main extension to the new Faria Pressure Zone located within the adjacent property within the NWSP area. The proposed residential units will be equipped with fire sprinklers and must comply with the applicable fire safety regulations.

The developer is required to pay applicable fire related plan review and inspection fees for the project. Additionally, homeowners within the project area may be required to pay assessments to the SRVFPD. Also, the developer is required to fund the design and construction of the on-site fire hydrants in accordance with the conditions of approval and consistent with the applicable requirements and standards of the SRVFPD; this will occur as part of the development. The fire hydrants will be the property of EBMUD; the SRVFPD will have jurisdictional use of the hydrants. The Chang project's HOA will be responsible for maintenance of any private fire hydrants.

Sewer Services – The proposal includes annexation to CCCSD for the provision of wastewater services. CCCSD currently serves an estimated population of 484,200 residents in a 145 square mile service area. CCCSD's wastewater collection system consists of 1,500 miles of sewer mains with 19 pump stations. The majority of CCCSD's system operates with gravity flow with some pumping stations and force mains. All sewer connections to the subject property will be either gravity flow or individual residential pump systems. Wastewater is conveyed to CCCSD's wastewater treatment plant in Martinez. CCCSD's

wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 35.6 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a design capacity of 54 mgd.

Based on the proposed development of 43 single-family residential units, 18 accessory dwelling units, and related amenities and improvements in the subject area, the estimated demand for sewer service is approximately 9,810 gallons of wastewater per day. This volume equates to an increase of approximately 0.1 mgd. The Plan for Service indicates that a backbone sewer system will be installed consisting of 2- to 8-inch diameter mains (gravity and pressure) and 4-inch diameter service laterals. The Chang project will connect to an existing 8-inch diameter CCCSD sewer line within Bollinger Canyon Road.

The developer is required to fund the design and construction of the on-site wastewater infrastructure and pay connection fees in conjunction with the Chang project. The Chang project HOA will be responsible for maintenance of the on-site wastewater infrastructure, to the extent this infrastructure remains private. However, CCCSD staff expects the public mainline sewer to be dedicated to CCCSD for maintenance, repair, replacement, etc. The private laterals can be owned/maintained by individual property owners or the HOA. CCCSD has infrastructure in the area and serves surrounding properties. CCCSD has the capacity to serve the project.

8. **Timely Availability of Water and Related Issues:**

Pursuant to the CKH, LAFCO must consider the timely and available supply of water in conjunction with a boundary change proposal. Contra Costa LAFCO policies state that any proposal for a change of organization that includes the provision of water service shall include information relating to water supply, storage, treatment, distribution, and waste recovery; as well as adequacy of services, facilities, and improvements to be provided and financed by the agency responsible for the provision of such services, facilities and improvements.

The proposal includes annexation to EBMUD for the provision of water services. EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District's service area. The EBMUD service area is approximately 332 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.4 million people within the two-county service area. Within Contra Costa County, EBMUD provides water service to a 146± square mile service area, serving an estimated 477,212 residents.

EBMUD's water supply is distributed through a collection system consisting of aqueducts, reservoirs, and other components. The primary source of water for EBMUD is the Mokelumne River; this watershed accounts for 90 percent of EBMUD's water supply. EBMUD's existing water rights allow the delivery of up to 325 mgd or approximately 364,046 acre-feet per year of water from the Mokelumne River.

EBMUD's water rights are subject to variability, particularly during dry and multiple dry years. The availability of the Mokelumne River runoff is subject to senior water rights of other users, downstream fishery flow requirements, and other Mokelumne River water uses. Given the variability, EBMUD indicates that supplemental water supply sources are needed to meet future water demand during extended periods of drought.

The Freeport Regional Water Facility is a regional water supply project that provides supplemental water supply to EBMUD during dry years, as part of the Central Valley Project (CVP), a federal water management program. During periods of drought, EBMUD receives CVP water from its Freeport Regional Water Facility to augment its water supply. The U.S. Bureau of Reclamation (USBR) provides supplemental water supply during dry and multiple dry years to ensure the reliability of EBMUD's water supply. In conjunction with the request to annex the property, EBMUD must seek approval from the USBR for inclusion. Furthermore, the District may be required to obtain approval to update the District's Place-in-Use with the California Water Resources Control Board (SWRCB). To initiate the review and

approval process with the USBR and SWRCB, the developer must enter into a reimbursement with EBMUD to reimburse the District all fees levied by these agencies.

Based on the proposed development of 43 single-family residential units, 18 accessory dwelling units, and related improvements in the subject area, the estimated demand for service is approximately 43 acre-feet of water per year. This water demand was accounted for in EBMUD's demand forecast, as projected in the District's 2015 Urban Water Management Plan (UWMP). Also, water conservation measures are included with the Chang project. The project will include a network of water mains, fire hydrants, and water laterals to serve the proposed development. The project will be served by a looped water distribution system consisting of pressurized mains and laterals, and will connect to the EBMUD system at the new Faria Pressure Zone. The water distribution system is under construction and timing of water service is contingent upon the completion of the Faria development and water distribution pipelines in Faria Parkway by the developer, in addition to the Faria facilities by EBMUD. The cost for water supply, water main extensions, and system capacity charges (connection fees) will be borne by the project sponsor. Ongoing maintenance will be paid for through water rates collected by EBMUD. As noted in their will serve letter, EBMUD has the capacity to serve the project.

The developer is required to fund the design and construction of the on-site water infrastructure and pay connection fees in conjunction with the Chang project. The Chang project HOA will be responsible for maintenance and operation of all private water systems beyond EBMUD's service meter.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within tax rate area 66081. The assessed value for the annexation area is \$3,801,189 (2017-18 roll). The territory being annexed shall be liable for all authorized or existing taxes and bonded debt comparable to properties presently within the annexing agencies.

The City and the County have agreed to use the Master Property Tax Transfer Agreement for the proposed reorganization.

10. Environmental Impact of the Proposal:

In 2017, the City of San Ramon, as Lead Agency, prepared and approved an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) in conjunction with the Chang Property Project. The City also approved a Vesting Tentative Map for the project. The environmental factors potentially affected by this project include Aesthetics, Biological Resources, Cultural Resources, Hazards/Hazardous Materials, Hydrology/Water Quality, and Noise. The MMRP address these factors and reduces the impacts to less than significant.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are fewer than 12 registered voters in the area proposed for annexation; thus, the area proposed for annexation is considered uninhabited. The City indicates that two of the three property owners have consented to the annexation. The third property owner – Mr. Panetta – objects to being annexed to the City (see attached letter – Exhibit B). Consequently, a protest hearing will be required. All landowners and registered voters within the proposal area and within 300 feet of the exterior boundaries of the area were sent notice of the LAFCO hearing.

12. Boundaries and Lines of Assessment:

The annexation area is within the SOIs of the City of San Ramon, and now within the SOIs of CCCSD and EBMUD, following the Commission's approval of the SOI amendments in July 2018. A corresponding detachment from CSA P-6 of the same area is also proposed. Maps and legal descriptions to implement the proposed boundary changes have been received and are subject to final approval by the County Surveyor.

In considering the proposed CCCSD and EBMUD SOI amendments at the July 11th LAFCO meeting, the Commission discussed two adjacent areas that were not included in the SOI or annexation proposals. Exclusion of these areas would result in islands/pockets within the districts' SOIs/boundaries. One area includes a 4.4± acre portion of Crow Canyon Road south of the subject area which is not in either the SOIs or boundaries of EBMUD or CCCSD; the other area is a sliver south of Crow Canyon Road and east of Pradera Way that is in EBMUD's SOI/boundary but not CCCSD's SOI/boundary.

In response to Commissioner questions, CCCSD staff noted that there is no need to annex either of these areas to CCCSD as there is an embankment along Crow Canyon Road, and the strip south of that is a creek, neither of which will require wastewater service.

Regarding water services, there was discussion regarding the Crow Canyon Road area, and that there is a landscaped median which likely receives water. Following the July 11th LAFCO meeting, LAFCO staff has confirmed that the landscape median is irrigated and that the median and irrigation were installed in conjunction with the Thomas Ranch Subdivision over 15 years ago. Further, there is an EBMUD water meter within the City's public right of way located just north of the homes on Pradera Way provided by EBMUD to serve the Thomas Ranch Subdivision. Subsequently, water is being brought to the median through irrigation pipes that run south to north from the meter across Crow Canyon Road to provide irrigation to the median landscaping. The water meter serves both the median as well as the landscaping south of Crow Canyon Road.

Also at the July 11th LAFCO meeting, there was discussion as to whether LAFCO could add these areas to the SOI proposal; however, given these areas were not included in the public hearing notice, and possible questions regarding environmental impacts, it was recommended that the Commission not add these to the proposal at this time. The Commission was given the option to continue the matter to a future meeting; however, the Commission voted to amend the SOIs as proposed. Other options discussed include submission of a separate application either by petition (i.e., affected landowner/voter) or by an affected local agency (EBMUD, City of San Ramon), or to continue to exclude these areas from this proposal. The Commission can condition its approval on submission of a separate application to include one or both of these areas as presented in Option 2 below.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for changes of organization or reorganization will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

14. Disadvantaged Communities:

In accordance with State legislation, local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/ amendments, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County's Department of Conservation and Development, the annexation area does not meet the criteria of a DUC.

15. Comments from Affected Agencies/Other Interested Parties:

As of this writing, no comments were received from other affected agencies or parties.

16. **Regional Transportation and Regional Growth Plans:**

In its review of a proposal, LAFCO shall consider a regional transportation plan adopted pursuant to Gov. Code §65080 [Gov. Code §56668(g)]. Further, the commission may consider the regional growth goals and policies established by a collaboration of elected officials only, formally representing their local jurisdictions in an official capacity on a regional or subregional basis (Gov. Code §56668.5). Regarding these sections, LAFCO looks at consistency of the proposal with the regional transportation and other regional plans affecting the Bay Area.

SB 375, a landmark law, requires California's regions to adopt plans and policies to reduce greenhouse gases (GHG), primarily from transportation. To implement SB 375, in July 2013, ABAG and the Metropolitan Transportation Commission (MTC) adopted Plan Bay Area as the "Regional Transportation Plan and Sustainable Communities Strategy" for the San Francisco Bay Area through 2040. Plan Bay Area focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions. The Plan's key goals are to reduce GHG emissions by specified amounts; and to plan sufficient housing for the region's projected population over the next 25 years.

In July 2017, ABAG and MTC adopted Plan Bay Area 2040, which updates the 2013 Plan Bay Area and reaffirms the goals and targets identified in the earlier version. Plan Bay Area establishes "Priority Conservation Areas" (PCAs) and "Priority Development Areas" (PDAs), and focuses growth and development in nearly 200 PDAs. The area proposed for annexation is not within a PCA or a PDA. However, the project includes elements recommended in *Plan Bay Area* such as trail connections and a mix of housing types.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following actions:

Option 1 Approve the reorganization as proposed.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the City of San Ramon's Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in conjunction with the Chang Property Project.
- B. Adopt this report, approve LAFCO Resolution No. 18-06 (Exhibit C), and approve the proposal, to be known as the Chang Property Reorganization: Annexations to the City of San Ramon, Central Contra Costa Sanitary District, and East Bay Municipal Utility District, and Detachment from County Service Area P-6 subject to the following terms and conditions:
 1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agencies.
 2. The landowner applicant has delivered an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
 3. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
 4. The recordation of LAFCO's Certificate of Completion is conditioned on the owner(s) of the Chang property providing LAFCO with a certified copy of a recorded grant of

open space easement from the Chang property owner(s) to the City of San Ramon that prohibits urban development and permanently preserves the existing open space and agricultural uses on 134± acres (Parcel G on the project's Vesting Tentative Map 9458) that is outside of the urban growth boundary and designated for open space and agricultural uses. This easement shall remain in effect in perpetuity, and shall be consistent with the conditions of approval imposed on the Chang property by the project's Vesting Tentative Map 9485 by the City of San Ramon.

- C. Find that the subject territory is uninhabited, and that absent any protest from an affected landowner or registered voter, the Commission approves the reorganization and waives the protest hearing.

Option 2

Approve the reorganization conditioned on a supplemental application being submitted.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the City of San Ramon's Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in conjunction with the Chang Property Project.
- B. Adopt this report, approve LAFCO Resolution No. 18-06, and approve the proposal, to be known as the Chang Property Reorganization: Annexations to the City of San Ramon, Central Contra Costa Sanitary District, and East Bay Municipal Utility District, and Detachment from County Service Area P-6 subject to the following terms and conditions:
1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agencies.
 2. The landowner applicant has delivered an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
 3. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
 4. The recordation of LAFCO's Certificate of Completion is conditioned on the owner(s) of the Chang property providing LAFCO with a certified copy of a recorded grant of open space easement from the Chang property owner(s) to the City of San Ramon that prohibits urban development and permanently preserves the existing open space and agricultural uses on 134± acres (Parcel G on the project's Vesting Tentative Map 9458) that is outside of the urban growth boundary and designated for open space and agricultural uses. This easement shall remain in effect in perpetuity, and shall be consistent with the conditions of approval imposed on the Chang property by the project's Vesting Tentative Map 9485 by the City of San Ramon.
 5. The recordation of LAFCO's Certificate of Completion is conditioned on receipt of an application to expand the SOIs and service boundaries of CCCSD and EBMUD to include a 4.4± acre portion of Crow Canyon Road located south of the subject area; and to expand the SOI and service boundary of CCCSD to include a sliver of land located south of Crow Canyon Road and east of Pradera Way.

Find that the subject territory is uninhabited, and that absent any protest from an affected landowner or registered voter, the Commission approves the reorganization and waives the protest hearing.

Option 3 Accept this report and DENY the proposal.

Option 4 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

Approve Option 1.

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

Exhibits

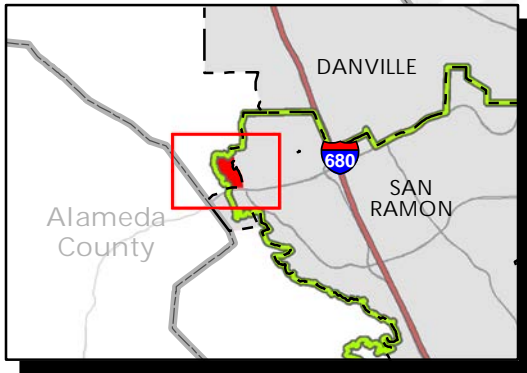
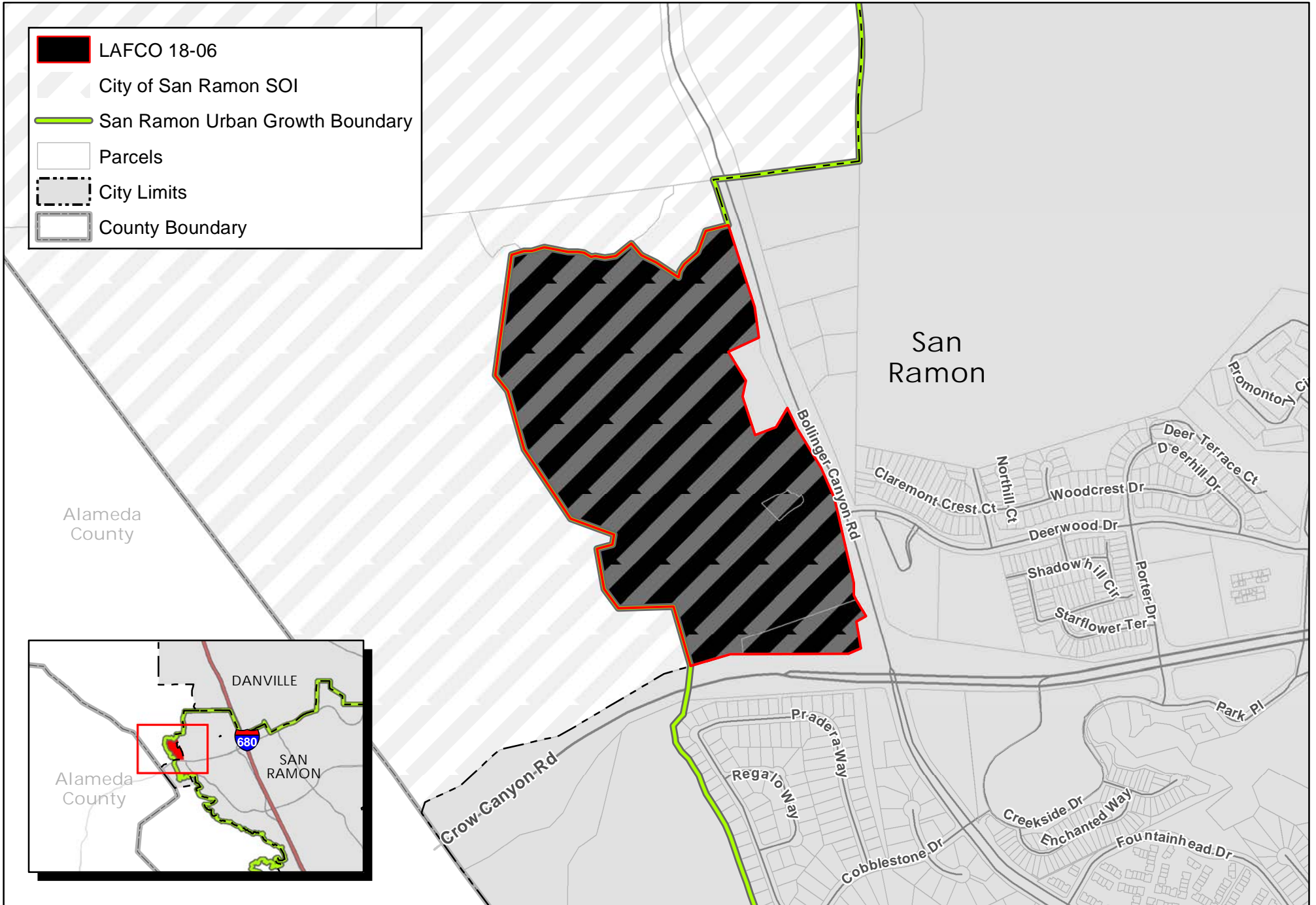
A – Chang Property Reorganization Maps – Exhibits A1-A3

B – Letter from Mr. Panetta

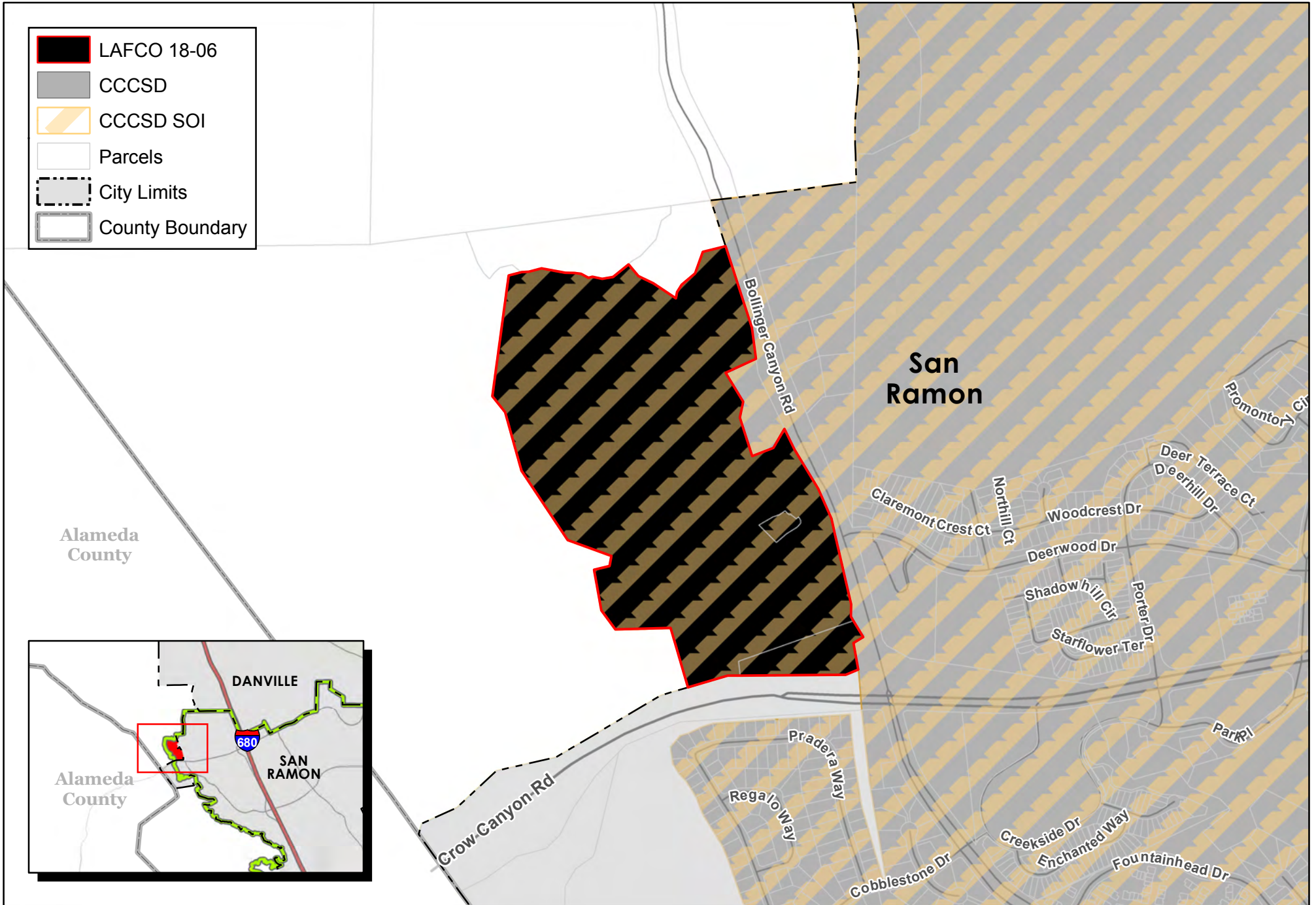
C - Draft LAFCO Resolution 18-06

c: Vicky Chang, Landowner
Cindy Yee, City of San Ramon
Russell Leavitt, CCCSD
Andrew Lee, EBMUD
David Bowlby, The Bowlby Group, Inc.
Nadia Costa, Miller Starr Regalia

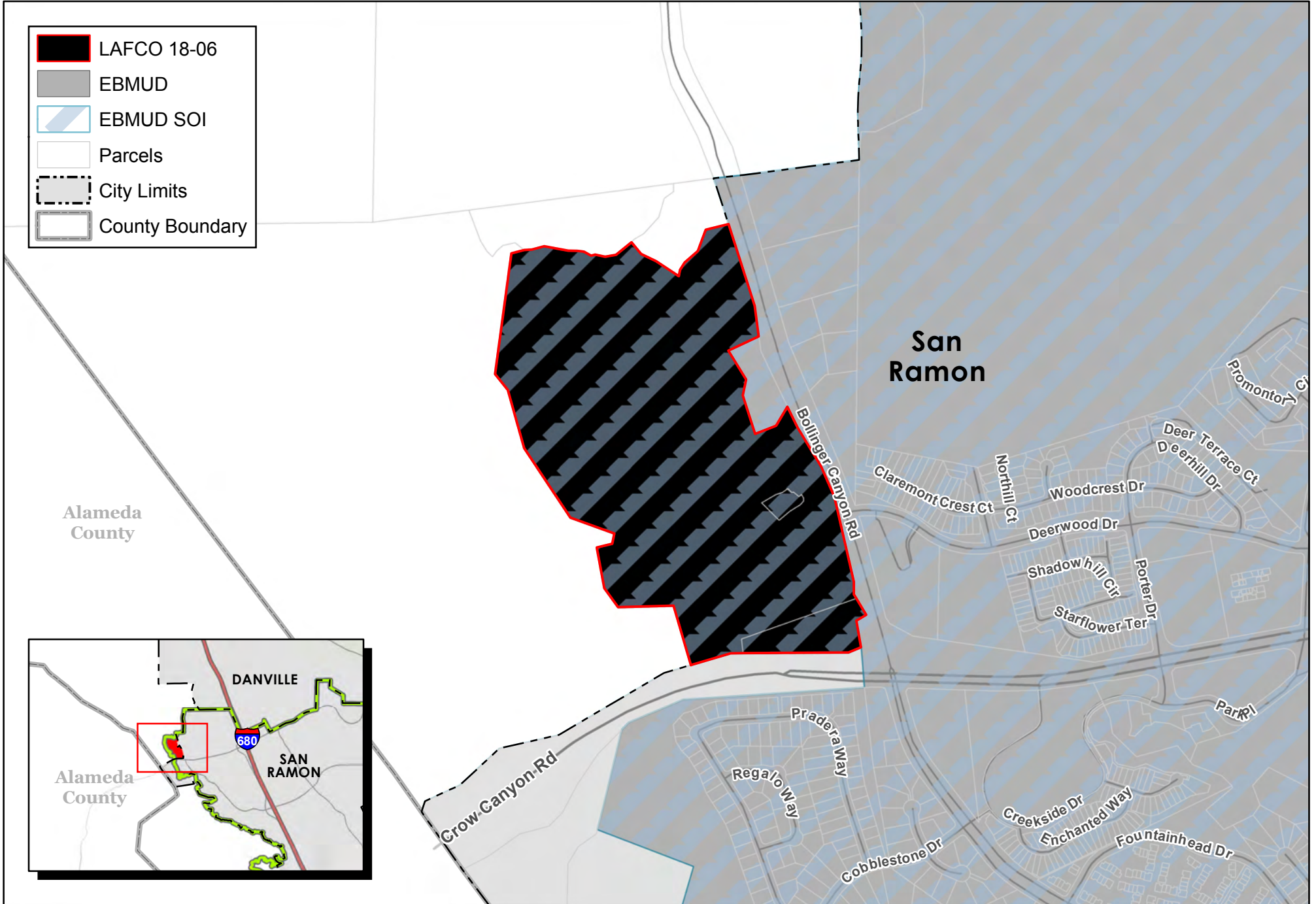
LAFCO 18-06 Chang Property Reorganization: Annexation to City of San Ramon; Detachment from CSA P-6



LAFCO 18-06 Chang Property Reorganization: Annexation to Central Contra Costa Sanitary District (CCCSD)



LAFCO 18-06 Chang Property Reorganization: Annexation to East Bay Municipal Utility District (EBMUD)



Map created 07/17/2018
 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

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San Ramon Concrete

License #761564

July 30, 2018

Via email: ltexe@lafco.cccounty.us

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

Re: LAFCO 18-06 – Chang Property Reorganization
Annexations to City of San Ramon
Meeting Date: Wednesday, August 8, 2018 at 1:30 p.m.

Dear Ms. Texeira,

My family is in receipt of the Notice of Public Hearing, Contra Costa Local Agency Formation Commission concerning the Annexation regarding the above caption matter.

My family and I are the owners of the property which is located at 18897 Bollinger Canyon Road, San Ramon, CA. Our property is schedule to be part of the annexation and we are **firmly opposed** to having our property to be included as part of the above listed Annexation.

Should this go forth, our family will take legal action. Furthermore, no one has asked if we wanted to be part of this annexation.

Very truly yours,

Joseph Panetta

Joseph Panetta

JP/vrs

Dictated and not wet signed to avoid delay

RESOLUTION NO. 18-06

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
CHANG PROPERTY REORGANIZATION: ANNEXATIONS TO THE CITY OF SAN RAMON,
CENTRAL CONTRA COSTA SANITARY DISTRICT AND EAST BAY MUNICIPAL UTILITY
DISTRICT, AND DETACHMENT FROM COUNTY SERVICE AREA P-6**

WHEREAS, the Chang Property Reorganization proposal was filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code §56000 et seq.); and

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

WHEREAS, the Commission held a public hearing on August 8, 2018, on the Chang Property Reorganization proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental documents and determinations, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, no subsequent change may be made to the general plan or zoning for the annexed territory that is not in conformance to the rezoning designations for a period of two years after the completion of the annexations, unless the legislative body for the city makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the rezoning in the application to the Commission [Government Code §56375(e)];

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the City of San Ramon's Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in conjunction with the Chang Property Project.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:

**CHANG PROPERTY REORGANIZATION: ANNEXATIONS TO CITY OF SAN RAMON,
CENTRAL CONTRA COSTA SANITARY DISTRICT AND EAST BAY MUNICIPAL
UTILITY DISTRICT, AND DETACHMENT FROM COUNTY SERVICE AREA P-6**
4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibits A1-A3, attached hereto and made a part hereof.
5. Approval of the Chang Property Reorganization is subject to the following:
 - a. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.

Contra Costa LAFCO
Resolution No. 18-06

- b. The landowner applicant has delivered an executed indemnification agreement between the landowner applicant and Contra Costa LAFCO providing for the landowner applicant to indemnify LAFCO against any expenses arising from any legal actions challenging the Chang Property Reorganization.
 - c. Water service is conditioned upon the East Bay Municipal Utility District (EBMUD) receiving acceptance for inclusion of the annexed areas from the United States Bureau of Reclamation (USBR), pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the Central Valley Project.
 - d. The recordation of LAFCO's Certificate of Completion is conditioned on the owner(s) of the Chang property providing LAFCO with a certified copy of a recorded grant of open space easement from the Chang property owner(s) to the City of San Ramon that prohibits urban development and permanently preserves the existing open space and agricultural uses on 134± acres (Parcel G on the project's Vesting Tentative Map 9458) that is outside of the urban growth boundary and designated for open space and agricultural uses. This easement shall remain in effect in perpetuity, and shall be consistent with the conditions of approval imposed on the Chang property by the project's Vesting Tentative Map 9485 by the City of San Ramon.
6. Find that the subject territory is uninhabited, and that not all affected landowners have provided written consent to the proposed boundary reorganization; thus, a protest hearing is required.
7. All subsequent proceedings in connection with the Chang Property Reorganization shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 8th day of August 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.

Dated: August 8, 2018

Lou Ann Texeira, Executive Officer