

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

May 10, 2023 (Agenda)

May 10, 2023
Agenda Item 7

LAFCO 23-02 Annexation to West County Wastewater District (WCWD) – Richmond Country Club

APPLICANT Meritage Homes/JEN California 21 LLC (Landowners)

SYNOPSIS The applicant proposes to annex 25.51± acres (75 parcels) and adjacent roadway to the WCWD. The property is located north of Richmond Parkway and east of Giant Highway near 1 Markovich Lane in the City of Richmond (Exhibit A). The applicant intends to build 69 single family homes.

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 property proposed for annexation is within WCWD's SOI, and within the County Urban Limit Line; the parcels are located in the City of Richmond.

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

The City's General Plan designation for the parcels is *Low Density Residential* and the City's zoning designation is *Single Family Low Density Residential (RL2)*. The subject parcels are located within the Urban Limit Line. No changes to the General Plan or zoning designations are proposed in conjunction with this proposal.

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

The subject area contains no prime farmland or land covered under the Williamson Act Land Conservation agreements.

4. **Topography, Natural Features and Drainage Basins:**

The property is currently paved and graded in preparation for the single-family homes with a bioretention/detention basin at the south end of the property. There is a slope from north to south and from west to east. To the east is an 18-hole golf course and club house (Richmond Country Club); to the west is park/open space and an existing single-family home neighborhood; to the north is Contra Costa County Detention Facility; and to the south is paved and graded lots for single family homes.

5. **Population:**

The average household size in the City of Richmond is 2.9 people and the average family size is 3.47 people. The estimated population for the 69 single family homes is approximately 200-240 people. Data source: US Census Bureau American Community Survey (5-year estimates 2017-2021). The subject area currently has zero registered voters; thus, the subject area is considered uninhabited.

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. The developer is paying an in-lieu fee to meet the City of Richmond affordable housing requirement instead of providing homes for very low-, low- or moderate-income people. All homes will be sold at market rate.

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

An application for a change of organization or reorganization typically requires a plan for providing services within the affected territory (Gov. Code §56653). The plan for service is available in the LAFCO office at 40 Muir Road, Martinez. The plan for service includes all of the following information and any additional information required by the Commission or the LAFCO 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 served by various local agencies including, but not limited to, the City of Richmond, Contra Costa County, East Bay Municipal Utility District (EBMUD), and other local and regional agencies.

The proposal before the Commission is to annex 25.51± acres (75 parcels) and adjacent roadway to WCWD for the provision of wastewater collection, treatment, and disposal services.

WCWD serves 34,000 residences and 2,450 commercial and industrial businesses, with a population of approximately 103,214 in the cities of Pinole, Richmond and San Pablo, and the unincorporated areas of East Richmond Heights, Bayview, El Sobrante, Rollingwood, and Tara Hills within a 16.9± service area.

WCWD owns, operates, and maintains a wastewater collection system with 252 miles of gravity sewer pipelines, 17 lift stations, six miles of force mains, and a Water Quality and Resource Recovery Plant with a capacity of 12.5 million gallons per day (gpd), average dry weather flow.

Based on the proposed uses on the subject property, the projected demand for wastewater service is approximately 18,630 gallons per day of wastewater collection service. Regarding infrastructure needed to serve the subject area, the pertinent public WCWD sewer main is located at the Giant Highway/Collins Avenue/Griffin Drive intersection. A sewer main extension that is approximately 3,500 linear feet will be necessary to transfer the wastewater from the northern portion of the project (private portion of the sewer main collection system) to the southern portion of the of the project near WCWD's portion of the sewer main collection system. The developer/owner will be required to complete construction necessary to connect to the collection system. Sewer laterals will be constructed on the parcels to facilitate sewer collection from the parcels into the collection system.

8. Timely Availability of Water and Related Issues:

The subject property is within the service boundary of EBMUD, which serves an area of 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 225± square mile service area, serving an estimated 522,000 residents. The primary source of water supply for EBMUD is the Mokelumne River; this watershed accounts for 90% of EBMUD's water supply. EBMUD can adequately serve the project.

9. Assessed Value, Tax Rates, and Indebtedness:

The annexation area is within tax rate area 08008. The total assessed value for the annexation area is \$9,486,000 (2022-23 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies. The City and District will rely on the master tax transfer agreements for this annexation.

10. Environmental Impact of the Proposal:

In 2020, the City of Richmond, as Lead Agency, prepared an *Initial Study/Mitigated Negative Declaration* (MND) in conjunction with this project and the proposed annexation to WCWD. The LAFCO environmental coordinator has reviewed the MND and determines it is acceptable for LAFCO purposes.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are zero registered voters in the subject area; thus, the area proposed for annexation is, by statute, considered uninhabited. The property owner/applicant consents to the proposed annexation. Therefore, if the Commission approves the annexation, the Commission may waive the protest hearing (Gov. Code §56662).

All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundary of the subject parcel were sent notice of the LAFCO hearing.

12. Boundaries and Lines of Assessment:

The annexation area is within WCWD's SOI and contiguous to the District's service boundary. A map and legal description to implement the proposed boundary change was submitted and is subject to approval by the County Surveyor.

13. Environmental Justice:

LAFCO is required to consider the extent to which a change of organization or reorganization proposal 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 minorities or economically disadvantaged groups.

14. Disadvantaged Communities:

In accordance with state law, 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 Department of Conservation and Development, the area proposed for annexation is not a DUC.

15. Comments from Affected Agencies/Other Interested Parties:

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 GC §65080 [GC §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 sub regional basis (GC §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 state law, requires California's regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB 375, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), in July 2013, 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 plan sufficient housing for the region’s projected population over the next 25 years.

In October 2021, ABAG and MTC adopted *Plan Bay Area 2050*, which serves as the Bay Area's official long-range plan for housing, economic development, transportation, and environmental resilience for the next four years. While prior iterations of *Plan Bay Area* focused on transportation and housing, the 2050 plan expands the scope introducing strategies for long-term economic development and environmental resilience, while meeting federal and state requirements. This proposal is consistent with *Plan Bay Area*.

ALTERNATIVES FOR COMMISSION ACTION

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

Option 1 Approve the annexation as proposed.

- A. Find that, as a Responsible Agency under the California Environmental Quality Act (CEQA), LAFCO has considered the environmental effects of the Richmond Country Club Residential Project as shown in the City of Richmond’s Initial Study/Mitigated Negative Declaration and Mitigation Monitoring & Reporting Program, and finds that all changes or alterations in the project that avoid or substantially lessen its environmental effects are within the responsibility and jurisdiction of the City and not LAFCO, and that those changes have been, or can and should be, adopted by the City as lead agency.
- B. Adopt this report, approve LAFCO Resolution No. 23-02 (Exhibit B), and approve the proposal, to be known as *Annexation to West County Wastewater District – Richmond Country Club* 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 agency.

Option 2 Adopt this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

Option 1 – Approve the annexation as proposed.

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

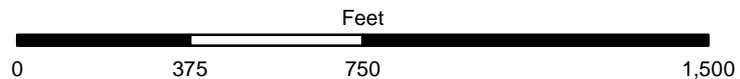
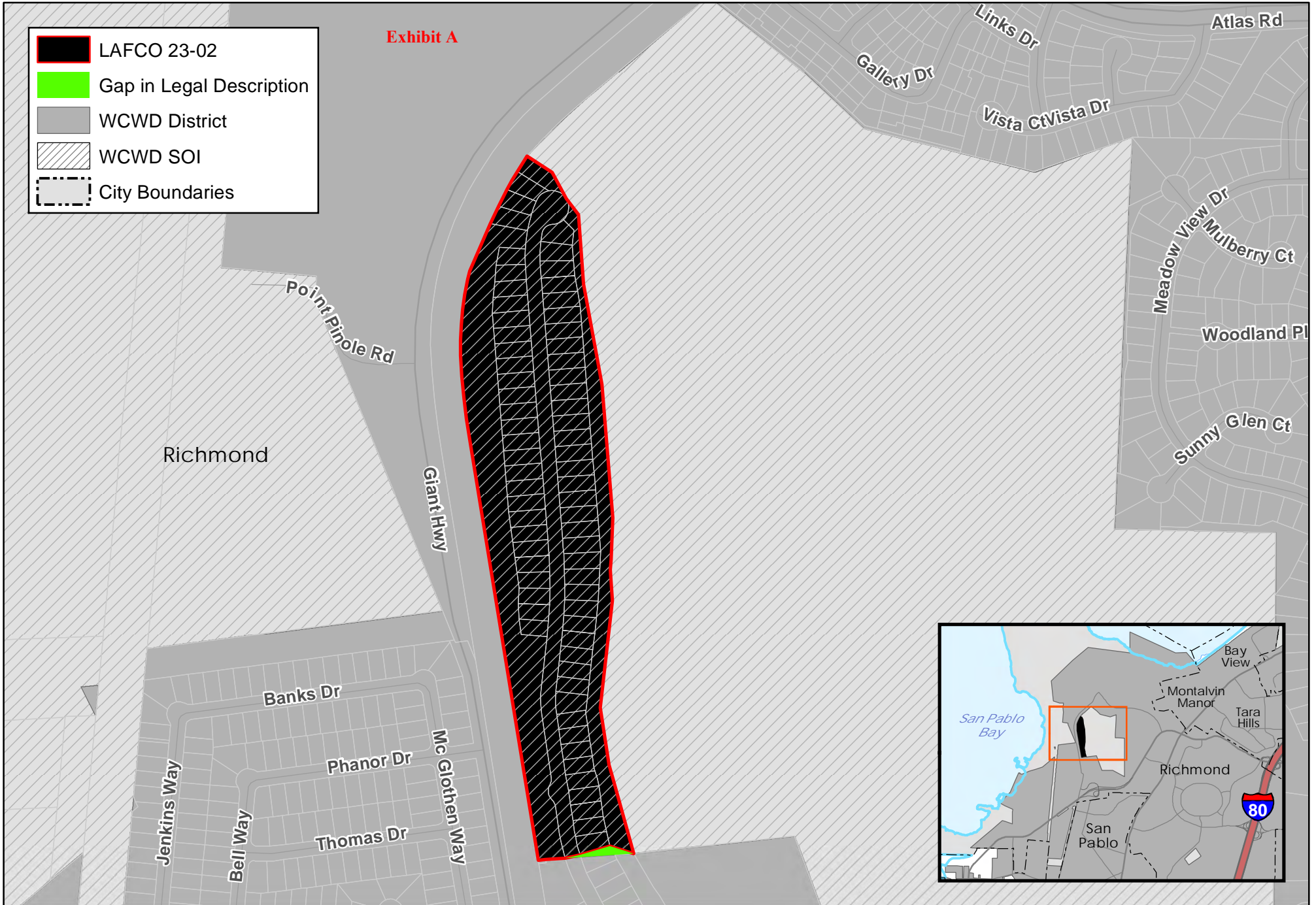
Exhibits

A – WCWD Annexation Map

B – Draft LAFCO Resolution 23-02

c: Distribution

LAFCO 23-02 - Annexation to West County Wastewater District - Meritage Homes/Richmond Country Club



RESOLUTION NO. 23-02

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
ANNEXATION TO WEST COUNTY WATEWATER DISTRICT (WCWD)
RICHMOND COUNTRY CLUB**

WHEREAS, the above-referenced 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 (§56000 et seq. of the Gov. Code); and

WHEREAS, the Executive Officer examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; and

WHEREAS, at the time and in the manner required by law, the Executive Officer gave notice of the Commission's consideration of the proposal; and

WHEREAS, the Executive officer reviewed available information and prepared a report including her recommendations therein, and the report and related information were presented to and considered by the Commission; and

WHEREAS, at a public hearing held on May 10, 2023, the Commission heard, discussed, and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendations, the environmental document and determinations, applicable General and Specific Plans, consistency with the sphere of influence, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission was presented that no affected landowners/registered voters within the subject area object to the proposal; and

WHEREAS, the applicant delivered to LAFCO an executed indemnification agreement providing for the applicant to indemnify LAFCO against any expenses arising from any legal actions to challenge the annexation; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interest of the affected area and the organization of local governmental agencies within Contra Costa County.

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

1. The Commission is a Responsible Agency under the California Environmental Quality Act (CEQA), and in accordance with CEQA, considered the environmental effects of the project as shown in the City of Richmond's Initial Study/Mitigated Negative Declaration. The Commission finds that all changes or alterations in the project that avoid or substantially lessen its significant environmental effects are within the responsibility and jurisdiction of the City of Richmond and

not LAFCO, and that these changes have been, or can, and should be, adopted by the City of Richmond as the lead agency.

- 2. Annexation to WCWD of 75 parcels and roadway totaling 25.51± acres located north of Richmond Parkway/east of Giant Highway (City of Richmond) is approved.
- 3. The subject proposal is assigned the distinctive short-form designation:
ANNEXATION TO WEST COUNTY WASTEWATER DISTRICT – RICHMOND COUNTRY CLUB
- 4. The boundary of the subject area is found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
- 5. The subject area is liable for any authorized or existing taxes, charges, and assessments currently being levies on comparable properties within the annexing agency.
- 6. The subject area is uninhabited.
- 7. No affected landowners or registered voters within the subject area object to the proposal, and the conducting authority (protest) proceedings are hereby waived.
- 8. All subsequent proceedings in connection with this annexation 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 10TH day of May 2023 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

FEDERAL GLOVER, 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: May 10, 2023

Lou Ann Texeira, Executive Officer