



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

REGULAR MEETING

AGENDA

Wednesday, November 20, 2024

2:30 pm

Board of Supervisors Chambers

Hall of Justice and Records

400 County Center

Redwood City, CA 94063

NOTE: Commissioner Warren Slocum will join the meeting via teleconference from 2160 Euclid Avenue, Redwood City, CA 94061

Commissioner Noelia Corzo will join the meeting via teleconference from The Westin Pasadena Hotel, 191 North Los Robles Ave., Pasadena, CA 91101

This meeting of the San Mateo Local Agency Formation Commission (LAFCo) will be in person at the above-mentioned address. Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at 400 County Center Redwood City, CA 94063. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

Hybrid Public Participation

The November 20, 2024, LAFCo regular meeting may be accessed through Zoom online at <https://smcgov.zoom.us/j/96442908061>. The webinar ID is 964 4290 8061. The meeting may also be accessed by telephone by dialing +1 669 900 6833 (local) and entering webinar ID then #. Members of the public may also attend this meeting physically in the Board of Supervisors Chambers at 400 County Center, Redwood City, CA 94063.

*Written public comments may be emailed to lafco@smcgov.org, and should include the specific agenda item on which you are commenting.

* Spoken public comments will be accepted during the meeting in person or remotely through Zoom at the option of the speaker. Public comments via Zoom will be taken first, followed by speakers in person.

***Please see instructions for written and spoken public comments at the end of this agenda.**

(OVER)

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
DIANE ESTIPONA, CLERK

ADA Requests

Individuals who require special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact LAFCo staff as early as possible but no later than 10:00 a.m. the day before the meeting at lafco@smcgov.org. Notification in advance of the meeting will enable the Staff to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

*All items on the consent agenda may be approved by one roll call vote unless a request is made at the beginning of the meeting that an item be withdrawn. Any item on the consent agenda may be transferred to the regular agenda.

1. Roll Call
2. Public Comment for Items Not on the Agenda and on the Consent Agenda
3. Consent Agenda*
 - a. Approval of Action Minutes: September 18, 2024 (*Page 5*)
 - b. Consideration of LAFCo File No. 24-05 - Proposed Outside Service Agreements for two (2) water connections and three (3) sewer connections by the City of Redwood City to three subdivided parcels at 890 Upland (APN 058-272-120), Unincorporated Redwood City
 - c. Consideration of LAFCo File No. 24-09 - Proposed Outside Service Agreements for a sewer connection by the City of Redwood City to 2835 Brewster Ave. (APN 058-253-290), Unincorporated Redwood City
 - d. Consideration of LAFCo File No. 24-10 - Proposed Annexation of APN 080-091-150, Los Trancos Woods to West Bay Sanitary District

Regular Agenda

4. Appointment of Chair and Vice Chair for 2025 (*Page 108*)

Public Hearings

5. Request for Reconsideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010) (*Page 109*)
6. Consideration of Municipal Service Review Circulation Draft for the San Mateo County Harbor District (*Page 179*)
7. Consideration of Final Municipal Service Review Municipal Service Review for the City of Millbrae (*Page 231*)

Regular Agenda – Continued

8. Broadmoor Police Protection District and LAFCo Initiated Dissolution Process
–Continued from July 17, 2024 LAFCo Meeting (*Page 279*)
9. CALAFCO – Information Only (*Page 288*)
 - a. CALAFCO 2024 Annual Conference Update
 - b. CALAFCO Sphere 2024
10. Commissioner/Staff Reports – Information Only (*Page 313*)
 - a. Future LAFCo Overview Workshop
 - b. Resolutions Honoring Commissioner Warren Slocum for his service
 - c. Resolution Honoring Commissioner Tygarjas Bigstycyk for his service
 - d. Resolution Honoring Commissioner Harvey Rarback for his service
 - e. Resolution Honoring Commissioner Ann Schneider for her service
11. Adjournment

***Instructions for Public Comment During Teleconference Meetings**

During the LAFCo hybrid meeting, members of the public may address the Commission as follows:

***Written Comments:**

Written public comments may be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to lafco@smcgov.org.
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda or is on the consent agenda.
3. Members of the public are limited to one comment per agenda item.
4. The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
5. If your emailed comment is received by 5:00 p.m. on the day before the meeting, it will be provided to the Commission and made publicly available on the agenda website under the specific item to which your comment pertains. If emailed comments are received after 5:00 p.m. on the day before the meeting, the Clerk will make every effort to either (i) provide such emailed comments to the Commission and make such emails publicly available on the agenda website prior to the meeting, or (ii) read such emails during the meeting. Whether such emailed comments are forwarded and posted or are read during the meeting, they will still be included in the administrative record.

***Spoken Comments**

In-person Participation:

1. If you wish to speak to the Commission, please fill out a speaker's slip located at the entrance. If you have anything that you wish distributed to the Commission and included in the official record, please hand it to the Clerk who will distribute the information to the Commission members and staff.

Via Teleconference (Zoom):

1. The Commission meeting may be accessed through Zoom online at <https://smcgov.zoom.us/j/96442908061>. The webinar ID is 964 4290 8061. The Commission meeting may also be accessed via telephone by dialing +1 669 900 6833 (local). Enter the webinar ID, then press #. Members of the public can also attend this meeting physically in the Board of Supervisors' Chambers at 400 County Center, Redwood City, CA 94063.
2. You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you that it is your turn to speak.
4. When the Commission Chair or Clerk calls for the item on which you wish to speak, click on "raise hand." Speakers will be notified shortly before they are called to speak.

***Additional Information:**

For any questions or concerns regarding Zoom, including troubleshooting, privacy, or security settings, please contact Zoom directly.

Public records that relate to any item on the open session agenda for a regular Commission meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members or a majority of the members of the Commission.

NOTICE: State law requires that a participant in a LAFCo proceeding who has a financial interest in the decision and who has made a campaign contribution of more than \$250 to any Commissioner in the past year must disclose the contribution. If you are affected, please notify the commission staff before the hearing.

Agendas and meeting materials are available at www.sanmateolafo.org

SAN MATEO



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Action Minutes

San Mateo Local Agency Formation Special Commission Meeting

September 18, 2024

Chair Martin called the Wednesday, September 18, 2024, Regular Meeting of the Local Agency Formation Commission (LAFCo) to order at 2:30 pm at the San Mateo County Board of Supervisors Chambers, 400 County Center, Redwood City, CA. Members of the public were also able to participate in the meeting remotely via Zoom.

1. Roll Call

Members Present: Kati Martin, Tygarjas Bigstycck, Virginia Chang-Kiraly, Harvey Rarback, Ann Draper, Ray Mueller

Members Absent: Warren Slocum

Staff Present: Rob Bartoli, Executive Officer

Timothy Fox, Legal Counsel

Diane Estipona, Clerk

2. Oath of Office for Appointed Commissioner

Newly elected special district alternate member, Katheryn Slater-Carter, recited the oath of office.

3. Public Comment for Items Not on the Agenda

Greg Farris, resident of Menlo Park, spoke in favor for the West Menlo Park Triangle Annexation.

4. Consent Agenda

- a) Approval of Action Minutes: July 17, 2024

Commissioner Bigstycck made a correction to the minutes stating that he did not speak in favor of LAFCo dissolution of Broadmoor Police District as noted, but instead echoed the comments of Commissioner Slocum.

Commissioner Chang-Kiraly clarified that item 9B in the minutes should correctly list her CALAFCo nomination as the Coastal Region's Special District Representative.

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DIANE ESTIPONA, CLERK

LAFCo Meeting Packet Page 5

Commission Action: Commissioner Chang-Kiraly moved to approve the consent agenda. Commissioner Rarback seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstycck, Chang-Kiraly, Draper, Rarback, Mueller; Absent: Commissioner Slocum)

5. Presentation from the Peninsula Healthcare District – Information Only

Rob Bartoli, LAFCo Executive Officer, stated that a presentation from the Peninsula Health Care District was requested as part of the 2023-2024 LAFCo work plan. This was also in response to a letter from the League of Women Voters of North and Central San Mateo County that wanted an MSR for the District.

Ana Pulido, The CEO of Peninsula Health Care District (PHCD), provided a brief overview of the programs provided which included services for medical and dental health, education, and community living for seniors. The program mission is to support all residents of all ages to reach their optimal health and wellness through education, advocacy, prevention, and safeguarding community access to basic health services.

Matt Grey, Legal Counsel for PHCD, gave an update on the Peninsula Wellness Community (PWC). The PWC project is planned as a mixed-use and mixed-income community focused on health, wellness, and community connectivity. The project will include market-rate and below-market-rate housing, commercial medical offices, and a central location for innovative healthcare services. The district is currently negotiating a development agreement with developers.

Commissioner Draper requested that public benefits provided by public agencies be available and encouraged by the for-profit developer.

Commissioner Chang-Kiraly acknowledged the great work on the projects especially with the offering of the dental clinic, Sonrias Dental, and has heard positive reviews from local constituents and the Sequoia Health Care District.

Public Hearings

6. Consideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off, Pescadero (APN 087-053-010)

Commissioner Mueller – recused himself and left the meeting at 3 PM.

Mr. Bartoli opened the presentation and stated that this proposal, which was submitted by resolution by the County of San Mateo, requested an annexation by County Service Area 11 (CSA 11) of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010).

The proposal was also requested a Sphere of Influence (SOI) amendment for CSA 11 to the subject property.

The County of San Mateo proposed to construct a new County fire station on an undeveloped portion of Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010). As part of this project, the County is requesting the annexation of the parcel to CSA 11 to provide domestic water service to a proposed new fire station, Fire Station 59. A waterline would be extended from the existing CSA 11 boundaries east along Pescadero Road, south on Cloverdale Road, and east on Butano Cut Off. At the request of Cal Fire, seven fire hydrants will be installed along the new water main extension. The pipe alignment is not proposed to be within the annexation area.

The annexation would also facilitate domestic water service from CSA 11 to the existing Pescadero Middle/High School buildings. The school had historically relied on a well for domestic water. However, due to elevated contaminant levels in the groundwater, the school has relied on bottled water for drinking for several years. Mr. Bartoli summarized the history of CSA 11, and several factors that were reviewed as part of the proposal such as growth in the affected area, impacts to agricultural lands and the ability of the agency to provide service.

The proposal to annex will allow the County to construct a new fire station at 350-360 Butano Cut Off. The current fire station located on Pescadero Creek Road is partially within a floodplain. This flooding also resulted in isolating the fire station from the town of Pescadero, with subsequent delays in responding to emergency calls that originate on the east side of Butano Creek.

The alternative of no annexation would prohibit the extension of CSA 11 to the high school property and require that the school continue to rely on bottled water for drinking due to elevated contaminants levels in the domestic well on the property. As efforts to provide domestic water to the site by drilling an additional well on the property have been unsuccessful, it would be unlikely that the new fire station could be constructed without the annexation of the property to CSA 11.

As noted, the fire station site is mapped as Class I Agricultural Soils and does contain agricultural land as defined in the Cortese-Knox-Hertzberg Act. As stated in reports from the County and in the application to LAFCo, these agriculture lands are inactive. Though the project area may be of a quality to sustain high yield irrigated crops, the project area has not been in agricultural use for at least eight years, as opposed to the adjacent field to the north of the site consistently used for irrigated agriculture.

As required by both the County and the California Coastal Commission, a mitigation measure has been incorporated into the project to address the loss of this agricultural lands. This mitigation measure required that prior to issuance of the building permit for construction of the fire station, the County shall submit evidence to the Coastal Commission for review and approval indicating that an agricultural easement burdening off-site agricultural property has been granted in perpetuity to the County or other qualifying entity, along with adequate funding to compensate for reasonable administrative costs incurred by the easement holder.

Mr. Bartoli stated that a groundwater supply study was prepared for CSA-11. That study indicated that the CSA-11 supply is overdrawn on an annualized basis, but would be adequate for about 90 years. A follow-up study conducted by the County was prepared that audited existing water connections, and assessed long term water supply yield, sustainability, and water quality impacts with the proposed connections to the high school and new fire station. The study estimated that the system has sufficient capacity to supply existing demand plus the demands associated with Pescadero Middle/High School and the relocated fire station for at least the next 30-40 years. If the aquifer does not recharge at its current rate or this additional demand is added to CSA 11, the lifespan of the existing wells will be negatively impacted. With additional pumping it is possible that Well No. 1 would be out of service by 2057 and that Well No. 3 would need to be lowered to continue to serve Pescadero.

The County will implement two mitigations measures related to CSA 11 water levels. The first requires that CSA 11 shall conduct monthly water level measurement of Well #1 and Well #3 to monitor ongoing aquifer capacity. The second states that CSA 11 shall evaluate groundwater level trends

Per the County's application, on-going waterline extension operation and maintenance (O&M) costs are estimated at \$11,900 per year. This cost is limited to the waterline extension only and not for the CSA 11 system as a whole. These O&M costs include 1.27 miles of new water main, seven (7) new fire hydrants, several new gate valves, and two (2) new service meters..

These expenditures will be assessed to LHPUSD and Fire station/County Fire as the sole users of the waterline extension. These charges will be assigned as a separate service charge in addition to both users tiered water rates, that can be increased over time as costs increased. The service charges would fund the ongoing operations and maintenance. These O&M costs will not be paid by the existing rate payers within CSA 11.

Consistency in conjunction with this annexation, the County submitted amendments to the approved Local Coastal Program to the California Coastal Commission. These changes included a text amendment to allow the extension of municipal water provision to the new fire station site and to public schools in the rural service center of Pescadero. A change in the LCP land use map for the Middle/High Site was also proposed. On February 9, 2024, the California Coastal Commission certified the Local Coastal Plan Map and Text amendments that facilitate the project.

In a letter dated May 20, 2024, the Superintendent of the La Honda-Pescadero Unified School District (LHPUSD) started support of the annexation and SOI amendment. The letter notes that is application "is an important step in securing clean, safe, drinking water for our middle and high school students." A subsequent letter from LHPUSD was submitted on June 24, 2024, reiterated support for the project and requested that the protest proceedings be waived as the sole landowner of the affected area.

Mr. Bartoli stated that property owners and residents within 300 feet of the annexation area and the Pescadero Municipal Advisory Council were notified of the project. Today, a written public comment was submitted by Bridget Jett regarding the annexation. In a summary, the letter brings up concerns regarding the current status of the fire station location regarding active agricultural uses, a bond for the school district that included a master plan for the school site and if there is a conflict with the proposed fire station, need for voter input on the project, clarification about a reference to low-income and affordable housing, growth in Pescadero, and the status of the water for the school site.

The annexation of the school site will allow Pescadero Middle/High School to have a source of drinking water that will meet the needs for the students and staff. High School serves approximately 170 students in Grades 6 through 12. The school relies upon groundwater for its water needs. The State Water Resources Control Board (Division of Drinking Water) has cited the school's well for exceeding maximum allowed nitrate and coliform contaminant levels. The school currently relies on bottled water for consumption needs. Past attempts to drill new wells have failed due to insufficient water quality and quantity on the property. Currently, students and staff must rely on bottled water due to elevated contaminates levels in the drinking water supplied by an on-site well.

Pescadero and the surrounding area is an important farming community in the County, and it is likely that there are farmworkers living in the area of CSA 11 who have an income lower than median income for Pescadero. This is evidenced by affordable housing and farm labor housing programs that are supported by the County in the agricultural areas of the coast side.

On November 15, 2022, the San Mateo County Board of Supervisor certified by motion a Mitigated Negative Declaration (MND) for the CSA-11 Water Service Extension and Pescadero Fire Station (Station 59) Project. Included in the scope of this project was Sphere of Influence amendment and annexation by CSA 11 of the Pescadero Middle/High School and new fire station property, subject to approval by the San Mateo Local Agency Formation Commission. The MND found there would be several potential impacts to the environment. However, the CEQA document proposed mitigation measures for these impacts. Areas of impacts include agriculture, hydrology and water quality, hazards and hazardous materials, and noise. With mitigation measures, each impact is considered to be sufficiently addressed.

Commissioner Bigstyk commented that with development projects comes public concern and asked why 300 feet is the set radius for noticing the public that will be impacted. Mr. Bartoli answered that this standard was set by the Cortese-Knox-Hertzberg Act (CKH) which details the adjacent neighbors or parcels within the 300 feet radius will be contacted which includes landowners and residents. Mr. Bartoli explained that this has been an on-going project and County staff has done several outreach events to keep the public informed.

Commissioner Bigstyk asked a follow up question regarding if LAFCo staff is prepared to answer affordable housing questions related to this project and if the property tax measures passed by LHPUSD will be impacted by the final Commission decision. Mr. Bartoli confirmed

that LAFCo staff is not aware of the status for future land use of this site for affordable housing and any potential conflicts pertaining to the parcel is not within the purview of LAFCo. Sophie Minter, Assistant Director of San Mateo County Planning and Building, further confirmed that the county has no future plans to develop housing in this site. Although the housing element is underworks including an implementation of the Pescadero site analysis.

Commissioner Bigstyk also asked if LAFCo staff would elaborate on their suggestion of further investigations on future water supply. Mr. Bartoli explained that in a 2019 and 2021 report conducted by County of Public works, which operates CSA 11, details potential uses of aquifers and fire stations were considered to positively impact the area.

Commissioner Draper questioned how the county permits use of the current water distribution system. Mr. Bartoli commented that several factors restrict urban level services including municipal water to be extended to the rural areas. The areas surrounding the pipeline is considered rural and is therefore prohibited from extension of water utility. Future services are possible if amendments to local coastal programs are established which reclassifies these areas.

Chair Martin asked if the County is issuing private building permits in the Pescadero area in response to the aquifer problem. Mr. Bartoli confirmed that there is no prohibition against issuance of building permits within CSA11. Ms. Minter also echoed this confirmation and added that only properties located within the CSA boundaries can connect to water services.

Chair Martin also questioned how the county determined the agricultural land has not been used for seven years as listed in the staff report. Michael Schaller, Senior Planner with San Mateo County Planning and Building Department, explained that the CSA development area is extremely limited because it is classified by FEMA as being under a mapped floodway. Mr. Schaller highlighted that the only active agricultural areas have consisted of lavender fields and hay production.

Commissioner Draper asked Mr. Fox to verify if a bond measure is not a land use referenda. Mr. Fox agreed with proposition that a bond measure is not a referendum on land use regulation or proposal.

Chair Martin opened the public hearing.

Dr. Patrick Horn, Pescadero Municipal Advisory Councilmember, spoke in favor of delaying the vote for more community engagement.

Robert Skinner, Corresponding Secretary for Pescadero Municipal Advisory Council, spoke in favor of delaying the vote until the next meeting.

Bridget Jett, Pescadero resident, spoke in favor of delaying the vote for more transparency and additional noticing.

BJ Burns, Pescadero resident, spoke in favor of delaying the vote on the proposal.

Katherine Slater-Carter, LAFCo alternate special district member, spoke of delaying the vote on the proposal and encouraging further investigation of the water issue at the school site.

Commissioner Bigstyk requested the technical reason for which LAFCo determined that the agricultural area has not used. Mr. Bartoli stated that in the application submitted by the County, include the environmental documents and reports before the Coastal Commission, that the County has identified the project area as not being in agricultural production.

Commissioner Draper stated that LAFCo is not a land use agency and recommended the Commission support the annexation. The issues investigating how water could be provided to the school site and the impacts on the CSA 11 have previously been evaluated by other agencies through their permitting process.

Commissioner Rarback spoke in favor of the annexation.

Commissioner Chang Kiraly asked for the item to be continued so that the community can be part of these process.

Commission Action: Commissioner Bigstyk moved to approve consideration of LAFCo File 24-08. Commissioner Rarback seconded the motion. Motion was approved by roll call vote 4-1-2. (Ayes: Commissioners Martin, Bigstyk, Draper, Rarback; Noes: Commissioner Chang-Kiraly; Recused: Commissioner Mueller; Absent: Commissioner Slocum)

7. Consideration of Municipal Service Review Circulation Draft for the San Mateo County Harbor District

Commission Mueller rejoined the meeting.

On August 28, 2024, a public hearing notice was published for the September 18, 2024, LAFCo meeting. The public hearing notice included the Consideration of Municipal Service Review (MSR) Circulation Draft for the San Mateo County Harbor District. LAFCo staff anticipated having this report prepared for the September 18 meeting, however, due to the analysis required for this MSR and due to the allocation of additional staff time allocated to finalize a recently approved LAFCo proposal, staff is requesting that this item be continued to the November 20, 2024, LAFCo Commission meeting.

Staff recommended to continue this item to the November 20, 2024, LAFCo Commission meeting.

Chair Martin open and closed public comment. No comments were received, and the item was continued to the next LAFCo meeting.

8. Consideration of Municipal Service Review Circulation Draft for the City of Millbrae

Mr. Bartoli presented the item.

The City's adopted Housing Element proposed an increase to its housing stock by 22% over the next eight years. The City's 2020 Urban Water Management Plan, which forecasted water

demand and availability through 2045, projected that the City's population will increase to over 27,000 residents and that water demand in 2045 will exceed the available water supply.

LAFCo encouraged the City to update the Urban Water Management Plan to align with the projected development in the City's adopted Housing Element.

The City boundaries and SOI are nearly contiguous with the exception of the San Francisco International Airport Lands located along the City's eastern border and west of Highway 101. Although the Capuchino High School site is part of the City of San Bruno it is surrounded by the City of Millbrae. There are no disadvantaged unincorporated communities within the City's SOI. LAFCo is not aware of any deficiencies in agency capacity to meet existing service needs for which the agency does not have a plan in place to resolve.

LAFCo staff recommendations included urging the City review of potential revenue increases or the creation of a dedicated revenue source for stormwater projects and continued collaboration with Central County Fire, the City of Burlingame and the Town of Hillsborough regarding the implementation of recommendations from the Community Risk Assessment/Standards of Cover & Deployment Analysis.

In addition, the City reviews of potential revenue increases for stormwater projects should be extended and development of projections for the Sewer, Water, and Storm Drain enterprise funds to provide the City a more complete assessment of these funds. These projections can be used in conjunction with the CIP to allow the City to allocate appropriate resource to infrastructure projects.

For future budget documents, the City should explore including details about capital improvement costs and operation and maintenance expense for enterprise funds to better illustrate what are ongoing versus one-time costs for these funds.

The City has three main enterprise funds, one for each Sewer, Water, and Storm Drain. These funds for FY24-25 are projected to operate at a deficit, with fund balance used to address the difference. In review of publicly available documents, it appears that these funds will not have enough revenue to address identified CIP projects. However, as budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance, LAFCo staff is unable to determine if these are one-time costs or ongoing.

The LAFCo recommended that the storm drain fund receive fees collected as part of property tax, but also supplemented by transfers from the City's General Fund to support storm drain and flood control operations and capital improvements. LAFCo encouraged the City to continue to review potential revenue increases or the creation of a dedicated revenue source for stormwater projects.

Since 2014 fire protection services are provided to the City of Millbrae via a contract with the Central County Fire Department, a JPA between the City of Burlingame and Town of Hillsborough. The Community Risk Assessment/Standards of Cover & Deployment Analysis examined the department's response performance, operations, facilities and apparatus,

organizational structure, governance and mutual cooperation. The Assessment made several systemwide recommendations and noted several observations regarding the City of Millbrae, including noting the lack of representation from the City on the Board and that Fire Station 37 in the City of Millbrae has historically incurred most of the service demand within the service area.

Commissioner Chang-Kiraly requested clarification on how Central County Fire is funded and Mr. Bartoli stated that it is a JPA funded by the member agencies of Burlingame and Hillsborough. Millbrae is charged by the JPA for the services provided.

Chair Martin questioned if the Millbrae Police department is still contracting services from the Sheriff's Department. Mr. Bartoli confirmed that the City is contracting this service with the Sheriff.

Chair Martin opened public comment.

Ann Schneider, Millbrae councilmember, spoke regarding the Millbrae MSR.

Chair Martin closed public comment.

Commissioner Draper recommended that LAFCo staff connects with Ms. Schneider for further input regarding Millbrae MSR.

Commission Action: Commissioner Chang-Kiraly moved to direct the Executive Officer to schedule the Final Municipal Service Review for the City of Millbrae for a public hearing at the next Commission meeting on November 20, 2024, and circulate it with any necessary amendments to the County, cities, and independent special districts. Commissioner Draper seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstyck, Chang-Kiraly, Draper, Rarback, Mueller; Absent: Commissioner Slocum)

9. Consideration of Final Municipal Service Review for the City of Foster City and the Estero Municipal Improvement District (EMID)

Mr. Bartoli presented the item.

The City anticipated the use of reserve funds in future years to balance the budget due to a structural deficit and developed a possible revenue measure for Business License Tax to help address this issue. The Council has not yet finalized their vote.

In addition, The City's adopted Housing Element proposed to increase its housing stock by 13% over the next eight years. While water demand for proposed development under the 2023-2031 Housing Element will be able to be met, during single and multiple dry years, EMID's total annual water demand is expected to exceed EMID's available water supplies from 2025 to 2045 with or without the additional demand from the 2023-2031 Housing Element.

LAFCo staff encouraged the City/EMID to continue work related to water conservation to allow the City to meet needs for future development of the City.

The original purpose for EMID was to provide several municipal functions to an unincorporated area in anticipation of urban development and the potential future incorporated on the area. Now that the City of Foster City has been incorporated, the specific purpose of EMID has been fulfilled. EMID sold bonds to finance the major improvements needed for development of the City, of which the last bond payment was made in 2007.

A full merger of EMID with the City could result in long-term operational and administrative cost savings. A study of potential efficiencies and savings could be undertaken to determine the feasibility of this government structure alternative. Currently, the City/EMID have not explored the potential of a merger/dissolution of EMID.

Chair Martin open and closed public comment. No comments were made.

Commission Action: Commissioner Chang-Kiraly moved to approve the approve the consideration of Municipal Service Review Circulation Draft for the City of Foster City and the Estero Municipal Improvement District. Commissioner Bigstycck seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstycck, Chang-Kiraly, Draper, Rarback, Mueller; Absent: Commissioner Slocum)

10. FY 23-24 Year End and FY24-25 Quarterly LAFCo Budget Update – Information Only

Mr. Bartoli opened the presentation. He stated that the LAFCo FY 22-23 final budget was adopted on May 17, 2023. Overall, LAFCo revenues totaled \$623,919 (six hundred twenty-three thousand, nine hundred nineteen dollars) exceeding its budgeted revenue of \$588,323 (five hundred eighty-eight thousand three hundred twenty-three dollars). This included the carryover from FY 22-23 of \$257,707 (two hundred fifty-seven thousand, seven hundred seven dollars). LAFCo received \$53,520 (fifty-three thousand, five hundred twenty dollars) in application fees in FY 23-24 out of a budget amount of \$35,000.

Mr. Bartoli stated that LAFCo expenditures totaled \$613,798 (six hundred thirteen thousand, seven hundred ninety-eight dollars) compared to a budgeted amount of \$738,142 (seven hundred thirty-eight thousand, one hundred (83%). The variance resulted from salary savings due to the vacancy of the Management Analyst position for four months and the vacancy of the LAFCo Clerk position for three. Higher than expected costs include expenditures for legal notices (paid for by application fees) and County Attorney Office (budgeted originally at \$40,000 and then increased to \$80,000.) The carryover funds will be allocated to the reserve fund until the next budget process commences. The ending fund balance for FY 24-25 is \$217,948.

LAFCo has received 99% of the 1/3 apportionment from member agencies. Application revenue to date is \$2,028.

The carryover fund balance from FY 22-23 was \$217,948 (two hundred seventeen thousand, nine hundred forty-eight dollars) approximately \$83,024 (eighty-three thousand twenty-four dollars) more than projected in May. These savings are based on lower than anticipated costs

for the County Attorney and the vacant Management Analyst position. These additional funds have been allocated to one-time costs for the County Attorney and for the LAFCo reserve fund.

LAFCo is within budget for all expenditures for FY 24-25.

11. Legislative and Policy Committee

- a) Legislative Report – Information Only

Mr. Bartoli reported that as of July 9, 2024, CALAFCO is tracking 10 bills.

12. Commissioner/Staff Reports – Information Only

- a) 2023 San Mateo County Crop Report – Information Only

Mr. Bartoli reminded the Attached for the Commissioners information is the 2023 San Mateo County Agricultural Crop Report prepared by the County Department of Agriculture / Weights and Measures; The total estimated gross value of San Mateo County agricultural production in 2023 was \$98,969,000, an increase of 7.4% from 2022.

Mr. Bartoli stated that the upcoming meeting space is pending further confirmation for November. The commission will be kept apprised on the meeting location.

Commissioner Chang-Kiraly announced that the Harbor District is hosting a boat parade and chili cookoff on December 14, 2024.

Commissioner Rarback stated the Summer's End Harvest in Halfmoon Bay will be on September 21, 2024, from 10 am to 5 pm. There will also be a Pumpkin Festival on October 19 and 20 from 9 am to 5 pm.

Commissioner Bigstycck stated that the Pacifica Fog Fest will be September 27 to 28.

13. Conference with Legal Counsel – Existing Litigation (§ 54956.9):

Name of Case: East Palo Alto Sanitary Dist. v. San Mateo Local Agency Formation Comm'n (San Mateo County Superior Court Case No. 24-CIV-01489)

Mr. Fox announced that there was no reportable action from the closed session.

14. Adjournment

The meeting ended at 5:33 PM.

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners
From: Rob Bartoli, Executive Officer
 Sarah Flamm, Management Analyst

Subject: Consideration of LAFCo File No. 24-05 - Proposed Outside Service Agreements for two (2) water connections and three (3) sewer connections by the City of Redwood City to three subdivided parcels at 890 Upland Drive (APN 058-272-120), Unincorporated Redwood City

Summary

Pursuant to Government Code Section 56133, Commission approval is required for the extension of service by local agency to territory outside the agency's boundaries. This section requires that the public agency apply to LAFCo by resolution on behalf of the landowner. In this case, the property owner of 890 Upland Road (APN 058-272-120) is proposing a three-lot subdivision. The property is currently developed with one single-family house and receives water from the City. The property is currently served by an on-site septic system for wastewater. For the new three-lot subdivision, the property and City are requesting two new water connections and three new sewer connections pursuant to Government Code Section 56133. The City has requested to legalize the sewer connection and is requesting the formal authority to provide sewer service the property.

The project area is within the Sphere of Influence of the City of Redwood City. The property is contiguous to a City boundary, however annexation of the parcel at this time would not create a logical boundary or improve the delivery of services. LAFCo staff supports an Outside Service Agreement (OSA) in lieu of annexation.

Departmental Reports

County Assessor: The total net assessed land valuation for the parcel (APN 057-023-130) shown in the County Assessor records is \$3,264,000. The boundaries of the OSA will conform to the lines of assessment and ownership of the subdivided parcel.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
 ▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
 DIANE ESTIPONA, CLERK

County Clerk: There is one registered voter at the property. The OSA would not change or conflict with any political subdivision boundaries. If the parcel is annexed by the City of Redwood City, it would need to be changed from an unincorporated area precinct to a precinct within the City of Redwood City.

County Environmental Health: The City of Redwood City provides water within the area, and the Emerald Lake Heights Sewer District and the City of Redwood City provide sewer service in the area. The proposal appears appropriate and will not create any unusual health hazards or problems. Permits will be required to remove the existing septic system.

County Planning: The County's land use designation is low density residential. The proposal is consistent with the County's General Plan and zoning. The County Board of Supervisors approved a minor three-lot subdivision for this property on March 24, 2024 (PLN2022-00321).

County Public Works: The proposed new sewer line and associated appurtenances to be constructed shall not conflict with or impact the existing sanitary sewer facilities of the Emerald Lake Heights Sewer District.

City of Redwood City: The City's General Plan designation is residential – low density. The proposal is compatible with the City's General Plan and would not create service problems. Per the City, the project will need to construct 141 linear feet of new 8-inch sanitary sewer main extension on Upland Road from the existing manhole fronting 882 Upland Road through the subject property's frontage. The new sanitary sewer main will be privately maintained. The outside service agreement for two new water connections and three new sewer connections for this property was approved by the Redwood City Council on October 28, 2024. The resolution and deferred annexation agreement exhibit are attached to this report.

Executive Officer's Report

This proposal submitted by the City of Redwood City is to approve two new water connections and three new sewer connections for a proposed three-lot subdivision. The subject property is within the Sphere of Influence of the City and contiguous to a City boundary across the street on Upland Drive. However, if the parcel was to be annexed at this time, it would create a partial unincorporated island as 890 Upland would be the only property on eastside of Upland Drive within the City boundaries. Therefore, annexation of the parcel at this time would not create a logical boundary or improve the delivery of services. In these circumstances, LAFCo's adopted Outside Service Agreement policy permits the extension of services when annexation is infeasible. As a condition of approval for this project, the property owners will need to execute a deferred annexation agreement for the parcel, as required by the City and LAFCo. Approval of the Outside Service Agreement is recommended.

California Environmental Quality Act

On March 26, 2024, the County of San Mateo certified a Mitigated Negative Declaration (MND) for a General Plan amendment, Minor Subdivision, and a Grading Permit for this project. Included in the scope of this project was an OSA for three sewer connections and two water connections from the City of Redwood City, subject to approval by the San Mateo Local Agency Formation Commission and the City. The MND found there would be several potential impacts to the environment. However, the CEQA document proposed mitigation measures for these

impacts. Areas of impacts include aesthetics, biological resources, and cultural resources. With mitigation measures, each impact is considered to be sufficiently addressed.

Recommended Commission Action by Motion

Staff respectfully recommends that the Commission approve the proposal by taking the following actions:

1. By motion, certify that the Commission has reviewed and considered the Mitigated Negative Declaration for the 890 Upland Drive project including any findings and the mitigation and monitoring program, prepared by the County of San Mateo as lead agency and that mitigation measures are within the responsibility and jurisdiction of the County of San Mateo and not within the responsibility and jurisdiction of San Mateo LAFCo (Government Code Section 15091(a)(2)).
2. LAFCo File No. 24-05 - Proposed Outside Service Agreements for two (2) water connections and three (3) sewer connections by the City of Redwood City to three subdivided parcels at 890 Upland Drive (APN 058-272-120), Unincorporated Redwood City with the following condition of approval:
 1. The applicant shall record the deferred annexation agreement with the San Mateo County Recorder's Office and provide a copy of the recorded document to LAFCo, prior to the issuance of the approval letter for the Outside Service Agreement 890 Upland Drive (APN 058-272-120), Unincorporated Redwood City.

Attachments

- A. OSA application for 890 Upland Drive (APN 058-272-120)
- B. Vicinity Map
- C. Draft Tentative Map
- D. Certified Mitigated Negative Declaration
- E. Resolution from the City of Redwood City

cc: Christian Craig, City of Redwood City
Gregory Smith, San Mateo County Environmental Health
San Mateo County Clerk
Andrew Smith, San Mateo County Assessor
Tiffany Gee, San Mateo County Planning & Building
Project Owner and Applicant

APPLICATION FOR A CHANGE OF ORGANIZATION, REORGANIZATION, OR OUTSIDE SERVICE AGREEMENT TO THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION

A. GENERAL INFORMATION

- 1. Briefly describe the nature of the proposed change of organization, reorganization, or outside service agreement.

Outside Service Authorization for 3 sewer connections from Redwood City and LAFCo, and 2 additional water connections from the City. Note - The subject property has historically been provided with a single water service from Redwood City. The subject property presently has one assessor's parcel number (APN). Upon approval and recordation of the final parcel map the county assessor will assign individual APNs for each lot.

- 2. An application for a change of organization or reorganization may be submitted by individuals in the form of a petition or by an affected public agency in the form of a certified resolution. This application is submitted by (check one):

X Landowners or registered voters, by petition
An affected public agency, by resolution

(If this application is submitted by petition of landowners or registered voters in the affected territory, complete the petition form.)

- 3. What are the reasons for the proposal?

Provision of Redwood City Sewer and Water services to serve a 3 lot subdivision approved by the Board of Supervisors on 3/26/24. Planning Application # PLN-2022-00321. Lot 1 will continue to use the existing waster service per the meter on the lot. It may be upgraded but will serve Lot 1. Accordingly, Lots 2 and 3 will be the eventual recipients of the two new out-of-district connections.

- 4. Does this application have 100% consent of landowners in the affected area?

X Yes No

- 5. Estimated acreage: 1.03 AC.

RECEIVED

APR 30 2024

LAFCO

B. SERVICES

- 1. List the name or names of all existing cities and special districts whose service area or service responsibility would be altered by the proposed change of organization or reorganization.

City of Redwood City.

- 2. List all changes to the pattern of delivery of local services to the affected area. For each service affected by the proposed change(s) of organization, list the present source of service (state "none")

if service is not now provided), the proposed source of service and the source of funding for construction of necessary facilities (if any) and operation. Example is given on the first two lines of the space provided for your response.

SERVICE	PRESENT SOURCE	PROPOSED SOURCE	FUNDING SOURCE	
			CONSTRUCTION	OPERATING
<i>Police (example)</i>	<i>Co. Sheriff X</i>	<i>City Police</i>	<i>N/A</i>	<i>Taxes</i>
<i>Sewer (example)</i>	<i>None</i>	<i>City of . . .</i>	<i>Proponent</i>	<i>Fees</i>
Sewer	None	Redwood City	Applicant	Homeowners
Water	Redwood City	Redwood City	Applicant	Homeowners

C. PROJECT PROPOSAL INFORMATION

1. Please describe the general location of the territory which is the subject of this proposal. Refer to major highways, roads and topographical features.

890 Upland Road in Unincorporated Emerald Lake Hills (APN 058-272-120).

2. Describe the present land use(s) in the subject territory.

The subject property presently contains 1 single family residence and is surrounded on all sides by developed single family homes.

3. How are adjacent lands used?

North: SFR

South: SFR

East: SFR

West: SFR

4. Will the proposed change of organization result in additional development? If so, how is the subject territory to be developed?

Demolition of the existing residence and septic system and redevelopment with 3 new single family homes to be served by Redwood City Sewer and Water.

5. What is the general plan designation of the subject territory?

Medium-Low Density Residential under the County's Emerald Lake Hills General Plan Map.

6. What is the existing zoning designation of the subject territory?

Residential Hillside/Design Review (RH/DR).

7. What rezoning, environmental review or development approvals have already been obtained for development in the subject territory?

General Plan Land Use Map Amendment from low to medium-low density, Approval of Vesting Parcel Map for 3 lots, and adoption of an Initial Study/Mitigated Negative Declaration. The subject approvals were granted by the SMC Board of Supervisors on 3/26/2024 under PLN 2022-00321.

8. What additional approvals will be required to proceed?

LAFCo and Redwood City Council out-of-district service authorizations for 2 new City water connections and 3 sewer connections.

9. Does any portion of the subject territory contain any of the following --agricultural preserves, sewer or other service moratorium or wetlands subject to the State Lands Commission jurisdiction?

NONE

10. If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how?

N/A

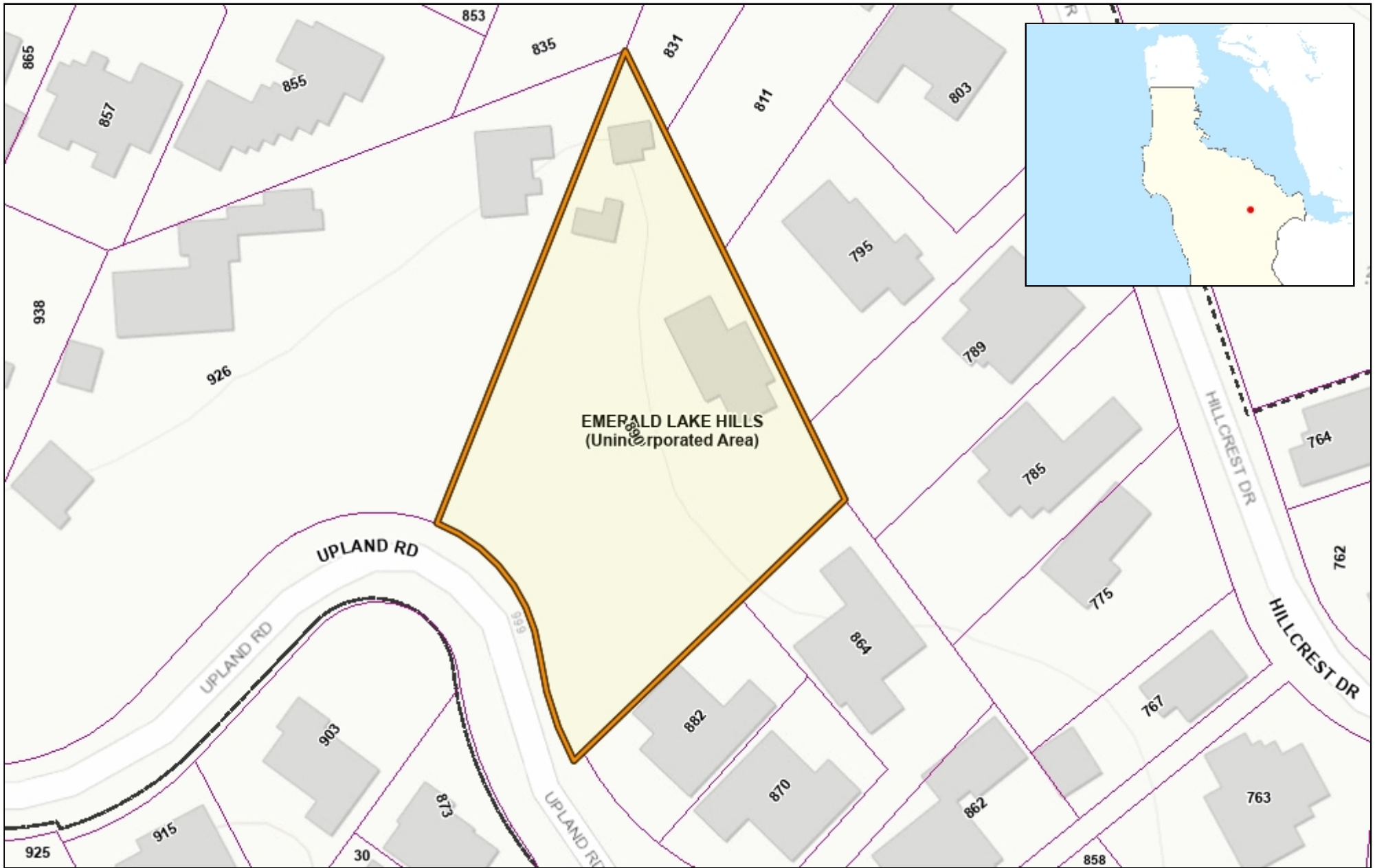
* * * * *

LAFCo will consider the person signing this application as the proponent of the proposed action(s). Notice and other communications regarding this application (including fee payment) will be directed to the proponent at:

NAME: SURINDER P. GOSWAMY EMAIL: GPS20001@COMCAST.NE
ADDRESS: 152 Nevada St. RC TELEPHONE: 650-533-5800
94062
ATTN: Surinder Goswamy SG

Signature of Proponent

Applica_blk.doc
(10/6/2000)



0.04 0 0.02 0.04 Miles

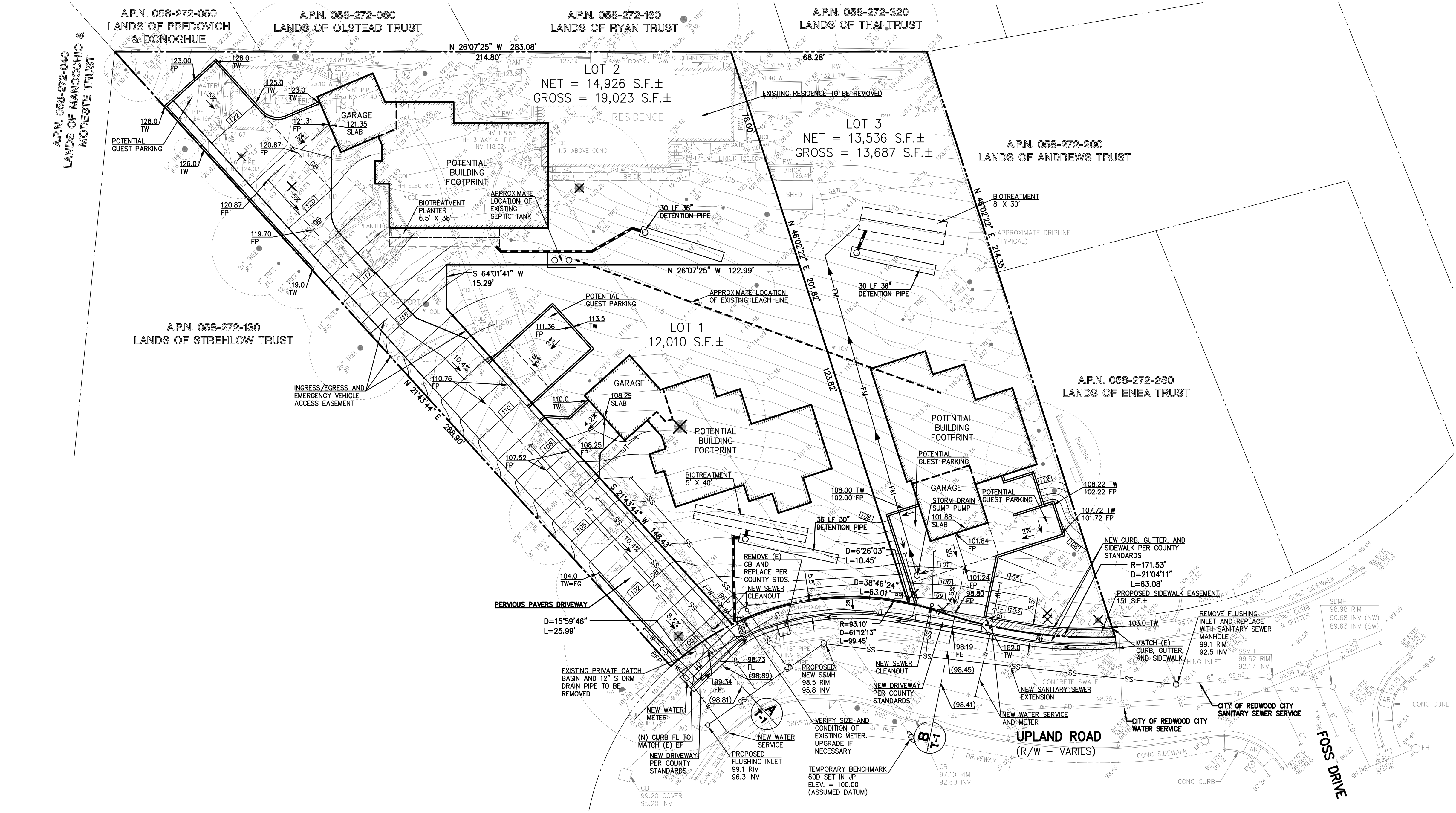
WGS_1984_Web_Mercator_Auxiliary_Sphere
© Latitude Geographics Group Ltd.

1:1,128



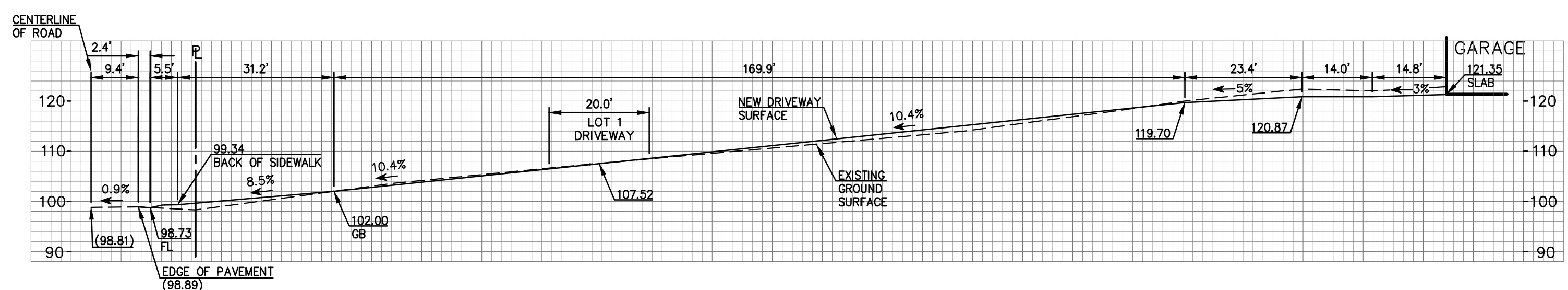
This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

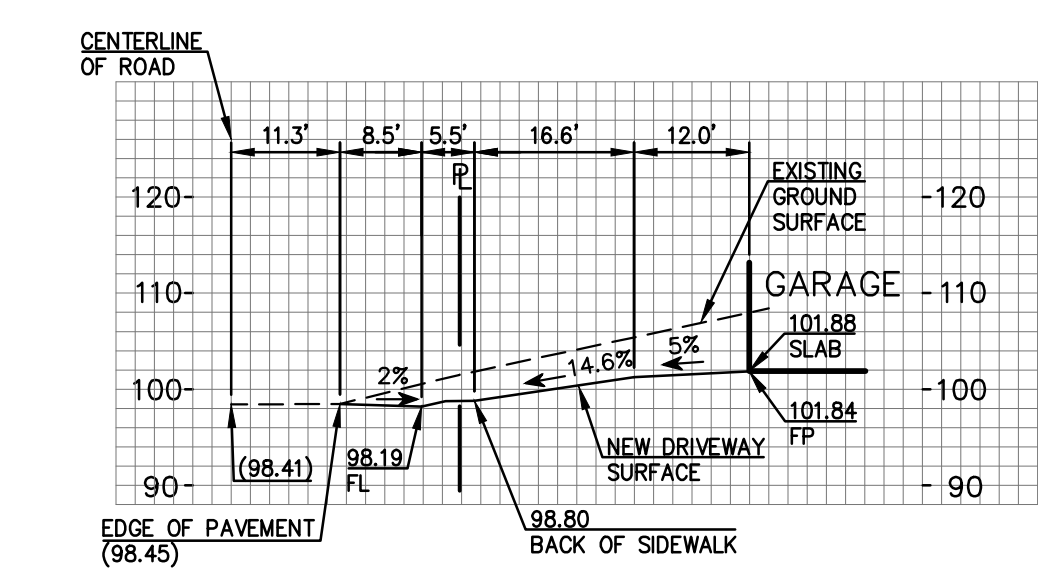


LEGEND

---	PROPERTY LINE
---	PROPOSED PROPERTY LINE
AC PAVE	ASPHALT CONCRETE PAVEMENT
AD	AREA DRAIN
AR	ACCESS RAMP
CB	CATCH BASIN
CO	CLEANOUT
COL	COLUMN
CONC	CONCRETE
CW	CONCRETE WALL
EM	ELECTRIC METER
EP	EDGE OF PAVEMENT
FF	FINISH FLOOR
FH	FIRE HYDRANT
FL	FLOWLINE
FP	FINISH PAVE
GA	GUY ANCHOR
GM	GAS METER
GS FF	GARAGE SLAB FINISH FLOOR
ICV	IRRIGATION CONTROL VALVE
INV	INVERT
JP	JOINT UTILITY POLE
LG	LIP OF GUTTER
LP	LIGHT POLE
RW	ROCK WALL
SDMH	STORM DRAIN MANHOLE
SSMH	SANITARY SEWER MANHOLE
TC	TOP OF CURB
TW	TOP OF WALL
WM	WATER METER
WV	WATER VALVE
WW	WOOD WALL
●	TREE WITH SIZE & ARBORIST NUMBER
✕	EXISTING TREE PROPOSED TO BE REMOVED
-X-X-	FENCE
—JT—	JOINT TRENCH LINE
—OH—	OVERHEAD UTILITY LINE
—SS—	SANITARY SEWER LINE
—SD—	STORM DRAIN LINE
—W—	WATER LINE
—FM—	FORCE MAIN LINE



A DRIVEWAY C PROFILE
SCALE: 1"=20' (V & H)



B DRIVEWAY C PROFILE
SCALE: 1"=20' (V & H)

APPROXIMATE GRADING QUANTITIES:

	CUT	FILL
LOT 1 & 2 DRIVEWAY	520	--
LOT 3 DRIVEWAY	280	--
LOT 2 GRADING	50	--
NEW SIDEWALK	85	--
TOTAL	935	--

TOTAL EARTHWORK = 935 C.Y. ±

OWNER / SUBDIVIDER:

APPLEWOOD INVESTMENTS LLC
1001 EL CAMINO REAL
MENLO PARK, CA 94025

CIVIL ENGINEER / LAND SURVEYOR:

DAN MacLEOD
MacLEOD & ASSOCIATES, INC.
965 CENTER STREET
SAN CARLOS, CA 94070
TEL: (650) 593-8580

EXISTING & PROPOSED LAND USE:

SINGLE FAMILY RESIDENTIAL

EXISTING & PROPOSED ZONING:

RH/DR

FLOOD ZONE:

ZONE "X"

ASSESSOR'S PARCEL NUMBER:

058-272-120

LOT AREA:

= 44,721 S.F. ±
= 1.027 ACRES. ±

AVERAGE LOT SLOPES:

LOT 1 AVERAGE SLOPE = 15.7%
LOT 2 AVERAGE SLOPE = 16.3% (NET AREA)
LOT 3 AVERAGE SLOPE = 17.6% (NET AREA)

UTILITY SERVICES:

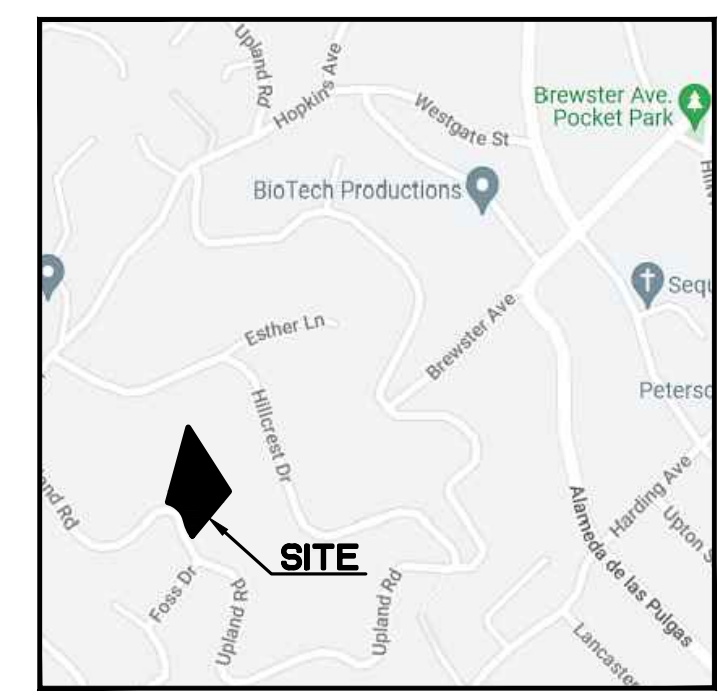
GAS & ELECTRICITY: PACIFIC GAS & ELECTRIC COMPANY
SANITARY SEWER: CITY OF REDWOOD CITY
WATER: CITY OF REDWOOD CITY
TELEPHONE: AT & T
FIRE PROTECTION: REDWOOD CITY FIRE DEPARTMENT

UTILITY NOTE:

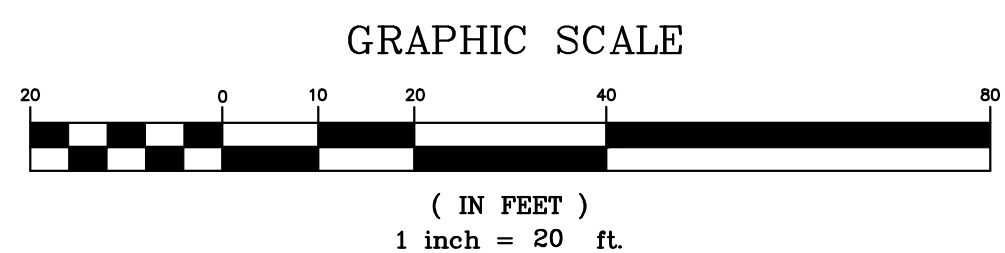
THE UTILITIES EXISTING ON THE SURFACE AND SHOWN ON THIS DRAWING HAVE BEEN LOCATED BY FIELD SURVEY. ALL UNDERGROUND UTILITIES SHOWN ON THIS DRAWING ARE FROM RECORDS OF THE VARIOUS UTILITY COMPANIES AND THE SURVEYOR/ENGINEER DOES NOT ASSUME RESPONSIBILITY FOR THEIR COMPLETENESS, INDICATED LOCATION, OR SIZE. RECORD UTILITY LOCATION SHOULD BE CONFIRMED BY EXPOSING THE UTILITY.

GENERAL NOTES:

- EXISTING CONTOUR INFORMATION IS BASED UPON A FIELD SURVEY PERFORMED BY MacLEOD & ASSOCIATES IN JULY OF 2021 AND SUPPLEMENTED IN JULY OF 2022.
- THE EXISTING SEPTIC TANK WILL BE REMOVED AND THE EXISTING SEPTIC LEACH LINES WILL BE ABANDONED.
- TREES REQUIRING REMOVAL FOR SUBDIVISION IMPROVEMENTS (DRIVEWAYS AND UTILITIES) ARE MARKED WITH AN X FOR REMOVAL. SPECIFIC DETAILS FOR ALL OTHER TREES TO BE RETAINED OR REMOVED FOR FUTURE HOME IMPROVEMENTS ON EACH LOT WILL BE PROVIDED BY THE LANDSCAPE ARCHITECT AND/OR PROJECT ARBORIST AT THE DESIGN REVIEW PHASE.



VICINITY MAP
NOT TO SCALE



DATE:	07/14/23
BY:	DJK
DESCRIPTION:	
REV.	
ADD CURB, GUTTER, & SIDEWALK PER COUNTY AND REDWOOD CITY COMMENTS	
D.K.	02/12/24
D.K.	07/14/23

MACLEOD AND ASSOCIATES
CIVIL ENGINEERING • LAND SURVEYING
965 CENTER STREET • SAN CARLOS, CA 94070 • (650) 593-8580

PREPARED FOR:
APPLEWOOD INVESTMENTS

UNINCORPORATED
SAN MATEO COUNTY
CALIFORNIA

VESTING TENTATIVE PARCEL MAP WITH PRELIMINARY GRADING & DRAINAGE

890 UPLAND ROAD
SAN MATEO COUNTY
CALIFORNIA

DRAWN BY: DJK
DESIGNED BY: DJK
CHECKED BY: DGM
SCALE: 1"=20'
DATE: 10-10-22
DRAWING NO. 5018-TM
SHEET 1 OF 2

County of San Mateo
Planning and Building Department

**INITIAL STUDY
ENVIRONMENTAL EVALUATION CHECKLIST**
(To Be Completed by Planning Department)

1. **Project Title:** General Plan Amendment & Minor Subdivision for 890 Upland Road, Emerald Lake Hills
2. **County File Number:** PLN2022-00321
3. **Lead Agency Name and Address:** County of San Mateo, Planning and Building Department, 455 County Center, Second Floor, Redwood City, CA 94063
4. **Contact Person and Phone Number:** Camille Leung, Project Planner, 650/363-1826, cleung@smcgov.org (email is preferred method of communication)
5. **Project Location:** 890 Upland Road at Foss Drive, located in the unincorporated Emerald Lake Hills area of San Mateo County.
6. **Assessor's Parcel Number and Size of Parcel:** APN 058-272-120 (44,721 sq. ft.[1.027 acres]; Subject Parcel).
7. **Project Sponsor's Name and Address:** Same as Owner
8. **Owner:** Paul Goswamy, 152 Nevada Street, Redwood City, CA 94062
9. **General Plan Designation:** Low Density Residential; Urban
10. **Zoning:** Residential Hillside District/Design Review District (RH/DR)
11. **Description of the Project:** The project requires a Minor Subdivision, Grading Permit, and General Plan (GP) Amendment for a 3-lot subdivision of a 44,721 square feet (s.f.) single-family residential parcel, with proposed lot sizes of 12,010 s.f., 19,023 s.f., and 13,687 s.f. The GP amendment would change the Land Use Designation from Low Density Residential to Medium-Low Density Residential, which would allow the parcel's subdivision into 3 parcels. Applicant proposes to demolish a house built in 1920 and an existing septic system, build 3 new single-family residences, and connect the 3 new parcels to a public sewer and water system (property is not currently located in a sewer or water district). Project includes removal of a 54" d.b.h. Heritage Valley Oak tree (Tree #3), as well as 6 other significant trees. A total of 850 c.y. of cut is needed for driveway improvements.
12. **Surrounding Land Uses and Setting:** The property is located within an existing residential neighborhood and adjoins developed parcels on all sides, except along the street-front side on Upland Road. The property slopes upward from Upland Road with an average slope of approximately 12%.

13. **Other Public Agencies Whose Approval is Required:** An Outside Service Agreement(s) for three (3) sewer and two (2) water connections (existing house has a water connection) is subject to the approval of Local Agency Formation (LAFCo) and the City of Redwood City.
14. **Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code Section 21080.3.1? If so, has consultation begun? No, consultation has not begun.** Planning staff has consulted with the following tribes, as identified by the Native American Heritage Commission (NAHC): Amah Mutsun Tribal Band of Mission San Juan, Coastanoan Rumsen Carmel Tribe, Indian Canyon Mutsun Band of Costanoan, Muwekma Ohlone Indian Tribe of the SF Bay Area, the Ohlone Indian Tribe, the Wukwasche Indian Tribe/Eschom Valley Band, and the Tamien Nation. On September 5 and 13, 2023, a letter was sent to each of the contact persons provided by the NAHC regarding the subject project requesting comment within 30 days. No comments were received to date.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or "Significant Unless Mitigated" as indicated by the checklist on the following pages.

X	Aesthetics		Energy	X	Public Services
	Agricultural and Forest Resources		Hazards and Hazardous Materials		Recreation
	Air Quality	X	Hydrology/Water Quality		Transportation/Traffic
X	Biological Resources	X	Land Use/Planning		Tribal Cultural Resources
X	Cultural Resources		Mineral Resources	X	Utilities/Service Systems
X	Geology/Soils		Noise		Wildfire
	Climate Change		Population/Housing	X	Mandatory Findings of Significance

EVALUATION OF ENVIRONMENTAL IMPACTS

1. A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
4. “Negative Declaration: Less Than Significant with Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from “Earlier Analyses,” as described in 5. below, may be cross-referenced).
5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration (Section 15063(c)(3)(D)). In this case, a brief discussion should identify the following:
 - a. Earlier Analysis Used. Identify and state where they are available for review.
 - b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

- c. Mitigation Measures. For effects that are “Less Than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
 7. Supporting Information Sources. Sources used or individuals contacted should be cited in the discussion.

1. AESTHETICS. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
1.a. Have a substantial adverse effect on a scenic vista, views from existing residential areas, public lands, water bodies, or roads?			X	
<p>Discussion: The project is not located near any waterbody or scenic roads. The site is not in the vicinity of a public park. The site is visible from adjoining areas within the residential area in which it is located. The three new residences would blend in with other houses in the area. The existing driveway from Upland Road would be improved to serve 2 of the proposed parcels and there would be one new driveway along Upland Road to serve Lot 3. The new house and driveway on Lot 3 and the new house on Lot 1 would be visible from Upland Road, where current development is minimally visible from Upland Road. The home on Lot 2 is in relatively the same location as the existing residence and would be minimally visible from Upland Road. As the subject property is located within an existing developed residential area and homes are required to comply with the County’s Design Review standards, the project would not have a significant adverse effect on views from existing residential areas.</p> <p>Source: Site visit; County GIS Maps</p>				
1.b. Substantially damage or destroy scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
<p>Discussion: The project is not located within a designated scenic corridor, nor would it impact areas within a state scenic highway.</p> <p>Source: County GIS Maps</p>				
1.c. In non-urbanized areas, significantly degrade the existing visual character or quality of the site and its surroundings,			X	

<p>including significant change in topography or ground surface relief features, and/or development on a ridgeline? (Public views are those that are experienced from publicly accessible vantage point.) If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?</p>				
<p>Discussion: The site is located within an urban residential area. The project site is not located on a ridgeline. The project involves a significant amount of grading for improvement of the existing driveway and the construction of 2 additional driveways to serve 2 new homes. However, the proposed grading would not result in a significant change in topography or ground surface relief features, due to the moderate slope of the parcel. The existing driveway from Upland Road would be improved to serve 2 of the proposed parcels and there would be one new driveway along Upland Road to serve Lot 3. As proposed and mitigated, the project would not significantly degrade the existing visual character or quality of the site and its surroundings.</p> <p>Source: Site visit; County GIS Maps</p>				
<p>1.d. Create a new source of significant light or glare that would adversely affect day or nighttime views in the area?</p>			<p>X</p>	
<p>Discussion: The project does not involve the introduction of significant light sources that would adversely affect day or nighttime views in the area, as the project involves the creation of 2 new residential parcels, and eventual construction of new residences, within an existing residential area. Additionally, design review standards of the Design Review (DR) District require downward-directed exterior light fixtures.</p> <p>Source: Project plans</p>				
<p>1.e. Be adjacent to a designated Scenic Highway or within a State or County Scenic Corridor?</p>				<p>X</p>
<p>Discussion: The parcel is not located within a State or County Scenic Corridor and is not adjacent to a State Highway. The proposed improvements on the subject parcel would not be visible from Interstate-280 (Junipero Serra Freeway), located over 11,000 feet to the west, due to the distance of the property and proposed structures from the freeway.</p> <p>Source: County GIS Maps</p>				
<p>1.f. If within a Design Review District, conflict with applicable General Plan or Zoning Ordinance provisions?</p>			<p>X</p>	
<p>Discussion: The site is located in a Design Review District. New homes will require a Design Review Permit and are required to comply with applicable design review standards. Future homes will be reviewed by the Emerald Lake Hills Design Review Officer for compliance with applicable design review standards. The General Plan Amendment will allow for 3 homes instead</p>				

of 2 to be built on the property. A detailed discussion of the potential impacts of the General Plan Amendment is in Section 11, below.

Source: County GIS Maps; County Zoning Regulations

1.g. Visually intrude into an area having natural scenic qualities?			X	
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Discussion: Please see Section 1.a for discussion.

Source: Site visit; County GIS Maps

2. AGRICULTURAL AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the State’s inventory of forestland, including the Forest and Range Assessment Project and the Forest Legacy Assessment Project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
2.a. For lands outside the Coastal Zone, convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland) as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X

Discussion: The project is outside of the Coastal Zone and involves an urban, residential property located within a Single-Family Residential Zoning District within a developed area, which does not contain agricultural lands and is not farmed. There is no project impact to farmland, forestland or timberland.

Source: Site visit; County GIS Maps

2.b. Conflict with existing zoning for agricultural use, an existing Open Space Easement, or a Williamson Act contract?				X
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Discussion: See discussion under Section 2.a.

Source: County GIS Maps

2.c. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forestland to non-forest use?				X
Discussion: See discussion under Section 2.a. Source: Project plans; County GIS Maps				
2.d. For lands within the Coastal Zone, convert or divide lands identified as Class I or Class II Agriculture Soils and Class III Soils rated good or very good for artichokes or Brussels sprouts?				X
Discussion: Project site is not located in the Coastal Zone. See discussion under Section 2.a. Source: County GIS Maps				
2.e. Result in damage to soil capability or loss of agricultural land?				X
Discussion: See discussion under Section 2.a. Source: County GIS Maps				
2.f. Conflict with existing zoning for, or cause rezoning of, forestland (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))? <i>Note to reader: This question seeks to address the economic impact of converting forestland to a non-timber harvesting use.</i>				X
Discussion: See discussion under Section 2.a. Source: County GIS Maps				

3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
3.a. Conflict with or obstruct implementation of the applicable air quality plan?		X		

Discussion: The project involves tree removal, grading, and construction activities associated with subdivision improvements for access, drainage, and utilities, and construction of new homes on each of the 3 lots. While the project may result in dust and odors associated with the grading and construction process, these impacts would be temporary and would not affect a significant number of people with the implementation of the required mitigation measures, below.

The Bay Area Air Quality Management District (BAAQMD) has established thresholds of significance for construction emissions and operational emissions. As described in the BAAQMD’s 2017 California Environmental Quality Act (CEQA) Guidelines, the BAAQMD does not require quantification of construction emissions due to the number of variables that can impact the calculation of construction emissions. Instead, the BAAQMD emphasizes implementation of all control measures to minimize emissions from construction activities. The BAAQMD provides a list of construction-related control measures, *All Basic Construction Mitigation Measures*, and other criteria, that, when fully implemented, would significantly reduce construction-related air emissions to a less than significant level. Mitigation Measure 1.a-i requires the applicant to comply with BAAQMD’s *All Basic Construction Mitigation Measures*. Other applicable BAAQMD criteria requires that construction-related activities exclude the below listed activities (followed by staff’s evaluation of project compliance):

- a. Demolition: The project site is undeveloped and would not require demolition of any existing buildings.
- b. Simultaneous occurrence of more than two construction phases (e.g., paving and building construction would occur simultaneously): Staff has added this as Mitigation Measure 3.i to require compliance with this criteria.
- c. Simultaneous construction of more than one land use type (e.g., project would develop residential and commercial uses on the same site) (not applicable to high density infill development): The project only involves the construction of a single-family residential use.
- d. Extensive site preparation (i.e., greater than default assumptions used by the Urban Land Use Emissions Model [URBEMIS] for grading, cut/fill, or earth movement): The project will not require extensive site preparation, and would disturb approximately 14,000 sq. ft.
- e. Extensive material transport (e.g., greater than 10,000 cubic yards of soil import/export) requiring a considerable amount of haul truck activity: The project will not extensive material transport requiring off haul of approximately 850 cubic yards (c.y.) of cut.

BAAQMD measures and compliance with criteria b. above are required by the mitigation measure provided below.

Mitigation Measure 1: Upon the start of excavation activities and through to the completion of the project, the applicant shall be responsible for ensuring that the following dust control guidelines are implemented:

- a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
- b. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
- c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
- d. All vehicle speeds on unpaved roads shall be limited to 15 mph.
- e. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
- f. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
- g. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
- h. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.
- i. Construction-related activities shall not involve simultaneous occurrence of more than two construction phases (e.g., paving and building construction would occur simultaneously).

Source: Project Plans; Bay Area Air Quality Management District.

3.b. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable Federal or State ambient air quality standard?		X		
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Discussion: As of December 2012, San Mateo County is a non-attainment area for PM-2.5. On January 9, 2013, the Environmental Protection Agency (EPA) issued a final rule to determine that the Bay Area attains the 24-hour PM-2.5 national standard. However, the Bay Area will continue to be designated as "non-attainment" for the national 24-hour PM-2.5 standard until the BAAQMD submits a "re-designation request" and a "maintenance plan" to EPA and the proposed re-designation is approved by the EPA. A temporary increase in the project area is anticipated during construction since these PM-2.5 particles are a typical vehicle emission. The temporary nature of the proposed construction and California Air Resources Board vehicle regulations reduce the potential effects to a less than significant impact. Mitigation Measure 1 in Section 3.a will minimize increases in non-attainment criteria pollutants generated from project construction to a less than significant level.

Source: Project Plans; Bay Area Air Quality Management District.

3.c. Expose sensitive receptors to significant pollutant concentrations, as defined by Bay Area Air Quality Management District?		X		
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Discussion: As proposed and mitigated, potential project-related air quality impacts to sensitive receptors (occupants of the surrounding residential area) would be reduced to a less-than-significant level with the implementation of Mitigation Measure 1. See discussion in Section 3.a.

Source: Project Plans; Bay Area Air Quality Management District.

3.d. Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?			X	
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Discussion: Project-related emissions would not adversely affect a substantial number of people due to the residential nature of the area. As proposed and mitigated, potential project-related air quality impacts, including odor, to sensitive receptors (occupants of the surrounding residential area) would be reduced to a less-than-significant level with the implementation of Mitigation Measure 1. See discussion in Section 3.a.

Source: Project Plans; Bay Area Air Quality Management District.

4. BIOLOGICAL RESOURCES. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
4.a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service or National Marine Fisheries Service?		X		

Discussion: The project site is located within a developed residential area on a disturbed parcel with an existing single-family residence and consists of grassland with many significant indigenous and exotic trees. Due to the disturbed and developed nature of the site, the potential for the presence of protected plant species is low. While the potential for protected wildlife species to be present is also low, the following standard mitigation measures have been added to further reduce potential biological impacts of the projects.

Mitigation Measure 2: Tightly woven fiber netting or similar material shall be used for erosion control or other purposes to ensure amphibian and reptile species do not get trapped. Plastic monofilament netting (erosion control matting) or similar material shall not be used. The applicant shall demonstrate compliance with this requirement in plans submitted at the time of building permit application.

Mitigation Measure 3: A pre-construction, migratory bird nesting survey shall be conducted prior to any proposed tree removal, ground disturbance, demolition, or any other construction-related activities during the nesting bird season (February 1 to August 31). The survey shall be performed both in and within 250 feet of the proposed development area and the results reported to the County. If, for any reason, construction activities do not commence within 10 days of

completion of the survey, the survey shall be repeated and results reported to the County. If active nests are discovered, no construction-related activities, including grading and tree removal, are allowed until birds have fledged from nests, as confirmed by a biologist.

Sources: Standard biological mitigation measures.

4.b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?			X	
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Discussion: There is riparian habitat or other sensitive natural community located at the site, as there are no water features at the site and the site is disturbed with a residential use. The California Natural Diversity Database (CNDDDB) does not show any protected plants or wildlife species in in the project area. Please see the discussion in Sections 4.a and c.

Sources: Standard biological mitigation measures.

4.c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
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Discussion: The project site is located within a developed residential area on a disturbed parcel with an existing single-family residence and consists of grassland with many significant indigenous and exotic trees. Based on the site's evenly-sloped topography, staff has concluded that there are no wetland features at the project site.

Sources: Planning GIS Map.

4.d. Interfere significantly with the movement of any native resident or migratory fish or wildlife species or with established native resident migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
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Discussion: Please see the discussion in Section 4.a, above.

Sources: Planning GIS Map.

4.e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance (including the County Heritage and Significant Tree Ordinances)?		X		
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Discussion: The applicant has submitted a report by Jeremy Ingalls, Certified Arborist (Project Arborist), dated February 8, 2022, which describes the 47 trees, including heritage, significant (trees 6" or larger in diameter) and non-protected trees at the property.

The project would result in the removal of one heritage tree and 6 significant trees, as listed in Table 1, with a description of tree health and reason for removal.

Table 1 – Proposed Tree Removals				
<i>Tree No.</i>	<i>Size and Species</i>	<i>Location</i>	<i>Health</i>	<i>Reason for Removal</i>
Tree #3 (Heritage)	54.1" d.b.h. Heritage Valley Oak	Proposed Lot 1	Fair	Decay; Poor condition with a High Risk Failure.
Tree #1	45.3" d.b.h Significant Red Gum Eucalyptus	Proposed Lot 2	Fair vigor; poor form	Located in shared driveway and confines fire access
Tree #14	12.8" d.b.h. Significant Black Acacia	Proposed Lot 2	Mostly dead	Located in shared driveway and confines fire access
Tree #15	18.9" d.b.h. Significant Black Acacia	Proposed Lot 2	Mostly dead	Located in shared driveway and confines fire access
Tree #26	38.8" d.b.h. Significant Valley Oak	Proposed Lot 2	Fair	Decay; Poor condition with a Moderate to High Risk Failure
Tree #45*	13.6" d.b.h. Significant Coast Live Oak	Proposed Lot 3	Fair vigor and form.	In Driveway of Future Home
Tree #46	16.4" d.b.h. Significant California Pepper Tree	Proposed Lot 3	Mostly dead	Mostly dead
*Tree #45 shall be retained through the subdivision improvement process, but may be removed for home construction on Lot 3.				

Per Mitigation Measure 5, the applicant is required to protect all significant trees (no heritage trees are being retained) which are not approved for removal, including submittal of a tree protection plan, as prepared by a certified arborist, consistent with the County's Significant Tree Regulations, and responsive of comments from the County Arborist.

The applicant has also submitted a report by Mr. Ingalls dated January 25, 2023, further evaluating Tree #3 and Tree #26.

Heritage Valley Oak Tree (Tree #3)

For Tree #3, the County Arborist reviewed the 2022 report and requested a Resistograph test to test for decay, with results as described in the 2023 report. Based on the reports submitted, the County Arborist determined that removal of Tree #3 is appropriate as resistance drill tests confirm the extent of decay in the lower trunk section and the arborist's observations of decay and defect in the upper canopy provide few options for adequate mitigation measures (pruning or bracing, etc.).

The 2023 report states that the valley oak is in fair health but poor condition. The canopy is showing fair vigor with buds about to break in the upper canopy. The structure of the tree is very poor. The tree has a main trunk to 12 feet in height at the top of which one large scaffold limb grows towards the north and several smaller scaffold limbs radiate out in other directions. The largest scaffold limb towards the north has a large scar and cavity where a previous large limb failed. The union of all the main scaffold limbs has a large, exposed area of concrete suggesting there is a large cavity down the trunk from a previous limb failure. There are many cavities throughout the scaffold limbs of the tree with pockets of decay. There are scars and cavities on the trunk. There are 2 cavities at the base of the tree in the root crown. Mr. Ingalls inserted a probe into the cavities which extend a foot inside the trunk before hitting wood.

Mr. Ingalls sounded the trunk with a hickory mallet and found the most decayed areas at around 4 feet above grade. He resistographed the lower trunk on the north, south, east and west sides of the tree at approximately 4 feet above grade. He found decay at 7", 10", 14" and 14.5" respectively, inside the trunk. This suggests an uneven column of decay with an average wall thickness of approximately 10". This is an acceptable level of decay to support a tree of this size and species with good sound wood at approximately 1/5th of the diameter of the tree.

The tree is in fair health but poor condition. The decay in the lower trunk is acceptable, however the visible decay at the top of the trunk, at a critical point in the structure of the tree is unacceptable and at high risk of failure. There is further decay and cavities throughout the main scaffold limbs of the tree which may lead to further large limb failure. The root crown is compromised with visible decay.

Significant Valley Oak Tree (Tree #26)

For Tree #26, the County Arborist reviewed the 2022 report and requested a resistograph test to test for decay, with results as described in the 2023 report. Based on the reports submitted, the County Arborist determined that removal of Tree #26 is appropriate as resistance drill tests confirm the extent of decay in the lower trunk section and the arborist's observations of decay and defect in the upper canopy provide few options for adequate mitigation measures (pruning or bracing, etc.).

The 2023 report states that the valley oak is in fair health but poor condition. The canopy is showing fair vigor with buds about to break in the upper canopy. The structure of the tree is very poor. The tree bifurcates into 2 trunks at approximately 5 feet above grade. One trunk stays mostly vertical whilst the second trunk heads out horizontally and then develops a second vertical trunk which is cabled to the main trunk. The horizontal trunk is propped with a 2 1/2" diameter steel pipe as a support. The trunks have many open cavities and decay. The root crown is partially buried but there are no signs of decay or oak root fungus.

Mr. Ingalls resistographed the lower trunk on the north and south side at 1 foot above grade and found decay and concrete at approximately 11 inches into the trunk on both sides which means

there is a column of decay, centrally located within the trunk of approximately 13" diameter at 1 foot above grade. The thickness and location of the sound wood is acceptable and not likely to fail in a tree of this size and age. He then resistographed the main trunk on the north and south side of the trunk above the bifurcation where the trunk diameter is 28.0" and found decay at 3" and 4" into the trunk. The thickness of the sound wood is below 1/6th diameter of the trunk and there are several open cavities which also affect the overall strength of the trunk. The trunk is at a moderate to high risk of failure.

Five (5) other Significant Trees

Based on health and reasons for removal listed in Table 1, above, the trees proposed for removal, with the exception of Tree #45, conflict with necessary subdivision improvements or should be removed based on the tree's health. Staff has added Mitigation Measure 4 to require maintenance and protection of Tree #45 during the subdivision improvement process, but may be proposed for removal at the time of the development, as it does not conflict with subdivision improvements nor is in poor health. Approval will be subject to County review and approval along with home construction on Lot 3.

Tree Replacement

Section 6565.21 of the Design Review (DR) Zoning District regulations requires replacement of a significant indigenous tree with three (3) or more trees of the same species using at least five (5) gallon size stock. For each loss of a significant exotic tree, there shall be a replacement with three (3) or more trees from a list maintained by the Planning Director. It is County practice to allow for substitution of three (3) smaller replacement trees (e.g., 5 gallon) for one (1) large replacement tree (24"-48" box). Section 6565.20(f) encourages planting of native and drought-tolerant plant tree species.

The County Arborist requires that the issuance of a tree removal permit for Trees #3 and #26 will be conditioned on an issued building permit for residences on the subdivided parcels where the trees are located (Lots 1 and 2, respectively), and adequate replacement. Replacement for Tree #3 shall be 2 - 48" box Valley Oak (*Quercus lobata*), and replacement for Tree #26 shall be 1 - 36" box Valley Oak (*Quercus lobata*). Location of replacement trees for Trees #3 and #26 are shown in Attachment E3, except that the County Arborist has required the applicant to move the replacement tree shown on Lot 3 at least 6 feet from exterior property line. Trees shall be planted prior to final approval of building permits for homes on the proposed lots. The other 5 significant trees shall be replaced in a manner consistent with Section 6565.21. All replacement trees shall be shown on a landscape plan submitted prior to recordation of the subdivision map. These requirements have been added to Mitigation Measure 4.

Tree Protection during Grading and Construction

Mitigation Measure 5 requires that, prior to issuance of a building permit for subdivision improvements and residential development, the applicant shall protect all significant trees which are not approved for removal, including submittal of a tree protection plan, as prepared by a certified arborist and consistent with the protection measures of the County's Significant Tree Regulations. Tree protection measures shall be maintained during project-related work. Also, the County Arborist specifies that a root barrier shall be required at the existing driveway during driveway improvement construction for the Pistache and Oak trees along driveway.

Based on the foregoing, as proposed and mitigated, the project would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance (including the County Heritage and Significant Tree Ordinances).

Mitigation Measure 4: The owner shall comply with the following requirements pertaining to the heritage tree and 6 significant trees proposed for removal:

- a. The issuance of a tree removal permit for Trees #3 and 26 will be conditioned on an issued building permit for homes on the subdivided parcels where the trees are located (Lots 1 and 2, respectively), and replacement as specified. Replacement for Tree #3 shall be 2 - 48" box Valley Oak (*Quercus lobata*), and replacement for Tree #26 shall be 1 - 36" box Valley Oak (*Quercus lobata*). Location of replacement trees for Trees #3 and #26 are shown in Attachment E3, except that the County Arborist has required the applicant to move the replacement tree shown on Lot 3 at least 6 feet from exterior property line. Replacement trees shall be planted prior to final approval of building permits for homes on the proposed lots.
- b. The owner shall maintain and protect Tree #45 (13.6" d.b.h Coast Live Oak), as it does not conflict with subdivision improvements nor is in poor health. The tree may be proposed for removal at the time of the development, subject to County review and approval along with home construction on Lot 3.
- c. The issuance of a tree removal permit for the other 4 significant trees shall be conditioned on an issued building permit for subdivision improvements. These trees shall be replaced in a manner consistent with Section 6565.21. Replacement trees shall be planted prior to final approval of building permits for homes on the proposed lots.
- d. All replacement trees shall be shown on a landscape plan submitted prior to recordation of the subdivision map.

Mitigation Measure 5: Prior to issuance of a building permit for subdivision improvements and residential development, the applicant shall protect all significant trees which are not approved for removal, including submittal of a tree protection plan, as prepared by a certified arborist and consistent with the protection measures of the County's Significant Tree Regulations and County Arborist, as listed below. Tree protection measures shall also be shown on the Erosion and Sedimentation Control Plan.

- a. A root barrier shall be required at the existing driveway during driveway improvement construction for the Pistache and Oak trees along driveway. The Project Arborist shall prepare root barrier details to be submitted at the time of a building permit application for subdivision improvements, subject to review by the County Arborist.
- b. Identify, establish, and maintain tree protection zones throughout the entire duration of the project.
- c. Isolate tree protection zones using 5-ft. tall, orange plastic fencing supported by poles pounded into the ground, located at the driplines as described in the arborist's report.
- d. Maintain tree protection zones free of equipment and materials storage; contractors shall not clean any tools, forms, or equipment within these areas.
- e. If any large roots or large masses of roots need to be cut, the roots shall be inspected by a certified arborist or registered forester prior to cutting as required in the arborist's report. Any root cutting shall be undertaken by an arborist or forester and documented. Roots to be cut shall be severed cleanly with a saw or topers. A tree protection verification letter from the certified arborist shall be submitted to the Planning Department within five (5) business days from the site inspection following root cutting.

- f. Normal irrigation shall be maintained, but oaks shall not need summer irrigation, unless the arborist's report directs specific watering measures to protect trees.
- g. Street tree trunks and other trees not protected by dripline fencing shall be wrapped with straw wattles, orange fence, and 2x4 boards in concentric layers to a height of eight feet.
- h. Prior to Issuance of a Building Permit, the Planning and Building Department shall complete a pre-construction site inspection, as necessary, to verify that all required tree protection and erosion control measures are in place.

Sources: Project plans

4.f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Conservation Community Plan, other approved local, regional, or State habitat conservation plan?				X
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Discussion: The project site is not protected by an adopted Habitat Conservation Plan, Natural Conservation Community Plan, other approved local, regional, or State habitat conservation plan. The proposed area of work is located adjacent to existing residential homes in an area zoned for residential land use.

Source: County General Plan; County GIS Maps

4.g. Be located inside or within 200 feet of a marine or wildlife reserve?				X
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Discussion: The project site is not located inside or within 200 feet of a marine or wildlife reserve.

Source: County General Plan; County GIS Maps

4.h. Result in loss of oak woodlands or other non-timber woodlands?				X
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Discussion: The project involves removal of trees, including three (3) oak trees, within a developed residential area. The project does not involve the removal of oak woodlands or other non-timber woodlands.

Source: Site visit; County GIS Maps

5. CULTURAL RESOURCES. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
5.a. Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Section 15064.5?			X	

Discussion: The project involves earth-moving and construction impacts that could adversely affect archaeological resources should any exist in areas impacted by this project. The project

was referred to the California Historical Resources Information System (CHRIS). In a letter dated February 20, 2023, CHRIS staff stated that, while the general area around the proposed project parcel has some archaeological sensitivity, the proposed project area itself, has a low possibility of containing unrecorded archaeological site(s) (Attachment D1). Therefore, no further study for archaeological resources is recommended by CHRIS. If archaeological resources are encountered during the project, work in the immediate vicinity of the finds should be halted until a qualified archaeologist has evaluated the situation.

The following standard measures have been incorporated below:

Mitigation Measure 6: Although proposed project area itself has low possibility of containing unrecorded archaeological site(s), it is possible that subsurface deposits may yet exist or that evidence of such resources has been obscured by more recent natural or cultural factors such as downslope aggradation and alluviation and the presence of non-native trees and vegetation. Archaeological and historical resources and human remains are protected from unauthorized disturbance by State law, and supervisory and construction personnel therefore must notify the County and proper authorities if any possible archaeological or historic resources or human remains are encountered during construction activities and halt construction to allow qualified Archaeologists to identify, record, and evaluate such resources and recommend an appropriate course of action.

Mitigation Measure 7: In the event that cultural, paleontological, or archeological resources are encountered during site grading or other site work, such work shall immediately be halted in the area of discovery and the project sponsor shall immediately notify the Community Development Director of the discovery. The applicant shall be required to retain the services of a qualified archeologist for the purpose of recording, protecting, or curating the discovery as appropriate. The cost of the qualified archeologist and any recording, protecting, or curating shall be borne solely by the project sponsor. The archeologist shall be required to submit to the Community Development Director for review and approval a report of the findings and methods of curation or protection of the resources. No further grading or site work within the area of discovery shall be allowed until the preceding has occurred. Disposition of Native American remains shall comply with CEQA Guidelines Section 15064.5(e).

Sources: Letter from California Historical Resources Information System (CHRIS), dated February 20, 2023.

5.b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Section 15064.5?			X	
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Discussion: Please see Section 5.a for discussion.

Sources: Letter from California Historical Resources Information System (CHRIS), dated February 1, 2022.

5.c. Disturb any human remains, including those interred outside of formal cemeteries?			X	
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Discussion: To minimize potential impacts to human remains, the property owner shall implement the following standard mitigation measure:

Mitigation Measure 8: The applicants and contractors must be prepared to carry out the requirements of California State law with regard to the discovery of human remains, whether

historic or prehistoric, during grading and construction. In the event that any human remains are encountered during site disturbance, all ground-disturbing work shall cease immediately and the County coroner shall be notified immediately. If the coroner determines the remains to be Native American, the Native American Heritage Commission shall be contacted within 24 hours. A qualified archaeologist, in consultation with the Native American Heritage Commission, shall recommend subsequent measures for disposition of the remains.

Sources: Letter from California Historical Resources Information System (CHRIS), dated February 1, 2022.

6. ENERGY. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
6.a. Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
<p>Discussion: Energy conservation standards for new residential and nonresidential buildings were adopted by the California Energy Resources Conservation and Development Commission (now the California Energy Commission) in June 1977 and are updated every 3 years (Title 24, Part 6, of the California Code of Regulations). Title 24 requires the design of building shells and building components to conserve energy. The standards are updated periodically to allow for consideration and possible incorporation of new energy efficiency technologies and methods.</p> <p>The County has adopted amendments to the 2019 Energy Code which require new buildings to be constructed without natural gas infrastructure and systems and meet solar photovoltaic system requirements, as well as amendments to the Green Building Code that require additional electric vehicle charging infrastructure (EVCI) for the construction of new buildings. The amendments would go into affect if and when the amendments are approved by California Energy Commission, which is pending.</p> <p>At the time of building permit application for each new home, the project would be required to demonstrate compliance with the current Building Energy Efficiency Standards which would be verified by the San Mateo County Building Department prior to the issuance of the building permit. The project would also be required adhere to the provisions of CALGreen and GreenPoints, which establishes planning and design standards for sustainable site development, energy efficiency (in excess of the California Energy Code requirements), water conservation, material conservation, and internal air contaminants.</p> <p><u>Construction</u></p> <p>The construction of the project, including subdivision improvements and three (3) new homes, would require the consumption of nonrenewable energy resources, primarily in the form of fossil fuels (e.g., fuel oil, natural gas, and gasoline) for automobiles (transportation) and construction equipment. Transportation energy use during construction would come from the transport and use of construction equipment, delivery vehicles and haul trucks, and construction employee vehicles that would use diesel fuel and/or gasoline. The use of energy resources by these vehicles would fluctuate according to the phase of construction and would be temporary and would not require</p>				

expanded energy supplies or the construction of new infrastructure. Most construction equipment during demolition and grading would be gas-powered or diesel powered, and the later construction phases would require electricity-powered equipment.

Operation

During operations, project energy consumption would be associated with resident and visitor vehicle trips and delivery trucks. The project is a residential development project served by existing road infrastructure and the improved driveway. Pacific Gas and Electric (PG&E) provides electricity to the project area. Due to the proposed construction of three (3) new single-family residences, project implementation would result in a permanent increase in electricity over existing conditions. However, such an increase to serve three (3) single-family residences would represent an insignificant percent increase compared to overall demand in PG&E's service area, with impacts further off-set by energy generation through project compliance with solar photovoltaic system requirements. The nominal increased demand is expected to be adequately served by the existing PG&E electrical facilities and the projected electrical demand would not significantly impact PG&E's level of service. It is expected that nonrenewable energy resources would be used efficiently during operation and construction of the project given the financial implication of the inefficient use of such resources. As such, the proposed project would not result in wasteful, inefficient, or unnecessary consumption of energy resources. Impacts are less than significant, and no mitigation is required.

Source: California Building Code, California Energy Commission, Project Plans.

6.b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency.				X
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Discussion: The project design and operation would comply with State Building Energy Efficiency Standards, appliance efficiency regulations, and green building standards. Therefore, the project does not conflict with or obstruct state or local renewable energy plans and would not have a significant impact. Furthermore, the development would not cause inefficient, wasteful and unnecessary energy consumption.

Source: Project Plans.

7. GEOLOGY AND SOILS. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
7.a. Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving the following, or create a situation that results in:				

<p>i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?</p> <p><i>Note: Refer to Division of Mines and Geology Special Publication 42 and the County Geotechnical Hazards Synthesis Map.</i></p>		X		
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Discussion: A geotechnical investigation (report), prepared by Silicon Valley Soil Engineering (SVSE) dated September 21, 2021 (Attachment C), was prepared for the project. The report was reviewed by the County’s Geotechnical Section, and preliminarily approved.

Upland Road bounds the subject site to the southwest, existing residence to the northwest, northeast, and southeast. At the time of SVSE investigation, the site is an irregular shaped, moderately steep, southern-facing slope parcel occupied by an existing residence, a barn, and a secondary residence. Based on the preliminary plan for the subject site, the proposed development will include the demolition of the existing structures and the construction of three single-family residences with associated improvements.

Location of the proposed residences and our exploratory soil borings is shown on the Figure 2 – Site Plan of Attachment C.

Geology

The site lies in the Santa Clara Valley, which is part of the Coast Ranges geological province. The Santa Clara Valley occupies the structural trough formed by two northwest trending mountain ranges; the Santa Cruz Mountains to the southwest of the valley and the Diablo Range to the northeast. The Diablo Range is predominantly composed of Franciscan Formation, which is uppermost Jurassic to lower Upper Cretaceous eugosynclinal assemblage. The Santa Cruz Mountains are predominantly composed of material formed of Cenozoic shelf and slope deposits. A thick blanket of latest Cretaceous and Tertiary clastic sedimentary rocks and isolated intrusions of serpentine covers large parts of the province.

Folds, thrust faults, steep reverse faults, and strikeslip faults developed as a consequence of Cenozoic deformations that occur very often within the province and some of them are continuing today (CDMG; 1966). Earthquake probability and faults are shown on Figure 3 of Attachment C.

Sedimentary marine strata alternating with non-marine strata record the Quaternary history of the region. The changes of the depositional environment are related to the fluctuation of sea level corresponding to the glacial and interglacial periods. Late Quaternary deposits fill the center of the Santa Clara Valley and most of the strata are of continental origin characterized as alluvial and fluvial materials. The subject site is underlain by fluvial deposits (Helley and Brabb, 1971, Rogers & Williams, 1974).

Soil Conditions

In Boring B-1, the existing driveway pavement section consists of 4.0 inches of Concrete (PCC) over 4.0 inches of Aggregate Base (AB). Below the pavement surface to a depth of 2 feet, a light tan/olive brown, damp, very stiff slit layer was encountered. This is colluvium soil. From the depths of 2 feet to the end of the boring at 15 feet, the soil became light tan, damp, hard siltstone/ sandstone. A similar soil profile was encountered in other borings.

Groundwater was not encountered in the borings to the explored depth of 15 feet during the drilling operation. It should be noted that the groundwater table would fluctuate as a result of seasonal changes and hydrogeologic variations such as groundwater pumping and/or recharging. A detailed description of the soil profiles encountered is presented in Exploratory Boring Logs contained in the Appendix.

SVSE's Conclusions

The site covered by this investigation is suitable for the proposed development provided the recommendations set forth in this report are carefully followed. Based on the laboratory testing results of the near-surface soil, the soil material at the subject site has been found to have a low expansion potential for subjected to fluctuations in moisture.

Regarding grading and construction, SVSE states that the proposed residences should be supported on skin friction concrete drill pier and grade beam. The final exterior grade adjacent to the proposed structures should be such that the surface drainage will flow away from the structures. On the basis of the engineering reconnaissance and exploratory borings, it is our opinion that trenches excavated to depths less than 5 feet below the existing ground surface will not need shoring. However, for trenches or any excavation greater than 5 feet in depth, shoring will be required or excavated in accordance with OSHA guidelines. All earthwork including grading, pier drilling, foundation excavation and backfilling shall be observed and inspected by a representative from SVSE. SVSE has made specific recommendations pertaining to grading, water wells, cut and fill slopes, foundation design criteria, 2019 California Building Code seismic values, concrete slab-on-grade construction, retaining walls, excavation, drainage, and on-site utility trenching, are presented in full in Attachment C. Mitigation Measures 9 requires compliance with the SVSE report and recommendations.

Mitigation Measure 9: Prior to the issuance of a building permit for site development, the applicant shall demonstrate compliance with the recommendations of the Project Engineer as described in Geotechnical Investigation, prepared by Silicon Valley Soil Engineering (SVSE) dated September 21, 2021.

Sources: See sources listed in this Section.

ii. Strong seismic ground shaking?			X	
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Discussion: Earthquake probability and faults are shown on Figure 3 of Attachment C. With the implementation of Mitigation Measure 8, impact from ground shaking would be reduced to a less-than-significant level. See Section 7.a.i.

Sources: Sources listed in Section 7.a.

iii. Seismic-related ground failure, including liquefaction and differential settling?			X	
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Discussion: Per the SVSE report, the site is not located in a potential liquefaction zone (CGS). Potential substantial adverse effects related to seismic-related ground failure related to differential settling, was not identified as a potential significant impact by the Project Engineer. See Section 7.a.

Sources: Sources listed in Section 7.a.

iv. Landslides?			X	
<p>Discussion: Potential substantial adverse effects related to landslides was not identified as a potential significant impact by the Project Engineer. See Section 7.a.</p> <p>Sources: See sources listed in this Section.</p>				
v. Coastal cliff/bluff instability or erosion? <i>Note to reader: This question is looking at instability under current conditions. Future, potential instability is looked at in Section 7 (Climate Change).</i>				X
<p>Discussion: The project site is not located on or adjacent to a coastal cliff or bluff.</p> <p>Source: County GIS Maps.</p>				
7.b. Result in substantial soil erosion or the loss of topsoil?		X		
<p>Discussion: The project includes earthwork of 850 cubic yards (c.y.) and no proposed fill for driveway improvements, with a total area of land disturbance of over 1 acre, as the site is 45,000 sq. ft. in size. Per Mitigation Measure 14, coverage under the State General Construction Permit will be required.</p> <p>The applicant proposes an Erosion Control Plan which includes measures that would contain and slow run-off, while allowing for natural infiltration. Due to the potential for erosion and sedimentation during land disturbing and earth-moving activities, the following mitigation measures have been included.</p> <p>To prevent unauthorized/unpermitted use of fill on the subject site or other off-site properties, staff has added Mitigation Measure 10. Mitigation Measure 11 requires compliance with the San Mateo Countywide Stormwater Pollution Prevention Program “General Construction and Site Supervision Guidelines.” Mitigation Measures 12 and 13 require implementation and monitoring of erosion control measures throughout the term of the grading permit and building permit.</p> <p>Mitigation Measure 10: Prior to issuance of the grading permit hard card, the applicant shall demonstrate that all cut spoils will be hauled off-site to a County-approved location.</p> <p>Mitigation Measure 11: The applicant shall adhere to the San Mateo County-wide Stormwater Pollution Prevention Program “General Construction and Site Supervision Guidelines,” including, but not limited to, the following:</p> <ol style="list-style-type: none"> a. Delineation with field markers clearing limits, easements, setbacks, sensitive or critical areas, buffer zones, trees, and drainage courses within the vicinity of areas to be disturbed by construction and/or grading. b. Protection of adjacent properties and undisturbed areas from construction impacts using vegetative buffer strips, sediment barriers or filters, dikes, mulching, or other measures as appropriate. c. Performing clearing and earth moving activities only during dry weather. d. Stabilization of all denuded areas (on and off-site) and maintenance of erosion control measures continuously between October 1 and April 30. Stabilization shall include both proactive measures, such as the placement of hay bales or coir netting, and passive 				

measures, such as re-vegetating disturbed areas with plants propagated from seed collected in the immediate area.

- e. Storage, handling, and disposal of construction materials and wastes properly, so as to prevent their contact with stormwater.
- f. Control and prevention of the discharge of all potential pollutants, including pavement cutting wastes, paints, concrete, petroleum products, chemicals, wash water or sediments, and non-stormwater discharges to storm drains and watercourses.
- g. Use of sediment controls or filtration to remove sediment when dewatering site and obtain all necessary permits.
- h. Avoiding cleaning, fueling, or maintaining vehicles on-site, except in a designated area where wash water is contained and treated.
- i. Limiting and timing applications of pesticides and fertilizers to prevent polluted runoff.
- j. Limiting construction access routes and stabilization of designated access points.
- k. Avoiding tracking dirt or other materials off-site; cleaning off-site paved areas and sidewalks using dry sweeping methods.
- l. Training and providing instruction to all employees and subcontractors regarding the Watershed Protection Maintenance Standards and construction Best Management Practices.
- m. Additional Best Management Practices in addition to those shown on the plans may be required by the Building Inspector to maintain effective stormwater management during construction activities. Any water leaving site shall be clear and running slowly at all times.

Mitigation Measure 12: Once approved, erosion and sediment control measures of the revised Erosion Control Plan shall be installed prior to beginning any site work and maintained throughout the term of grading and construction, until all disturbed areas are stabilized. Failure to install or maintain these measures will result in stoppage of construction until corrections have been made and fees paid for staff enforcement time. Revisions to the approved erosion control plan shall be prepared and signed by the engineer and submitted to the Building Inspection Section.

Mitigation Measure 13: It shall be the responsibility of the engineer of record to regularly inspect the erosion control measures for the duration of all grading remediation activities, especially after major storm events, and determine that they are functioning as designed and that proper maintenance is being performed. Deficiencies shall be immediately corrected, as determined by and implemented under the observation of the engineer of record.

Mitigation Measure 14: The property owner shall file a Notice of Intent (NOI) with the Regional Water Quality Board to obtain coverage under the State General Construction Activity NPDES Permit. A copy of the project's NOI and Stormwater Pollution Prevention Plan (SWPPP) shall be submitted to the Current Planning Section, prior to the issuance a building permit and any land disturbance.

Source: Project C3C6 form, Project Plans.

7.c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, severe erosion, liquefaction or collapse?		X		
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Discussion: Regarding potential for erosion and liquefaction, see discussion in Sections 7.a and 7.b, above. Landslides, lateral spreading, subsidence, and collapse were not identified as potential geological concerns by the Project Engineer.

Source: See source list in Section 7.a.

7.d. Be located on expansive soil, as defined in Table 18-1-B of Uniform Building Code, creating substantial direct or indirect risks to life or property?			X	
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Discussion: Based on the SVSE report, the laboratory testing results of the near-surface soil show that the soil material at the subject site has been found to have a low expansion potential for subjected to fluctuations in moisture.

Source: See source list in Section 7.a.

7.e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
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Discussion: Not applicable. While the property currently uses a septic system for sewage treatment, the applicant proposes to connect to the City of Redwood City for sewer service, which require Outside Service Agreement(s) to both San Mateo LAFCo and the City of Redwood City for the proposed sewer connections for the three parcels.

Source: Project plans

7.f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X	
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Discussion: By visual inspection, the property is evenly sloped and there does not appear to be any unique geological features at the site. Section 5 states that, while the proposed project area itself has low possibility of containing unrecorded archaeological site(s), Mitigation Measure 7 requires that, in the event that cultural, paleontological, or archeological resources are encountered during site grading or other site work, such work shall immediately be halted in the area of discovery, County staff shall be notified, and the applicant shall be required to retain the services of a qualified archeologist for the purpose of recording, protecting, or curating the discovery as appropriate. As mitigated, the project would result in less than significant impacts related to the direct or indirect destruction of a unique paleontological resource or site or unique geologic feature.

Sources: Standard condition.

8. CLIMATE CHANGE. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
8.a. Generate greenhouse gas (GHG) emissions (including methane), either directly or indirectly, that may have a significant impact on the environment?		X		

Discussion: Greenhouse Gas Emissions (GHG) include hydrocarbon (carbon monoxide; CO₂) air emissions from vehicles and machines that are fueled by gasoline. Grading involves GHG emissions mainly from exhaust from vehicle trips (e.g., construction vehicles and personal cars of construction workers, and operation of grading equipment). Due to the site's hilly, suburban location and assuming construction vehicles and workers are based largely in city or larger urban areas, potential project GHG emission levels from construction would be increased from general levels.

The project includes earthwork of 850 cubic yards (c.y.) and no proposed fill for driveway improvements. Excavated materials would be hauled off-site to an approved location, requiring off-haul of 850 c.y. (approximately 85 truckloads). The project would also require importation of drain rock and aggregate rock, however the volume of imported rock is also anticipated to be small.

To ensure new development projects are compliant with the County's Community Climate Action Plan (CCAP), the County provides a development checklist. According to the Applicant-completed development checklist (Attachment H), the project incorporates several climate-impact reducing measures, including tree plantings to provide shade; solar photovoltaic systems; trash, recycling, and composting collection enclosures; smart water meters; outdoor electrical outlets for charging outdoor household equipment; and use of construction equipment for new development to comply with best management practices from Bay Area Air Quality Management District guidance. The project would be required to comply with the California Green Building Standards Code (CALGreen).

While the above described measures would reduce GHG emissions associated with project construction and operation, the BAAQMD encourages lead agencies to incorporate Best Management Practices (BMPs) to reduce GHG emissions during construction, including, but are not limited to: using alternative fueled (e.g., biodiesel, electric) construction vehicles/equipment of at least 15 percent of the fleet; using local building materials of at least 10 percent; and recycling or reusing at least 50 percent of construction waste or demolition materials. These Best Management Practices have been included in Mitigation Measure 16 in order to further reduce project-related GHG emissions.

Compliance with and/or consideration of project specific development checklist measures and BAAQMD measures is required in order to reduce project-related GHG emissions.

Mitigation Measure 15: At the time of building permit application, the applicant shall demonstrate compliance with the measures indicated on the applicant-completed development checklist (Attachment H) or equivalent measures, to the extent feasible. Such measures shall be shown on building plans.

Mitigation Measure 16: At the time of building permit application, the applicant shall demonstrate compliance with the following measures, to the extent feasible, where such measures shall be shown on building plans:

- a. BAAQMD BMP: Use alternative fueled (e.g., biodiesel, electric) construction vehicles/equipment of at least 15 percent of the fleet;
- b. BAAQMD BMP: Use local building materials of at least 10 percent;
- c. BAAQMD BMP: Recycle or reuse at least 50 percent of construction waste.

Source: Project plans; San Mateo County Energy Efficiency Climate Action Plan (EECAP); Bay Area Air Quality Management District, California Environmental Quality Act, Air Quality Guidelines, Updated May 2011.

8.b. Conflict with an applicable plan (including a local climate action plan), policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				X
<p>Discussion: The project involves construction of three new single family residences and associated driveways. The Bay Area Air Quality Management District (BAAQMD) exempts construction and operation of residential uses from permit requirements (Regulation 2-1-113).</p> <p>Source: Bay Area Air Quality Management District</p>				
8.c. Result in the loss of forestland or conversion of forestland to non-forest use, such that it would release significant amounts of GHG emissions, or significantly reduce GHG sequestering?				X
<p>Discussion: The project would not result in the loss of forestland or conversion of forestland to non-forest use, as the project site does not contain forestland.</p> <p>Sources: County GIS Maps; Project plans</p>				
8.d. Expose new or existing structures and/or infrastructure (e.g., leach fields) to accelerated coastal cliff/bluff erosion due to rising sea levels?				X
<p>Discussion: The project is not located on or adjacent to a coastal cliff or bluff.</p> <p>Source: County GIS Maps</p>				
8.e. Expose people or structures to a significant risk of loss, injury or death involving sea level rise?				X
<p>Discussion: The project is not located on or adjacent to the San Francisco Bay or Pacific Ocean.</p> <p>Source: County GIS Maps</p>				

8.f. Place structures within an anticipated 100-year flood hazard area as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
<p>Discussion: The project site is located in Flood Zone X (Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level), per FEMA Panel No. 06081C0282E, effective October 16, 2012.</p> <p>Source: County GIS Maps</p>				
8.g. Place within an anticipated 100-year flood hazard area structures that would impede or redirect flood flows?				X
<p>Discussion: See discussion in Section 8.f.</p> <p>Source: County GIS Maps</p>				

9. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
9.a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials (e.g., pesticides, herbicides, other toxic substances, or radioactive material)?				X
<p>Discussion: No such use is proposed. The project involves subdivision of a residential parcel into 3 lots and construction and operation of three single-family residences.</p> <p>Source: Project plans</p>				
9.b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
<p>Discussion: No use involving the storage or release of hazardous materials is proposed. The project involves subdivision of a residential parcel into 3 lots and construction and operation of three single-family residences.</p> <p>Source: Project plans</p>				

9.c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
<p>Discussion: No use involving the emission or handling of hazardous materials or waste is proposed. The project involves subdivision of a residential parcel into 3 lots and construction and operation of three single-family residences.</p> <p>Source: Project plans; County GIS Maps</p>				
9.d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
<p>Discussion: The project site is not a listed hazardous materials site.</p> <p>Source: County GIS Maps</p>				
9.e. For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, result in a safety hazard or excessive noise for people residing or working in the project area?				X
<p>Discussion: The project is not located within an airport land use plan or, where such a plan has not been adopted or within 2 miles of a public airport or public use airport.</p> <p>Source: County GIS Maps</p>				
9.f. For a project within the vicinity of a private airstrip, result in a safety hazard for people residing or working in the project area?				X
<p>Discussion: The project site is located within a residential area and, based on a review of aerial satellite imagery, is not within the immediate vicinity of a private airstrip.</p> <p>Source: County GIS Maps</p>				
9.g. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?		X		
<p>Discussion: The project involves subdivision of a residential parcel into 3 lots and construction and operation of three single-family residences and would not permanently or significantly impede access on existing public roads. However, temporary construction street parking may impede</p>				

pedestrian and vehicle access on nearby narrow, windy roads. Mitigation Measure 18 has been added should on-street construction vehicle parking become necessary.

Mitigation Measure 17: All project related construction vehicle parking shall be limited to on-site areas. Should street parking be necessary, any and all project-related on-street construction parking is subject to review and approval by the Project Planner and the County Department of Public Works. Prior to issuance of the building permit, the applicant shall show location of all on-street construction parking on plans submitted for the building permit application.

Sources: Project plans, County GIS Maps

9.h. Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?				X
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Discussion: The project site is not located within a designated State Responsibility Area (SRA) or Local Responsibility Area (LRA). See further discussion in Section 20, below.

Source: County GIS Maps.

9.i. Place housing within an existing 100-year flood hazard area as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
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Discussion: The project site is located in Flood Zone X (Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level), per FEMA Panel No. 06081C0282E, effective October 16, 2012.

Source: County GIS Maps.

9.j. Place housing within an existing 100-year flood hazard area as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
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Discussion: See discussion in Section 9.i.

Source: County GIS Maps.

9.k. Place within an existing 100-year flood hazard area structures that would impede or redirect flood flows?				X
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Discussion: See discussion in Section 9.i.

Source: County GIS Maps.

10. HYDROLOGY AND WATER QUALITY. Would the project:

		<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
10.a.	Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality (consider water quality parameters such as temperature, dissolved oxygen, turbidity and other typical stormwater pollutants (e.g., heavy metals, pathogens, petroleum derivatives, synthetic organics, sediment, nutrients, oxygen-demanding substances, and trash))?		X		
<p>Discussion: Regarding the potential impact of construction-related erosion and sedimentation to water quality, please see discussion in Section 7.b, above. Regarding potential post-construction impacts to water quality, see Section 10.d, below.</p> <p>Source: Project plans; See Section 7.a for source list.</p>					
10.b.	Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?				X
<p>Discussion: While the project would involve the construction of impervious surfaces, most of the project site will remain pervious. The new residences would be connected to public water system through the City of Redwood City for domestic water service and would not substantially decrease groundwater supplies or interfere substantially with groundwater recharge.</p> <p>Source: Project plans</p>					
10.c.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner that would:				
	i. Result in substantial erosion or siltation on- or off-site;		X		
<p>Discussion: The project site is 44,721 sq. ft. (1.027 acres). The existing site impervious area is 7,384 sq. ft. The proposed site impervious area is 14,218 sq. ft., where no areas of existing paving would be retained.</p>					

Due to the proposed increase in impervious surface area, the project could potentially alter the existing drainage pattern of the site or area. The project proposes new drainage facilities, which have been reviewed by the County's Planning and Building Department's Drainage Section, to handle post-construction drainage from the new driveway and new homes and other new impervious surfaces. As a standard building permit requirement, a site drainage plan is required that demonstrates how roof drainage and site runoff will be directed to an approved location. In compliance with the County's Drainage Manual, this plan must demonstrate that post-development flows and velocities to adjoining private property and the public right-of-way shall not exceed those that existed in the pre-developed state.

As project impervious surface exceeds 10,000 sq. ft., the project is subject to Provision C.3 of the 2022 Municipal Regional Permit (application preceded MRP requirements effective on and after July 1, 2023), which requires stormwater treatment facilities. The project proposes on-site bioretention basins, a self-retaining area, an interceptor tree, and an infiltration trench.

Project compliance with these regulations would prevent the substantial alteration of existing drainage patterns of the site and area. The project does not involve alteration of the course of a stream or river.

The project would disturb 0.9 acres. The applicant has submitted an Erosion and Sediment Control Plan (see Page T-2 of Attachment B) that upon implementation would minimize erosion or siltation on- or off-site during site grading and construction. Per Mitigation Measure 18, should land disturbance equal or exceed 1 acre, a Notice of Intent (NOI) with the State Water Resources Board to obtain coverage under the NPDES Permit is required. As proposed and mitigated, the project would have a less than significant impact relative to erosion or siltation on- or off-site.

Mitigation Measure 18: Prior to the issuance of the building permit for the project, a copy of the Notice of Intent (NOI) with the State Water Resources Board, including WDID number, to obtain coverage under the NPDES Permit, shall be submitted to the Project Planner, if project land disturbance is an acre or larger.

Sources: Project C3C6 form, Project Site Plan and Drainage Plan.

ii. Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;			X	
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Discussion: Please see Section 10.c.i for discussion. The project would not result in the alteration of the course of a stream or river.

Sources: Project plans

iii. Create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or			X	
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Discussion: Please see Section 10.c.i, above, for discussion.

Sources: Project plans

10.d.	Significantly degrade surface or groundwater water quality?			X	
<p>Discussion: With the implementation of mitigation measures as discussed in Section 10.c.i, potential project impacts related to degraded surface or groundwater water quality is less than significant.</p> <p>Sources: Project plans</p>					
10.e.	Result in increased impervious surfaces and associated increased runoff?			X	
<p>Discussion: Please see Section 10.c.i for discussion.</p> <p>Sources: Project plans</p>					
	iv. Impede or redirect flood flows?				X
<p>Discussion: The project would not impede or redirect flood flows. There is no work proposed within an existing drainage channel or creek. The site is not located in a flood hazard zone.</p> <p>Sources: Project plans</p>					
10.f.	In flood hazard, tsunami, or seiche zones, create or contribute runoff water which would risk release of pollutants due to project inundation?				X
<p>Discussion: The site is not located in a flood hazard zone, tsunami, or seiche zone.</p> <p>Sources: Project plans</p>					
10.g.	Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	
<p>Discussion: The project does not involve maintenance of any existing or construction of any new septic systems and includes an Outside Service Agreement(s) for three (3) sewer connections, subject to the approval of Local Agency Formation (LAFCo) and the City of Redwood City.</p> <p>Sources: Project plans</p>					

11. LAND USE AND PLANNING. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
11.a. Physically divide an established community?			X	
<p>Discussion: The project proposes to divide a single-family residential parcel into 3 residential parcels within an existing residential neighborhood. As further discussed in Section 11.b, development of the property with three residential parcels would not introduce land development patterns not seen in the area and, therefore, would not result in the physical division of an established community.</p> <p>Sources: County GIS Maps</p>				
11.b. Cause a significant environmental impact due to a conflict with any applicable land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	
<p>Discussion: While the project complies with the lot size and slope requirements of the Residential Hillside (RH) Zoning District, the proposed project density does not comply with the Low Density Residential land use designation of the County's General Plan, which allows for 0.3-2.3 dwelling units per net acre (du/ac). The project density will be 2.92 du/net ac and, therefore, the applicant proposes a General Plan Amendment to change the Land Use Designation from Low Density Residential to Medium-Low Density Residential, which allows for 2.4-6.0 du/net ac.</p> <p>The property is not contiguous to any County properties designated for Medium-Low Density Residential land use, however an area designated for Medium-Low Density Residential is located approximately 300 feet to the northwest, on the north side of Hillcrest Drive. Also, across Upland Road to the south, denser residential areas in the City of Redwood City are located within close proximity of the parcel. These areas are shown on a map included as Attachment F.</p> <p>Based on the above and the proposed change in the Land Use Designation from Low Density Residential to Medium-Low Density Residential, the project would not cause a significant environmental impact due to a conflict with any applicable land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect.</p> <p>Source: County GIS Maps</p>				
11.c. Serve to encourage off-site development of presently undeveloped areas or increase development intensity of already developed areas (examples include the introduction of new or expanded public utilities, new industry, commercial facilities or recreation activities)?			X	

Discussion: The change in the Land Use Designation from Low Density Residential to Medium-Low Density Residential of the project site may result in other property owners of parcels in the area undertaking a similar change. However, Senate Bill 9 (SB9) already allows for densification of residentially-zoned parcels to allow up to four residences, subject to an on-site owner occupancy requirement. Therefore, the project would not directly serve to significantly encourage off-site development of presently undeveloped areas or increase development intensity of already developed areas, as densification is already allowed under SB9.

Sources: Project plans; County GIS Maps

12. MINERAL RESOURCES. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
12.a. Result in the loss of availability of a known mineral resource that would be of value to the region or the residents of the State?				X
Discussion: The project does not involve any mining or extraction of minerals. Sources: Project plans				
12.b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X
Discussion: The project would not affect any nearby mineral resource recovery site, if such a site should exist nearby. Sources: Project plans; County GIS Maps				

13. NOISE. Would the project result in:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
13.a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	

Discussion: The project would generate additional non-substantial, temporary noise associated with grading and construction. However, such noises will be temporary, where volume and hours are regulated by Section 4.88.360 (Exemptions) of the County Ordinance Code.

Sources: Project plans

13.b. Generation of excessive ground-borne vibration or ground-borne noise levels?			X	
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Discussion: Per the Geotechnical Investigation prepared by Silicon Valley Soil Engineering dated September 21, 2021, the proposed house foundations will be drilled pier foundations, not a pile-driven pier foundations. Mitigation Measure 19 prohibits use of pile-driven pier foundations. As proposed and mitigated, the project would not result in the generation of excessive ground-borne vibration or ground-borne noise levels.

Mitigation Measure 19: The project shall not use a pile-driven pier foundation.

Sources: Project plans

12.e. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, exposure to people residing or working in the project area to excessive noise levels?				X
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Discussion: The project site is not in the vicinity of a private airstrip. Please see discussion in Section 9.e, above.

Sources: Project plans; Planning GIS Map.

14. POPULATION AND HOUSING. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
14.a. Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X

Discussion: Please see discussion in Section 11.c, above.

Sources: Project plans

14.b. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?			X	
<p>Discussion: The project site is a residential parcel containing a single-family residence and improvements support this use. The project would provide two additional single-family residential units of housing. The potential displacement of residents in the existing house would not necessitate the construction of replacement housing elsewhere, and such potential displacement would be justified by the construction of three new homes.</p> <p>Sources: Project plans</p>				

<p>15. PUBLIC SERVICES. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered government facilities, the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:</p>				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
15.a. Fire protection?			X	
15.b. Police protection?			X	
15.c. Schools?			X	
15.d. Parks?			X	
15.e. Other public facilities or utilities (e.g., hospitals, or electrical/natural gas supply systems)?			X	

Discussion: The project involves the subdivision of a single-family residential parcel into 3 new parcels. The project has been reviewed and preliminarily approved by the County Fire Department. The project site is located in an established residential neighborhood, where police, school and park services presently exist in this area.

Regarding sewer and water service, the project would build 3 new single-family residences, and connect the 3 new parcels to a public sewer and water system (property is not currently located in a sewer or water district). An Outside Service Agreement(s) for three (3) sewer and two (2) water connections (existing house has a water connection) is required and subject to the approval of Local Agency Formation (LAFCo) and the City of Redwood City. The approval of an Outside Service Agreement(s) and compliance with utility provider requirements associated with such agreement would minimize substantial adverse physical impacts associated with the provision of sewer and water services to the property.

Regarding impacts to park services, the applicant is required by current regulation to pay an in-lieu park fee for the additional 2 parcels to off-set intensified park use related to the project.

Regarding impacts to school services, the applicant is required by current regulation to pay school impact fees at the time of the construction of the new residences to off-set intensified school use related to the project.

Sources: Project plans

16. RECREATION. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
16.a. Increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			X	

Discussion: The project involves the subdivision of a single-family residential parcel into 3 new parcels. Regarding impacts to park services, the applicant is required by current regulation to pay an in-lieu park fee for the additional 2 parcels to off-set intensified park use related to the project. Therefore, the project would not increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated.

Sources: Project plans

16.b. Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X
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Discussion: The project does not include recreational facilities, nor would it directly result in the construction or expansion of recreational facilities. See discussion in Section 16.a above.

Sources: Project plans

17. TRANSPORTATION/TRAFFIC. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
17.a. Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities, and parking?				X
<p>Discussion: The project involves the subdivision of a single-family residential parcel into 3 new parcels and would result in a temporary increase in traffic levels during construction and a negligible permanent increase in traffic levels after construction. The private development is located on an existing County-maintained public road within an existing residential neighborhood and would provide adequate on-site parking. Therefore, the project does not conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system.</p> <p>Sources: Project plans, Local Coastal Program (LCP)</p>				
17.b. Would the project conflict or be inconsistent with CEQA Guidelines Section 15064.3, Subdivision (b) <i>Criteria for Analyzing Transportation Impacts</i> ?			X	
<p><i>Note to reader: Section 15064.3 refers to land use and transportation projects, qualitative analysis, and methodology.</i></p> <p>Discussion: CEQA Guidelines Section 15064.3, Subdivision (b) <i>Criteria for Analyzing Transportation Impacts</i>, describes specific considerations for evaluating a project's transportation impacts. It states that, generally, vehicle miles traveled is the most appropriate measure of transportation impacts. "Vehicle miles traveled" refers to the amount and distance of automobile travel attributable to a project. Other relevant considerations may include the effects of the project on transit and non-motorized travel. The project involves the subdivision of a single-family residential parcel into 3 new parcels and the construction of three new single-family residences within an existing residential neighborhood. The project will result in a temporary increase in traffic levels during construction and a negligible permanent increase in traffic levels after construction. Therefore, the project does not conflict with CEQA Guidelines Section 15064.3.</p> <p>Sources: Project plans</p>				
17.c. Substantially increase hazards to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X

Discussion: The project site involves the improvement of an existing private driveway accessed from Upland Road. The configuration of the driveway relative to Upland Road would not change. The applicant has performed a sight distance study dated July 14, 2023 (Attachment G) that was reviewed and approved by the Department of Public Works and shows that there are no sight distance hazards associated with the driveway location.

Sources: Project plans

17.d. Result in inadequate emergency access?

X

Discussion: The private development is located on an existing County-maintained public road within an existing residential neighborhood and would provide adequate on-site parking. Street parking which may narrow the road clearance would not be needed to meet parking requirements. Additionally, Mitigation Measure 17 limits project construction-related street parking. The project was reviewed and preliminarily approved by the Department of Public Works and the San Mateo County Fire Department. Therefore, the project would not result in inadequate emergency access.

Sources: Project plans

18. TRIBAL CULTURAL RESOURCES. Would the project:

	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
18.a. Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code Section 21074 as either a site, feature, place or cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				X
i. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k)				X

Discussion: The applicant has submitted a Historical and Architectural Evaluation for the property, dated March 13, 2022, prepared by Bonnie Bamburg of Urban Programmers (Attachment D3). The following discussion is contained in the Historical and Architectural Evaluation.

Historical Context

The development of the Highlands of Emerald Lake contained several subdivisions, including the Oak Knoll Manor, which preceded several of the Emerald Lake and Emerald Lake Hills developments. Emerald Lake Hills 1, or Lower Emerald Hills, was the first to be developed and sold reasonably well. In 1927, the owners established Emerald Lake Country Club, a mutual benefit corporation, and purchased the lake with plans for adding stables, a bar, laundry, hospital, and undertaker, amenities which were never developed. Without control of the attraction and amenity to spur sales, the subdivision sales appeared to slump. The Leonard and Holt Company moved their development to the upper hills, where they dammed a creek and constructed a second lake. Here they proposed 3,000 home sites around Emerald Lake Hills 2. Following WWII, the Bay Area experienced a population explosion. The educational opportunities brought veterans with the GI Bill to study at Stanford University, the University of California, State Colleges, and community colleges. Often these returning students brought families with them and needed housing. At the same time, the new "high-tech" companies that started during the war were adapting to more general products and were hiring from all over the world. Established subdivisions were again recognized as attractive places for families who wanted a more rural or rustic lifestyle.

History of the Property

The subject property is part of the 2,000 acres sold by William Carey Jones to Horace Hawes in 1857. Hawes constructed a house (currently the location of Sequoia High School) and named the land Redwood Fran. Prior to moving to San Mateo County, he lived in San Francisco, where he held a number of civic positions, including being the California Assemblymember who introduced the Consolidation Act, which created the City and County of San Francisco (1856). The remaining land to the south became San Mateo County (1857). After his death in 1872, the land was distributed to his two children and wife. The subject parcel was part of that sold to Moses Hopkins c. 1880. Moses was the brother of Mark Hopkins (Big Four investors in the Central Pacific Railroad, Mark Hopkins, Leland Stanford, Charles Crocker, and Porter Huntington). During this period, the area may have been used for grazing, particularly as cattle were moved from the coast to the rails or slaughterhouses in the north county and for the thoroughbred horses raised by Moses Hopkins. In 1902, the 2,000 acres were sold to cement magnate William J. Dingee, who remodeled the house and created Dingee Park. The 1906 earthquake destroyed the house and structures on the site. The next owner was San Francisco Architect, Albert Pissis, and his wife, Georgia. No structures were constructed on the subject lot, and there is no visible evidence of past owners prior to 1920, when the land was further subdivided. Constructed c. 1920, the "country cabin" was a second home for Zerah Y. Howard and Florence Carthew Howard, who purchased the property in 1919. Zerah Yates Howard was born in San Francisco in 1876, and it appears he was educated locally. A resident of San Francisco in 1896, he was a clerk living at 120 Palm Avenue- a family residence he maintained until the 1930s. His career progressed to a purchasing agent (shipping) for the Hakalau Plantation Corporation in the 1920s. By 1927, Zerah is listed in the Voter Registration records as living in Redwood City (likely on Upton Road). The 1928-30 Voter Rolls show him living on Upland Road, and within a year, he retired. However, he went back to work as the Vice President of Welch and Company. In 1933 he applied for membership in the Sons of the Revolution and was accepted. The couple was active in civic and social activities including the IOOF Lodge. He passed away on December 24, 1942. The property was transferred to Florence in February 1944. Florence was born in England in 1874 and became a naturalized American Citizen. The San Mateo newspapers carried many articles describing social and religious activities where Florence participated. She continued to live in the house on Upland Road and worked at the Redwood Medical Clinic for several years. She passed away in 1968. The next owners of the property were Guy Collingwood and Georgina B. Collingwood, who owned the property until selling it in 1974 to Robert Eugene Roller and Gail Nadine Roller. Robert and Gail Roller were police officers in San Mateo. Gail was the first female officer to be hired in San Mateo. Prior to being accepted in San Mateo, she was a "meter maid" for

two years and had worked with the San Mateo County Sheriff and spent two years in the Oakland Police Department. In 1976, when she became pregnant, the Police Department fired her. She appealed to the City Council to be reinstated, but her appeal was denied. A suit in U.S. District Court found that although disabled male officers were given inside positions, she was not eligible, and thus, she was not discriminated against due to pregnancy. She then filed a suit under Title VII of the 1964 Civil Rights Act. The couple divorced in 1979. It appears Gail continued to live in the house until 1984 when it was sold to Marco A. Casazza and Janice Casazza. Robert Roller continued as a San Mateo Police officer. When the Casazza's purchased the property, Marco was employed as an electrician, a position he held until he retired. The property was sold in 2022.

Description of the property and buildings

The property is located at the bend in Upland Road with the house set back from the street. A small cottage and shed are on the property. The house building is an irregular form with two rectangular sections, one in front and to the side of the other. Originally a "cabin" style building, it has been enlarged and altered, reflecting a Craftsman vernacular style throughout the additions. The side rear section steps up the slightly sloping site. The building has many recycled elements, including art glass windows. The end facing the street is a gable with the garage under the living space. The garage has double-hinged doors in panel style with three-over-three panes in the top section. A similar six-pane window is on the side. The second story has a pair of similar windows and a single one offset in the wall. All windows have plain board frames. Siding on the lower level is vertical board with horizontal in the upper section. The roof has a plain fascia with exposed rafters beneath and knee braces in the peak and at each end of the wall. The side of the garage element is similar, with multi-pane windows and a single door. A path leads to the main entrance that is set back on the side atop a stair where a former porch has been enclosed, and the entry door is now flush with the wall. The façade is open lattice panels at the ground level and solid panels above, with five nine-pane windows extending the length of the wall beneath the header. On the other side of the building, a large deck has been added to blend the two sections together. The building wall has a wide French-style door, a single door, and a multi-pane window off the deck. Art glass, flowering windows c. 1950 are grouped along a former porch and are the most interesting aspects of the design.

In summary, the building is in good condition and has been extensively altered by the addition of non-original materials, replacing the windows with art glass from a different period as well as various other modifications that have changed the character of the original design.

The small cottage is a vernacular form wood frame, side-facing gable style building c. 1970 (no permits were found).

Evaluation of Significance

For purposes of this study, the criteria used to evaluate the significance of potential historical resources is that of the California Register of Historical Resources and the San Mateo County Criteria for the Designation of County Historic Landmarks and Historic Districts (Section 7732).

The San Mateo County Criteria contains five categories:

- 7732.1 It exemplifies or reflects elements of the County's cultural, Social, economic, political, aesthetic, engineering or architectural history; or
- 7732.2 It has special aesthetic or artistic interests or values; or
- 7732.3 It is identified with persons or events significant in local, State or national history; or
- 7732.4 It embodies distinctive architectural characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials of craftsmanship; or

- 7732.5 It is representative of the notable work of a master builder, designer, or architect.

While the categories do not specifically address the integrity of a historic resource, it is necessary to first consider integrity to evaluate potential resources. The California Register of Historical Resources defines integrity as the majority of seven aspects: location, design, materials, workmanship, setting, feeling, and association. A resource must be able to communicate the reason for its significance.

The property at 890 Upland Road is associated with the 1920-1940 period of expansion and industrialization that swept the Bay Area after WWI. The wealth of the early 1920s led to a trend for summer homes for San Franciscans who came down the peninsula to escape the summer fog and chill of San Francisco. Subdivisions of large and small parcels were recorded, some with recreational amenities, others just a small lot for a cabin. The subject property was part of this trend in the Oak Knoll Manor subdivision, which had 3,000 home sites. The style and design were originally basic wood frame in a vernacular style, with board siding window of multi-pane sash. Since the original construction, the building has had extensive alterations. From the exterior, the original design is present only on two sides of the front element of the building. Original materials in the roof, brackets design, and materials of the buildings and property have been compromised, negatively affecting the integrity.

The property does not exemplify elements of the County's cultural, social, economic, political, aesthetic, engineering, or architectural history. It is a remnant of a recreational subdivision of second homes that was not successful. Developments of this type were conceived for lower Emerald Hills and the nearby communities where the summer weather was warmer than in San Francisco (7732.1).

The main house is a mix of elements and materials, including the addition of art glass windows. However, it does not exceed to the level of special aesthetic or artistic interests or values (7732.2).

The property was part of the trend for subdivisions of second homes that occurred after WWI. This association is within a broad category of real estate subdivisions in the 1920s and is not directly associated with persons or events that were significant in local, State, or national history (7732.3).

As stated above, the main building on the property does not embody distinctive architectural characteristics of a style, type, period, or method of construction and is not a valuable example of the use of indigenous materials of craftsmanship. The vernacular design of the original structure has been extensively altered by different materials and systems, leaving only a section of the original (7732.4).

The architect was not identified; however, the alterations to the building have so changed the original design that the architect can no longer be identified with the building (7732.5).

In summary, the property at 890 Upland Road, when compared to the criteria of San Mateo County, does not appear to meet the level of original design or significant associations required to be recommended for a County Landmark. 4

California Register of Historical Resources

The criteria for listing historical resources in the California Register of Historical Resources are consistent with those for listing resources in the National Register of Historic Places but have been modified for state use in order to include a range of historical resources that better reflect the history of California. The California Register eligibility or listing is the threshold for CEQA to consider a resource significant. A historical resource must retain integrity and be significant at the local, state, or national level under one or more of the following four criteria:

1. It is associated with events that have made a significant contribution to the broad patterns of local or regional history or the cultural heritage of California or the United States.

2. It is associated with the lives of persons important to local, California, or national history;
3. It embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of a master or possesses high artistic values; or
4. It has yielded, or is likely to yield, information important to the prehistory or history of the local area, California, or the nation.

In addition, the resource must retain enough of its historic character or appearance to be recognizable as a historic property and to convey the reason for its significance. The subject property has diminished integrity due to the alterations.

Criteria 1. It is associated with events that have made a significant contribution to the broad patterns of local or regional history or the cultural heritage of California or the United States. The single-family residence is not associated with an event that contributed significantly to local or regional history or cultural heritage.

Criteria 2. It is associated with the lives of persons important to local, California, or national history. The history of the property does not show a direct and significant association with persons important to the history of San Mateo County, the State of California, or the nation.

Criteria 3. It embodies the distinctive characteristics of a type, period, region or method of construction, or represents the work of a master or possesses high artistic values. The subject building represents a vernacular style that has been modified with additions and alterations. The building does not exhibit significant characteristics that possess high artistic style or values that would be important to the local history or to the State. Thus, the property does not appear eligible for individual listing in the California Register under Criteria 3.

Criteria 4. It has yielded, or is likely to yield, information important to the prehistory or history of the local area, California, or the nations. During the excavation and development for residential use, the native soils have been disturbed to construct foundations for the house, driveway, and small orchard. It is unlikely that significant information important to prehistory or history would be found on this site.

The property at 890 Upland Road does not meet the criteria of the California Register of Historical Resources.

On March 15, 2023, after review of the Historical and Architectural Evaluation prepared by Urban Programmers for the subject property, the County Historical Review Advisory Board (HRAB) found that the house and other structures at the property are not architecturally or historically significant. HRAB found that the structures could be demolished with the following stipulations:

- 1) Photograph (with high resolution camera) the exterior and interior of the house and outbuildings.
- 2) Salvage and save special elements such as art glass windows, redwood beams, built ins, and the like.

Staff has added Mitigation Measure 20 to require the owner to comply with HRAB's stipulations for demolition of the existing structures:

Mitigation Measure 20: Prior to issuance of a demolition permit for the house and outbuildings, the owner shall provide evidence of having complied with HRAB's stipulations for demolition of the existing structures:

- a. Photograph (with high resolution camera) the exterior and interior of the house and outbuildings. Such photos shall be provided to the County Historical Review Advisory Board.
- b. Salvage and save special elements such as art glass windows, redwood beams, built ins, and the like.

Source: Historical and Architectural Evaluation for the property, dated March 13, 2022, prepared by Bonnie Bamburg of Urban Programmers.

<p>ii. A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in Subdivision (c) of Public Resources Code Section 5024.1. (In applying the criteria set forth in Subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.)</p>				
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Discussion: Staff requested a Sacred Lands file search of the project vicinity, which was conducted by the Native American Heritage Council (NAHC), and resulted in no found records (Attachment D2). Planning staff has consulted with the following tribes, as identified by the NAHC:

- Amah Mutsun Tribal Band of Mission San Juan
- Coastanoan Rumsen Carmel Tribe
- Indian Canyon Mutsun Band of Costanoan
- Muwekma Ohlone Indian Tribe of the SF Bay Area
- The Ohlone Indian Tribe
- The Wukwasche Indian Tribe/Eschom Valley Band, and

On September 5 and 13, 2023, a letter was sent to each of the contact persons provided by the NAHC regarding the subject project requesting comment within 30 days of the letter date. A letter was also sent to the Tamien Nation, a traditionally or culturally affiliated tribe, as the tribe has requested in writing to the County, to be informed of proposed projects in the geographic project area, per Assembly Bill 52 for California Native American tribal consultation requirements. No comments were received to date.

Based on the NAHC’s recommended best practices, the following mitigation measures are recommended to minimize any potential significant impacts to unknown tribal cultural resources.

Mitigation Measure 21: Should any traditionally or culturally affiliated Native American tribe respond to the County’s issued notification for consultation, such process shall be completed and any resulting agreed upon measures for avoidance and preservation of identified resources be taken prior to implementation of the project.

Mitigation Measure 22: Any inadvertently discovered tribal cultural resources shall be treated with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to, protecting the cultural character and integrity of the resource, protecting the traditional use of the resource, and protecting the confidentiality of the resource.

Mitigation Measure 23: In the event that cultural, paleontological, or archeological resources are encountered during site grading or other site work, such work shall immediately be halted in the area of discovery, County staff shall be notified, and the applicant shall be required to retain the services of a qualified archeologist for the purpose of recording, protecting, or curating the discovery as appropriate.

Source: Native American Heritage Council (NAHC) letter, dated January 21, 2022.

19. UTILITIES AND SERVICE SYSTEMS. Would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
19.a. Require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?			X	
<p>Discussion: The project is required to demonstrate compliance with the County's Drainage Policy and Provision C.3 of the San Francisco Bay Region Municipal Regional Permit, which require the construction of new on-site stormwater treatment measures to reduce stormwater runoff and associated negative environmental impacts. The applicant proposes to connect to the City of Redwood City for water and sewer service to the project, which requires an Outside Service Agreement(s) subject to the approval of Local Agency Formation (LAFCo). City of Redwood City staff have reviewed the project plans and the project will be subject to service requirements. Therefore, the project would not directly require or result in the relocation or construction of new or expanded water or wastewater treatment facilities, nor electric power, natural gas, or telecommunications facilities.</p> <p>Source: Project Plans; County Planning GIS Maps.</p>				
19.b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?			X	
<p>Discussion: The project includes proposes to connect to the City of Redwood City for water and sewer services; City of Redwood City staff have reviewed the project plans, have service capacity to serve the project, and the project will be subject to service requirements. Project landscape irrigation will be subject to the Water Efficiency Landscape Ordinance (WELo).</p> <p>Source: Project Plans</p>				
19.c. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			X	
<p>Discussion: Please see discussion in Sections 19.a and b, above.</p> <p>Source: Project Plans</p>				
19.d. Generate solid waste in excess of State or local standards, or in excess of the				X

capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?				
Discussion: The project involves the construction of three single-family residences and would result in a negligible increase in solid waste disposal needs. Source: Project Plans				
19.e. Comply with Federal, State, and local statutes and regulations related to solid waste?				X
Discussion: The project involves the construction of three single-family residences and would result in a negligible increase in solid waste disposal needs. Source: Project Plans				

20. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
20.a. Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	
Discussion: The project site is not located within a designated Local Responsibility Area (LRA) or State Responsibility Area (SRA), but is located less than 100 feet east of a Very High fire hazard severity zone LRA. Compliance with applicable requirements will be reviewed during the building permit application process and confirmed prior to issuance of a building permit. Source: County GIS Map.				
20.b. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?			X	
Discussion: The site is moderately sloped. Please see discussion in Section 20.a. Source: County GIS Map.				
20.c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may				X

result in temporary or ongoing impacts to the environment?				
<p>Discussion: The project would not require any new roads, fuel breaks, emergency water sources, power lines or other utilities. The site is located along an existing publicly-maintained road. Also, new electrical lines will be undergrounded. Please see discussion in Sections 20.a and 20.b.</p> <p>Source: County GIS Map.</p>				
20.d. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?				X
<p>Discussion: Please see discussion in Sections 20.a and 20.b.</p> <p>Source: County GIS Map.</p>				

21. MANDATORY FINDINGS OF SIGNIFICANCE.				
	<i>Potentially Significant Impacts</i>	<i>Significant Unless Mitigated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
21.a. Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
<p>Discussion: Yes, as discussed in this document, the project has the potential to result in environmental impacts as discussed in this report. Implementation of mitigation measures included in this document would adequately reduce project impacts to a less than significant level.</p> <p>Source: Subject document.</p>				
21.b. Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of			X	

other current projects, and the effects of probable future projects.)				
<p>Discussion: The project involves the subdivision of a single-family residential parcel into 3 new parcels and construction and operation of three single-family residences within an existing residential neighborhood. Due to the infill nature of the proposed residential construction, proposed connection to sewer and water service in the area, and the proposed General Plan Amendment and subdivision potential allowed under Senate Bill 9, the project is not likely to result in a cumulatively considerable impact when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.</p> <p>Source: Subject document.</p>				
21.c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	
<p>Discussion: As discussed in this document, the project could result in environmental impacts that could both directly and indirectly cause impacts on human beings. However, implementation of mitigation measures included in this document would adequately reduce project impacts to less than significant levels.</p> <p>Source: Subject document.</p>				

RESPONSIBLE AGENCIES. Check what agency has permit authority or other approval for the project.

AGENCY	YES	NO	TYPE OF APPROVAL
Bay Area Air Quality Management District		X	
CalTrans		X	
City		X	
Coastal Commission		X	
County Airport Land Use Commission (ALUC)		X	
Other: Local Agency Formation Commission (LAFCo)	X		Outside Service Agreement for Water and Sewer Service
National Marine Fisheries Service		X	
Regional Water Quality Control Board		X	
San Francisco Bay Conservation and Development Commission (BCDC)		X	
Sewer/Water District: MWSD		X	
State Department of Fish and Wildlife		X	

AGENCY	YES	NO	TYPE OF APPROVAL
State Department of Public Health		X	
State Water Resources Control Board		X	

<u>MITIGATION MEASURES</u>		
	<u>Yes</u>	<u>No</u>
Mitigation measures have been proposed in project application.	X	
Other mitigation measures are needed (as listed below):	X	
<p>The following measures are included in the project plans or proposals pursuant to Section 15070(b)(1) of the State CEQA Guidelines:</p> <p><u>Mitigation Measure 1:</u> Upon the start of excavation activities and through to the completion of the project, the applicant shall be responsible for ensuring that the following dust control guidelines are implemented:</p> <ol style="list-style-type: none"> All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day. All haul trucks transporting soil, sand, or other loose material off-site shall be covered. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. All vehicle speeds on unpaved roads shall be limited to 15 mph. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations. Construction-related activities shall not involve simultaneous occurrence of more than two construction phases (e.g., paving and building construction would occur simultaneously). <p><u>Mitigation Measure 2:</u> Tightly woven fiber netting or similar material shall be used for erosion control or other purposes to ensure amphibian and reptile species do not get trapped. Plastic monofilament netting (erosion control matting) or similar material shall not be used. The applicant</p>		

shall demonstrate compliance with this requirement in plans submitted at the time of building permit application.

Mitigation Measure 3: A pre-construction, migratory bird nesting survey shall be conducted prior to any proposed tree removal, ground disturbance, demolition, or any other construction-related activities during the nesting bird season (February 1 to August 31). The survey shall be performed both in and within 250 feet of the proposed development area and the results reported to the County. If, for any reason, construction activities do not commence within 10 days of completion of the survey, the survey shall be repeated and results reported to the County. If active nests are discovered, no construction-related activities, including grading and tree removal, are allowed until birds have fledged from nests, as confirmed by a biologist.

Mitigation Measure 4: The owner shall comply with the following requirements pertaining to the heritage tree and 6 significant trees proposed for removal:

- e. The issuance of a tree removal permit for Trees #3 and 26 will be conditioned on an issued building permit for homes on the subdivided parcels where the trees are located (Lots 1 and 2, respectively), and replacement as specified. Replacement for Tree #3 shall be 2 - 48" box Valley Oak (*Quercus lobata*), and replacement for Tree #26 shall be 1 - 36" box Valley Oak (*Quercus lobata*). Location of replacement trees for Trees #3 and #26 are shown in Attachment E3, except that the County Arborist has required the applicant to move the replacement tree shown on Lot 3 at least 6 feet from exterior property line. Replacement trees shall be planted prior to final approval of building permits for homes on the proposed lots.
- f. The owner shall maintain and protect Tree #45 (13.6" d.b.h Coast Live Oak), as it does not conflict with subdivision improvements nor is in poor health. The tree may be proposed for removal at the time of the development, subject to County review and approval along with home construction on Lot 3.
- g. The issuance of a tree removal permit for the other 4 significant trees shall be conditioned on an issued building permit for subdivision improvements. These trees shall be replaced in a manner consistent with Section 6565.21. Replacement trees shall be planted prior to final approval of building permits for homes on the proposed lots.
- h. All replacement trees shall be shown on a landscape plan submitted prior to recordation of the subdivision map.

Mitigation Measure 5: Prior to issuance of a building permit for subdivision improvements and residential development, the applicant shall protect all significant trees which are not approved for removal, including submittal of a tree protection plan, as prepared by a certified arborist and consistent with the protection measures of the County's Significant Tree Regulations and County Arborist, as listed below. Tree protection measures shall also be shown on the Erosion and Sedimentation Control Plan.

- c. A root barrier shall be required at the existing driveway during driveway improvement construction for the Pistache and Oak trees along driveway. The Project Arborist shall prepare root barrier details to be submitted at the time of a building permit application for subdivision improvements, subject to review by the County Arborist.

- d. Identify, establish, and maintain tree protection zones throughout the entire duration of the project.
- c. Isolate tree protection zones using 5-ft. tall, orange plastic fencing supported by poles pounded into the ground, located at the driplines as described in the arborist's report.
- d. Maintain tree protection zones free of equipment and materials storage; contractors shall not clean any tools, forms, or equipment within these areas.
- e. If any large roots or large masses of roots need to be cut, the roots shall be inspected by a certified arborist or registered forester prior to cutting as required in the arborist's report. Any root cutting shall be undertaken by an arborist or forester and documented. Roots to be cut shall be severed cleanly with a saw or topers. A tree protection verification letter from the certified arborist shall be submitted to the Planning Department within five (5) business days from the site inspection following root cutting.
- f. Normal irrigation shall be maintained, but oaks shall not need summer irrigation, unless the arborist's report directs specific watering measures to protect trees.
- g. Street tree trunks and other trees not protected by dripline fencing shall be wrapped with straw wattles, orange fence, and 2x4 boards in concentric layers to a height of eight feet.
- h. Prior to Issuance of a Building Permit, the Planning and Building Department shall complete a pre-construction site inspection, as necessary, to verify that all required tree protection and erosion control measures are in place.

Mitigation Measure 6: Although proposed project area itself has low possibility of containing unrecorded archaeological site(s), it is possible that subsurface deposits may yet exist or that evidence of such resources has been obscured by more recent natural or cultural factors such as downslope aggradation and alluviation and the presence of non-native trees and vegetation. Archaeological and historical resources and human remains are protected from unauthorized disturbance by State law, and supervisory and construction personnel therefore must notify the County and proper authorities if any possible archaeological or historic resources or human remains are encountered during construction activities and halt construction to allow qualified Archaeologists to identify, record, and evaluate such resources and recommend an appropriate course of action.

Mitigation Measure 7: In the event that cultural, paleontological, or archeological resources are encountered during site grading or other site work, such work shall immediately be halted in the area of discovery and the project sponsor shall immediately notify the Community Development Director of the discovery. The applicant shall be required to retain the services of a qualified archeologist for the purpose of recording, protecting, or curating the discovery as appropriate. The cost of the qualified archeologist and any recording, protecting, or curating shall be borne solely by the project sponsor. The archeologist shall be required to submit to the Community Development Director for review and approval a report of the findings and methods of curation or protection of the resources. No further grading or site work within the area of discovery shall be allowed until the preceding has occurred. Disposition of Native American remains shall comply with CEQA Guidelines Section 15064.5(e).

Mitigation Measure 8: The applicants and contractors must be prepared to carry out the requirements of California State law with regard to the discovery of human remains, whether historic or prehistoric, during grading and construction. In the event that any human remains are

encountered during site disturbance, all ground-disturbing work shall cease immediately and the County coroner shall be notified immediately. If the coroner determines the remains to be Native American, the Native American Heritage Commission shall be contacted within 24 hours. A qualified archaeologist, in consultation with the Native American Heritage Commission, shall recommend subsequent measures for disposition of the remains.

Mitigation Measure 9: Prior to the issuance of a building permit for site development, the applicant shall demonstrate compliance with the recommendations of the Project Engineer as described in Geotechnical Investigation, prepared by Silicon Valley Soil Engineering (SVSE) dated September 21, 2021.

Mitigation Measure 10: Prior to issuance of the grading permit hard card, the applicant shall demonstrate that all cut spoils will be hauled off-site to a County-approved location.

Mitigation Measure 11: The applicant shall adhere to the San Mateo County-wide Stormwater Pollution Prevention Program "General Construction and Site Supervision Guidelines," including, but not limited to, the following:

- a. Delineation with field markers clearing limits, easements, setbacks, sensitive or critical areas, buffer zones, trees, and drainage courses within the vicinity of areas to be disturbed by construction and/or grading.
- b. Protection of adjacent properties and undisturbed areas from construction impacts using vegetative buffer strips, sediment barriers or filters, dikes, mulching, or other measures as appropriate.
- c. Performing clearing and earth moving activities only during dry weather.
- d. Stabilization of all denuded areas (on and off-site) and maintenance of erosion control measures continuously between October 1 and April 30. Stabilization shall include both proactive measures, such as the placement of hay bales or coir netting, and passive measures, such as re-vegetating disturbed areas with plants propagated from seed collected in the immediate area.
- e. Storage, handling, and disposal of construction materials and wastes properly, so as to prevent their contact with stormwater.
- f. Control and prevention of the discharge of all potential pollutants, including pavement cutting wastes, paints, concrete, petroleum products, chemicals, wash water or sediments, and non-stormwater discharges to storm drains and watercourses.
- g. Use of sediment controls or filtration to remove sediment when dewatering site and obtain all necessary permits.
- h. Avoiding cleaning, fueling, or maintaining vehicles on-site, except in a designated area where wash water is contained and treated.
- i. Limiting and timing applications of pesticides and fertilizers to prevent polluted runoff.
- j. Limiting construction access routes and stabilization of designated access points.
- k. Avoiding tracking dirt or other materials off-site; cleaning off-site paved areas and sidewalks using dry sweeping methods.

- l. Training and providing instruction to all employees and subcontractors regarding the Watershed Protection Maintenance Standards and construction Best Management Practices.
- m. Additional Best Management Practices in addition to those shown on the plans may be required by the Building Inspector to maintain effective stormwater management during construction activities. Any water leaving site shall be clear and running slowly at all times.

Mitigation Measure 12: Once approved, erosion and sediment control measures of the revised Erosion Control Plan shall be installed prior to beginning any site work and maintained throughout the term of grading and construction, until all disturbed areas are stabilized. Failure to install or maintain these measures will result in stoppage of construction until corrections have been made and fees paid for staff enforcement time. Revisions to the approved erosion control plan shall be prepared and signed by the engineer and submitted to the Building Inspection Section.

Mitigation Measure 13: It shall be the responsibility of the engineer of record to regularly inspect the erosion control measures for the duration of all grading remediation activities, especially after major storm events, and determine that they are functioning as designed and that proper maintenance is being performed. Deficiencies shall be immediately corrected, as determined by and implemented under the observation of the engineer of record.

Mitigation Measure 14: The property owner shall file a Notice of Intent (NOI) with the Regional Water Quality Board to obtain coverage under the State General Construction Activity NPDES Permit. A copy of the project's NOI and Stormwater Pollution Prevention Plan (SWPPP) shall be submitted to the Current Planning Section, prior to the issuance a building permit and any land disturbance.

Mitigation Measure 15: At the time of building permit application, the applicant shall demonstrate compliance with the measures indicated on the applicant-completed development checklist (Attachment H) or equivalent measures, to the extent feasible. Such measures shall be shown on building plans.

Mitigation Measure 16: At the time of building permit application, the applicant shall demonstrate compliance with the following measures, to the extent feasible, where such measures shall be shown on building plans:

- a. BAAQMD BMP: Use alternative fueled (e.g., biodiesel, electric) construction vehicles/equipment of at least 15 percent of the fleet;
- b. BAAQMD BMP: Use local building materials of at least 10 percent;
- c. BAAQMD BMP: Recycle or reuse at least 50 percent of construction waste.

Mitigation Measure 17: All project related construction vehicle parking shall be limited to on-site areas. Should street parking be necessary, any and all project-related on-street construction parking is subject to review and approval by the Project Planner and the County Department of Public Works. Prior to issuance of the building permit, the applicant shall show location of all on-street construction parking on plans submitted for the building permit application.

Mitigation Measure 18: Prior to the issuance of the building permit for the project, a copy of the Notice of Intent (NOI) with the State Water Resources Board, including WDID number, to obtain

coverage under the NPDES Permit, shall be submitted to the Project Planner, if project land disturbance is an acre or larger.

Mitigation Measure 19: The project shall not use a pile-driven pier foundation.

Mitigation Measure 20: Prior to issuance of a demolition permit for the house and outbuildings, the owner shall provide evidence of having complied with HRAB's stipulations for demolition of the existing structures:

- a. Photograph (with high resolution camera) the exterior and interior of the house and outbuildings. Such photos shall be provided to the County Historical Review Advisory Board.
- b. Salvage and save special elements such as art glass windows, redwood beams, built ins, and the like.

Mitigation Measure 21: Should any traditionally or culturally affiliated Native American tribe respond to the County's issued notification for consultation, such process shall be completed and any resulting agreed upon measures for avoidance and preservation of identified resources be taken prior to implementation of the project.

Mitigation Measure 22: Any inadvertently discovered tribal cultural resources shall be treated with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to, protecting the cultural character and integrity of the resource, protecting the traditional use of the resource, and protecting the confidentiality of the resource.

Mitigation Measure 23: In the event that cultural, paleontological, or archeological resources are encountered during site grading or other site work, such work shall immediately be halted in the area of discovery, County staff shall be notified, and the applicant shall be required to retain the services of a qualified archeologist for the purpose of recording, protecting, or curating the discovery as appropriate.

DETERMINATION (to be completed by the Lead Agency).

On the basis of this initial evaluation:

I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared by the Planning Department.

I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because of the mitigation measures in the discussion have been included as part of the proposed project. A MITIGATED NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.



(Signature)

Camille Leung, Project Planner

October 19, 2023

Date

(Title)

ATTACHMENTS:

- A. Vicinity Map
- B. Project Plans
- C. Geotechnical Investigation prepared by Silicon Valley Soil Engineering dated September 21, 2021.
- D. Cultural Resource Letters
 - 1. Letter from California Historical Resources Information System, dated February 20, 2023.
 - 2. Letter from Native American Heritage Council (NAHC), dated September 8, 2023
 - 3. Historical and Architectural Evaluation for the property, prepared by Bonnie Bamburg of Urban Programmers, dated March 13, 2022.
- E. Trees:
 - 1. Arborist Report by Jeremy Ingalls, Certified Arborist, dated February 8, 2022
 - 2. Arborist Report re: 2 Valley Oaks at front of property, by Jeremy Ingalls, Certified Arborist, dated January 25, 2023
 - 3. Map showing location of replacement trees for Trees #3 and #26
- F. Land Use Designations Map
- G. Sight distance study dated July 14, 2023
- H. EECAP Development Checklist

RESOLUTION NO. 16250

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AUTHORIZING APPLICATION TO THE LOCAL AGENCY FORMATION COMMISSION REQUESTING APPROVAL FOR EXTENSION OF WATER SERVICES AND SEWER SERVICES TO 890 UPLAND ROAD (APN 058-272-120) OUTSIDE JURISDICTIONAL BOUNDARIES PURSUANT TO GOVERNMENT CODE SECTION 56133

WHEREAS, the property located at 890 Upland Road, APN 058-272-120 (the "Property"), Unincorporated San Mateo County, California is outside the jurisdictional boundaries and sewer service area of the City of Redwood City (the "City"), but inside the City's sphere of influence and water service area; and

WHEREAS, the County of San Mateo has approved a three lot subdivision and is processing an application for the construction of three new single-family homes on the subdivided Property; and

WHEREAS, the County of San Mateo's approval of the building permits is conditioned upon the property owner obtaining new water connections and services and new sewer connections and services for the proposed residences from the City; and

WHEREAS, the property owner has requested that the City provide water services and sewer services to the three proposed single-family homes on the subdivided Property; and

WHEREAS, this activity is not a project under California Environmental Quality Act (CEQA) as defined in CEQA Guidelines, section 15378, because it has no potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY, AS FOLLOWS:

1. The City Manager or their designee is hereby authorized to submit an application to the Local Agency Formation Commission ("LAFCo") requesting approval of an extension of the water service and sewer service outside the City's jurisdictional boundaries and sewer service area, and within the City's sphere of influence and water service area to 890 Upland Road, Unincorporated San Mateo County, California (APN 058-272-120) pursuant to California Government Code Section 56133 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

2. The water service connections and sewer service connections proposed for the three single-family residences at the property is subject to the following conditions and fees:

- a. LAFCo approval of the application for the proposed water service connections and sewer service connections;
- b. Property owner's payment of LAFCo fees;
- c. After approval of the construction drawings by the San Mateo County Building Department and upon application for new water services and sewer services, property owner's payment of all applicable Redwood City fees, including connection fees associated with providing proposed water services and sewer services;
- d. Property owner's payment of the City's water service and sewer service annexation fees;
- e. Property owner's installation of new water service lines, sanitary sewer laterals, and sanitary sewer main lines and appurtenances;
- f. Property owner is responsible for the design, construction, and connection of any water main modifications or extensions necessary to provide adequate flow for domestic use and fire suppression, in accordance with City Code Section 38.26 and as determined by the City and the Fire Marshal within the local jurisdiction;
- g. Property owner shall pay the fees for any construction permit in connection with improvements for new water service, sewer service, sewer main, and shall pay associated costs for plan review and inspections;
- h. Property owner shall obtain a City encroachment permit for work relating to the water line connection, sewer lateral connection, and sewer main extension;
- i. Property owner shall adhere to all the review comments and conditions of service stated by the City; and
- j. Property owner shall execute a Declaration of Restriction and record it with the County of San Mateo.

3. The Local Agency Formation Commission (LAFCo) of San Mateo County is hereby requested to take proceedings in the manner provided by California Government Code Section 56133.

* * *

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 28th day of October 2024 by the following votes:

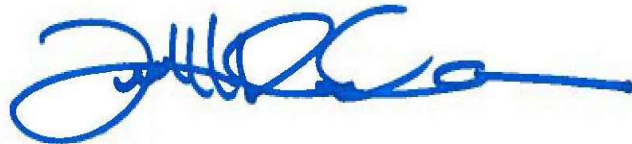
AYES: Aguirre, Eakin, Martinez Saballos, Sturken, Vice Mayor
Espinoza-Garnica and Mayor Gee

NOES: None

ABSENT: Howard

ABSTAINED: None

RECUSED: None



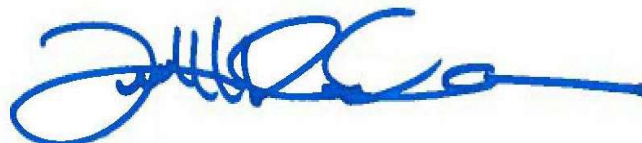
Jeff Gee
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
28th day of October 2024.



Jeff Gee
Mayor of the City of Redwood City

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners
From: Rob Bartoli, Executive Officer
 Sarah Flamm, Management Analyst

Subject: Consideration of LAFCo File No. 24-09 - Proposed Outside Service Agreements for a sewer connection by the City of Redwood City to 2835 Brewster Ave. (APN 058-253-290), Unincorporated Redwood City

Summary

Pursuant to Government Code Section 56133, Commission approval is required for the extension of service by local agencies to territory outside the agency's boundaries. This section requires that the public agency apply to LAFCo by resolution on behalf of the landowner. In this case, the property owner of 2835 Brewster Ave. (APN 058-253-290) is constructing an Accessory Dwelling Unit (ADU) on the property, which is already developed with a single-family house. The property currently has a sewer connection from the City of Redwood City, however, during the City's review of the plans for the new ADU, it was determined that the sewer connection to the City system was unauthorized. Pursuant to Government Code Section 56133, the City has requested to legalize the sewer connection and is requesting the formal authority to provide sewer service the property.

The project area is within the Sphere of Influence of the City of Redwood City. However, the property is not contiguous to a City boundary, and annexation of the parcel at this time would not create a logical boundary or improve the delivery of services. LAFCo staff supports an Outside Service Agreement (OSA) in lieu of annexation.

Departmental Reports

County Assessor: The total net assessed land valuation for the parcel (APN 057-023-130) shown in the County Assessor records is \$370,088. The boundaries of the OSA will conform to the lines of assessment and ownership of the subdivided parcel.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
 ▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
 DIANE ESTIPONA, CLERK

County Clerk: There are four registered voters at the property. The OSA would not change or conflict with any political subdivision boundaries. If the parcel is annexed by the City of Redwood City, it would need to be changed from an unincorporated area precinct to a precinct within the City of Redwood City.

County Environmental Health: The City of Redwood City provides water within the area and the Emerald Lake Heights Sewer District and the City of Redwood City provide sewer service in the area. The proposal appears appropriate and will not create any unusual health hazards or problems.

County Planning: The County's land use designation is low density residential. The proposal is consistent with the County's General Plan and zoning. The County Planning and Building Department is currently processing a Use Permit and Design Review Permit for the property (PLN2024-00143) along with a permit for the new ADU (BLD2024-00126).

County Public Works: The proposed new sewer line and associated appurtenances to be constructed shall not conflict with or impact the existing sanitary sewer facilities of the Emerald Lake Heights Sewer District.

City of Redwood City: The City's General Plan designation is residential – low density. The proposal is compatible with the City's General Plan and would not create service problems. The outside service agreement for a sewer connection was approved by the Redwood City Council on October 28, 2024. The resolution and deferred annexation agreement exhibit are attached to this report.

Executive Officer's Report

This proposal submitted by the City of Redwood City is to approve an unauthorized sewer connection to an existing single-family residence parcel. The subject property is within the Sphere of Influence of the City but is not contiguous to a City boundary. Therefore, annexation of the parcel at this time would not create a logical boundary or improve the delivery of services. If annexed now, 2835 Brewster Ave., would become an incorporated island. In these circumstances, LAFCo's adopted Outside Service Agreement policy permits the extension of services when annexation is infeasible. As a condition of approval for this project, the property owners will need to execute a deferred annexation agreement for the parcel, as required by the City and LAFCo. Approval of the Outside Service Agreement is recommended.

California Environmental Quality Act

The proposal is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) exempt under State CEQA Guidelines Section 15319(a) & (b) (Annexations of Existing Facilities and Lots for Exempt Facilities).

Recommended Commission Action by Motion

By motion, approve LAFCo File No. 24-09 - Proposed Outside Service Agreements for a sewer connection by the City of Redwood City to 2835 Brewster Ave. (APN 058-253-290), Unincorporated Redwood City pursuant to Government Code Section 56133 with the following condition of approval:

- 1) The applicant shall record the deferred annexation agreement with the San Mateo County Recorder's Office and provide a copy of the recorded document to LAFCo, prior to the issuance of the approval letter for the Outside Service Agreement 2835 Brewster Ave. (APN 058-253-290), Unincorporated Redwood City.

Attachments

- A. OSA application for 2835 Brewster Ave. (APN 058-253-290)
- B. Vicinity Map
- C. Resolution from the City of Redwood City

cc: Christian Craig, City of Redwood City
Gregory Smith, San Mateo County Environmental Health
San Mateo County Clerk
Andrew Smith, San Mateo County Assessor
Tiffany Gee, San Mateo County Planning & Building
Property Owner

APPLICATION FOR A CHANGE OF ORGANIZATION, REORGANIZATION, OR OUTSIDE SERVICE AGREEMENT TO THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION

A. GENERAL INFORMATION

- 1. Briefly describe the nature of the proposed change of organization, reorganization, or outside service agreement.

For the City of Redwood City to grant sewer service to parcel located in County of San Mateo. Parcel No: 058-253-290

- 2. An application for a change of organization or reorganization may be submitted by individuals in the form of a petition or by an affected public agency in the form of a certified resolution. This application is submitted by (check one):

X Landowners or registered voters, by petition
An affected public agency, by resolution

(If this application is submitted by petition of landowners or registered voters in the affected territory, complete the petition form.)

- 3. What are the reasons for the proposal?

The owner wants to build an ADU on the property and connect the sewer to main house lateral that connects to the sewer system

- 4. Does this application have 100% consent of landowners in the affected area?

X Yes No

- 5. Estimated acreage: .18

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B. SERVICES

- 1. List the name or names of all existing cities and special districts whose service area or service responsibility would be altered by the proposed change of organization or reorganization.

County of San Mateo
City of Redwood City

- 2. List all changes to the pattern of delivery of local services to the affected area. For each service affected by the proposed change(s) of organization, list the present source of service (state "none")

MEMORANDUM FOR THE BOARD OF SUPERVISORS
SUBJECT: [Illegible]

1. [Illegible]

2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

6. [Illegible]

7. [Illegible]

8. [Illegible]

9. [Illegible]

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MAY 17 1994
LAFCO

if service is not now provided), the proposed source of service and the source of funding for construction of necessary facilities (if any) and operation. Example is given on the first two lines of the space provided for your response.

SERVICE	PRESENT SOURCE	PROPOSED SOURCE	FUNDING SOURCE	
			CONSTRUCTION	OPERATING
<i>Police (example)</i>	<i>Co. Sheriff</i>	<i>City Police</i>	<i>N/A</i>	<i>Taxes</i>
<i>Sewer (example)</i>	<i>None</i>	<i>City of . . .</i>	<i>Proponent</i>	<i>Fees</i>
Sewer		City of Redwood City		

C. PROJECT PROPOSAL INFORMATION

1. Please describe the general location of the territory which is the subject of this proposal. Refer to major highways, roads and topographical features.

Property is located near the intersection of Brewster and Alameda De Las Pulgas

2. Describe the present land use(s) in the subject territory.

Single Family Home

3. How are adjacent lands used?

North: Single Family Home

South: Single Family Home

East: Single Family Home

West: Single Family Home

4. Will the proposed change of organization result in additional development? If so, how is the subject territory to be developed?

Yes. Construction of a new ADU

Category	Item	Value	Unit	Total
...
...
...
...
...
...
...
...

PROJECT BUDGET SUMMARY

The project budget is estimated to be \$1,234,567. This amount includes all direct and indirect costs associated with the project. The budget is broken down as follows:

- Personnel: \$456,789
- Materials: \$234,567
- Travel: \$123,456
- Equipment: \$89,012
- Other: \$370,752

The total project budget is \$1,234,567.

PROJECT BUDGET SUMMARY

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- Personnel: \$456,789
- Materials: \$234,567
- Travel: \$123,456
- Equipment: \$89,012
- Other: \$370,752

The total project budget is \$1,234,567.

5. What is the general plan designation of the subject territory?

Low Density Residential

6. What is the existing zoning designation of the subject territory?

RH/DR

7. What rezoning, environmental review or development approvals have already been obtained for development in the subject territory?

Current Zoning on file with County of San Mateo. The building permit application associated with the project is BLD2024-00126

8. What additional approvals will be required to proceed?

As per standard issue to build in County of San Mateo

9. Does any portion of the subject territory contain any of the following --agricultural preserves, sewer or other service moratorium or wetlands subject to the State Lands Commission jurisdiction?

No

10. If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how?

Yes.

* * * * *

LAFCo will consider the person signing this application as the proponent of the proposed action(s). Notice and other communications regarding this application (including fee payment) will be directed to the proponent at:

NAME: PREETI TIKEKAR

EMAIL: stikekar@e-ikon.com

ADDRESS: 2835 Brewster Ave, REDWOOD CITY.

TELEPHONE: (650)222-2634

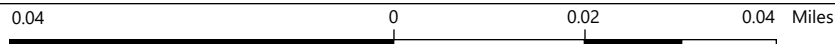
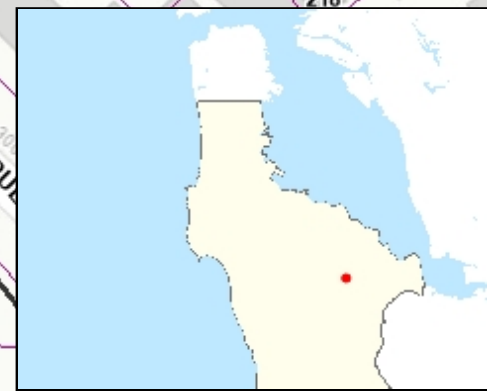
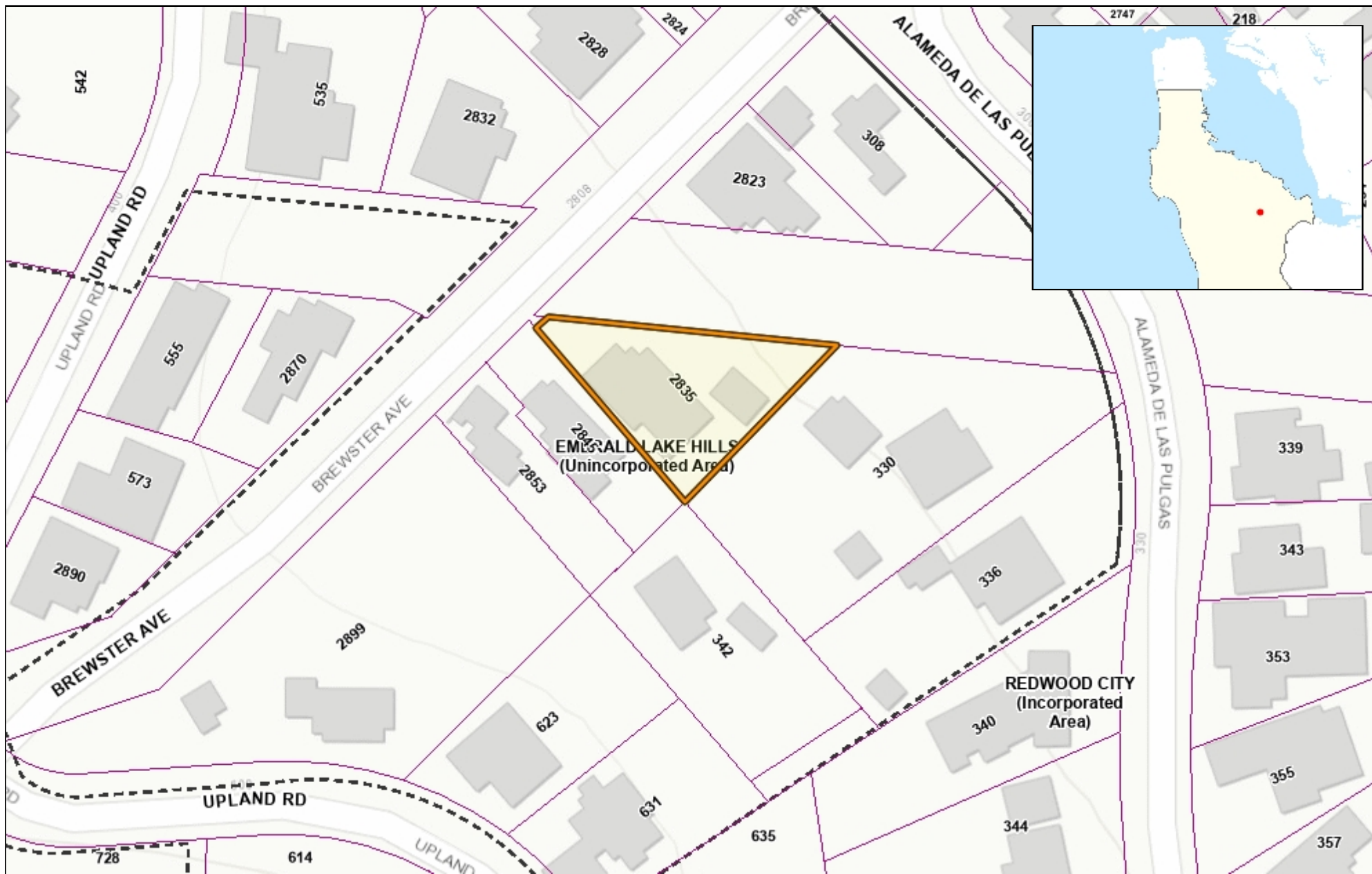
ATTN: _____

Faint, illegible text, likely bleed-through from the reverse side of the page. The text is mirrored and difficult to decipher.

A handwritten signature in black ink, appearing to read "F. Wick", with a horizontal line underneath.

Signature of Proponent

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(10/6/2000)



WGS_1984_Web_Mercator_Auxiliary_Sphere
 © Latitude Geographics Group Ltd.

1:1,128

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

RESOLUTION NO. 16251**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AUTHORIZING APPLICATION TO THE LOCAL AGENCY FORMATION COMMISSION REQUESTING APPROVAL FOR EXTENSION OF SEWER SERVICES TO 2835 BREWSTER AVE (APN 058-253-290) OUTSIDE JURISDICTIONAL BOUNDARIES PURSUANT TO GOVERNMENT CODE SECTION 56133**

WHEREAS, the property located at 2835 Brewster Avenue, APN 058-253-290 (the "Property"), Unincorporated San Mateo County, California is outside the jurisdictional boundaries of the City of Redwood City (the "City") and sewer service area, but inside the City's sphere of influence; and

WHEREAS, the County of San Mateo is processing an application for the construction of a new accessory dwelling unit on the Property; and

WHEREAS, the County of San Mateo's approval of the building permits is conditioned upon the property owner obtaining authorization for the existing unauthorized sewer service to connect to City's sanitary sewer main and extend the sewer service to the proposed accessory dwelling unit on the Property; and

WHEREAS, the property owner has requested that the City authorize sewer services to the existing single-family home and proposed accessory dwelling unit on the Property; and

WHEREAS, this activity is not a project under California Environmental Quality Act (CEQA) as defined in CEQA Guidelines, section 15378, because it has no potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY, AS FOLLOWS:

1. The City Manager or their designee is hereby authorized to submit an application to the Local Agency Formation Commission ("LAFCo") requesting approval of the existing unauthorized sewer service outside the City's jurisdictional boundaries and sewer service area, and within the City's sphere of influence to 2835 Brewster Avenue, Unincorporated San Mateo County, California (APN 058-253-290) pursuant to California Government Code Section 56133 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

2. The sewer service connection for the single-family residence and the proposed accessory dwelling unit at the Property is subject to the following conditions and fees:

- a. LAFCo approval of the application for the proposed sewer service connection;
- b. Property owner's payment of LAFCo fees;
- c. Property owner shall adhere to all the review comments and conditions of service stated by the City; and
- d. Property owner shall execute a Declaration of Restriction and record it with the County of San Mateo.

3. The Local Agency Formation Commission (LAFCo) of San Mateo County is hereby requested to take proceedings in the manner provided by California Government Code Section 56133.

* * *

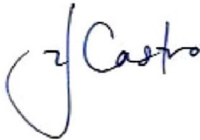
Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 28th day of October 2024 by the following votes:

- AYES: Aguirre, Eakin, Martinez Saballos, Sturken, Vice Mayor Espinoza-Garnica and Mayor Gee
- NOES: None
- ABSENT: Howard
- ABSTAINED: None
- RECUSED: None



Jeff Gee
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
28th day of October 2024.



Jeff Gee
Mayor of the City of Redwood City

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer

Subject: Consideration of LAFCo File No. 24-10 - Proposed Annexation of APN 080-091-150, Los Trancos Woods to West Bay Sanitary District

Summary

This proposal, submitted by landowner petition, requests annexation of APN 080-091-150, Los Trancos Woods, Unincorporated San Mateo County to West Bay Sanitary District and connection to the District's sewer main. The property owners are in the process of developing the vacant parcel with a single-family home. The proposal has 100 percent landowner consent and waiver of conducting authority proceedings is also requested. Commission approval is recommended.

Departmental Reports

County Assessor: The total net assessed land valuation for the parcel shown in the records of the County Assessor is \$786,439. The boundaries of the annexation as proposed conform to lines of assessment and ownership.

County Clerk: The territory has zero registered voters. If the annexation is approved, the property will need to be assigned to a precinct that includes West Bay Sanitary District.

County Public Works: The draft map and legal description have not been submitted for review.

County Planning and Building: The proposal is in conformance with County land use designations and approval is recommended. San Mateo County Planning and Building is currently processing a building permit for a new house on the property (BLD2021-02181).

County Environmental Health: The California Water Service Company and West Bay Sanitary District provide the available water and sewer service in the area.

West Bay Sanitary District: Fees for annexation, permits, annual service charges and reimbursement fees associated with this connection will be required and paid for by the proponent. Per the WBSD, there currently is a gravity sewer main located in front of the subject

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG-KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: CHRIS MICKELSEN, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ VACANT, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪

DIANE ESTIPONA, CLERK

parcel on Los Trancos Circle. Annexation to the on-site wastewater disposal zone (ZONE) will not be required. If gravity flow cannot be established to the sewer main, then a private ejector pump may be installed on the property. A grinder type pump shall not be used for this connection.

Executive Officer's Report

This proposal has been submitted by landowner petition. The territory proposed for annexation is located at APN 080-091-150 in Los Trancos Woods, near Foxwood Road. The property is proposed to connect to an existing sewer gravity main located in front of the subject property.

The annexation area is within the sphere of influence of West Bay Sanitary District adopted by the Commission in 1984 and is consistent with the District's plans for extending service. Approval of the annexation is recommended.

California Environmental Quality Act

The proposal is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) exempt under State CEQA Guidelines Section 15319(a) & (b) (Annexations of Existing Facilities and Lots for Exempt Facilities).

Waiver of Conducting Authority Proceedings

Section 56662(a) of the Cortese-Knox-Hertzberg (CKH) Act specifies that the Commission may waive conducting authority proceedings for annexations of uninhabited territory with 100 percent landowner consent provided that no objection is submitted by subject property owners or voters. The purpose of the conducting authority proceedings is to measure landowner or voter protest within the affected territory. The landowners have requested, and staff recommends, waiver of conducting authority proceedings.

Recommended Commission Action by Resolution

By resolution, approve LAFCo File No. 24-10 - Proposed Annexation of APN 080-091-150, Los Trancos Woods to West Bay Sanitary District and Waiver of Conducting Authority Proceedings.

Attachments

- A. Annexation Application for APN 080-091-150, Los Trancos Woods
- B. Vicinity Map
- C. Resolution No. 1329

cc: Sergio Ramirez and Jason Feudale, West Bay Sanitary District
Tiffany Gee, San Mateo County Planning
Gregory Smith, San Mateo County Environmental Health
San Mateo County Clerk
Andrew Smith, San Mateo County Assessor
Property Owners

APPLICATION FOR A CHANGE OF ORGANIZATION, REORGANIZATION, OR OUTSIDE SERVICE AGREEMENT TO THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION

A. GENERAL INFORMATION

1. Briefly describe the nature of the proposed change of organization, reorganization, or outside service agreement.

Annexation - 080-091-150

2. An application for a change of organization or reorganization may be submitted by individuals in the form of a petition or by an affected public agency in the form of a certified resolution. This application is submitted by (check one):

- Landowners or registered voters, by petition
An affected public agency, by resolution

(If this application is submitted by petition of landowners or registered voters in the affected territory, complete the petition form.)

3. What are the reasons for the proposal?

To connect to sanitary sewer for a proposed single family house

4. Does this application have 100% consent of landowners in the affected area?

- Yes No

5. Estimated acreage: 1.5

B. SERVICES

1. List the name or names of all existing cities and special districts whose service area or service responsibility would be altered by the proposed change of organization or reorganization.

West Bay

2. List all changes to the pattern of delivery of local services to the affected area. For each service affected by the proposed change(s) of organization, list the present source of service (state "none")

if service is not now provided), the proposed source of service and the source of funding for construction of necessary facilities (if any) and operation. Example is given on the first two lines of the space provided for your response.

SERVICE	PRESENT SOURCE	PROPOSED SOURCE	FUNDING SOURCE	
			CONSTRUCTION	OPERATING
<i>Police (example)</i>	<i>Co. Sheriff</i>	<i>City Police</i>	<i>N/A</i>	<i>Taxes</i>
<i>Sewer (example)</i>	<i>None</i>	<i>City of . . .</i>	<i>Proponent</i>	<i>Fees</i>
<i>Sewer</i>	<i>None</i>	<i>West Bay</i>		

C. PROJECT PROPOSAL INFORMATION

1. Please describe the general location of the territory which is the subject of this proposal. Refer to major highways, roads and topographical features.

080-091-150

2. Describe the present land use(s) in the subject territory.

vacant

3. How are adjacent lands used?

North: *residential*

South: *residential*

East: *residential*

West: *residential*

4. Will the proposed change of organization result in additional development? If so, how is the subject territory to be developed?

Single family home

5. What is the general plan designation of the subject territory?

Single Family Home

6. What is the existing zoning designation of the subject territory?

K1

7. What rezoning, environmental review or development approvals have already been obtained for development in the subject territory?

Building Permit BLD 2021-02181

8. What additional approvals will be required to proceed?

9. Does any portion of the subject territory contain any of the following --agricultural preserves, sewer or other service moratorium or wetlands subject to the State Lands Commission jurisdiction?

No

10. If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how?

* * * * *

LAFCo will consider the person signing this application as the proponent of the proposed action(s). Notice and other communications regarding this application (including fee payment) will be directed to the proponent at:

NAME: LT Circle LLC EMAIL: yourbellplumbing@gmail.com
ADDRESS: 108 Marzantha Ave TELEPHONE: 650-520-4684
ATTN: ~~SA~~ San Carlos CA 94070 Greg Dixon

Signature of Proponent

Applica_blk.doc
(10/6/2000)

Ed Du 6/25/24
Jim Mer 6/26/24



WGS_1984_Web_Mercator_Auxiliary_Sphere
 © Latitude Geographics Group Ltd.

1 : 1,128

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

RESOLUTION NO. 1329

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS, APPROVING LAFCO FILE 24-10 -
ANNEXATION OF APN 080-091-150, LOS TRANCOS WOODS
TO THE WEST BAY SANITARY DISTRICT AND
WAIVING CONDUCTING AUTHORITY PROCEEDINGS**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, a proposal for the annexation of certain territory to the West Bay Sanitary District in the County of San Mateo was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report, including the recommendations thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, it appears to the satisfaction of this Commission that all owners of the land included in the proposal consent to the proceeding; and

WHEREAS, a public hearing by this Commission was held on the proposal and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the proposal is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 15319(a) & (b) (Annexations of Existing Facilities and Lots for Exempt Facilities); and

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. This proposal is approved, subject to the following conditions: None.

Section 2. The boundaries as set forth in the application are hereby approved as submitted and are as described in Exhibit "A" attached hereto and by this reference incorporated herein.

Section 3. The territory consists of 0.15 acres, is found to be uninhabited, and is assigned the following distinctive short form designation: Annexation of APN 080-091-150, Los Trancos Woods to the West Bay Sanitary District.

Section 4. Conducting authority proceedings are hereby waived in accordance with Government Code Section 56662(a) and this annexation is hereby ordered.

Regularly passed and adopted this _ day of _____.

Ayes and in favor of said resolution:

Commissioners:

Noes and against said resolution:

Commissioner(s):

Absent and/or Abstentions:

Commissioner(s):

Chair
 Local Agency Formation Commission
 County of San Mateo
 State of California

ATTEST:

Rob Bartoli
 Executive Officer
 Local Agency Formation Commission

Date: _____

I certify that this is a true and correct copy of the resolution above set forth.

Clerk to the Commission
 Local Agency Formation Commission

Date: _____

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners
From: Rob Bartoli, Executive Officer
Subject: Appointment of Chair and Vice Chair for 2025

Summary

This staff report requests that the Commission appoint a Chair and Vice Chair for 2025. It is Commission practice to appoint the Chair and Vice Chair at the last meeting of the calendar year for the upcoming year. The custom has been that these positions rotate by type of Commission membership in the following order: County, City, Public, and Special District. If the Commission desires to follow the traditional rotation, with the current Vice Chair being, it would be appropriate to appoint Commissioner Mueller as Chair.

Continuing the traditional rotation would prescribe that a City member be appointed as Vice Chair. However, for 2025, LAFCo will have two new regular City members and a new alternate City member. The Commission may direct staff to place the appointment of a Vice Chair on the January 15, 2025, agenda if there is a desire to keep the current rotation. Alternatively, the Commission can appoint a different member type (Special District or Public) for the Vice Chair.

Recommended Commission Action:

By motion, appoint a Chair 2025 and provide direction to staff or take action regarding the appointment of a Vice Chair.

COMMISSIONERS: ANN DRAPER, CHAIR, PUBLIC ▪ KATI MARTIN, VICE CHAIR, SPECIAL DISTRICT ▪ VIRGINIA CHANG-KIRALY, SPECIAL DISTRICT ▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ RAY MUELLER, COUNTY

ALTERNATES: CHRIS MICKELSEN, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SOFIA RECALDE, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪

ANGELA MONTES, CLERK

LAFCo Meeting Packet Page 108

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer
Sarah Flamm, Management Analyst

Subject: Request for Reconsideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010)

Summary

On September 18, 2024, the San Mateo LAFCo Commission approved LAFCo File 24-08 to amend the Sphere of Influence (SOI) for County Service Area 11 (CSA 11) to include Pescadero Middle/High School located at 350-360 Butano Cut Off, Pescadero. The Commission adopted Resolution No. 1326 which amended the SOI, and Resolution No. 1327 which annexed the school property. The Commission's approval is not subject to any protest proceedings under Government Code Section 56662.

Government Code Section 56895 states when LAFCo adopts a resolution making determinations, any person or affected agency may file a written request with LAFCo requesting amendments to, or reconsideration of, the resolution. Government Code Section 56895 further provides that the request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration.

On October 18, 2024, LAFCo received a letter via email dated October 18, 2024, from Peter Ton, Attorney with Ton Law P.C. representing the San Mateo County Farm Bureau. LAFCo received a hard copy of the letter via USPS postmarked on October 18, 2024. Mr. Ton's letter (Attachment B) requests that in light of new information and procedural inadequacies, the Commission should reverse the action taken on September 18, 2024 by either 1) vacating the Resolutions and denying the application by San Mateo County to amend the CSA 11 SOI and annex the school property or 2) adopting superseding resolutions which propose to (i) vacate Resolutions

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪

DIANE ESTIPONA, CLERK

1326 and 1327, (ii) correct errors and omissions in the vacated Resolutions, (iii), notice each CSA 11 customer of a new hearing on corrected Resolutions, (iv) conduct additional hearings, including authority proceedings, and further studies as necessary to ensure meaningful engagement and informed decision making, and (v) submit any proposed annexation involving new connections to CSA 11 to the vote of affected stakeholders, including existing CSA 11 users. While not an “affected agency” under Cortese-Knox-Hertzberg (CKH), the Farm Bureau is a “person” capable of requesting reconsideration of a LAFCo action under Government Code Section 56895.

Facts that the Farm Bureau Claims Warrant Reconsideration

The October 18, 2024, letter from Mr. Ton proposes that there are seven errors and omissions from the September 11, 2024 LAFCo Meeting Packet that constitute new or different facts that warrant the Commission’s reconsideration:

1. **Contention:** The meeting packet should be corrected to reflect the fact that school property contains prime agricultural land that is indeed currently being farmed and is not inactive. The school’s tenant farmer is Mr. Ramirez who since 2005 has leased school property and actively farms 8 acres, growing peas and fava beans on the 1.5 acres on the proposed new fire station site, and rosemary on the rest of the property. The Farm Bureau contends that it informed the County that the property was being actively farmed in a 2016 letter. LAFCo’s actions are therefore in violation of its mandate of “discouraging urban sprawl, preserving open-space and prime agricultural lands” (Gov Code 56301) and actively LAFCo should guide development “away from prime agricultural land” (Gov Code 56377). There is also a due process concern. The County-supplied information was prejudicial, and the few stakeholders that were informed of the SOI amendment and annexation information were incorrectly informed that the land was non-productive. A statement from Mr. Ramirez regarding the use of this area for agriculture is included in the request for reconsideration.

LAFCo Response: No error in LAFCo Resolution No. 1327 (annexation) is identified by this reconsideration request, and no correction to that Resolution is necessary. LAFCo Resolution No. 1326 makes five determinations for the SOI amendment, one of which is related to describing the present use of the land as follows:

Though the project area may be of a quality to sustain high yield irrigated crops, the project area has not been in agricultural use for at least eight years, as opposed to the adjacent field to the north of the site consistently used for irrigated agriculture.

Resolution No. 1326 (SOI amendment) therefore includes a statement about present use which the Farm Bureau’s submitted evidence disputes in part. LAFCo Staff’s analysis and recommendation were based on the application submitted by the County of San Mateo along with the Mitigated Negative Declaration that was certified by the County and reviewed by the California Coastal Commission. For its part, the School District submitted a statement on November 8, 2024 (Attachment E) that the land is not under lease by the person who submitted his statement to the Farm Bureau. The School

District also asserts that the land is not being actively cultivated or planted on an annual basis.

As noted in the County's application to LAFCo, in making its approval decision in December 2023, the California Coastal Commission assumed that the construction of a fire station on the school property would necessitate the loss of prime agricultural lands. As a condition of the fire station approval, the County was required by the Coastal Commission to achieve a 2:1 mitigation of the loss of 1.74 acres of prime agricultural land. In other words, while the fire station project was not before the LAFCo for approval, the prior decisions of the relevant decisionmakers all assumed for analytic purposes that the land on which the station was proposed to be conducted is prime agricultural land. Whether it is presently being farmed or not is irrelevant to the annexation and SOI question, unless some party were asserting that the absence of farming was somehow evidence that there are no prime soils and therefore mitigation was unnecessary. Since no regulatory agency is contending that the property is not prime agricultural soils, — indeed, there is functional agreement among the approval bodies that the area where the fire station is proposed is prime agricultural soils — and the project approved by the Coastal Commission requires mitigation for the loss of prime agricultural soils, the analytic value of information about the property's recent farming use does not change any outcomes for the annexation and SOI questions presented to LAFCo, for several reasons.

When reviewing an SOI amendment, LAFCo considers the present uses in the affected area. An agency's SOI can include a wide variety of land use, including institutional, such as a school, and agricultural lands. The property where the agricultural use is occurring is already developed with a middle and high school. LAFCo is not prohibited from including land where agricultural uses may be occurring. LAFCo has the authority to approve a Sphere of Influence (SOI) update to include agricultural land, per resolution No. 1326. There is conflicting information from the landowner and the Farm Bureau as to what extent the land is being farmed at present. But the outcome of this question does not affect the SOI update or annexation decision. In other words, the apparent factual dispute between the County and the Farm Bureau does not have a determinative effect on whether the high school property can or should be annexed to CSA-11.

Finally, and fundamentally, the question for a Section 56895 request for reconsideration is whether "new or different facts **that could not have been presented previously** are claimed to warrant the reconsideration." (Emphasis added.) This rule has the benefit of encouraging agencies and the public engaged in LAFCo proceedings to bring their issues forward at the earliest possible time. In this case, several public speakers presented at the September 2024 LAFCo hearing at which the Resolutions were adopted. In particular, Mr. Ton's letter itself contends that this issue was raised in a letter to the County in 2016. In September 2024, Bridget Jett and B.J. Burns each gave public comment at which they asserted that the area where the fire station is proposed was being farmed in recent seasons. The dispute over whether the land is being farmed in recent years was therefore before the Commission in September 2024. The letter from Mr. Ton does not present new facts; rather, it presents the same fact asserted by Ms.

Jett and B.J. Burns, but with corroborating evidence in the form of a written statement by Jose Ramirez. There is no explanation for why this statement could not have been presented previously (as required by Section 56895) or why the statement warrants reconsideration of the annexation and SOI resolutions (also required by the statute). Consequently, raising the issue of whether the property is being farmed is a disputed fact that has been raised as far back as 2016, perhaps farther. It is not a “new or different” fact within the meaning of Government Code Section 56895.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions.

2. **Contention:** A correction should be made to the resolutions passed at the meeting on September 18, 2024, to reflect the fact that the resolutions were not passed by the Commission unanimously. During the hearing, Commissioner Virginia Chang-Kiraly voted “No,” and suggested the community should be given more time to consider the matter and expressed concern that community members were feeling excluded from the process.

LAFCo Response: There is a clerical error on both Resolutions 1326 and 1327 with respect to Commissioner Chang Kiraly’s voice vote. The mistake was made through inadvertence and would ordinarily be corrected through approved minutes of the Commission. As the annexation and SOI amendment have not yet been recorded, the LAFCo proceeding has not yet been completed. Government Code Section 56883 allows for the Executive Office to correct clerical errors such as this. The draft meeting minutes for the September 18, 2024 LAFCo hearing accurately reflect that Commissioner Virginia Chang Kiraly’s voted “No” on the two resolutions. Section 56883 provides that errors capable of correction by the Executive Officer and are not cause for filing a request for reconsideration by the Commission.¹

Accordingly, LAFCo staff recommends that the Commission disapprove the request for reconsideration on this ground, as it is not an available legal ground for reconsideration.

3. **Contention:** The board packet omitted findings from the Todd Groundwater Report by oversimplifying the critical conclusion that any additional connections to CSA 11 will hasten depletion of the already overdrafted aquifer, such that the District “...will not have the ability to provide the services that are the subject of the application to the territory proposed to be annexed without imposing level of service reductions on existing and planned future uses in the district’s current service area.”² This is grounds for termination of the annexation proceedings. The increased rate of water depletion of the CSA system with the proposed additional connections through the annexation were not discussed during the September 18 hearing presentation. The annexation would

¹ Government Code Section [56883](#)

² Government Code Section 56857

speed the decline of the CSA system by 21-years: from an expected 51-61 years of supply to 30-40 years of water supply. Other sources of water for the school should be first explored.

LAFCo Response: The Farm Bureau does not present new information or different facts than have been previously presented regarding the status of groundwater levels for the CSA 11 water system. The staff report for LAFCo File 24-08 summarized the findings from the Todd Groundwater Report (packet page 159). The full Todd Groundwater Report was also an attachment to the application from the County of San Mateo and was included in the LAFCo staff report. The staff report discusses the history of CSA 11, including information that the aquifer that supports CSA 11 is in overdraft. The report also states there were several annexations in 1990s and 2000s to CSA 11, including the current fire station location on Pescadero Creek Road.

A more extensive discussion of the Todd Groundwater Report is in Municipal Service Review (MSR) for CSA 11 that was adopted by the LAFCo Commission in 2022. As noted in both the staff report and the MSR, the Todd Groundwater Report evaluated the potential connection of a new fire station and the Pescadero Middle/High School property to the CSA 11 water system. The Todd Groundwater report notes that if the aquifer is able to charge at its current rate, the CSA 11 system has adequate groundwater supply through 2094. If the aquifer does not recharge at its current rate, it is possible that Well No. 1 (Back-up well) would be out of service by 2057 and that Well No. 3 would need to be lowered to continue to serve Pescadero. Gradual groundwater overdraft will continue, with or without the added demands. As stated by the County, it is anticipated that even with the additional demands of the fire station and school, CSA 11 will be able meet demands for the next 30-40 years.

As noted in the application for the annexation and SOI amendment, the County has explored several locations for a new fire station in the Pescadero community and have chosen to locate the new station at the Pescadero Middle/High School site. Due diligence was done on Pescadero Middle/High School regarding an onsite well for the property, but it was determined that a new well would not support the fire station use. As such, the County Board of Supervisors, as the governing body of CSA 11, voted to apply for the annexation of the school property in CSA 11. LAFCo considers several factors with reviewing the proposal that has been submitted. Through the process LAFCo can ask for additional information to ensure that the proposal can be ready for review by the Commission. The County provided sufficient information about the history of the well on the school property, the proposed development of the fire station, and the impact of these new connections on CSA 11 for the LAFCo Commission to approve the annexation and SOI amendment.

The contention that the Todd Report is a “new or different fact that could not have been presented previously” under Section 56895(a) is therefore without merit, as the Todd Report in its entirety were well-known to the decisionmakers and public at the time the LAFCo Resolutions were approved, as it was an attachment to the application, was part

of the MSR, and was summarized in the staff report on the Resolution items. To call this an “omission” from the staff report is to ignore the extensive availability of the Todd Report and its conclusions throughout the materials considered by the Commission and the applicants.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions.

4. **Contention:** The board packet omitted the fact that groundwater recharge is dependent on agricultural activity, and agricultural activity should be preserved to recharge the overdrawn CSA 11 aquifer.

LAFCo response: The Farm Bureau letter does not provide any new facts on groundwater recharge rates. The footnotes cited in Mr. Ton’s letter are to the LAFCo’s own staff report, making it difficult to conclude that the facts in the letter are “new or different” within the meaning of Section 56895. The letter goes on to state that older reports “should be further evaluated,” but no effort is made to explain how the “new” or different facts ostensibly found in these older documents would support reconsideration of the annexation or SOI actions taken by the Commission. No evidence is provided about how the annexation of the Pescadero Middle/High School property would impact this issue.

Indeed, the thrust of Mr. Ton’s letter is that the Farm Bureau would like the LAFCo to conduct its own studies in the hopes that doing so will adduce evidence in support of its position. It is the burden of the person requesting reconsideration under Section 56895 to state how the new or different facts “are claimed to warrant the reconsideration.” There is no logical nexus between the question of annexation and SOI amendment to include the school property and the recharge rates of the CSA-11 aquifer, other than issues relating generally to supply and demand which are exhaustively addressed in the application materials and in LAFCo reports. Finally, the issue of general groundwater recharge in the Pescadero community is the purview of the CSA-11 governing board and is outside of the scope of reviewing the annexation proposal.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions.

5. **Contention:** The board packet omitted further studies and evaluation of the school’s water supply issue.

LAFCo response: As noted in the LAFCo staff report and the application from the County of San Mateo, currently, students and staff at the Pescadero Middle/High School staff rely on bottled water due to contaminates in the on-site well. The County of San Mateo

as the operator of CSA 11 has submitted an application to LAFCo for the annexation of the Pescadero Middle/High School property. LHPUSD as the property owner, submitted a statement to LAFCo in support of the annexation. LAFCo is not obligated to prepare or provide additional studies of alternative potential water supply for the school. As noted in the staff report, LAFCo staff recommended that the annexation should be approved due to several factors, including that the annexation will support and promote environmental justice by allowing the Pescadero Middle/High School to have a source of drinking water that will meet the needs for the students and staff.

LAFCo's 2022 MSR provides analysis of other studies, but LAFCo does not have the mandate to conduct original field work research. For the MSR and application for annexation, LAFCo has reviewed the data and reports developed by the County of San Mateo. The request for reconsideration did not include any reports or analysis regarding water supply at the school property.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions.

6. **Contention:** Notice of the September 18, 2024, hearing was insufficient.

LAFCo Response: The affected territory for the SOI update and the annexation is limited to 350-360 Butano Cut Off, Pescadero. The landowner within the affected territory is the La Honda-Pescadero Unified School District.³ The territory is uninhabited; there are no registered voters residing here. Notice was provided in the San Mateo County Times, the newspaper of record for San Mateo newspaper on August 28, 2024, 21 days prior to the hearing. Notice was also sent out to property owners and residents within 300 feet of the property as per Government Code Section 56157. The notice was emailed to Pescadero Municipal Advisory Council as well.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions. It is merely an assertion that LAFCo should have extended notification in a manner not required by CKH.

7. **Contention:** The Farm Bureau opposes waiver of protest proceedings and requests that the annexation be subject to vote of CSA 11 community.

LAFCo response: All criteria necessary for waiving protest proceedings were met.⁴ The affected territory for the SOI update and the annexation is 350-360 Butano Cut Off, Pescadero. The territory is uninhabited, and there are no registered voters. The

³ Government Code Section 56157

⁴ Government Code Section 56662

landowner, La Honda-Pescadero Unified School District (LHPUSDD), received written notice of the SOI update and annexation. LHPUSD provided written statements that stated that they support and consent to the annexation. The LHPUSD did not submit written opposition, and so the Commission waived protest proceedings in accordance with applicable Government Code Sections. There is no other eligible protest party for this proceeding.⁵ If there was a protest proceeding, the only eligible affected party to protest the annexation, as defined by State law, is LHPUSD as the landowner of Pescadero Middle/High School.

LAFCo did receive a comment after the publication of the September 11, 2024, staff report from a community member opposing the annexation, however the community member is not a registered voter or property owner within the “affected territory.” The waiver of the protest proceedings is not impacted by the comment from the community member.

Mr. Ton’s letter contends that this means written opposition was timely given by a landowner within the affected territory. However, “the affected territory” for purposes of CKH is not the vicinity; it is the territory proposed for annexation. “‘Affected territory’ means any territory for which a change of organization, reorganization, or sphere of influence change is proposed or ordered, or any territory to which services are proposed to be provided pursuant to sections 56133, 56133.5, or 56134.”⁶ More importantly, the Commission’s authority to conduct protest proceedings is limited to the territory proposed for annexation, not the vicinity⁷. To reiterate, if the Commission were inclined not to waive the protest proceedings, it would then trigger a protest proceeding in which the only party capable of submitting a written protest would be the school district, not the adjacent neighbors or ratepayers in CSA-11.

LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration on this ground, as it does not present new or different facts that could not have been presented previously and which warrant reconsideration of the annexation and SOI resolutions.

Options for Commission Action

After consideration of this report and any testimony or additional materials that are submitted during the public hearing, the Commission can take one of the following actions:⁸

- Disapprove the request for reconsideration. If the Commission disapproves the request, it shall not adopt a new resolution making determinations. No further reconsideration of the September 18, 2024, decision would be authorized under Government Code Section 56895. LAFCo staff will correct the clerical error on both Resolutions 1326 and 1327.

⁵ Government Code [56663](#)

⁶ Government Code 56015

⁷ Government Code 57051

⁸ Government Code Section 56895 (g)

- Approve the request for reconsideration. The Commission may approve the request for reconsideration if the Commission believes that the request for reconsideration meets the statutory requirements and presents new or different facts that could not have been presented previously to the Commission.
- Upon approving the request for reconsideration, the Commission would then consider the merits of the reconsideration request. If the LAFCo Commission decides to approve the request for reconsideration and not order the amendment to the Sphere of Influence (SOI) for County Service Area 11 (CSA 11) and the annexation of the middle and high school property at 350-360 Butano Cut Off, Pescadero, the Commission would adopt a resolution making determinations that supersede the September 18, 2024, Resolutions 1326 and 1327. the Commission will need to adopt a new resolution rescinding LAFCo Resolutions No. 1326 and 1327 that approved the updated SOI and annexation and adopt a resolution that would amend the District's Sphere of Influence to be coterminous with its service boundaries and remove the middle and high school territory from the Sphere of Influence of CSA 11. If this action is proposed to be taken by the Commission, it recommended that the item be continued to allow staff adequate time to draft the appropriate resolutions.
- Continue this item to January 15, 2025, if the Commission needs more information.

Discussion and Staff's Recommendation

The Farm Bureau's letter does not provide new or different facts that could not have been presented previously and that warrant reconsideration pursuant to Government Code Section 56895. The County of San Mateo has submitted an application to amend the SOI of CSA 11 and to annex the Pescadero Middle/High School property. Any lingering uncertainty about the historical agricultural use of the property for the fire station is irrelevant to the question of whether the property should be annexed into CSA-11 for any purpose. The proposal would facilitate water service to the school site for both the existing school and a proposed fire station. On September 18, 2024, the LAFCo Commission reviewed the proposal and adopted two resolutions with the applicable determinations and factors. The information submitted in the request for reconsideration does not alter or change these determinations and factors that were the basis of the approval. The LAFCo staff therefore recommends that the Commission disapprove the request for reconsideration in its entirety.

Notice

Notice of the November 11, 2024, hearing of reconsideration has been provided via hard copy mail postmarked on October 30, 2024, to property owners and residents of the addresses listed in the request for reconsideration from the San Mateo Farm Bureau. Notice of the hearing was also published in the San Mateo County Time newspaper on October 30, 2024. Residents and property owners with 300 feet of the affected territory were also mail notices. Notice was also emailed and mailed to the Pescadero Municipal Advisory Council.

Recommended Commission Action

1. Open the public hearing and accept public comment.
2. By resolution, disapprove the request for reconsideration for LAFCo File No. 24-08-Consideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off, Pescadero (APN 087-053-010)

Attachments

- A. Government Code Section 56895 – Reconsideration
- B. Letter Requesting Reconsideration dated October 18, 2024 from Peter Ton, Attorney with Ton Law P.C. representing the San Mateo County Farm Bureau
- C. Adopted LAFCo Resolution 1326 – Sphere of Influence Amendment for CSA 11
- D. Adopted LAFCo Resolution 1327 – Annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010)
- E. Correspondence from La Honda Pescadero Unified School District – November 9, 2024
- F. Correspondence from Peter Ton - November 9, 2024
- G. Public Comment Received
- H. Resolution Disapproving the Request for Reconsideration

**GOVERNMENT CODE - GOV**

TITLE 5. LOCAL AGENCIES [50001 - 57607] (Title 5 added by Stats. 1949, Ch. 81.)

DIVISION 3. CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000 [56000 - 57550] (Heading of Division 3 amended by Stats. 2001, Ch. 388, Sec. 1.)

PART 3. COMMISSION PROCEEDINGS FOR A CHANGE OF ORGANIZATION OR REORGANIZATION [56650 - 56898] (Heading of Part 3 amended by Stats. 1985, Ch. 1599, Sec. 8.)

CHAPTER 6. Commission Decision [56880 - 56898] (Chapter 6 added by Stats. 2000, Ch. 761, Sec. 211.)

ARTICLE 3. Reconsideration [56895- 56895.] (Article 3 added by Stats. 2000, Ch. 761, Sec. 211.)

56895. (a) When a commission has adopted a resolution making determinations, any person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of the resolution. The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration. If the request is filed by a school district that received notification pursuant to Section 56658, the commission shall consider that request at a public hearing.

(b) Notwithstanding Section 56106, the deadlines set by this section are mandatory. The person or agency shall file the written request within 30 days of the adoption of the initial or superseding resolution by the commission making determinations. If no person or agency files a timely request, the commission shall not take any action pursuant to this section.

(c) Upon receipt of a timely request, the executive officer shall not take any further action until the commission acts on the request.

(d) Upon receipt of a timely request by the executive officer, the time to file any action, including, but not limited to, an action pursuant to Section 21167 of the Public Resources Code and any provisions of Part 4 (commencing with Section 57000) governing the time within which the commission is to act shall be tolled for the time that the commission takes to act on the request.

(e) The executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given pursuant to this subdivision. The executive officer shall give notice of the consideration of the request by the commission in the same manner as for the original proposal. The executive officer may give notice in any other manner as he or she deems necessary or desirable.

(f) At that meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time but not to exceed 35 days from the date specified in the notice. The person or agency that filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

(g) At the conclusion of its consideration, the commission may approve with or without amendment, wholly, partially, or conditionally, or disapprove the request. If the commission disapproves the request, it shall not adopt a new resolution making determinations. If the commission approves the request, with or without amendment, wholly, partially, or conditionally, the commission shall adopt a resolution making determinations that shall supersede the resolution previously issued.

(h) The determinations of the commission shall be final and conclusive. No person or agency shall make any further request for the same change or a substantially similar change, as determined by the commission.

(i) Notwithstanding subdivision (h), clerical errors or mistakes may be corrected pursuant to Section 56883.

(Amended by Stats. 2011, Ch. 300, Sec. 74. (AB 1430) Effective January 1, 2012.)

TON | LAW P.C.

peter@tonlawpc.com
510-725-5318

Via Email and Certified Mail

October 18, 2024

Robert Bartoli
Executive Commissioner
San Mateo Local Agency Formation Commission
455 County Center
Redwood City, CA 94063
rbartoli@smcgov.org

Re: San Mateo County Farm Bureau Request for Reconsideration of Resolutions 1326 & 1327 Pursuant to Gov. Code Section 56895

Dear Mr. Bartoli:

In accordance with Article 3 of the Cortese-Knox-Hertzberg Local Agency Government Reorganization Act of 2000 (“the Act”), the San Mateo County Farm Bureau (“Farm Bureau”) hereby request reconsideration (“Request”) of the San Mateo Local Agency Formation Commission (“LAFCo” or “Commission”) Resolution No. 1326 and Resolution No. 1327, File No. 24-08, approved by the Commission on September 18, 2024.

Resolution 1326 amends the Commission’s sphere of influence (“SOI”) to the Pescadero Middle/High school property at 350-360 Butano Cutoff APN 087-053-010 (“school property”), and Resolution 1327 annexes the school property also making way for potential development of a fire station on a portion of the school property. This Request is timely and proper. Gov. Code § 56895(b) (A request for reconsideration shall be made within 30 days of adoption of the resolution). Further actions on the Resolutions are suspended until the Commission acts upon this Request. (Gov. Code § 56895(c)) (“Upon receipt of a timely request, the executive officer shall not take any further action until the commission acts on the request.”) Farm Bureau is a non-profit

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organization and respectfully asks that the Commission reduce or waive fees incurred in connection this Request, which it makes in the public interest. Gov. Code § 56383(d) (“The commission may reduce or waive a fee, service charge, or deposit if it finds that payment would be detrimental to the public interest” which are “ limited to the costs incurred by the commission in the proceedings of an application.”)

REQUEST

The Farm Bureau requests that Commission vacate Resolution 1326 and 1327 and deny the application by the County of San Mateo’s (“County” or Applicant”).

ALTERNATIVE REQUEST

In the alternative, the Farm Bureau requests that the Commission take the following steps:

- (1) Vacate Resolutions 1326 and 1327;
- (2) Correct errors and omissions contained in the vacated Resolutions;
- (3) Notice each CSA 11 customer of a new hearing on corrected Resolutions;
- (4) Conduct additional hearings, including authority proceedings, and further studies as necessary to ensure meaningful engagement and informed decision making; and
- (5) Submit any proposed annexation involving new connections to CSA 11 to the vote of affected stakeholders, including existing CSA 11 users.

The Farm Bureau respectfully submits proposed corrections to Resolutions 1326 and 1327 as Exhibit A and Exhibit B, respectively, for the Commission’s consideration.

SUPPORT FOR RECONSIDERATION REQUEST

Gov. Code § 56895(a) provides:

The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration.

The September 11, 2024 LAFCo Meeting Packet (“Staff Report”) and the Resolutions contain material factual errors and omissions that warrant reconsideration. These are detailed further below.

1. Correction: The school property contains prime agricultural land that is currently being farmed.

The 28.61-acre school property contains prime agricultural land. Based on information provided by the Applicant, the Staff Report incorrectly concludes that the school land is “inactive” and “has not been in agricultural use for at least eight years.”¹ At the September 18 hearing, multiple community residents commented that this was incorrect and that the land was currently being farmed.² The Farm Bureau further confirmed this with the school’s tenant farmer:

- Since 2005, the school leased a significant portion of the school property to Jose Ramirez.
- Mr. Ramirez actively farms 8 acres of the school property.
- Mr. Ramirez grows peas and fava beans on the 1.5 acres where the fire station is proposed to be placed.
- Mr. Ramirez grows rosemary on the rest of the property.

(See Exh. C: Declaration of Jose Ramirez, ¶¶1-4)

In addition, the Farm Bureau informed the County that the property was being actively farmed when it first proposed siting a fire station there in 2016. (See Exh. D: November 7, 2016 Farm Bureau letter to SMC Board of Supervisors)

The mistaken, County-supplied information is prejudicial. The Act describes LAFCo’s mandate of “discouraging urban sprawl, preserving open-space and prime agricultural lands” (Gov. Code 56301) and actively guide development “away from prime agricultural land” (Gov. Code 56377). Although Farm Bureau recognizes the Commission is not a planning agency, it understands the Commission achieves these conservation goals through the responsible and *informed* exercise of its SOI amendment and annexation powers. This requires accurate information. The error also

¹ Exh. B: redlined Resolution 1326, Sec. 1.

² See September 18, 2024 Hearing Testimony at 1:41:38 (by Dr. Patrick Horn) and 1:47:9 (by Bridget Jett) confirming rosemary and fava beans were grown on the school property.
(https://www.youtube.com/watch?v=_mFx-Oeu704)

creates a due process concern. The few stakeholders that did receive notice were given the incorrect factual information that the land was non-productive.

2. Correction: The Resolutions were not passed unanimously.

The signed Resolutions incorrectly show that they passed with the Commission’s unanimous vote. (See Exhibits A & B) During the hearing, Commissioner Virginia Chang-Kiraly expressed concern that notice was insufficient and the community “was feeling left out” based on the comments from community members at the September 18 hearing.³ During roll call, Commissioner Chang-Kiraly clearly voted “NO” suggesting the community should be given more time to consider the matter.⁴ The Farm Bureau agrees, and the record should also be corrected. (See proposed amendments to Exhibits A and B).

Notably, Commissioner Ray Mueller recused himself from the hearing and vote. However, two members of the Pescadero Municipal Advisory Committee (“PMAC”)--Dr. Patrick Horn and Robert Skinner--who nominally advise Commissioner Mueller in his capacity as a County Supervisor, also asked for more time for community engagement, with Mr. Skinner opining this is what PMAC believed “Ray would want.” Mr. Horn and Mr. Skinner also indicated they were not provided notice and received the Staff Report only shortly before the hearing.⁵

3. Omissions: Any additional connections to CSA 11 will hasten depletion of the already overdrafted aquifer.

CSA 11 relies solely on groundwater for its water supply. Water is drawn from a cluster of wells—Well nos. 1, 2, and 3—located near the top of Butano Ridge. From 1992 to 2020, Well No. 1 was the primary supply well, and Well No. 2 served as a standby well.⁶ Well No. 3 was put into service

³ September 18, 2024 Hearing at 2:02:40 to 2:05:34 (by Commissioner Chang-Kiraly)

⁴ Id. at 2:07:30 (by Commissioner Chang-Kiraly)

⁵ Id. at 1:40:08 to 1:41:39 (by Dr. Horn), and 1:41:56 to 1:43:55 (by Robert Skinner)

⁶ Staff Report (*CSA 11 Water Supply Yield and Sustainability Study*, Todd Groundwater (2021), hereinafter “2021 Todd Groundwater Report”), p. 51-52.

as the primary supply well in 2020.⁷ There are 101 existing connections to CSA 11 serving portions of Pescadero.⁸ The nearest other public water system is 14 miles to the north.⁹

Resolution 1326 concludes that, based on the Todd Report commissioned by the County, CSA wells could continue to provide water for the next “30 – 40 years” “even if the additional demand of the existing Pescadero Middle/High School and a new fire station is added to the District.”(See Exh. B: Resolution 1326, Sec. 3) This is an oversimplification which omits other important conclusions in the Todd Report about the challenges of connecting new users where there is declining water supply. The Todd Report aptly states in its opening sentence: “San Mateo County Service Area No. 11 (CSA-11) provides municipal water service to the community of Pescadero and has had concerns of declining water supply for many years.”¹⁰

The system is in overdraft, which means pumping exceeds sustainable yield. Groundwater levels have been in decline continuously since 1992. Groundwater levels in the aquifer are currently dropping 0.5 feet per year based on 2015-2019 data, or about 2.88 acre-feet per year.¹¹ The Todd Report estimates that 13-67% of current groundwater pumped to users is supplied by overdraft.¹² Moreover, leaks are accounting for an estimated loss of 8-16% of water pumped to users, which is considered a high leakage rate for a water system.¹³

The Todd Report concludes that any additional connections, including from the school or fire station, will accelerate decline: “any increase in pumping would cause an equal increase in overdraft.”¹⁴ This fact is irrefutable: the only question is how much faster it will decline with the school and fire house connections.

- The Report estimated that the additional connection of the school and firehouse would speed decline by **21 years**.¹⁵ Put another way, while CSA 11 may have capacity to supply

⁷ Id. at 51.

⁸ Staff Report (R. Bartoli Memo), p. 16.

⁹ Id.

¹⁰ Staff Report (2021 Todd Groundwater Report), p. 51.

¹¹ Staff Report (2021 Todd Groundwater Report), p. 63; see also Id. at p. 80, Figure 1: storage depletion.

¹² Id. at p. 63.

¹³ Id. at p. 56, 68.

¹⁴ Id. at p. 61.

¹⁵ Id. at p. 63, 68. Measured at the point groundwater levels drop to the pump or well screen in Well 3.

existing users, school and new firehouse for “30-40 years in the future”¹⁶, it could serve current CSA 11 users for a longer period of 51-61 years without the additional connections.

- These markers are based on a limited data set between 2015-2019 shows a depletion rate of 0.5 foot per year. However, prior to 2012 groundwater declined at a much greater rate of 0.74 foot per year (e.g., nearly 50% faster).¹⁷ Consequently, the community could expect an even greater rate of loss of water supply.
- The Report also states that the 21 year mark is based on static groundwater levels, but that capacity and pumping rate measurements show that the water is actually 24 feet lower than static capacity. As a result, the Todd Report concludes that this means the pump in the main production well will break suction 35 years sooner.¹⁸

Staff opined that if supply became a problem, the well screen for the primary production well (Well 3) could be lowered. However, this does not address aquifer depletion. In addition, lowering well screens creates new problems, such as sea water intrusion, possible irrevocable depletion of Butano Creek flows, and technical challenges with pumping including decreased output or pump damage:

If that option [lowering the well screen] is pursued, the limiting factor for water level decline could be the risk of sea water intrusion or depletion of flow in Butano Creek if water levels declined 70 feet from their current elevation. At that point, however, static, and pumping levels would be below the top of the screen, which could decrease well output and cause air entrainment in the well water that would potentially damage the pump.¹⁹

Furthermore, the pump in CSA 11’s backup storage well (Well 1) cannot be lowered any further because it is already near the bottom of the well, which would by itself cause a “critical supply problem” by 2057.²⁰

The above elements, particularly the increased rate of depletion of the CSA system with the additional connections, were not discussed during the September 18 hearing presentation. The 21 year reduction in CSA 11’s ability to supply water is a service concern to existing users, which is

¹⁶ Id. at p. 64.

¹⁷ Id. at p. 68.

¹⁸ Id. at p. 63, 68.

¹⁹ Id. at p. 66.

²⁰ Id. at P. 61

grounds for termination of annexation proceedings. Gov. Code § 56857; see also Gov. Code § 56857(a)(2) (“Service concerns” means that “a district will not have the ability to provide the services that are the subject of the application to the territory proposed to be annexed without imposing level of service reductions on existing and planned future uses in the district’s current service area.”) Other sources of water for the school should be first explored.

4. Omission: Groundwater recharge is dependent on an agricultural activity which should be preserved.

Groundwater recharge in the aquifer is dependent on return irrigation flows from farming.²¹ There are only 520 acres of cropland left.²² This crop land is not dependent on groundwater and is irrigated by pumped surface water from south of Butano Ridge. This land plays perhaps the largest role in supporting the continued health of CSA 11:

The greatest risk to CSA-11 yield would be if cropland on Butano Ridge went out of production, because that would eliminate groundwater recharge from deep percolation of irrigation water, which is probably a significant source of recharge.²³

Conversion of agricultural land is not the answer. Upgrading the station facility at its current location is the best option. It keeps emergency services close to the town center, with better ability to respond to calls in the Highway 1 corridor. Plus, improving the current location eliminates the need for a new water line to service the station. (See Exh. D: 2016 & 2022 Farm Bureau letters to the SM County Supervisors) Moreover, there are plans to keep the existing fire station in limited operation even after the new one is built, so that infrastructure must continue to be maintained as well.

5. Omissions: The school’s water supply issue should be solved with further evaluation of existing studies and conducting additional studies.

²¹ Staff Report (2021 Todd Groundwater Report), p. 61 (“Recharge on Butano Ridge is from rainfall and return irrigation flow.”)

²² Id. at 66.

²³ Id. (bold added)

The water supply situation at CSA 11 is both dire and complex. The Farm Bureau further community engagement and study before any future connections are planned.

First, existing historical reports should be further evaluated. The Staff Report included only the 2021 Todd Groundwater Report. It did not include:

- The earlier water supply report in 2009.
- Documents relating to the Regional Water Quality Control Board’s notices of violation regarding the school water supply.
- Reports or studies documenting attempts to advance alternative wells for the school.

Filling these data gaps will help inform decisions. The Farm Bureau also encourages the Commission to utilize its existing authority to conduct its own studies to determine the capacity and limitations of CSA 11 pursuant to its authority under Gov. Code § 56378.

Alternatives should also be explored. The Staff Report erroneously concludes that “[t]he alternative of no annexation would prohibit the extension of CSA 11 to the high school property and require that the school continue to rely on bottled water ...”²⁴ This sets up a false dilemma on a sensitive issue: we are not at this point. There are alternatives.

It appears only one attempt was made to advance an alternative well, and it was apparently located near the contaminated school well. There is no indication whether well sites outside of the school’s immediate footprint were considered. Another commenter made at the September 18 hearing, alternatives sources could be explored, including pumped surface water, before an expensive pipeline extension to an overdrafted system be considered. Other commenters (from PMAC and a neighbor) indicated the school was located near other wells with clean water or that the school had riparian rights to surface water sources. These options should be explored because they would result in an optimal and more sustainable solution for the school.

In addition, there are other, better alternatives short of annexation. Even should connection to CSA 11 be the only resort, the Act empowers the Commission to enter into contracts to extend the

²⁴ Staff Report (R. Bartoli Memo), p. 22.

services of a district to those outside its jurisdictional boundaries.²⁵ This is particularly the case where there is a public health threat. In short, annexation is not required to address the school's water supply.

6. Notice of the September 18 hearing was insufficient under the circumstances.

Should the Commission adopt the Farm Bureau's Alternative Recommendation, and vacate the Resolutions and issue new corrected Resolutions, they must be noticed for a new hearing and considered de novo. In addition, Farm Bureau requests that all CSA 11 users be given written notice of the new hearing. The September 18 hearing notice was insufficient because:

- Several commenters said that they did not receive notice of the September hearing, and therefore could not have known of the facts, errors or omissions put forth in this Request.
- The 300-foot geographical statutory notice requirement does not meaningfully provide notice to the most affected stakeholders. The school property is noncontiguous to the rest of CSA 11.²⁶ It is at least 1 mile distant from the town center where the closest CSA 11 users reside. Per the Commission's records, only a scant few households within the immediate vicinity of the school were notified. (See Exh. E: Commission Notice Documents).
- CSA 11 users are irrefutably "affected" stakeholders. For example, Resolution 1326 rightly acknowledges CSA 11 as a "community of interest" to the SOI amendment. (Exh. A, p. 3, item 4) Annexation and connection to the school puts strain on an already overdrafted system which would now be shared.

Since the time of the hearing, many community members have shown interest in engaging on these issues. Exhibit F is a letter requesting reconsideration signed by twenty-eight (28) community

²⁵ Gov. Code § 56133 (empowering the Commission to authorize a city or district to extend services outside its jurisdictional boundaries under various scenarios)

²⁶ Farm Bureau reserves the right to appeal whether all requirements were met to annex noncontiguous properties.

members, comprising at least thirty-two (32) CSA 11 connections (indicated by asterisk*) and three (3) other non-CSA 11 nearby neighbors:

Lorene Burns*, B.J. Burns, Patricia Sarabia*, Rita Giannini*, Brian McLaughlin & Iris McLaughlin (shared connection)*, Barbara Vierra*, Gerald Marchi (2 connections)*, Mary Logsdon*, Reno Dinelli (4 connections)*, Rich Costello*, Kevin Palmer*, Dennis Souza*, Leonard Kuwahara*, James Johnson*, Stella Amaya*, Chris Meyer*, Ritah Prigan*, Tim Duarte (7+ connections)*, Rob Skinner, Kathleen Skinner, Jason Skinner*, Richard Gomes*, Michelle Terra*, Carmen & Richard Garcia (2 connections)*, Michelle & Ivan Rodriguez.*

These signatures were collected over a period of *only four days* from Oct. 14 – 18. Most were unaware of the hearing and the proposed annexation. In short, the letter requests reconsideration of the Resolutions and asks for more time for thorough review and investigation of possible impacts to CSA 11 in light of existing resources and alternatives.

The annexation of the school property would enlarge the size of CSA 11 by roughly a 1/3. There are many questions about funding sources and rate increases in both the near and long term. As an equitable matter, CSA 11 users should be entitled to notice and a vote on annexation.

7. The Farm Bureau opposes waiver of protest proceedings and supports its right to vote.

The Farm Bureau opposes waiver of protest proceedings. (See Exh. B: Resolution 1327, Sec. 6) Discretion to waive protest proceedings rests with the Commission under Gov. Code § 56663 (“the commission *may* waive” under specified circumstances) (*italics added*). For the reasons above, we request that the Commission reconsider its waiver and allow a fuller democratic process that also gives the impacted CS 11 community a vote on any proposed annexation. In addition, the Farm Bureau reserves the right to contest waiver of authority proceedings to Resolution 1326 and 1327, based on insufficient notice or other circumstances.²⁷

²⁷ For example, it is our understanding that written opposition was provided by at least one landowner within 300 feet of the school property. See Gov. Code 56663(c)(waiver cannot occur if written opposition from a landowner or registered voter within the affected territory is received prior to the proceedings on the proposal).

CONCLUSION

The Farm Bureau urges the Commission to vacate Resolutions 1326 and 1327. More time is needed to better understand the impacts to CSA 11 and the affected community, alternatives to annexation, and the important role prime agricultural farmland plays in the basin. The Farm Bureau welcomes future engagement from the Commission.

LIST OF EXHIBITS

- Exhibit A: Redlined Resolution 1326
- Exhibit B: Redlined Resolution 1327
- Exhibit C: Declaration of Jose Ramirez
- Exhibit D: 2016 & 2022 Farm Bureau letters to the SM County Supervisors
- Exhibit E: Commission Notice Documents
- Exhibit F: Letter from CSA-11 and Other Community Members Requesting Reconsideration

Respectfully Submitted,



Peter Ton
Ton Law P.C.
ATTORNEYS FOR
SAN MATEO COUNTY FARM BUREAU

EXHIBIT A:

Redlined Resolution 1326

RESOLUTION NO. 1326

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS AND APPROVING A SPHERE OF INFLUENCE
AMENDMENT FOR COUNTY SERVICE AREA 11 (CSA 11)**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, a proposal for an amendment of the Sphere of Influence for County Service Area was submitted by resolution by the County of San Mateo to include 350-360 Butano Cut Off, Pescadero (APN 087-053-010) within the SOI was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the Commission conducted a Municipal Service Review for the CSA 11 pursuant to Government Code Section 56430 and adopted the report on May 18, 2022; and

WHEREAS, the Executive Officer has reviewed the SOI amendment and prepared a report, including the recommendations thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, it appears to the satisfaction of this Commission that all owners of the land included in the proposal and the affected agency consent to the proceeding; and

WHEREAS, a public hearing by this Commission was held on the SOI amendment and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the Commission is required pursuant to Government Code Section 56425 and local Commission policy to make statement of written determinations with regards to the following factors:

- 1) *The present and planned land uses in the area, including agricultural and open-space lands.*

The subject parcel is located in the unincorporated area of Pescadero and is designated Institutional in the County's General Plan and in the County's Local Coastal Plan. This land use designation includes cultural and educational and public service uses including but not limited to schools, libraries, hospitals, and churches. The parcel is currently developed with a public middle

school and high school and a portion of the property is proposed to be developed with a fire station.

The fire station site is mapped as Class I Agricultural Soils and does contain agricultural land as defined in the Cortese-Knox-Hertzberg Act¹. ~~As stated in reports from the County and in the application to LAFCo, these agriculture lands are inactive. Though the project area may be of a quality to sustain high yield irrigated crops, the project area has not been in agricultural use for at least eight years, as opposed to the adjacent field to the north of the site consistently used for irrigated agriculture.~~

As required by both the County and the California Coastal Commission, and described in detail later in this staff report, a mitigation measure has been incorporated into the project to address the loss of this agricultural lands.

Land use designations within the existing boundaries and SOI of CSA 11 include primarily residential use with some institutional and commercial uses. The area is surrounded by but does not include agricultural lands.

2) *The present and probable need for public facilities and services in the area.*

The SOI amendment for CSA 11 would permit the annexation of the Pescadero Middle/High School and a new proposed fire station into the District. The pipeline would be designed to serve only the high school and fire station's potable water needs. Per the County no additional hookups would be permitted to this water. In addition, the area's general plan and zoning designations are for agricultural uses, which substantially limits the area's development potential. The annexation would not encourage additional development on the school property or elsewhere along the pipeline route.

Constraints such as the Pescadero Creek floodway and septic system requirements, water for fire flow and factors such as economic conditions, will continue to dictate how development within the CSA 11 will occur. The parcels within CSA 11 are largely developed with commercial businesses and mix of single-family and small multi-family homes with few parcels left for new development. Due to these constraints, development and population increase in the near term is limited.

3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

In March 2021, Todd Groundwater completed a report entitled "Pescadero (CSA-11) Water Supply Yield and Sustainability Study" for the San Mateo County Department of Public Works that looked at existing CSA 11 water usage and conditions. The report noted that the aquifer that CSA 11 wells rely on is considered to be in overdraft, meaning that more water is being pulled out of the aquifer than can be replenished. *The rate of decline is estimated at 0.5 Foot per year.*

The report estimates that the CSA 11 wells would still be able to provide water into the future, even if the additional demand of the existing Pescadero Middle/High School and a new fire station is added to the District. The report concludes that if these buildings were to be added to the CSA 11 system, the CSA 11 wells would be able to serve the CSA 11 service area until 2094. However, if the aquifer does not recharge at its current rate or if additional demand as identified in the County's LCP is added to CSA 11, the lifespan of the existing wells will be negatively impacted.

the rate of water level decline would accelerate by about 21 years.

1 Government Code Section 56064

Regarding fire service for Pescadero and the CSA 11 service area, there is existing fire protection services that cover CSA-11's sphere of influence. However, the location of the existing station can be isolated from the community during seasonal flooding events. Moving the station to the location adjacent to the High School will allow unimpeded access to Pescadero year-round.

→ Further from the town center

- 4) *The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.*

Pescadero and the surrounding area is an important farming community in the County. The CSA 11 service area is a community of interest in that it represents the community eligible for and dependent upon municipal-type services that can be provided by the County.

As noted in the application from the County, students, faculty, and staff of the Pescadero Middle/High School have relied on bottled water for drinking for several years since 2017.

- 5) *Present and probable need for water, wastewater, and structural fire protection facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

The Sphere of Influence amendment is limited to the inclusion of the Pescadero Middle/High School, which is considered uninhabited. The annexation of the school site will allow Pescadero Middle/High School to have a source of drinking water that will meet the needs for the students and staff. Currently, students and staff have to rely on bottled water due to elevated contaminates levels in the drinking water supplied by an on-site well.

Pescadero and the surrounding area is an important farming community in the County, and it is likely that there are farmworkers living in the area of CSA 11 who have an income lower than median income for Pescadero. This is evidenced by affordable housing and farm labor housing programs that are supported by the County in the agricultural areas of the coastside.

CSA 11 has limited ability to serve the surrounding rural community due to limited water supply for additional demand. The County's LCP also limits CSA 11 from serving areas outside of the Pescadero rural service center. In addition, the population around Pescadero is widely dispersed, which can lead to challenges regarding cost and expansion of infrastructure. The County also has policies in place that limit the expansion of urban utilities, such as water and sewer, in the rural areas of the County.

Pescadero is considered a legacy unincorporated community, as it is not within the SOI of a city, has existed for at least 50 years, and is inhabited. The County of San Mateo and CSA 11 are likely to continue to be the service providers for Pescadero and the surrounding area for the foreseeable future.

WHEREAS, having reviewed and considered the determinations as outlined above, the Commission determines to amend (expand) the sphere of influence for the CSA 11 to include 350-360 Butano Cut Off, Pescadero (APN 087-053-010); and

WHEREAS, the Sphere of Influence amendment was evaluated certified a Mitigated Negative

Declaration (MND) for the CSA-11 Water Service Extension and Pescadero Fire Station (Station 59) Project.

Included in the scope of this project was Sphere of Influence amendment and annexation by CSA 11 of the Pescadero Middle/High School and new fire station property, subject to approval by the San Mateo Local Agency Formation Commission. The MND found there would be several potential impacts to the environment. However, the CEQA document proposed mitigation measures for these impacts. Areas of impacts include agriculture, hydrology and water quality, hazards and hazardous materials, and noise. With mitigation measures, each impact is considered to be sufficiently addressed.

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo **DOES** **HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. By Resolution, the Commission accepts the Executive Officer’s Report dated September 11, 2024, Sphere of Influence Amendment for County Service Area 11, and all written comments and attachments incorporated herein and contained in attached “Exhibit A.”; and

Section 2. By Resolution, the Commission shall consider the territory described in “Exhibit B” as being the Sphere of Influence as being the Sphere of Influence for County Service Area 11, it being fully understood that the adoption of such sphere of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

Regularly passed and adopted this 18 day of September.

Ayes and in favor of said resolution:

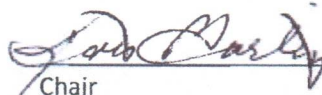
Commissioners: Tygarjas Bigstyk
~~Virginia Chang Kiraly~~
Ann Draper
Harvey Rarback
Kati Martin

Noes and against said resolution:

Commissioner(s): Virginia Chang Kiraly

Absent and/or Abstentions:

Commissioner(s): Warren Slocum (Absent), Ray Mueller (Abstention)



Chair
Local Agency Formation Commission
County of San Mateo
State of California

ATTEST:

Roberto Bartoli 2
Roberto Bartoli
Executive Officer
Local Agency Formation Commission

Date: 9/18/2024

I certify that this is a true and correct copy of the resolution above set forth.

Clerk to the Commission
Local Agency Formation Commission

Date: _____

EXHIBIT B:

Redlined Resolution 1327

RESOLUTION NO. 1327

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS AND APPROVING LAFCO FILE 24-08
PROPOSED ANNEXATION OF 350-360 BUTANO CUT OFF, PESCADERO (APN 087-053-010)
TO COUNTY SERVICE AREA 11 (CSA 11)**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, a proposal for the annexation of certain territory in the County of San Mateo to the County Service Area 11 (CSA 11) was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, a Certificate of Filing was issued for the Proposal on September 11, 2024; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report, including the recommendations thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, it appears to the satisfaction of this Commission that all owners of the land and affected agencies included in the proposal consent to the proceeding; and

WHEREAS, a public hearing by this Commission was held on the proposal and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the Commission has reviewed and considered reviewed and considered the Mitigated Negative Declaration for CSA-11 Water Service Extension and Pescadero Fire Station (Station 59) Project including any findings and the mitigation and monitoring program, prepared by the County of San Mateo as lead agency and that mitigation measures are within the responsibility and jurisdiction of the County of San Mateo and not within the responsibility and jurisdiction of San Mateo LAFCo; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo DOES

HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. This proposal is approved, subject to the following conditions: None.

Section 2. The boundaries as set forth in the application are hereby approved as submitted and are as described in Exhibit "A" attached hereto and by this reference incorporated herein.

Section 3. The territory consists of 28.61 acres, is found to be uninhabited, and is assigned the following distinctive short form designation: Annexation of 350-360 Butano Cut Off, Pescadero to CSA 11.

Section 4. The regular County Assessor's roll will be utilized.

Section 5. The territory will not be taxed for existing bonded indebtedness.

~~Section 6. Conducting authority proceedings are hereby waived in accordance with Government Code Section 56663 and this annexation is hereby ordered.~~

Regularly passed and adopted this 18 day of September

Ayes and in favor of said resolution:

Commissioners: Tygarjas Bigstyk
~~Virginia Chang Kiraly~~
Ann Draper
Harvey Rarback
Kati Martin

Noes and against said resolution:

Commissioner(s): Virginia Chang Kiraly

Absent and/or Abstentions:

Commissioner(s): Warren Slocum (Absent), Ray Mueller (Abstention)



Chair
Local Agency Formation Commission
County of San Mateo
State of California

ATTEST:

Roberto Bartoli
Roberto Bartoli
Executive Officer
Local Agency Formation Commission

Date: 9/18/2024

I certify that this is a true and correct copy of the resolution above set forth.

Clerk to the Commission
Local Agency Formation Commission

Date: _____

EXHIBIT C:

Declaration of Jose Ramirez

I, Jose Ramirez, declare as follows:

1. I have been a tenant farmer at the property located at 350-360 Butano Cut-off, Pescadero, California, since 2005.
2. I have actively farmed all of the 8 approx. acres of land at this location, including the 1.5 acres where a fire station is proposed to be placed, every year.
3. On the 1.5 acres in question, I grow crops of peas and fava beans every year as part of my farming operations.
4. In addition to the crops mentioned above, I grow rosemary on the rest of the property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 16 day of OCTOBER, 2024, in Pescadero, California.

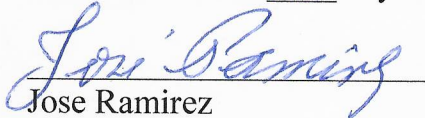

Jose Ramirez

EXHIBIT D:

2016 & 2022 Farm Bureau letters to the County



SAN MATEO COUNTY FARM BUREAU

765 MAIN STREET
HALF MOON BAY, CALIFORNIA 94019
PHONE: (650) 726-4485

FARM BUREAU

November 7, 2016

Supervisor Don Horsley
San Mateo County Board of Supervisors
Hall of Justice
400 County Center
Redwood City, CA 94063

Dear Supervisor Horsley,

The San Mateo County Farm Bureau is in opposition of the relocation of the Pescadero Fire Station at the site next to the Pescadero High School. This site, at 350 Butano Cutoff, is prime agricultural land which has been farmed for decades and should remain in production, not paved over for other purposes.

San Mateo County's LCP Policy 5.8.a prohibits conversion of prime agricultural land to a conditional use unless (1) no alternative site exists for the use; (2) a buffer area is provided between agricultural and non-agricultural uses; (3) productivity of adjacent agricultural land will not diminish; and (4) use(s) will not impair agricultural viability (through higher assessed value or degraded air and water quality). The County would have to find that any proposed conditional uses comply with all four of the above policies in order to be approved.

Recently, regarding the Pigeon Point Station Historic Lighthouse General Plan/MND, a letter from Joe LaClair, County Planning Department, dated August 2, 2016, and a letter from you on September 9, 2016, expresses a strong support of the preservation of prime agricultural lands. The County of San Mateo, the California Coastal Commission, the San Mateo County Farm Bureau and the California Farm Bureau are all committed to preserving agricultural land. We should follow that commitment when determining a site for the fire station.

There are feasible options that would be more appropriate for the fire station, including consideration and research of improving the current site. San Mateo County Farm Bureau is in full support of having an up to date facility for our local Cal Fire Department staff. Cal Fire does an amazing job and we are grateful to have them as a part of our community.

Thank you for considering our opinion on this matter.

Sincerely,

A handwritten signature in blue ink that reads 'BJ Burns'.

BJ Burns
President

CC: San Mateo County Board of Supervisors
Steve Monowitz, San Mateo County Community Development Director
Pescadero Municipal Advisory Council (PMAC)
Renee Ananda, Coastal Program Analyst, California Coastal Commission



SAN MATEO COUNTY FARM BUREAU

765 MAIN STREET
HALF MOON BAY, CALIFORNIA 94019
PHONE: (650) 726-4485

FARM BUREAU

July 14, 2022

Board of Supervisors
County of San Mateo
Hall of Justice
400 County Center
Redwood City, CA 94063

Dear Members of the Board of Supervisors,

The San Mateo County Farm Bureau is in opposition of the relocation of the Pescadero Fire Station at the site next to the Pescadero High School. This such site is Prime Agricultural Land, which has been in agricultural production for decades and should remain in production, not paved over for other purposes.

San Mateo County's LCP Policy 5.8.a prohibits conversion of prime agriculture land to a conditional use unless (1) no alternative site exists for the use; (2) a buffer area is provided between agricultural and non-agricultural uses; (3) productivity of adjacent agricultural land will not diminish; and (4) use(s) will not impair agricultural viability (through higher assessed value or degraded air and water quality). The considered project of a new fire station at this location (360 Butano Cut-off) would be located on prime agricultural ground. The County would have to find that any proposed conditional uses comply with all four of the above polices in order to comply.

Also, upgrading the station facility at its current location is the best option. It keeps emergency services close to the town center, with better ability to respond to calls in the Highway 1 corridor. Plus, improving the current location eliminates the need for a new water line to service the station.

Thank you for considering our opinion on this matter.

Sincerely,

A handwritten signature in blue ink that reads "BJ Burns".

BJ Burns
President

CC: Steve Monowitz, Community Development Director at San Mateo County

EXHIBIT E:

Commission Notice Documents

NAME	MAILING_ADDRESS1	MAILING_CITY	MAILING_STATE	MAILING_ZIP
DUARTE TIMOTHY E	P O BOX 173	PESCADERO	CA	94060-0173
MITTON ROBERT K	PO BOX 864	PESCADERO	CA	94060-0864
BURNS BERNARD J JR & LORENE Y	PO BOX 163	PESCADERO	CA	94060-0163
GELLER PAUL ET AL	13 GALSTON DR	PRINCETON JUNCTION	NJ	08550-3238
PESCADERO UNION HIGH SCH DIST	P.O. BOX 189	PESCADERO	CA	94060-0106
DINELLI JOSEPH T TR	522 AVENUE BALBOA	HALF MOON BAY	CA	94019-4640
GOLD DINA HALEY TR	3334 PESCADERO CREEK RD	PESCADERO	CA	94060-9791
HAWKINS PATRICK JOSEPH JR TR	240 HARBOR BLVD	BELMONT	CA	94002-4022
BURNS BERNARD J JR & LORENE Y	PO BOX 163	PESCADERO	CA	94060-0163
GELLER PAUL ET AL	478 RIVERSIDE DR	PRINCETON	NJ	08540-5421
HAWKINS PATRICK JOSEPH JR TR	240 HARBOR BLVD	BELMONT	CA	94002-4022
BONSAI HEIRLOOM LLC	26228 SCARFF WY	LOS ALTOS	CA	94022-2096
HILLER JEFFREY H & MARY R	4 BRITTANY MEADOWS	ATHERTON	CA	94027-4101
The Occupant	5540 CLOVERDALE RD	PESCADERO	CA	94060
The Occupant	370 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	243 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	245 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	3641 PESCADERO CREEK RD	PESCADERO	CA	94060
The Occupant	350 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	359 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	360 BUTANO CUT OFF	PESCADERO	CA	94060
The Occupant	5531 CLOVERDALE RD	PESCADERO	CA	94060
The Occupant	3334 PESCADERO CREEK RD	PESCADERO	CA	94060



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

NOTICE OF PUBLIC HEARING BY THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN by the San Mateo Local Agency Formation Commission that a public hearing is scheduled for a Regular Meeting on September 18, 2024 at 2:30 pm in the Board of Supervisors Chambers, Hall of Justice and Records, 400 County Center, Redwood City, CA 94063. At this meeting the following will be considered:

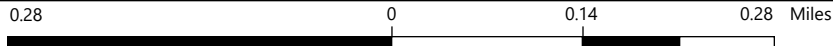
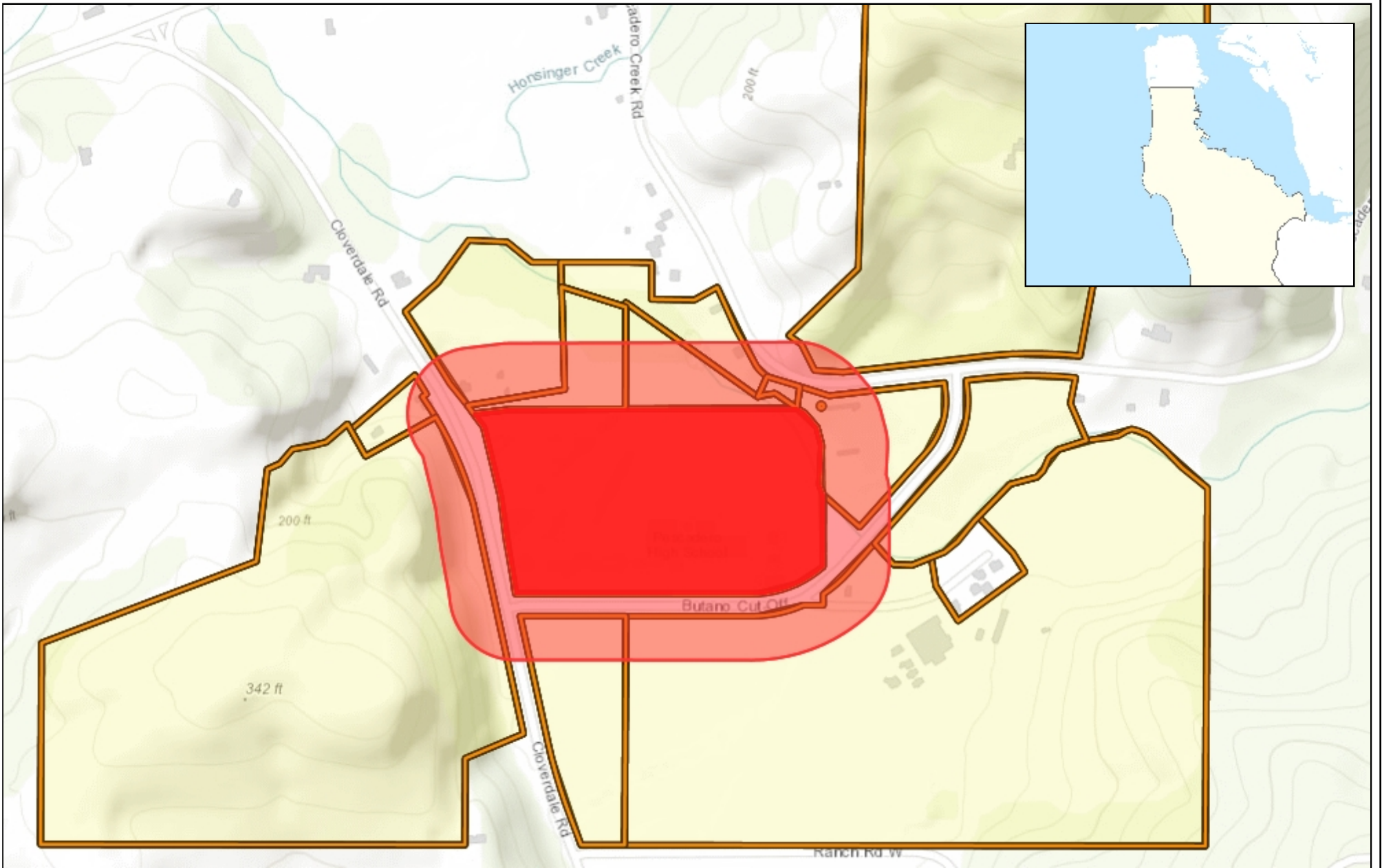
1. Consideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010)

The Local Agency Formation Commission September 18, 2024 meeting can be accessed through Zoom. Information about how to access this meeting will be posted on the San Mateo LAFCo website at www.smcgov.org/lafco.

Information/Contact: Staff reports and attachments will be available September 11, 2024 at www.smcgov.org/lafco. If you have any questions, please contact Rob Bartoli, Executive Officer at (650) 363-4224 or rbartoli@smcgov.org

Dated: August 28, 2024

Rob Bartoli
Executive Officer



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LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

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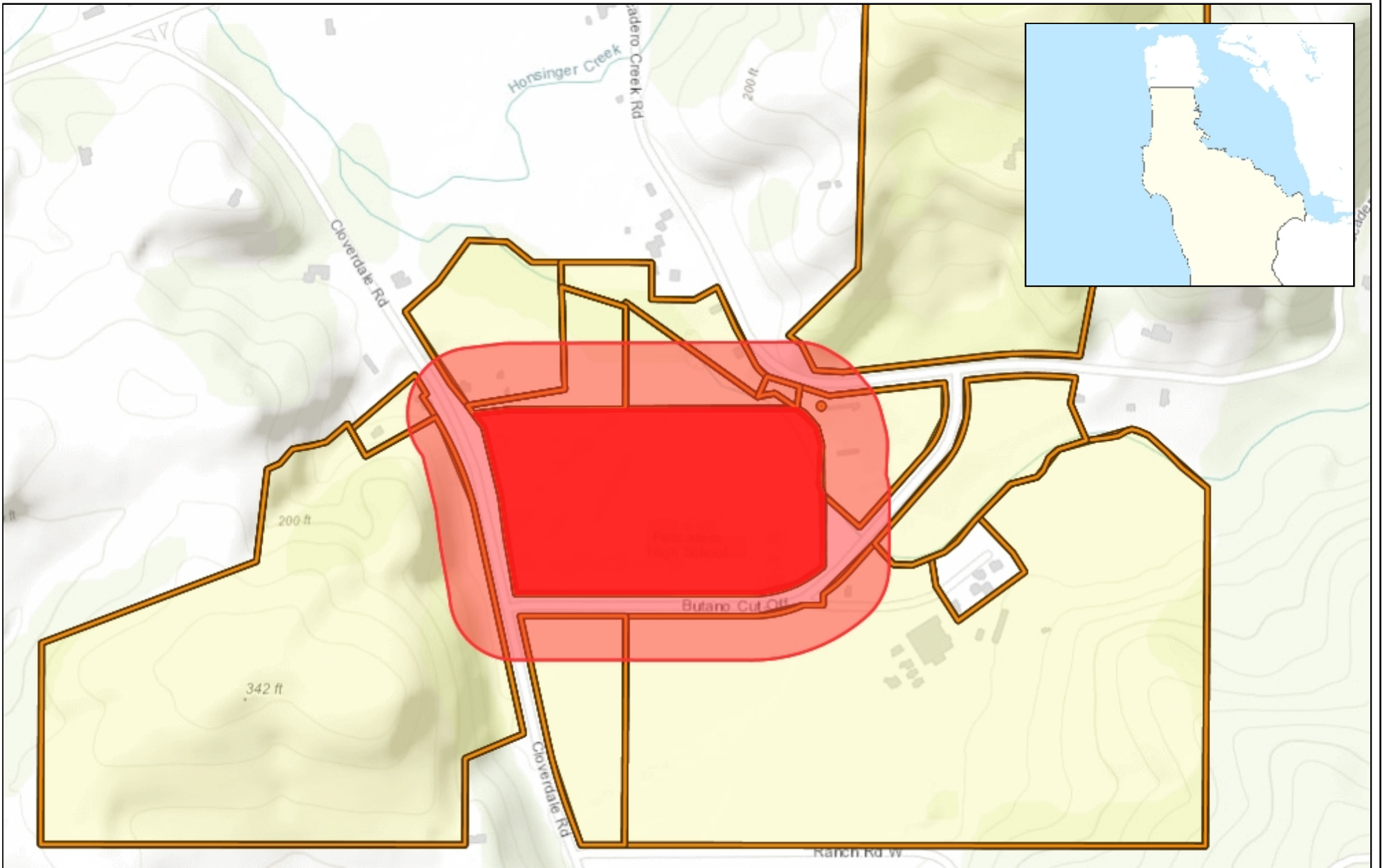
1. Consideration of LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010)

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Information/Contact: Staff reports and attachments will be available September 11, 2024 at www.smcgov.org/lafco. If you have any questions, please contact Rob Bartoli, Executive Officer at (650) 363-4224 or rbartoli@smcgov.org

Dated: August 28, 2024

Rob Bartoli
Executive Officer



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EXHIBIT F:

Letter from Community Members Requesting
Reconsideration

October 13, 2024

Local Agency Formation Commission (LAFCO)
455 County Center, 2nd Floor
Redwood City, CA 94063

Subject: Request for Reconsideration of CSA-11 Water Pipeline Annexation to the proposed Fire Station/Pescadero High School & Middle School Property

Dear Members of LAFCO,

We, the undersigned, hereby submit this request for reconsideration of the proposed annexation of the CSA-11 water pipeline to the proposed Fire Station and Pescadero High School and Middle School property. Our primary concern lies in the presence of water on the school property that has not yet been fully investigated. We believe it is essential to conduct further studies on the existing water resources to ensure the annexation and installation of a new water pipeline are both necessary and in the best interest of the community.

We kindly request that LAFCO rescind the annexation process until these investigations are completed and the findings can be properly reviewed. It is crucial to understand the potential impacts on the local water supply and avoid redundant or unnecessary infrastructure changes that could result in mismanagement of existing resources.

Important Considerations:


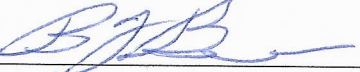
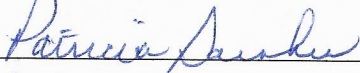


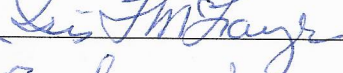

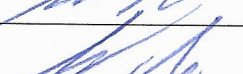

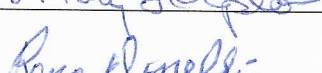
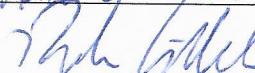


1. Existing Water Source: There is water present on the Pescadero High School and Middle School site that should be thoroughly evaluated.
2. Further Investigation Required: We request that experts conduct hydrological assessments and resource evaluations to determine whether the on-site water is sufficient to meet the needs of the school and broader community.
3. Community Impact: The annexation should not proceed until the water situation on the property is fully understood, avoiding unnecessary strain on CSA-11 resources.

We appreciate your attention to this matter and ask for a thorough review to ensure any future water infrastructure decisions are well-informed and beneficial for the community of Pescadero.

*Please see attached page that includes signatures of CSA-11 owners & additional landowners & taxpayers within the school and fire district.

Thank you for your consideration. We look forward to your response and are available for further discussion if necessary.



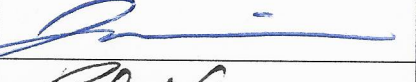
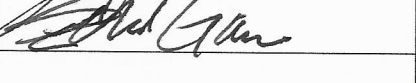
*Part of the letter of the Request of Reconsideration

*Name (Print) of Property Owner	Signature	Property Owner Address	Landowner in CSA-11	Pescadero Landowner (outside CSA-11)
LORENE BURNS		675 NORTH ST	✓	
BJ BURNS		243 BUTANO CUTOFF		✓
Patricia Sarabca		194 Goulson St.	✓	
Rita Giannini		547 North St., Pescadero CA	✓	
Brian McLaughlin		605 North St Pescadero ca	✓	
Tris McLaughlin		605 ^{North} St Pescadero	✓	
BARBARA VIERA		807 North Street Pescadero	✓	
Gene Marshall		557 No St Pescadero	✓	
Gene Marshall		719 No St Pescadero	✓	
MARY LOGSDON		17 Stage Rd Pescadero ⁺	✓	
Rene DiNelli		1851 Pescadero Rd + 1897 Pescadero Cr Rd 605 + 645 North St	✓	
Rick Galt		528 North St Pescadero CA	✓	
Kevin Palmer		300 verde Road H. W. B. CA 625 North St, Pesc. CA	✓	

*Part of the letter of the Request of Reconsideration

Name (Print) of Property Owner	Signature	Property Owner Address	Landowner in CSA-11	Landowner (outside CSA-11)
Dennis Souza	<i>Dennis Souza</i>	31 Water Lane, Pescadero, CA. 94060	✓	
LEONARD KUWAHARA	<i>Leonard Kuwahara</i>	1581 PESCADERO CREEK RD PESCADERO, CA 94060	✓	
James Johnson	<i>James Johnson</i>	1671 Pescadero Row Pescadero CA 94060	✓	
Selba Amag	<i>Selba Amag</i>	4645 North St. Pescadero	✓	
Chris Meyer	<i>Chris Meyer</i>	1521 Pescadero Creek Rd Pescadero	✓	
Rita L. Pugin	<i>Rita L. Pugin</i>	351 Stage Rd Pescadero Calif.	✓	
Tim Duarte	<i>Tim Duarte</i>	202 Stage Rd Pescadero 7+connections	✓	✓

*Part of the letter of the Request of Reconsideration

Name (Print) of Property Owner	Signature	Property Owner Address	Landowner in CSA-11	Landowner (outside CSA-11)
Rob Skinner		833 Redwood Ave		✓
Kathleen Skinner		833 Redwood Ave		✓
Jason Skinn		248 Stage Rd. Pescadero	✓	
Richard Gomes		581 North St. Pescadero	✓	

From: Michelle Terra michelleterra@ymail.com
Subject: CSA-11 Water Pipeline Annexation
Date: Oct 17, 2024 at 7:33:01AM

Please consider this as a request for reconsideration of the CSA-11 Water Pipeline Annexation to the proposed Fire Station/Pescadero High School & Middle School property.

My property address is:
730 North Street
Pescadero, CA 94060

Thank you,

Michelle Terra

From: Richard Garcia rickgarcia68@gmail.com
Subject: Water hook up
Date: Oct 18, 2024 at 9:05:00 AM

As a CSA-11 customer, I support the Request of Reconsideration of the annexation of the CSA-11 water district to the proposed fire house and Pescadero High School & Middle School site that LAFCO recently approved. As a landowner and customer, I was never notified about an additional hook or annexation up to the system.

Carmen Garcia, Richard Garcia
Property address
1899 Pescadero creek road
1913 Pescadero creek road
Pescadero, Ca 94060

As a CSA-11 customer, I support the Request of Reconsideration of the annexation of the CSA-11 water district to the proposed fire house and Pescadero High School & Middle School site that LAFCO recently approved. As a landowner and customer, I was never notified about an additional hook or annexation up to the system.

Michelle and Ivan Rodriguez
645 North St

RESOLUTION NO. 1326

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS AND APPROVING A SPHERE OF INFLUENCE
AMENDMENT FOR COUNTY SERVICE AREA 11 (CSA 11)**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, a proposal for an amendment of the Sphere of Influence for County Service Area was submitted by resolution by the County of San Mateo to include 350-360 Butano Cut Off, Pescadero (APN 087-053-010) within the SOI was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the Commission conducted a Municipal Service Review for the CSA 11 pursuant to Government Code Section 56430 and adopted the report on May 18, 2022; and

WHEREAS, the Executive Officer has reviewed the SOI amendment and prepared a report, including the recommendations thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, it appears to the satisfaction of this Commission that all owners of the land included in the proposal and the affected agency consent to the proceeding; and

WHEREAS, a public hearing by this Commission was held on the SOI amendment and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the Commission is required pursuant to Government Code Section 56425 and local Commission policy to make statement of written determinations with regards to the following factors:

- 1) *The present and planned land uses in the area, including agricultural and open-space lands.*

The subject parcel is located in the unincorporated area of Pescadero and is designated Institutional in the County's General Plan and in the County's Local Coastal Plan. This land use designation includes cultural and educational and public service uses including but not limited to schools, libraries, hospitals, and churches. The parcel is currently developed with a public middle

school and high school and a portion of the property is proposed to be developed with a fire station.

The fire station site is mapped as Class I Agricultural Soils and does contain agricultural land as defined in the Cortese-Knox-Hertzberg Act¹. As stated in reports from the County and in the application to LAFCo, these agriculture lands are inactive. Though the project area may be of a quality to sustain high yield irrigated crops, the project area has not been in agricultural use for at least eight years, as opposed to the adjacent field to the north of the site consistently used for irrigated agriculture.

As required by both the County and the California Coastal Commission, and described in detail later in this staff report, a mitigation measure has been incorporated into the project to address the loss of this agricultural lands.

Land use designations within the existing boundaries and SOI of CSA 11 include primarily residential use with some institutional and commercial uses. The area is surrounded by but does not include agricultural lands.

2) *The present and probable need for public facilities and services in the area.*

The SOI amendment for CSA 11 would permit the annexation of the Pescadero Middle/High School and a new proposed fire station into the District. The pipeline would be designed to serve only the high school and fire station's potable water needs. Per the County no additional hookups would be permitted to this water. In addition, the area's general plan and zoning designations are for agricultural uses, which substantially limits the area's development potential. The annexation would not encourage additional development on the school property or elsewhere along the pipeline route.

Constraints such as the Pescadero Creek floodway and septic system requirements, water for fire flow and factors such as economic conditions, will continue to dictate how development within the CSA 11 will occur. The parcels within CSA 11 are largely developed with commercial businesses and mix of single-family and small multi-family homes with few parcels left for new development. Due to these constraints, development and population increase in the near term is limited.

3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

In March 2021, Todd Groundwater completed a report entitled "Pescadero (CSA-11) Water Supply Yield and Sustainability Study" for the San Mateo County Department of Public Works that looked at existing CSA 11 water usage and conditions. The report noted that the aquifer that CSA 11 wells rely on is considered to be in overdraft, meaning that more water is being pulled out of the aquifer than can be replenished.

The report estimates that the CSA 11 wells would still be able to provide water into the future, even if the additional demand of the existing Pescadero Middle/High School and a new fire station is added to the District. The report concludes that if these buildings were to be added to the CSA 11 system, the CSA 11 wells would be able to serve the CSA 11 service area until 2094. However, if the aquifer does not recharge at its current rate or if additional demand as identified in the County's LCP is added to CSA 11, the lifespan of the existing wells will be negatively impacted.

1 Government Code Section 56064

Regarding fire service for Pescadero and the CSA 11 service area, there is existing fire protection services that cover CSA-11's sphere of influence. However, the location of the existing station can be isolated from the community during seasonal flooding events. Moving the station to the location adjacent to the High School will allow unimpeded access to Pescadero year-round.

- 4) *The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.*

Pescadero and the surrounding area is an important farming community in the County. The CSA 11 service area is a community of interest in that it represents the community eligible for and dependent upon municipal-type services that can be provided by the County.

As noted in the application from the County, students, facility, and staff of the Pescadero Middle/High School have relied on bottled water for drinking for several years

- 5) *Present and probable need for water, wastewater, and structural fire protection facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

The Sphere of Influence amendment is limited to the inclusion of the Pescadero Middle/High School, which is considered uninhabited. The annexation of the school site will allow Pescadero Middle/High School to have a source of drinking water that will meet the needs for the students and staff. Currently, students and staff have to rely on bottled water due to elevated contaminates levels in the drinking water supplied by an on-site well.

Pescadero and the surrounding area is an important farming community in the County, and it is likely that there are farmworkers living in the area of CSA 11 who have an income lower than median income for Pescadero. This is evidenced by affordable housing and farm labor housing programs that are supported by the County in the agricultural areas of the coastside.

CSA 11 has limited ability to serve the surrounding rural community due to limited water supply for additional demand. The County's LCP also limits CSA 11 from serving areas outside of the Pescadero rural service center. In addition, the population around Pescadero is widely dispersed, which can lead to challenges regarding cost and expansion of infrastructure. The County also has policies in place that limit the expansion of urban utilities, such as water and sewer, in the rural areas of the County.

Pescadero is considered a legacy unincorporated community, as it is not within the SOI of a city, has existed for at least 50 years, and is inhabited. The County of San Mateo and CSA 11 are likely to continue to be the service providers for Pescadero and the surrounding area for the foreseeable future.

WHEREAS, having reviewed and considered the determinations as outlined above, the Commission determines to amend (expand) the sphere of influence for the CSA 11 to include 350-360 Butano Cut Off, Pescadero (APN 087-053-010); and

WHEREAS, the Sphere of Influence amendment was evaluated certified a Mitigated Negative

Declaration (MND) for the CSA-11 Water Service Extension and Pescadero Fire Station (Station 59) Project.

Included in the scope of this project was Sphere of Influence amendment and annexation by CSA 11 of the Pescadero Middle/High School and new fire station property, subject to approval by the San Mateo Local Agency Formation Commission. The MND found there would be several potential impacts to the environment. However, the CEQA document proposed mitigation measures for these impacts. Areas of impacts include agriculture, hydrology and water quality, hazards and hazardous materials, and noise. With mitigation measures, each impact is considered to be sufficiently addressed.

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. By Resolution, the Commission accepts the Executive Officer's Report dated September 11, 2024, Sphere of Influence Amendment for County Service Area 11, and all written comments and attachments incorporated herein and contained in attached "Exhibit A."; and

Section 2. By Resolution, the Commission shall consider the territory described in "Exhibit B" as being the Sphere of Influence as being the Sphere of Influence for County Service Area 11, it being fully understood that the adoption of such sphere of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

Regularly passed and adopted this 18 day of September

Ayes and in favor of said resolution:

Commissioners: Tygarjas Bigstych
Virginia Chang-Kiraly
Ann Draper
Harvey Rarback
Kati Martin

Noes and against said resolution:

Commissioner(s): _____

Absent and/or Abstentions:

Commissioner(s): Warren Slocum (Absent), Ray Mueller (Abstention)



Chair
Local Agency Formation Commission
County of San Mateo
State of California

ATTEST:

Roberto Bartoli
Roberto Bartoli
Executive Officer
Local Agency Formation Commission

Date: 9/18/2024

I certify that this is a true and correct copy of the resolution above set forth.

Clerk to the Commission
Local Agency Formation Commission

Date: _____

RESOLUTION NO. 1327

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS AND APPROVING LAFCO FILE 24-08
PROPOSED ANNEXATION OF 350-360 BUTANO CUT OFF, PESCADERO (APN 087-053-010)
TO COUNTY SERVICE AREA 11 (CSA 11)**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, a proposal for the annexation of certain territory in the County of San Mateo to the County Service Area 11 (CSA 11) was heretofore filed with the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, a Certificate of Filing was issued for the Proposal on September 11, 2024; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report, including the recommendations thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, it appears to the satisfaction of this Commission that all owners of the land and affected agencies included in the proposal consent to the proceeding; and

WHEREAS, a public hearing by this Commission was held on the proposal and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the Commission has reviewed and considered reviewed and considered the Mitigated Negative Declaration for CSA-11 Water Service Extension and Pescadero Fire Station (Station 59) Project including any findings and the mitigation and monitoring program, prepared by the County of San Mateo as lead agency and that mitigation measures are within the responsibility and jurisdiction of the County of San Mateo and not within the responsibility and jurisdiction of San Mateo LAFCo; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo DOES

HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. This proposal is approved, subject to the following conditions: None.

Section 2. The boundaries as set forth in the application are hereby approved as submitted and are as described in Exhibit "A" attached hereto and by this reference incorporated herein.

Section 3. The territory consists of 28.61 acres, is found to be uninhabited, and is assigned the following distinctive short form designation: Annexation of 350-360 Butano Cut Off, Pescadero to CSA 11.

Section 4. The regular County Assessor's roll will be utilized.

Section 5. The territory will not be taxed for existing bonded indebtedness.

Section 6. Conducting authority proceedings are hereby waived in accordance with Government Code Section 56663 and this annexation is hereby ordered.

Regularly passed and adopted this 18 day of September

Ayes and in favor of said resolution:


Commissioners: Tygarjas Bigstyc
Virginia Chang-Kiraly
Ann Draper
Harvey Rarback
Kati Martin

Noes and against said resolution:

Commissioner(s): _____

Absent and/or Abstentions:

Commissioner(s): Warren Slocum (Absent), Ray Mueller (Abstention)



Chair
Local Agency Formation Commission
County of San Mateo
State of California

ATTEST:

Roberto Bartoli
Roberto Bartoli
Executive Officer
Local Agency Formation Commission

Date: 9/18/2024

I certify that this is a true and correct copy of the resolution above set forth.

Clerk to the Commission
Local Agency Formation Commission

Date: _____



LA HONDA-PESCADERO UNIFIED SCHOOL DISTRICT
360 Butano Cut Off, Pescadero, CA 94060
650-879-0286 • FAX 650-879-0816

Amy Wooliever, Superintendent

Mr. Rob Bertoli
 Executive Officer
 San Mateo County LAFCo
 455 County Center, 2nd Floor
 Redwood City, CA 94063

November 7, 2024

Re: LAFCo File No. 24-08 - Proposed Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010)

Dear Mr. Bartoli,

I have reviewed the request from the San Mateo County Farm Bureau for reconsideration of the action taken September 18, 2024 to approve the annexation of the Pescadero Middle/High School property by CSA-11. Rather than refute each issue raised, and instead based on all of our work in the last 9 years to find solutions rather than reasons for not progressing, **I strongly urge LAFCo to uphold the approval of this annexation to ensure the provision of clean, safe drinking water for both the students and staff at our school and district office.**

La Honda-Pescadero Unified School District (LHPUSD) is a small district serving 300 preschool through 12th-grade students in a federally designated rural community. As an unincorporated area, we rely on county services for many areas of support. As Superintendent of LHPUSD, I have collaborated closely with the State Water Resources Control Board and the County of San Mateo since 2015 to identify and implement a practical, sustainable solution for the contamination in our school well. Over the years, we explored various options, including drilling a second well on the property in 2019. Unfortunately, this well failed to provide adequate water flow. After years of dedicated effort, we partnered with the County to determine that annexing to CSA-11 was the most viable solution. This move not only addresses the water contamination issue but also enhances the safety and resilience of our school community, located in a flood- and fire-prone area of San Mateo County.

While not specifically related to LAFCo's jurisdiction in this decision, the request for reconsideration cites past or present use of the land designated for the future Pescadero Fire Station as rationale for declining the annexation of the property by CSA-11. The California Coastal Commission did consider the loss of prime agricultural lands in December 2023 as part of the application for the fire station and CSA-11 extension. As a condition of the fire station approval, the County is required by the Commission to achieve a 2:1 mitigation for the loss of the 1.74 acres of prime agricultural land. And to correct a misstatement in the request, while this land has historically been farmed, it is not under lease by Mr. Jose Ramirez. Additionally, it is not being actively cultivated or planted on an annual basis.

We are a unique school district in San Mateo County. Many of our students are children of farmworkers. While in California, one in every ten students in California live in a rural area, just 0.3% or **three of every thousand** San Mateo County students attend a rural school. Rural schools face unique challenges, often overlooked due to a combination of limited economies of scale, inadequate infrastructure, poverty, and isolation from population centers. Today, we ask to be seen and heard. No student in our prosperous county should be denied access to a safe, sustainable source of drinking water—one of the most fundamental human rights. Our staff and students deserve nothing less.

Though unable to attend the meeting at which this issue will be reconsidered due to a travel obligation, it is important I share how important this issue is to our students and staff. Please contact me if you have any questions and to ensure you have the facts and data needed to reach a defensible decision.

Sincerely,



Amy Wooliever
Superintendent, La Honda-Pescadero USD

From: [Peter Ton](#)
To: [Rob Bartoli](#)
Cc: [Timothy Fox](#)
Subject: Re: Notice of November 20 LAFCo Meeting
Date: Friday, November 8, 2024 1:48:35 PM
Attachments: [Community Request 11.06.2024.pdf](#)

CAUTION: This email originated from outside of San Mateo County. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.

Dear Rob (& Tim),

Thank you for meeting with me yesterday .

I am attaching additional signatures from CSA-11 users ISO the Farm Bureau's 10/18 Request for Reconsideration. My understanding is that, along with the signatures initially submitted as Exhibit F to the Request for Reconsideration, these signatures constitute 51 CSA-11 connections total.

In addition, I am providing a link to California Drinking Water Watch regarding the well at the Pescadero High/Middle School:

[https://sdwis.waterboards.ca.gov/PDWW/JSP/NMonitoringSchedules.jsp?
tinwsys_is_number=8797&tinwsys_st_code=CA&ReportFormat=SR](https://sdwis.waterboards.ca.gov/PDWW/JSP/NMonitoringSchedules.jsp?tinwsys_is_number=8797&tinwsys_st_code=CA&ReportFormat=SR)

As is consistent with the information presented at the 9/18 hearing, the sampling results indicated that the school well had exceeded the maximum contaminant level (MCL) for nitrates on certain occasions between 2015-2017. However, all monthly samples after 2017 (nearly 100 consecutive samples) were below the MCL for nitrates in the school well. Farm Bureau may present this information at the 11/20 hearing, so I wanted to give you a heads up on this as well.



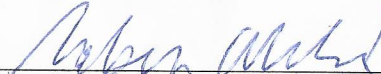
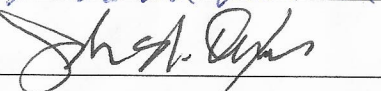
Thanks,

Peter

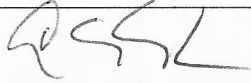
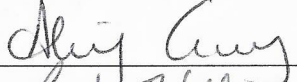

Peter Ton
Ton Law P.C.
(510) 725-5318
peter@tonlawpc.com
tonlawpc.com

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*Part of the letter of the Request of Reconsideration

Name (Print) of Property Owner	Signature	Property Owner Address	Landowner in CSA-11	Landowner (outside CSA-11)
Nancy Bunkley		772 North St, Pescadero	X	
J Kaplan		826 North St	X	
Robin Wilson		127 Goulson St	X	
JOHN DIXON		860 North St - + 172 Goulson	X	
Eraclio S.	E.S.	766 North Street	X	
Linda Amezaga	Linda Amezaga	752 North Street	X	

*Part of the letter of the Request of Reconsideration

*Name (Print) of Property Owner	Signature	Property Owner Address	Landowner in CSA-11	Pescadero Landowner (outside CSA-11)
Eric Hamor		861 North Street	✓	
Aliy ^{CERRY} Cury		1431 Pescadero Creek Rd	✓	
Linda Williamson		184 Goulson St	✓	

From: steve oku
To: Rob Bartoli county planner
Cc: Bj Burns,
Wed, Nov 6 at 1:56 PM
Dear Mr. Bartoli:

I own the Pescadero Post Office building as well as Oku Nursery. I support the position of the San Mateo County Farm Bureau with regard to these resolutions.

With the declining performance of the existing well, alternate water sources should be developed before adding on to the system.

If the county does add a new fire station and school to the water system, then the county should pledge to develop a reliable water source before the existing well goes dry as is expected. A surface water source with off stream storage that could also provide agriculture with much needed water would be the best solution. This project should start before the well goes dry!

Sincerely,

Steve Oku

From: [steve oku](#)
To: [Rob Bartoli](#)
Cc: [Bj Burns](#); b.jett80@yahoo.com
Subject: resolution 1326 & 1327
Date: Wednesday, November 6, 2024 1:56:11 PM

CAUTION: This email originated from outside of San Mateo County. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.

Dear Mr. Bartoli:

I own the Pescadero Post Office building as well as Oku Nursery. I support the position of the San Mateo County Farm Bureau with regard to these resolutions.

With the declining performance of the existing well, alternate water sources should be developed before adding on to the system.

If the county does add a new fire station and school to the water system, then the county should pledge to develop a reliable water source before the existing well goes dry as is expected. A surface water source with off stream storage that could also provide agriculture with much needed water would be the best solution. This project should start before the well goes dry!

Sincerely,

Steve Oku

RESOLUTION NO. _____

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
DISAPPROVING THE REQUEST FOR RECONSIDERATION RELATING TO
PROPOSED SPHERE OF INFLUENCE AMENDMENT FOR COUNTY SERVICE AREA 11 (CSA 11) AND
ANNEXATION BY CSA 11 OF THE PESCADERO MIDDLE/HIGH SCHOOL
LOCATED AT 350-360 BUTANO CUT OFF (APN 087-053-010)
(LAFCO FILE NO. 24-09)**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that

WHEREAS, On September 18, 2024, the San Mateo LAFCo Commission approved LAFCo File 24-08 to amend the Sphere of Influence (SOI) for County Service Area 11 (CSA 11) to include Pescadero Middle/High School located at 350-360 Butano Cut Off, Pescadero (Resolution No. 1326) and annexation of Pescadero Middle/High School to CSA 11 (Resolution No. 1327) and related actions, including adopting findings and determinations pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, Government Code Section 56895 allows any party to request reconsideration of the Commission's resolution making determinations under specified conditions; and

WHEREAS, a request for reconsideration was filed on October 18, 2024 by the Peter Ton, Attorney with Ton Law P.C. representing the San Mateo County Farm Bureau; and

WHEREAS, the request is that the Commission should reverse the action taken on September 18, 2024 by either 1) vacating the Resolutions and denying the application by San Mateo County to amend the CSA 11 SOI and annex the school property or 2) adopting superseding resolutions which propose to (i) vacate Resolutions 1326 and 1327, (ii) correct errors and omissions in the vacated Resolutions, (iii), notice each CSA 11 customer of a new hearing on corrected Resolutions, (iv) conduct additional hearings, including authority proceedings, and further studies as necessary to ensure meaningful engagement and informed decision making, and (v) submit any proposed annexation involving new connections to CSA 11 to the vote of affected stakeholders, including existing CSA 11 users; and

WHEREAS, a public notice was published at least 21 days prior to the hearing as a 1/8th page display advertisement in the San Mateo County Times and mailed to interested parties and property owners and residents within 300 feet of the project; and

WHEREAS, the Executive Officer has reviewed the Request for Reconsideration and prepared a

report, at least five (5) days before the November 20, 2024, hearing, and the Request for Reconsideration and report have been presented to and considered by this Commission; and

WHEREAS, a public hearing by this Commission was held on the Request for Reconsideration November 20, 2024 and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the Request for Reconsideration and the Executive Officer's report and related matters; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo **DOES HEREBY RESOLVE, DETERMINE AND ORDER** that the Commission finds and determines that the request for reconsideration set forth no new or different facts that could not have been presented previously to the Commission at the time LAFCo made its decision to approve the Sphere of Influence amendment for County Service Area 11 (CSA 11) and annexation by CSA 11 of the Pescadero Middle/High School located at 350-360 Butano Cut Off (APN 087-053-010) as is required by Government Code Section 56895.

The request for reconsideration is hereby disapproved, and the previously approved LAFCo Resolutions 1326 and 1327 hereby remain in effect.

Regularly passed and adopted this ____ day of _____.

Ayes and in favor of said resolution:

Commissioners: _____

Noes and against said resolution:

Commissioners Absent and/or Abstentions:
 Commissioners: _____

 Chair
 Local Agency Formation Commission
 County of San Mateo
 State of California

ATTEST:

 Executive Officer
 Local Agency Formation Commission

Date: _____

I certify that this is a true and correct copy of the resolution above set forth.

Date: _____

 Clerk to the Commission
 Local Agency Formation Commission

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer
Sarah Flamm, Management Analyst

Subject: Consideration of Draft Municipal Service Review for the San Mateo County Harbor District

Summary and Background

In 1985, San Mateo LAFCo first prepared comprehensive Sphere of Influence (SOI) studies and adopted SOIs for the County's cities and special districts. Subsequently, LAFCo reviewed and updated spheres on a three-year cycle. SOI updates focus on changes in service demand within the boundaries of cities and special districts. In 2003, in order to comply with the newly enacted CKH Act, LAFCo began the process of preparing SOI updates in conjunction with or following a Municipal Service Review (MSR). This is the third MSR/SOI study that San Mateo LAFCo has conducted on the San Mateo County Harbor District (SMCHD, the District) in the past 19 years.

The SMCHD is an independent district created in 1933 by a County election and governed by a five-member Board of Commissioners. The District's boundaries are contiguous with the County of San Mateo, encompassing approximately 449 square miles of land area and a population of 745,193 residents. SMCHD operates pursuant to Section 6000 et seq. of the California Harbor and Navigations Code, and is one of 13 harbor or port districts in the State. The District operates Pillar Point Harbor in the unincorporated community of Princeton-by-the-Sea on the Pacific Ocean, as well as Oyster Point Marina/Park located on the San Francisco Bay in the City of South San Francisco.

Current Key Issues

Key issues identified in compiling information on the San Mateo County Harbor District include:

- Since the District's prior LAFCO MSR/SOI study in 2015, the District has improved its financial transparency and budgeting practices.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
DIANE ESTIPONA, CLERK

- The District remains reliant on property tax revenue to cover its operating costs. The District has an ongoing focus on how to enhance its operating revenue stream, through the continued development of enterprise functions such as the operation of the harbors and leasing of SMCHD property.
- While existing revenue is sufficient for ongoing operations and maintenance expenditures, 85% of the \$80 million in capital improvement projects that have been identified over the next five years are unfunded. Funding for these projects will require multiple funding sources to include grants, loans, and Working Capital/Fund Balance. While there are challenges with funding identified and future capital projects, there are no ongoing concerns regarding the District's financial ability to provide services.
- Similar to prior studies, LAFCo finds that the assumption of SMCHD operations by a successor agency (or agencies) could offer the opportunity to achieve certain service efficiencies and cost savings due to economies of scale and eliminating duplicative elected offices and administrative functions. However, no proposal for a governance change has been submitted to LAFCo at this time.

Proposed Municipal Service Review Determinations and Recommendations

As required by State law, there are seven areas of MSR determination, including local policies as set forth in Section 56430. For the Circulation Draft, LAFCo has the following determinations and recommendations:

I. Growth and Population Determination

While the County will continue to grow in population, demand for SMCHD services and facilities is more heavily driven by other factors, such as weather conditions, fishing season prospects, and outdoor recreation trends. The projected population growth will not directly impact the District's service needs and demands.

Recommendation: None

II. Disadvantaged Unincorporated Communities Determination

The District's sphere and corporate boundaries are contiguous with the County. While there are disadvantaged unincorporated communities within the District's boundaries, services to these areas—such as water, sewer, and structural fire—are the responsibility of other agencies.

Recommendation: None

III. Capacity and Adequacy of Public Facilities and Services Determination

SMCHD has significant infrastructure and facility improvement needs as a result of the wear and tear of heavy use, a harsh marine environment, and deferred maintenance and capital projects. The District's 2019 Strategic Plan and 2022 Master Plan indicate necessary repairs and capital improvements. The Plan details that at Pillar Point Harbor the Johnson Pier is in generally good condition while some support piers are in poor condition and will need to be replaced. The marina docks are 30-40 years old and need to be replaced. Buildings at Pillar Point are generally in fair condition. At Oyster Point Marina, several of the docks are in serious to critical condition and will require replacement within the next five years. The Fiscal Year 2024-25 Budget and Capital Improvement Plan identifies \$80 million in necessary capital

improvement projects over the next five years. Per District staff, several projects in the Capital Improvement Plan are unfunded: the Johnson Pier Expansion Project, Replacement of Floating Docks, and a new Pillar Point Harbor Retail Building. Funding for these projects will require multiple sources including grants, loans, and Working Capital/Fund Balance. The \$80 million of identified projects does not include any improvements to the District's recently purchased property.

Recommendations:

1. SMCHD should update the 2019 Strategic Plan and 2022 Master Plan to align with funding and implementation of capital improvements that have been identified in the most recent Capital Improvement Plan. LAFCo encourages SMCHD to include a review of CIP projects, services provided by the District, and opportunities for enhancing operational revenue in the 2024 Strategic Plan.
2. The updated Strategic Plan and Master Plan should include a review of the current land purchases made by SMCHD and identify their potential future uses and how their development will be funded. The Plans should also show how the purchasing of these parcels and their future development will align with the mission and services of the District.

IV. Financial Ability Determination

For five consecutive years, SMCHD has been recognized by the Government Finance Officers Association for transparent budget reporting, receiving the Distinguished Budget Presentation Award. This award recognizes the District's success in publishing a budget document that "meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device".

The SMCHD budget consistently exhibits a net operating shortfall due to operating revenues inadequate to cover operating costs. For FY24-25, SMCHD is projecting \$15.3 million in total revenue. Of that, \$10.6 million (69%) is non-operating revenue. This revenue is largely property tax and other tax revenue that is received by the District. These total revenues are sufficient to fully fund operations and partially fund some capital projects. The CIP currently identifies \$80 million in capital projects, with approximately 15% of the total capital improvement project costs funded as of August 2024. The District has typically funded capital projects with a mix of grants or on a cash or "pay-as-you-go" basis. The cash for these projects has been from fund balance. Recently some of the fund balance has been utilized to purchase properties around the existing Pillar Point Harbor area, which has decreased the fund available for existing capital needs by \$6 million in FY24-459. Capital projects for these newly purchased properties have not yet been evaluated by the District.

District's July 2024 Policies handbook contains finance and accounting policies for the District.¹ These policies are publicly available on the District website. The District has had no long-term debt since 2016. Outstanding liabilities include CalPERS and OBEP costs.

¹ [.Table+of+Contents+With+Policies+2024_08_28.pdf \(smharbor.com\)](#)
LAFCo Meeting Packet Page 181

Recommendations:

3. As part of the forthcoming updated Strategic Plan, SMCHD should evaluate potential funding sources for the existing projects identified in the Capital Improvement Plan.
4. SMCHD should evaluate the recently purchased properties and determine what potential uses will be developed on the properties, what the cost of those improvements will be, how they will be funded, and what priority these projects will be given compared to existing identified capital projects.

V. Shared Service and Facilities Determination

Limited opportunities for shared facilities have been identified in the course of this MSR process. SMCHD currently partners with a number of agencies, such as the City of South San Francisco and San Mateo Resource Conservation District, related to services and functions are to the two harbor facilities.

Recommendation: None

VI. Accountability, Structure, and Efficiencies Determination

The District has taken a number of steps since the 2015 MSR to enhance transparent and address governance and operational efficiencies. In 2023, the District received the Transparency Certificate of Excellence from the Special District Leadership Foundation in 2023. This certificate highlights an agency's commitment to government transparency requirements, including the completion of ethics training for commissioners, adherence to the Brown Act for public meetings, and the filing and reporting for financial transactions and reports to the State in a timely manner. As noted in this MSR, a Strategic Plan was adopted for the District in 2019 and an update of this plan is currently being developed.

There are potential governance could produce greater efficiencies and costs savings. Changes included dissolution of SMCHD or altering the boundaries of the District. No proposal for a change of governance has been submitted for either action since the 2006 MSR.

Recommendations:

- 5) LAFCo supports the actions that SMCHD has made regarding transparency and encourages the District to continue these efforts.
- 6) The City of South San Francisco and the County of San Mateo should continue to confer and research issues and options affecting the feasibility of implementing these possible governance changes.

VII. Other Issues Determination

The District collaborates with several agencies, such as OneShoreline, U.S. Army Corps of Engineers, County of San Mateo, and other special districts, related to hazard mitigation and climate change. San Mateo LAFCo commends the District for the work they have undertaken in these areas.

Recommendation:

- 7) San Mateo LAFCo encourages SMCHD and all other agencies working on natural hazards mitigation and climate change related projects to continue to collaborate. As there are numerous projects either on-going or in the planning stage within the midcoast area, LAFCo would encourage all agencies involved in these projects to continue to share updates and communicate. The County of San Mateo could explore being an agency that hosts climate resiliency and hazard mitigation information relating to the several projects that are occurring within the midcoast area.

Sphere of Influence Determinations

As required by State law, LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency as set forth in Government Code Section 56425(e) that addresses the following:

I. The present and planned land uses in the area, including agricultural and open-space lands.

The SMCHD is comprised of a wide range of land use designations, including residential, commercial, industrial, open space, agricultural, and rural. The District boundaries contain land that is under the jurisdiction of the County of San Mateo, incorporated cities, the California Coastal Commission, the State of California through a tidelands grant, the San Francisco Bay Conservation and Development Commission, as well as other agencies that have land use review authority.

II. The present and probable need for public facilities and services in the area.

Services provided by the SMCHD within District boundaries are also provided at varying levels by other public and private entities. The Harbor District provides search-and-rescue security vessels stationed at Pillar Point and Oyster Point Marina. Meanwhile, search-and-rescue capabilities are also provided by the County of San Mateo Sheriff's Department, other marina operators, and several fire agencies. Need for search-and-rescue services in this area is expected to continue.

III. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

SMCHD has significant infrastructure and facility improvement needs as a result of the wear and tear of heavy use, a harsh marine environment, and deferred maintenance and capital projects. At Pillar Point Harbor, some support piers are in poor condition and need to be replaced. The marina docks are 30-40 years old and need to be replaced. Buildings at Pillar Point are generally in fair condition. Several of the docks at Oyster Point Marina are in serious to critical condition and will require replacement within the next five years. Pillar Point Harbor has a 90-95 percent berth occupancy rate, and Oyster

Point Marina has a 70-75 percent berth occupancy rate. Both facilities include visitor-serving opportunities.

IV. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

The District's boundaries are coterminous with San Mateo County, while operations are limited to two locations: Oyster Point in South San Francisco and Pillar Point in Half Moon Bay. These represent distinct communities with common social and economic interest in commercial and recreational fishing, boating, and visitor-serving facilities. Commercial fishing is an important industry to the County. Pillar Point Harbor's search-and-rescue services benefit the County's coast. Oyster Point offers a venue for a commuter ferry. These services remain valuable to the area, whether they are provided by the current Harbor District or by a potential successor agency such as the County of San Mateo or the City of South San Francisco.

V. For an update of a SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

No change to the SOI for the SMCHD is proposed at this time.

Public/Agency Involvement

The primary source of information used in this MSR has been information collected from agency staff and adopted plans, budgets, reports, policies, etc.. San Mateo LAFCo also submitted a request for data to the District. On October 28, 2024, the District provided a response to this request for data. The information from the District's response has been incorporated into this report.

Environmental Review/CEQA

The MSR is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) under Section 15303, Class 6, which allows for the basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. The MSR collects data for the purpose of evaluating municipal services provided by an agency. There are no land use changes or environmental impacts created by this study.

The MSR is also exempt from CEQA under section 15061(b)(3), the common sense provision, which states that CEQA applies only to projects which have the potential to cause a significant effect on the environment and where it is certain that the activity will have no possible significant effect on the environment, the activity is exempt from CEQA.

The MSR and SOI update will not have a significant effect on the environment as there are no land use changes associated with the documents.

Staff's Recommendation to Commission

1. Open the public hearing and accept public comment.
2. Provide Commissioner comment.
3. Direct the Executive Officer to schedule the Final Municipal Service Review for the San Mateo County Harbor District for a public hearing at the next Commission meeting on January 15, 2025, and circulate it with any necessary amendments to the County, cities, and independent special districts.

Attachments

- A. Draft Municipal Service Review and Sphere of Influence Review for the SMCHD.



Municipal Service Review and Sphere of Influence Review for the San Mateo County Harbor District

Circulation Draft

Released November 13, 2024

Municipal Service Review and Sphere of Influence Review for the San Mateo County Harbor District

SUBJECT AGENCY:

San Mateo County Harbor District

504 Avenue Alhambra, 2nd Floor
El Granada, California 94018
Contact: James B. Pruett, General Manager

CONDUCTED BY:

San Mateo Local Agency Formation Commission
455 County Center, 2nd Floor
Redwood City, CA 94063
(650) 363-4224

Commissioners:

Kati Martin, Chair, Special District Member
Ray Muller, Vice Chair, County Member
Tygarjas Bigstycck, City Member
Virginia Chang-Kiraly, Special District Member
Harvey Rarback, City Member
Warren Slocum, County Member
Ann Draper, Public Member

Commission Alternates:

Kathryn Slater-Carter, Special District Member
James O'Neill, Public Member
Noelia Corzo, County Member
Ann Schneider, City Member

Staff:

Rob Bartoli, Executive Officer
Sarah Flamm, Management Analyst
Diane Estipona, Commission Clerk
Tim Fox, Legal Counsel

**Municipal Service Review
and Sphere of Influence Review
San Mateo County Harbor District**

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EXECUTIVE SUMMARY

Section 1: MSR Overview

This report is a Municipal Service Review (MSR) and Sphere of Influence (SOI) review for the San Mateo County Harbor District (SMCHD). California Government Code Section 56430 requires that the Local Agency Formation Commissions (LAFcos) complete MSRs and SOI reviews on all cities and special districts. LAFco is an independent entity with jurisdiction over the boundaries of cities and special districts. An SOI is a plan for the boundaries of a city or special district. The MSR and SOI do not represent a proposal¹ for reorganization of agencies, but rather a State-mandated study of service provisions of an agency.

Once adopted, the service review determinations are considered in reviewing and updating the SOI pursuant to Section 56425. The SOI, which serves as the plan for boundaries of a special district, is discussed in the second part of this report. This State-mandated study is intended to identify municipal service delivery challenges and opportunities and provides an opportunity for the public and affected agencies to comment on city, county, or special district services and finance; and opportunities to share resources prior to LAFco adoption of required determinations.

San Mateo Local Agency Formation Commission

San Mateo Local Agency Formation Commission (LAFco or “the Commission”) is a State-mandated, independent commission with county-wide jurisdiction over the boundaries and organization of cities and special districts including annexations, detachments, incorporations, formations, and dissolutions. LAFco also has authority over extension of service outside city of district boundaries and activation or divestiture of special district powers. The purpose of the Commission includes discouraging urban sprawl, preserving open space and prime agricultural lands, planning for the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. LAFco operates pursuant to The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) contained in California Government Code Sections 56000 and 57000. The Commission includes two members of the County Board of Supervisors, two city councilmembers from two of the County’s 20 cities, two special district board members from two of the 21 independent special districts, one member of the public, and four alternate members (county, city, special district, and public).

In 1985, San Mateo LAFco first prepared comprehensive SOI studies and adopted SOIs for the County’s cities and special districts. Subsequently, LAFco reviewed and updated spheres on a three-year cycle. SOI updates focus on changes in service demand within the boundaries of cities and special districts. In 2003, in order to comply with the newly enacted CKH Act, LAFco began the process of preparing SOI updates/reviews in conjunction with or following a Municipal Service Reviews (MSR)

¹ An application for annexation may be submitted by 5 percent of the voters or landowners of territory proposed for annexation or by resolution of the District.

Local Government in San Mateo County

Municipal service providers in San Mateo County include the County of San Mateo, 20 cities, 21 independent special districts, six subsidiary districts governed by city councils, and 33 County-governed special districts. Independent special districts provide a limited set of services based on their enabling legislation (i.e. Fire, water, sanitation, etc.), while cities generally provide a wider array of basic services including police, recreation programs, planning, street repair, and building inspection. The County, as a subdivision of the State, provides a vast array of services for all residents across its cities, special districts and subsidiary districts, including social services, public health protection, housing programs, property tax assessments, tax collection, elections, and public safety. The County also provides basic municipal services for residents who live in unincorporated areas, who are not part of any city or special district. According to Census 2020 data, 63,205 of the County’s total 765,417 residents live in unincorporated areas.

Purpose of a Municipal Service Review/Sphere of Influence

This Municipal Service Review/Sphere of Influence (MSR/SOI) examines the San Mateo County Harbor District (SMCHD) and represents the third MSR completed for this District. San Mateo County Harbor District is a countywide independent special district and the SOI is coterminous with the District’s boundaries.

LAFCo prepared this MSR/SOI based on SMCHD source documents that included Adopted Budgets, Basic Financial Reports and Audits, Capital Plans, Urban Water Management Plans, and Planning Documents, including the General Plan. Draft MSRs/ SOI are first circulated to the District under study, along with interested individuals and groups. The Final MSR/SOI will include comments on the circulation draft as well as LAFCo staff recommended determinations that are presented before the Commission for consideration. MSR determinations must be adopted before the Commission updates or amends a SOI.

Per Government Code Section 56430, LAFCo is required to include the following areas in the MSR determinations:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities² within or contiguous to the SOI.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the SOI.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.

² “Disadvantaged community” means a community with an annual median household income that is less than 80 percent of the Statewide annual median household income. This area of determination does not apply to the study area.

6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by LAFCo policy.
 - a. Water Resiliency and Climate Change
 - b. Impact of Natural Hazards and Mitigation Planning

Per Government Code Section 56425, LAFCo is required to make five written determinations when establishing, amending, or updating a SOI for any local agency that address the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Disadvantaged Unincorporated Communities

In 2011, SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to “disadvantaged unincorporated communities,” including the addition of MSR determination #2 and SOI determination #5 listed above. Disadvantaged unincorporated communities, or “DUCs,” are inhabited, unincorporated territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income. San Mateo County Harbor District is a countywide independent special district and the SOI is coterminous with the District’s boundaries.

Section 2. Summary of Key Issues

This is the third MSR/SOI study conducted by San Mateo LAFCo in the past 19 years. Since the latest 2015 study, the District has greatly improved its financial transparency and budgeting practices. The District remains reliant on property tax revenue to cover its operating costs. The District has an ongoing focus on how to enhance its operating revenue stream, through the continued development of enterprise functions such as the operation of the harbors and leasing of SMCHD property. The District has enhanced its collaboration with other agencies and organizations on projects relating to climate change mitigation and coastal erosion.

While existing revenue is sufficient for ongoing operations and maintenance expenditures, 85% of the \$80 million in capital improvement projects that have been identified over the next the

next five years are unfunded. Funding for these projects will require multiple funding sources to include grants, loans, and Working Capital/Fund Balance. While there are challenges with funding identified and future capital projects, there are no ongoing concerns regarding the District’s financial ability to provide services.

Similar to prior studies, LAFCo finds that the assumption of SMCHD operations by a successor agency (or agencies) could offers the opportunity to achieve certain service efficiencies and cost savings due to economies of scale and eliminating duplicative elected offices and administrative functions. Although it may be possible to achieve longer-term efficiencies, stability and cost savings, in the short-term there would be transition costs associated with reorganization. A detailed Plan for Service would need to accompany any proposal for a governance change. This Plan would need to evaluate how service responsibility would be transferred, the benefits of the governance change, how pension liability will be addressed, the implementation and financing strategies for capital improvement projects, legacy costs, and staff transition. It is likely that the net benefits to County taxpayers and users following a reorganization would lag and not be measurable for several years.

The evaluation of alternative District governance options is solely a high-level review by LAFCo as part of this MSR/SOI. No proposal for a governance change has been submitted to LAFCo at this time. No action by LAFCo has been taken toward SMCHD other than the publication of this and previous studies. Changing the governance of SMCHD would require a separate application and action before the LAFCo Commission.

Section 3: Affected Agencies

County and Cities: All cities in San Mateo County.

School Districts: All school districts within San Mateo County.

Independent Special Districts: All special districts within San Mateo County.

Dependent Special Districts: All special districts within San Mateo County.

Section 4: San Mateo County Harbor District

Background and Overview

San Mateo County Harbor District (SMCHD) is one of 13 harbor or port districts in the State. The District operates Pillar Point Harbor in the unincorporated community of Princeton-by-the-Sea, on the Pacific Ocean, as well as Oyster Point Marina/Park located on the San Francisco Bay in the City of South San Francisco. The District was created with County-wide boundaries by a County election in 1933. It was originally formed to build a harbor at Redwood City, but the Great Depression intervened.

Pillar Point Harbor

In 1960, the State of California conveyed by statutory grant 1,235 acres of tidelands and submerged lands to the District upon condition that the harbor be developed in the unincorporated area of Princeton. A breakwater was built at Pillar Point for a harbor of refuge for the fishing fleet. The US Army Corps of Engineers began work on this breakwater after

World War II and completed it in 1961. The Johnson Pier, docks, 369 berths, and the inner breakwater were built during the 1970s and 1980s. Pillar Point remains a major commercial and sport fishing harbor on California's central coast and is host to many public events including the July 4th fireworks display, and the Christmas boat decorating contest.

Oyster Point Marina

In 1977, San Mateo County Harbor District (SMCHD) entered into a Joint Powers Agreement (JPA) with the City of South San Francisco and took over operation of Oyster Point Marina/Park from the City of South San Francisco. During the 1980s, SMCHD completed construction of docks and 589 berths, a new breakwater, and onshore facilities. The San Francisco Bay Area Water Emergency Transit Authority (WETA), a regional public transit agency, independently operates ferryboat services, currently offering connections between the East Bay from Oyster Point Marina.

Revenue

Implementation of Proposition 13 in 1978 resulted in SMCHD receiving a share of the 1 percent property tax countywide in perpetuity. In Fiscal Year 2024-25, this property tax revenue is approximately \$10 million. LAFCo's 2006 and 2015 MSR/SOI for SMCHD expressed concerns about the use of Countywide property tax to fund harbor and marina operations. However, this property tax revenue is essential to maintain SMCHD fiscal viability, and to address a broad range of maintenance and capital improvement needs. In addition, the SMCHD provides a range of non-enterprise services and facilities that benefit a broader public, but which are not revenue-generating activities, including parks, waterfront access, public piers, and emergency water rescue.

Formation and Statutory Authority

The SMCHD is an independent district governed by a five-member Board of Commissioners with countywide boundaries operating pursuant to Section 6000 et seq. of the California Harbor and Navigations Code. The SMCHD is thus empowered to acquire, construct, and maintain property related to the operation and development of ports and waterways; supervise seagoing vessels within its harbors; adopt any necessary police regulations for waterways; issue debt; collect charges for use of facilities; and plan for harbor district improvements.³

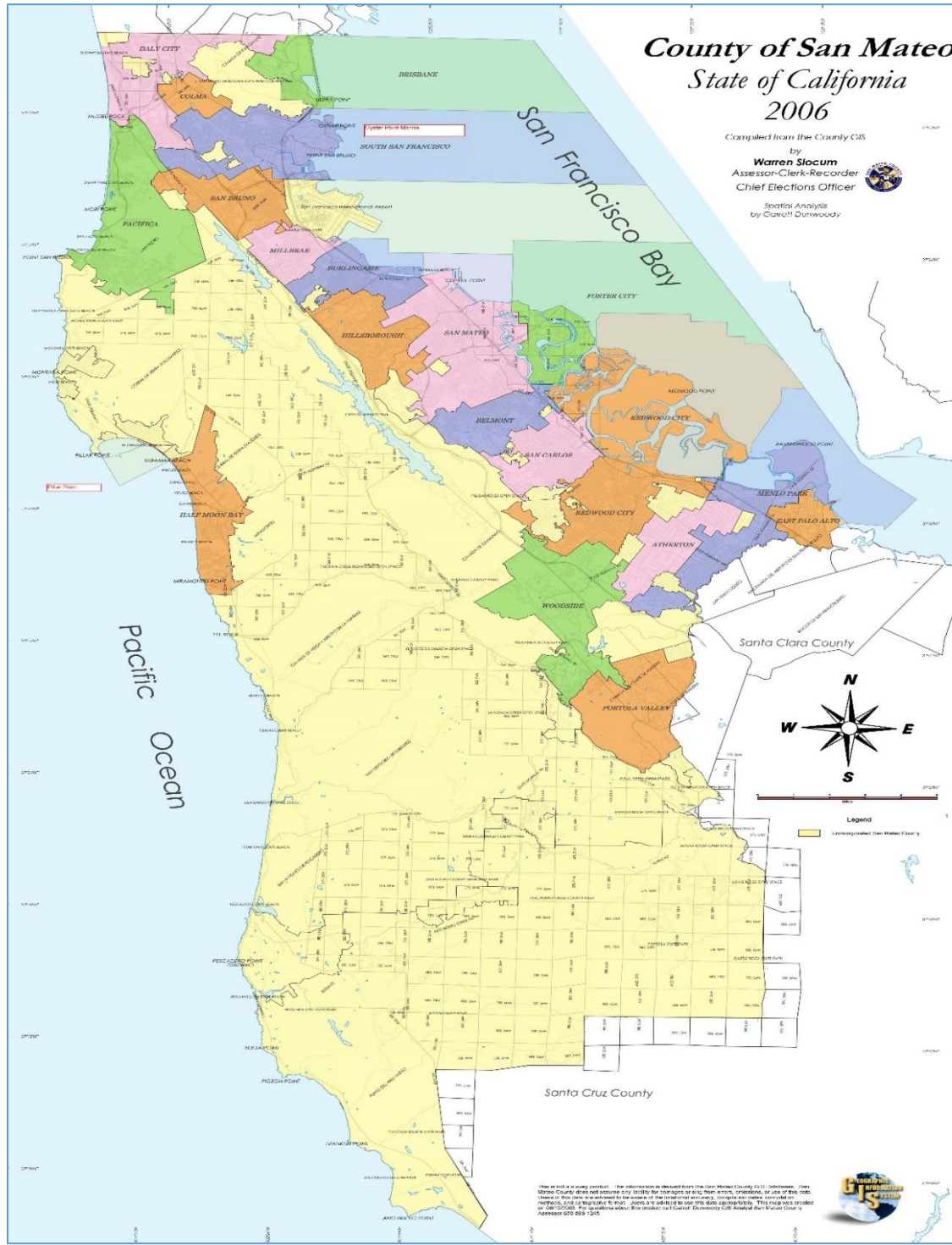
Boundaries and Service Area

The San Mateo County Harbor District encompasses approximately 449 square miles of land area, 20 cities and unincorporated areas, and a population of 745,193 residents. Figure 1 shows the current boundaries of the District, which correspond to the boundaries of San Mateo County. In addition to the SMCHD facilities at Pillar Point Harbor and at Oyster Point Marina,

³ Harbor and Navigations Code Sec. 6075. Notwithstanding Section 6012: (a) A harbor district may acquire, construct, own, operate, control, or develop any and all harbor works or facilities within the limits of its established boundaries. No interest in lands may be acquired, either by lease, purchase, or the exercise of the power of eminent domain within any port district, chartered port, harbor improvement district, incorporated city, or recreational harbor district without the prior consent to the acquisition by resolution of the governing body of each district, port, or city in which the lands are located.

the County is served by eight other harbor and marina operations providing an additional 2,100 berths and related facilities.

Map of the San Mateo County Harbor District Boundaries



Inventory of Active Services

Government Code Section 56425 (i) and (j) requires that in conducting MSRs, LAFCo prepare an inventory of all authorized powers under a district’s enabling legislation and identify those powers that are active versus inactive. Government Code Section 56824.12 requires that before a District activates an inactive service or divests of an active service, it must first apply to LAFCo and obtain LAFCo approval. The SMCHD is providing the full set of services authorized by the enabling legislation, including recreational use of District facilities located at Pillar Point Harbor and Oyster Point Marina, under a Joint Powers Agreement with the City of South San Francisco as owner of the marina.

Pillar Point Harbor -

Enterprise activities:

- Commercial and sport fishing facilities, including fuel dock, ice-making facility, and a fish buying center for the public to purchase fresh fish off the boats from several vendors.
- Forty maintained moorings for private rent.
- One six-lane public small-craft launch ramp.
- One public boat hoist.
- Lease of premises: Rent-paying lease holders include three wholesale commercial fish buyers, a fuel dock and ice facility, two sport fishing concessions, one kayak rental and guided tour business within the inner harbor (three restaurants, and one recreational vehicle park. The District is responsible for maintaining building structures and exteriors. Lessees are responsible for the interior of the premises and any improvements.
- Issuance of commercial activity permits for sport fishing charter boats, retail fish sales, and retail fish sales by commercial fishermen from their boats to the public.

Non-Enterprise Activities:

- Search and rescue services to all boaters.
- Harbor facility personnel are onsite 24 hours a day, 365 days per year. Personnel include trained search and rescue staff (SAR), vessels and SAR personal watercraft (PWC) for surf impact zone work.
- Law enforcement: Pillar Point Harbor staff enforces the California Harbors and Navigation Code and the County Harbor District Ordinance Code. The Harbor Patrol wears uniforms, and District patrol vehicles and vessels are marked accordingly.
- The District operates a waste oil collection facility available to boaters to help maintain water quality.
- The District contracts for garbage collection and operates a marine debris recycling facility.
- Recreational facilities available to the public include parking, public restrooms, fishing piers, break walks, paths, shoreline access trails and beaches.

- Community Engagement: Outreach to local schools regarding ocean awareness and boating safety as well as educational tours to diverse groups including school children, Culinary Institute of American, World Federation of Fisherman, and environmental groups.
- Collaboration with federal, State and local environmental organizations⁴ on policy matters that relate to harbor users including sustainable fisheries, marine protected areas, harbor dredging issues, water quality, shoreline protection, and public access.

Oyster Point Marina/Park-South San Francisco

Enterprise Activities:

- Public marina for predominantly recreational vessels that collects berthing and utility fees.
- One two-lane public small craft launch ramp.
- Boat wash station.
- Lease-holders at Oyster Point Yacht Club.
- Revocable Trust to allow SamTrans to park up to two buses for driver breaks.
- 41 live-board permits.
- Commercial Activity Permits: Charter fishing/passenger vessels, wind-surfing lessons, tour boats, private commercial ferries, sewage pump out service, and commercial diving.

Non-Enterprise Activities:

- Search and Rescue (SAR): Oyster Point Harbor Patrol maintains a search and rescue/maritime capability during the hours of 7am and 7pm, 365 days per year. Law enforcement: Oyster Point Harbor staff enforce the California Harbors and Navigation Code and the District Ordinance Code. The Harbor Patrol wears uniforms, and District patrol vehicles and vessels are marked accordingly.
- Educational programs offered in local schools and community centers on ocean awareness, boating safety, environmental education and natural history in schools.
- Public park use: The San Francisco Conservation and Development Commission (BCDC) Bay Plan segment for South San Francisco designates most of Oyster Point for shoreline public park uses.

Prior Municipal Service Reviews and Current SOI

San Mateo LAFCo conducted Municipal Service Reviews (MSRs) on SMCHD in 2006 and 2015. Both of these MSRs reaffirmed the dissolution Sphere of Influence (SOI) designation that LAFCo

⁴ Collaboration with organizations include the Gulf of the Farallones and Monterey Bay National Marine Sanctuaries, State Coastal Conservancy, Coastal Commission, San Mateo County, the nonprofits Save Our Shores and Heal the Bay, and the Princeton Citizens Advisory Committee

adopted in 1977. The current LAFCo-adopted SOI for the Harbor District indicates that it be dissolved, and the County of San Mateo be established as successor agency to assume service and be successor to all Harbor District revenues, assets and liabilities. It is important to note that a SOI is regulatory in that a change of organization of any special district must be consistent with the District’s SOI. However, implementation of the SOI requires that an affected agency take action by applying to LAFCo for that change of organization. In the case of the Harbor District, the District itself, the County, or any city, district or school district could apply to LAFCo to implement the sphere. In addition, applications can be submitted by 25 percent of the registered voters or landowners in District boundaries. However, implementation of the SOI has not been taken, and the District has been administering services per usual despite the LAFCo dissolution verdict.

The 2006 MSR also recommended that a) the District review its financial and debt policies and practices related to capital projects, b) explore cost sharing agreements with other agencies, c) review funding for capital projects that do not have identified funding sources, and d) work on efforts to address rising operational costs.

The 2015 MSR highlighted several additional issues including a) the need for significant infrastructure and facility improvement, a result of wear and tear from heavy use and a harsh marine environment, b) deferred maintenance and capital projects, c) lack of an adopted capital improvement plan, d) lack of accounting system to track cost for enterprise versus non-enterprise expenses, and e) that the District’s elected Harbor Commissioners and Commission administration duplicated governance and administrative functions that the County already provides. The report notes that the District was in the midst of a transitional phase, particularly regarding General Manager staffing.

Since the 2015 MSR, SMCHD has adopted a Capital Improvement Plan, Strategic Plan, and several financial policies. In 2021, the District implemented a new system that allows for automated and improved internal business processes, provides customers with an online payment portal, and increases security and information backup of District records and transactions.

Section 5: Municipal Service Review

The MSR determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all determinations are not significant, as indicated by “no” answers, the Commission may find that an MSR update is not warranted.

1) Growth and Population

Growth and population projections for the affected area.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?	X		

Will population changes have an impact on the subject agency’s service needs and demands?		X	
Will projected growth require a change in the agency’s service boundary?			X

Discussion

- a) Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?

As of 2020, the County of San Mateo is home to 764,442 residents. The Association of Bay Area Governments (ABAG), the agency responsible for forecasting population, housing and economic trends in the nine Bay Area counties, in coordination with the California Department of Housing and Community Development (HCD) estimates the housing need for the region and allocates a portion of projected need to every jurisdiction. In collaboration with Bay Area partner agencies, non-profit organizations, and residents, ABAG developed Plan Bay Area 2050. Plan Bay Area 2050 is a long-range regional plan that projects the population growth of each region throughout the Bay Area. Plan Bay Area 2050 anticipates that San Mateo County will increase its population by 48%, from 265,000 households in 2015 to 394,000 households in 2050. Actual growth will depend on future economic conditions, land use policies and other factors.

- b) Will the population changes have an impact on the subject agency’s service needs and demands?

Demand for SMCHD services and facilities is less influenced by the County’s population growth, as it is by other factors such as weather conditions, fishing season prospects, and outdoor recreation trends. As such, the District is currently evaluating the redevelopment of commercial facilities at Pillar Point Harbor.

- c) Will projected growth require a change in the agency’s service boundary?

The District’s boundaries are countywide and will not be altered by growth within the County.

Growth and Population MSR Determination

While the County will continue to grow in population, demand for SMCHD services and facilities is more heavily driven by other factors, such as weather conditions, fishing season prospects, and outdoor recreation trends. The projected population growth will not directly impact the District’s service needs and demands.

2) Disadvantaged Unincorporated Communities

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?			X
b) Are there any “inhabited unincorporated communities” within or adjacent to the subject agency’s sphere of influence that are considered “disadvantaged” (80% or less of the Statewide median household income)?			X
c) If “yes” to both a) and b), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community (if “no” to either a) or b), this question may be skipped)?			X

Discussion:

- a) Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?
SMCHD does not provide public services related to sewers, municipal and industrial water, or structural fire protection.
- b) Are there any inhabited unincorporated communities within or adjacent to the subject agency’s sphere of influence that are considered disadvantaged (80% or less of the statewide median household income)?
SMCHD boundaries are countywide. While there are disadvantaged unincorporated communities within the District’s boundaries, services to these areas—such as water, sewer, and structural fire—are provided by other agencies.
- c) If yes to both, is it feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community?
Not applicable.

Disadvantaged Unincorporated Communities MSR Determination

The District’s sphere and corporate boundaries are contiguous with the County. While there are disadvantaged unincorporated communities within the District’s boundaries, services to these areas—such as water, sewer, and structural fire—are the responsibility of other agencies.

3) Capacity and Adequacy of Public Facilities and Services

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.	Yes	Maybe	No
a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?			X
b) Are there any issues regarding the agency’s capacity to meet the service demand of reasonably foreseeable future growth?			X
c) Are there any concerns regarding public services provided by the agency being considered adequate?			X
d) Are there any significant infrastructure needs or deficiencies to be addressed?		X	
e) Are there changes in State regulations on the horizon that will require significant facility and/or infrastructure upgrades?			X
f) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency’s sphere of influence?			X

Discussion:

The SMCHD provides a range of harbor-related facilities and services to residents, visitors, and businesses. As described below, some of these services are revenue-generating enterprises, while others serve a broader public function that is typically not subject to fees and charges. Facilities are generally well-utilized. The high levels of use, combined with the sometimes harsh and corrosive maritime environment, place exceptional demands on the SMCHD for facility and infrastructure maintenance.

Pillar Point Harbor (PPH)

Pillar Point Harbor is located adjacent to the unincorporated communities of Princeton and El Granada on Half Moon Bay approximately 25 miles south of the City of San Francisco. It is a

369-berth mixed-use harbor supporting commercial fishing fleet, recreational boating, kayaking and standup paddling boarding and other opportunities and public access.

In 1960, the State conveyed by statutory grant, 1,235 acres of tidelands and submerged lands to the District upon condition that the harbor be developed. The outer breakwater was completed in 1961 by the U.S. Army Corps of Engineers, with an extension added in 1967 to decrease the amount of wave energy coming through the entrance to the harbor. Also in 1961, the main concrete pier was built. Full buildout of the inner harbor was accomplished during the 1980s with the construction of the harbor’s floating docks and berths, along with a second, inner breakwater to provide further protection for the coastal fishing fleet.

PPH also includes several support buildings. The age of structures varies; 1961 buildings include the fish buyer building, the Harbor Master’s building, certain restrooms, and “Tenant Row” buildings. The maintenance building was built in 1979, additional restrooms were built in 1982, the ice house was added in 1985, and restroom ramps were built in 1992.



Oyster Point Marina

Oyster Point Marina consists of a 408-berth recreational marina in the City of South San Francisco. It is owned by the City of South San Francisco and managed/operated by the District under a 2018 Agreement between the two agencies.

The west basin of the marina was originally constructed in the 1960s, north of the South San Francisco landfill. In 1977, the District assumed operational control over Oyster Point Marina under a 49-year Joint Powers Agreement. The agreement gave the District the authority to improve and complete construction of a recreational marina while retaining the berthing and other related fees. In the 1980s, the District replaced the original docks in the west basin and expanded the marina into the east basin with construction of a new breakwater. At highest available occupancy, the marina had 589 slips. The breakwater was modified in 2008, and Docks 9 and 10, with a combined total of 134 slips, were removed in late 2009 and early 2010 to make way for the San Francisco Bay Area Water Emergency Transportation Authority ferry terminal, which opened in 2012. In Fiscal Year 2012–13, the guest dock (Dock 8) and Dock 11 were replaced with concrete floating docks. Dock 8 accommodates side-tie only and is intended for temporary moorage as vessels check into the Marina. It is also being utilized by smaller privately operated commuter ferries. Dock 11 was reconfigured to avoid interference with the operational requirements of the Water Emergency Transit Authority ferry terminal and incorporates both side-tie and slips. This reconfiguration resulted in the loss of approximately 30 slips.



The District’s management of the Oyster Point Marina was originally documented and guided by a Joint Powers Agreement dated 1977 between the District and the City of South San Francisco. In 2018, the District and the City of South San Francisco negotiated and entered into a new agreement for the management of Oyster Pint Marina, which replaced the Joint Powers Agreement. The agreement is active for an initial 15-year period that automatically renews for two 10- year periods unless either party provides official notice of nonrenewal. The first term is set to expire on December 28, 2033.

Per District staff, the Harbor District has initiated discussions with the City of South San Francisco to address updates to the 2018 Agreement. One major amendment to the agreement would relate to the timeline for capital improvement projects. Under the current agreement, the District is required to replace Docks 12, 13, and 14 by December 31, 2024. This is an unrealistic deadline based on the substantial and unforeseen increase in construction costs. In 2018, (pre COVID-19), when the agreement was entered into, both the City and District estimated the cost of the Dock Replacement Project to be less than \$5 million dollars. Following the design, engineering, and permitting of the project (post COVID 19), the new estimate is greater than \$18 million dollars, well beyond the District’s current budget. The COVID-19 pandemic produced shortages in labor and construction materials which increased costs on all aspects of the scheduled dock replacement project. Instead, to mitigate any risk associated with the floating docks and the expiration of their “useful life”, the District has Implemented the Floating Dock Life Extension Project. The Project includes the inspection of and replacement of deck boards, inspection and renewal of internal brackets and crossmembers, and the repair or replacement of flotation.

Another amendment the District would propose to the 2018 Agreement relates to a 40,000 square foot retail building at Oyster Point. In 2017, the City and the Harbor District entered into an agreement that provided authority for the District to construct and lease the building, but the current Agreement will expire in 2026 and the District would like to extend this clause beyond 2026.

Commercial Fishing Facilities

PPH offers commercial fishing a number of facilities, including a fuel dock, ice-making facility, and commercial fish buying center. The public can purchase fresh fish off the boats from several vendors.

Commercial/Retail/Restaurant Leases

The District leases space to three wholesale fish buying operations on Johnson Pier at Pillar Point Harbor. The wholesalers purchase and unload salmon, halibut, rockfish, shellfish and bait directly from commercial fishermen. The SMCHD also owns buildings leased to restaurants, bait shops, and a surf shop. At OPM, the District leases a building to the Oyster Point Yacht Club.

Parks and Trails, Open Space and Public Access

PPH offers two public access trails for walking, cycling, and jogging. The harbor also provides a public fishing area, public fishing pier, and fish cleaning area. OPM provides a public fishing pier with a fish cleaning station, and a 33-acre recreational green space with a picnic area and a swimming beach. The San Francisco Bay Trail runs through the site. Public parking is available at no charge at both PPH and OPM.

Emergency Services and Search and Rescue

Harbor District staff perform a range of activities in support of safety of life at sea, at both Pillar Point Harbor and Oyster Point Marina, including:

- **Search and Rescue:** The active search and recovery of a known or suspected person in distress. The Harbor District is routinely requested by the U.S. Coast Guard, Sheriff's Office, or Coastside Fire Protection District to respond to maritime emergencies. For each emergency that involves more than one agency, a unified command of the involved agencies is established to ensure unity of effort.
- **First Responder Support:** Waterside support of shoreside operations such as cliff rescues. Provide secondary rescue support for victims and rescuers. The U.S. Coast Guard and Harbor District train weekly on rescue helicopter operations, rescue swimmer deployment and recovery operations. All Deputy Harbormasters who are qualified participate in emergency maritime response. Harbor Workers can volunteer to serve as boat crew on a rescue vessel but are not required.
- **Vessel Assists:** Assist vessels in distress to include vessels taking on water, disabled vessels, vessels at risk of grounding, vessels without fuel, etc.. Harbor Patrol routinely deploys to assist boaters who have run out of fuel, have engine problems, cannot safely navigate into the harbor, or other issues that while not an emergency, do require assistance to make it back to shore safely. One particularly busy Sunday was August 25, 2024, where staff at Oyster Point Marina were called out on five separate calls for vessel assists alone.
- **Body Recovery/Evidence:** Assist the San Mateo Coroner, Sheriff, and Coastside Fire Protection District with the recovery of victims or evidence located at sea or on remote beaches and coves inaccessible from land. Most recently the Pillar Point Harbor Patrol was able to recover several pieces of an aircraft that crashed off the coast of Moss Beach, California. The Harbor Patrol was also able to recover and transport the victims of the crash to shore. In another case, the Harbor Patrol was asked to recover a victim washed ashore south of Cowell Ranch State Beach in a remote cove that was inaccessible from shore.
- **Transportation Assistance:** Transport first responders (police, fire rescue, paramedics) to the scene of a medical or maritime emergency.

- Firefighting: Waterside firefighting.
- Persons in Distress: Novice windsurfers, kitesurfers, swimmers, surfers, kayakers, standing boarders are routinely caught off guard by weather conditions and require assistance returning to shore.

The environments of oceanside Pillar Point Harbor and bayside Oyster Point Marina are drastically different, as are the available resources. In an effort to formalize the services provided and allocate appropriate resources, in August 2024, the Harbor District and Coastside Fire Protection District entered into a Memorandum of Understanding (MOU) defining roles and responsibilities for emergency maritime response. The Harbor District is initiating discussions with the San Mateo County Sheriff’s Office to negotiate a similar MOU.

San Mateo County Harbor District executed a total of four hundred and forty-nine (449) search and rescue cases and eight thousand two hundred and fifty-four (8,254) maritime assist cases.

Pillar Point Harbor		
Year	Search and Rescue Launches	Vsl Assists, Agency Assists, Other
2019	97	634
2020	79	684
2021	85	926
2022	53	1484
2023	44	1127
2024	13	199

Oyster Point Marina		
Year	Search and Rescue Launches	Vsl Assists, Agency Assists, Other
2019	00	490
2020	00	602
2021	16	634
2022	36	455
2023	00	195
2024	02	076

- a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?

The tables below show the occupancy rates of the berths/slips at Pillar Point Harbor and Oyster Point Marina.

Pillar Point Harbor:

Pillar Point Harbor		
Year	Occupied of 399	Occupancy Rate
2019	399	100%
2020	395	99%
2021	391	98%
2022	379	95%
2023	367	92%
2024	359	90%

The 10% decline in occupancy rate at Pillar Point Harbor from 2019 to 2024 is attributed to the COVID-19 Pandemic, the restricted and closed fishing seasons, the District’s effort to reduce the number of unseaworthy, inoperable, or derelict vessels, and enforcement of slip agreements.

Tenants in violation of their slip agreement, i.e. missed monthly slip payments, are required to bring their accounts current. If a vessel owner fails to bring their account current, the slip agreement is voided, and the vessel owner is required to remove the vessel from District property.

Several boats, both recreational and commercial, were found to be unseaworthy or derelict. To remain in a slip, a boat is required to be operational. Several vessel owners with inoperable boats elected to surrender their vessels to the District for removal under the California Surrendered and Abandoned Vessel Exchange (SAVE) Program at no cost to the vessel owner or District.

In 2023 and 2024, the commercial crab season has been significantly reduced and the salmon season has been canceled all together. As a result, some commercial fishing vessels have shifted ports to areas unaffected by the closures (i.e. Oregon, Washington, and Alaska). Other commercial fishing vessels have simply been removed from the water and stored, awaiting the next fishing season.

The COVID-19 pandemic also forced some commercial passenger vessels (charter boats) and fishers to cease operations all together.

As of August 1, 2024, Pillar Point Harbor had a waiting list of fifty-four (54) vessel owners seeking regular slips and fifteen (15) requests for liveaboard permits. Of the 54 people on the waiting list, twenty-seven (27) are waiting for 30-foot slips and the other 27 are commercial fishers requesting a better slip (location) and/or waiting for crab and/or salmon season to open.

Oyster Point Marina

Oyster Point Marina

Year	Occupied of 398	Occupancy Rate
2019	310	78%
2020	306	77%
2021	295	74%
2022	283	71%
2023	318	80%
2024	310	78%

The occupancy rate at Oyster Point Marina has improved since 2022 due to two main factors. First, the Oyster Point Redevelopment Project is coming to conclusion, reducing the restrictions, dust, and inconvenience to the Marina tenants/users caused by the construction. The second factor relates to the closure of Oyster Cove Marina, a separate private marina located on Oyster Point. Many of the tenants of Oyster Cove applied for and were accepted to Oyster Point Marina and have remained.

Oyster Point Marina/Park has also benefited from significant improvements to tenant and visitor serving amenities (i.e. restrooms and showers), improved landscaping, and improved access. These improvements have assisted in the retention of slip tenants.

Of note, in 2023 a private owner closed Oyster Cove Marina. Multiple vessels at Oyster Cove were liveaboards, providing much needed housing for the owners. Oyster Point Marina was already at the maximum 10% capacity for liveaboards as set by the Bay Area Conservation and Development Commission (BCDC) which prevented the District from accepting additional liveaboard vessels. However, to prevent the vessel owners from becoming un-housed, the Harbor District worked with the City of South San Francisco and the Bay Conservation and Development Commission (BCDC) to temporarily accept the liveaboard vessels under emergency circumstances. Each of the accepted vessel owners have now earned liveaboard status at Oyster Point or have moved to alternative housing shoreside. Oyster Point Marina is now back at 10% occupancy rate for liveaboard permits.

Oyster Point Marina has a waiting list of two (2) vessel owners seeking a regular slip and fifty-three (53) on the waiting list for liveaboard permits.

- b) Are there any issues regarding the agency’s capacity to meet the service demand of reasonably foreseeable future growth?

The District is in the process of updating its 2022 Strategic Plan.

- c) Are there any concerns regarding the public services provided by the agency being considered adequate?

LAFCo staff does not have any concerns regarding the adequacy of the public services being delivered by the SMCHD.

- d) Are there any significant infrastructure needs or deficiencies to be addressed?

In 2022, the District adopted a Master Plan which guides future capital improvement project and land development. This Plan includes an assessment of the existing harbor facilities and proposed future capital projects. The Plan details that at Pillar Point Harbor the Johnson Pier is in generally good condition while some support piers are in poor condition and will need to be replaced. The maria docks are 30-40 years old and need to be replaced. Buildings at Pillar Point are generally in fair condition. At Oyster Point Marina, several of the docks are in serious to critical condition and will require replacement within the next five years. The District has a Capital Improvement Plan (CIP) for Fiscal Year 2024-25, and will be reevaluating District facilities in the FY 2025-26 CIP. Currently, the FY 2024-25 Budget notes that there is \$80 million in identified capital improvement projects over the next five years. Per District staff, several projects in the CIP are unfunded; Johnson Pier Expansion Project, Replacement of Floating Docks, and a new PPH Retail Building. Funding for these projects will require multiple funding sources to include grants, loans, and Working Capital/Fund Balance.

In 2023, the District was awarded a \$400,000 Boat launching Facilities grant from California State Parks for the design and engineering of the Pillar Point Harbor Launch Ramp. The project will include the construction of restrooms, outdoor showers, bike racks, seating, recycling center, dog waste station, and fish cleaning station. In September 2024, the California Ocean Protection Project awarded the District a \$2.9 million grant for a restoration project at Surfers Beach. The District has recently purchased several properties in the area around Pillar Point Harbor which are currently undeveloped and will require unprogrammed funds to be used for development.

- e) Are there changes in State regulations on the horizon that will require significant facility and/or infrastructure upgrades?

Per the District, one potential California Assembly Bill that would impact the District is AB 2916. This legislation would require that an overwater structure that contains, or a block or float that contains or is comprised of, expanded polystyrene or other plastic foam, sold or installed before January 1, 2026, and that is repaired or maintained on or after that date, be fitted with a shell made of aluminum, concrete, steel or plastic. If passed into law, AB 2916 could have a negative fiscal impact on the Harbor District in the maintenance or replacement of the floating docks at both Pillar Point Harbor and Oyster Point Marina. Currently this bill is being held in committee. However, this potential impact is not expected to be substantial.

- f) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency's sphere of influence? Not applicable.

Capacity and Adequacy of Public Facilities and Services MSR Determination

SMCHD has significant infrastructure and facility improvement needs as a result of the wear and tear of heavy use, a harsh marine environment, and deferred maintenance and capital

projects. The District’s 2019 Strategic Plan and 2022 Master Plan indicate necessary repairs and capital improvements. The Plan details that at Pillar Point Harbor the Johnson Pier is in generally good condition while some support piers are in poor condition and will need to be replaced. The maria docks are 30-40 years old and need to be replaced. Buildings at Pillar Point are generally in fair condition. At Oyster Point Marina, several of the docks are in serious to critical condition and will require replacement within the next five years. The Fiscal Year 2024-25 Budget and Capital Improvement Plan identifies \$80 million in necessary capital improvement projects over the next five years. Per District staff, several projects in the Capital Improvement Plan are unfunded: the Johnson Pier Expansion Project, Replacement of Floating Docks, and a new PPH Retail Building. Funding for these projects will require multiple sources including grants, loans, and Working Capital/Fund Balance. The \$80 million of identified projects does not include any improvements to the District’s recently purchased property.

Recommendations:

- 1) SMCHD should update the 2019 Strategic Plan and 2022 Master Plan to align with funding and implementation of capital improvements that have been identified in the most recent Capital Improvement Plan. LAFCo encourages SMCHD to include a review of CIP projects, services provided by the District, and opportunities for enhancing operational revenue in the 2024 Strategic Plan.
- 2) The updated Strategic Plan and Master Plan should include a review of the current land purchases made by SMCHD and identify their potential future uses and how their development will be funded. The Plans should also show how the purchasing of these parcels and their future development will align with the mission and services of the District.

4) Financial Ability

Financial ability of agencies to provide service	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the organization routinely engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, failing to commission independent audits, or adopting its budget late?			X
b) Is the organization lacking adequate reserve to protect against unexpected events or upcoming significant costs?			X
c) Is the organization’s rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?		X	

d) Is the organization unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?		X	
e) Is the organization lacking financial policies that ensure its continued financial accountability and stability?			X
f) Is the organization’s debt at an unmanageable level?			X

Discussion:

a) Does the District routinely engage in budgeting practices that may indicate poor financial management such as overspending its revenue, failing to commission independent audits, or adopted its budget late?

For five consecutive years, SMCHD has been recognized by the Government Finance Officers Association for transparent budget reporting, receiving the Distinguished Budget Presentation Award. This award recognizes the District’s success in publishing a budget document that “meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device”.

In accordance with the Harbors and Navigation Code Section 6062, the District hires a certified public accountant to conduct annual audits of its finances, each year from 2016 through 2023. All audit reports are publicly available on the District’s website. In 2023, the District switched from hiring Maze & Associates Accounting Corporation to Nigro & Nigro PC to conduct the audits. There have been no notable discrepancies or audit findings in the past five years.

Funds

The District is comprised of three departments: Administration, Pillar Point Harbor, and Oyster Point Marina. All departments share one fund, the Enterprise Fund.

Non-Operating Revenue

For Fiscal Year 2024-25, SMCHD is projecting \$15.3 million in total revenue. Of that, \$10.6 million (69%) is non-operating revenue. This revenue is largely property tax and other tax revenue that is received by the District. Implementation of Proposition 13 in 1978 resulted in SMCHD receiving a share of the 1 percent property tax countywide. The SMCHD receives a share of all property tax growth from all properties in San Mateo County. The percentage of non-operating revenue to operating revenue has continued to increase as the 2015 MSR notes that in previous years property taxes represented 55 percent to 60 percent of revenue, while in the FY24-25 Budget, the property tax represented 69 percent of total revenue.

All San Mateo County property tax revenue managed by the Administration department and is shown as revenue in budget as Administration department funds. This revenue is also used by

Pillar Point Harbor department and Oyster Point Marina department to cover both of their operating deficits. The commercial and enterprise activity at Pillar Point Harbor and Oyster Point Marina includes fees collected for berth rent, use of boat launch ramp, and leased property rents. However, these fees and rents do not cover operating costs which primarily include ocean/maritime search and rescue readiness and efforts, salaries and benefits, repairs and maintenance of facilities, contract services and utilities. The District faces other costs, such as biennial elections (totaling \$900,000 in FY 2024-25), legal costs associated with claim settlements (approximately \$300,000 in both FY 2021-22 and FY 2022-23) and bad debts (approximately \$100,000 in each of the past three years).

For each of the past five years, the District’s total revenue has exceeded its actual and projected spending. The District’s primary revenue source (over 65% of total revenue) is Property Tax Revenue from San Mateo County property owners, followed by commercial activity generated by the District (approximately 30% of total revenue).

The District has maintained a net positive position: for each of the past five years, the District’s total revenue has exceeded its actual and projected spending. The net difference is used to fund reserves and pay for capital improvement projects.

San Mateo County Harbor District Net Expenditures

	FY 2020-21 (Actual)	FY 2021-22 (Actual)	FY 2022-23 (Actual, unaudited)	FY 2023-24 (Projected)	FY 2024-25 (Projected)
Expenditures	\$11,313,339	\$7,658,065	\$10,957,110	\$10,789,000	\$11,631,000
Revenues	\$13,326,698	\$14,249,000	\$15,052,822	\$14,647,000	\$15,287,000
Net	\$2,013,359	\$6,590,935	\$4,095,712	\$3,858,000	\$3,656,000

The District states that it intends to enhance its commercial activity revenue stream. The District has ensured all leased spaces are occupied and paying market value rent, increasing the price annually by 3% or CPI, whichever is greater. Per the District, it has negotiated with a lessee and increased the base lease payment from \$2,500 per month to \$15,800 per month. Berth fees are keeping up with the cost-of-living index for the San Francisco Bay Area. All rates and fees are market value and adjusted annually in parallel with the change in Consumer Price Index. There are currently waiting lists for harbor slips at Pillar Point Harbor for 54 vessel owners seeking regular slips and 15 seeking liveaboard permits. Oyster Point Marin has a waiting list of 2 vessel owners seeking regular slip, and 53 are on the waiting list for liveaboard permits.

In 2022 the District sold surplus parcels. In January of 2024 the District purchased several parcel of land surrounding Pillar Point Harbor for \$8.7 million. Development of this properties will be discussed in the District’s upcoming Strategic Plan. The last time the Strategic Plan was

updated in 2019. This purchase decreased the amount of working capital/fund balance available for capital projects.

Capital Improvement Projects

The Capital Improvement Plan (CIP) Budget is a five-year plan adopted by the District Harbor Commission on an annual basis. In each of the past five years, the cost of identified capital improvement projects has exceeded the working capital balance available to fund them. The FY 2024-25 budget identifies \$80 million in capital improvement projects over the next five years. Approximately 15% of the total capital improvement project costs are funded, as of August 2024. Of the ten projects, three are unfunded: The Johnson Pier Expansion Project (\$39 million), Replacement of Floating Docks (\$18 million), and the new Pillar Point Harbor Retail Building (\$12 million). The District plans to seek grants and loans in an attempt to increase its working capital to fund these projects.

The Capital Improvement Projects Cost Estimates include \$200,000 in General Manager Projects that are within the GM’s authority of below \$25,000 individually.

Under the District’s 2018 agreement with the City of South San Francisco, the District is required to replace Docks 12, 13, and 14 by December 31, 2024. The District has determined this is unrealistic given that the estimated project cost has increased from \$5 million in 2018 to \$18 million in 2024, due to the rise in construction costs. Instead, the District has extended the life of the existing docks by replacing deck boards, brackets, and flotation as needed. The replacement project is on hold, and the agreement with the City may be updated.

The District has received grant funds every year including in \$800,000 in funding from the State Department of Boating and Waterways in FY 2021-22 and FY 2022-23, \$40,518 in an Ocean Protection Council Grant in FY 2021-22, \$298,000 in a Metropolitan Transportation Commission Grant in FY2021-22 and FY 2022-23.

Estimated Working Capital Balance to Fund CIP

FY 2020-21 (Budget)	FY 2021-22 (Budget)	FY 2022-23 (Budget)	FY 2023-24 (Budget)	FY 2024-25 (Budget)
\$15,511,000	\$18,765,613	\$12,207,064	\$15,030,442	\$9,610,000

The District has purchased several properties around Pillar Point Harbor over the last few years. This includes 504 Avenue Alhambra, El Granada which is the administrative office for SMCHD.

The District had purchased a parcel at the corner of Avenue Portola and Obispo Road in El Granada. Per the District, this property is now considered to be surplus.

Other recently purchased parcels are located adjacent to Highway 1. Per SMCHD, the land is envisioned as future expansion of the Harbor and will be discussed in the 2024 District Strategic Plan that is being developed.

Other Post Employment Benefits (OPEB)

The District ended the OPEB program in 2009 and only employees that were hired prior to 7/1/2009 are eligible to participate. Currently there are 6 employees and 11 retirees that are eligible. OPEB benefits are on a pay as you go basis. If excess funds become available, the District may consider setting aside funds in a trust account. Employees hired prior to July 1, 2009, who meet service time eligibility rules, are entitled to continue the individual's and dependent's then existing health, dental, and visions benefit, and life insurance. These benefits may only be collected for a period that is equal to half of the time the individual was employed by the District.

The District provides post-retirement health care, vision care, dental care and life insurance benefits, in accordance with the Board of Harbor Commissioners employee benefit resolutions, to all employees who retire from the District and meet the age and years of service requirements as specified in such resolutions.

CalPERS

On June 30, 2020, the District reported a net pension liability (NPL) of \$2,698,394 compared to June 30, 2019 NPL of \$4,831,495. The decrease was due to a request of a past Board President and current Commissioner to make a pre-payment of the District's long-term liability of \$2,300,000.

The District participates in two benefit formulas, 2.5% at 55 for Classic Members and 2.0% at 62 for PEPRAs Members. Payments for the employer's share are as follows: The District pays the contribution amount in a lump sum at the beginning of each fiscal year saving the District approximately \$10,000 per year.

Audited Financial Statements and the Unfunded Liability (UAL) described above is from CalPERS Actuarial Report. Additional contributions are not being considered at this time. CalPERS unfunded liabilities are amortized over a 15-year period for the Classic Pool and a 20-year period for PEPRAs. Paying the actuarial contributions would pay the Unfunded Liability within these time periods. Currently, the District anticipates that the Unfunded Liabilities will be paid according to the amortization schedule. In the future, the District may revisit this issue if surplus funds become available.

- b) Is the organization lacking adequate reserves to protect against unexpected events or upcoming significant costs.

District policy is to maintain a reserve of 25% of the Operating Budget Appropriations plus 50% of Election Cost Appropriations. For FY 2024-25, the reserve amount is \$4,357,750, exceeding the actual minimum required reserves.

SMC Harbor District Minimum Required Reserves

	FY 2020-21 (Budget)	FY 2021-22 (Budget)	FY 2022-23 (Budget)	FY 2023-24 (Budget)	FY 2024-25 (Budget)
Minimum Required Reserves	\$3,115,250	\$2,385,250	\$3,068,500	\$2,697,250	\$3,357,750

The District's working capital balance is used to fund the capital improvement program as well as unforeseen and unexpected emergencies, disasters and other events. The District's reserves are insufficient to meet its capital improvement program.

The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts.

- c) Is the City's rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?

Pillar Point Harbor has a total of 399 slips, and Oyster Point has 398 slips. The following tables are the slip size and rates for each facility.

Pillar Point Harbor

	FY 2021-22		FY 2022-23		FY 2023-24		FY 24-25		Number of Slips
	Docks D-H	Docks A-C	Docks D-H	Docks A-C	Docks D-H	Docks A-C	Docks D-H	Docks A-C	
30"	\$316	\$340	\$326	\$351	\$335	\$361	\$347	\$374	82
35"	\$364	\$389	\$375	\$401	\$286	\$412	\$400	\$427	74
40"	\$415	\$437	\$428	\$451	\$440	\$464	\$456	\$481	64
45"	\$469	\$492	\$484	\$508	\$498	\$522	\$516	\$541	50
50"	\$511	\$534	\$527	\$551	\$542	\$566	\$562	\$587	61
55"	\$560	\$584	\$578	\$603	\$594	\$620	\$616	\$643	12
65"	\$658	\$679	\$679	\$701	\$698	\$721	\$724	\$748	31
65" + Side Ties	\$11/foot	\$11/foot	\$11/foot	\$11/foot	\$12/foot	\$12/foot	\$12/foot	\$12/foot	9
End Ties									16
Total									399

Oyster Point Marina/Park

	FY 2021-22		FY 2022-23		FY 2023-24		FY 24-25		Number of Slips
	Single	Double	Single	Double	Single	Double	Single	Double	
26"	N/A	\$244	N/A	\$252	N/A	\$259	N/A	\$269	31
30"	\$269	\$280	\$278	\$289	\$286	\$297	\$297	\$308	164
35"	\$323	\$335	\$333	\$346	\$342	\$356	\$355	\$369	86
40"	\$372	\$384	\$384	\$396	\$395	\$407	\$410	\$422	10
45"	\$415	\$432	\$428	\$446	\$440	\$458	\$456	\$475	55
50"	\$463	\$481	\$478	\$496	\$491	\$510	\$509	\$529	18
55"	N/A	\$529	N/A	\$546	N/A	\$561	N/A	\$582	1
60"	\$554	\$579	\$572	\$598	\$588	\$615	\$610	\$638	33
65"	\$9/foot	\$9/foot	\$10/foot	\$10/foot	\$10/foot	\$10/foot	\$11/foot	\$11/foot	
65" +	\$9/foot	\$9/foot	\$10/foot	\$10/foot	\$10/foot	\$10/foot	\$11/foot	\$11/foot	
Total									398

In 2024, Operating Revenues are budgeted to increase by 5.9% due to a projected inflationary increase in fees of 3.7%, and an increase in lease revenue associated with the Pillar Point Harbor retail center

The Harbor District does not conduct routine rent evaluations. To set a lease amount, the District contracts with a third party licensed property appraiser to obtain the current market value for each property being leased. As each lease expires, the new leases are set at or above market value. Market value is based on professional real property market value appraisal survey.

The leases for four of the five leased spaces in the commercial building at Pillar Point have been recently renegotiated, all at or above market value.

d) Is the agency unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?

The District funds a significant portion of capital improvements on a cash or “pay-as-you-go” basis. The District finds grant funding for capital projects. The District is unable to fully fund its identified Capital Improvement Projects, including commitments it made in its agreement with South San Francisco in 2018. As noted previously, there are \$80 million in identified capital improvements.

Separate from the longer term CIP, and included in the annual budget is \$200,000 in General Manager Projects. Up to \$25,000 may be allocated by the General Manager to an individual project.

e) Is the agency lacking financial policies that ensure its continued financial accountability and stability?

District’s July 2024 Policies handbook contains finance and accounting policies for the District.⁵ These policies are publicly available on the District website.

In July 2023, The District received the “Transparency Certificate of Excellence” from the Special District Leadership Foundation (SDLF) in recognition of its outstanding efforts to promote transparency and good governance.⁶

Summary of 5-year historical & proposed budget year expenditures and FTE Authority

	FY 2020-21 (Budget)	FY 2021-22 (Budget)	FY 2022-23 (Budget)	FY 2023-24 (Budget)	FY 2024-25 (Budget)
SMC Harbor District	\$10,203,000	\$9,812,000	\$10,784,000	\$10,789,000	\$11,631,000
FTE Count	41	41	44	44	44

The District’s budget increased by \$1,428,000 or 14% from the adopted budget in FY 2020-21 to the final project in FY 2024-25. The District’s FTE count increased by 3 FTE, or 7 percent, from the adopted budget in FY 2020-21 to the final budget in FY 2024-25. As of FY 2024-24, the Administration division consists of five elected Harbor Commissioners and 10.6 full time positions. Oyster Point has 13 FTE, Pillar Point has 20.4 FTE.

g) Is the agency’s debt at an unmanageable level?

The District has no long-term debt since 2016. Outstanding liabilities include CalPERS and OBEP costs.

Financial Ability MSR Determination

For five consecutive years, SMCHD has been recognized by the Government Finance Officers Association for transparent budget reporting, receiving the Distinguished Budget Presentation Award. This award recognizes the District’s success in publishing a budget document that “meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device”.

The SMCHD budget consistently exhibits a net operating shortfall due to operating revenues inadequate to cover operating costs. For FY24-25, SMCHD is projecting \$15.3 million in total revenue. Of that, \$10.6 million (69%) is non-operating revenue. This revenue is largely property tax and other tax revenue that is received by the District. These total revenues are sufficient to fully fund operations and partially fund some capital projects. The CIP currently identifies \$80 million in capital projects, with approximately 15% of the total capital improvement project costs funded as of August 2024. The District has typically funded capital projects with a mix of grants or on a cash or “pay-as-you-go” basis. The cash for these project has been from fund balance. Recently some of the fund balance has been utilized to purchase properties around the existing Pillar Point Harbor area, which has decreased the fund available for existing capital

⁵ [Table+of+Contents+With+Policies+2024_08_28.pdf \(smharbor.com\)](#)

⁶ [Transparency Certificate of Excellence](#)

needs by \$6 million in FY24-459. Capital projects for these newly purchased property have not yet been evaluated by the District.

District’s July 2024 Policies handbook contains finance and accounting policies for the District.⁷ These policies are publicly available on the District website. The District has had no long-term debt since 2016. Outstanding liabilities include CalPERS and OBEP costs.

Recommendations

3) As part of the forthcoming updated Strategic Plan, SMCHD should evaluate potential funding sources for the existing projects identified in the Capital Improvement Plan.

4) SMCHD should evaluate the recently purchased properties and determine what potential uses will be developed on the properties, what the cost of those improvements will be, how they will be funded, and what priority these projects will be given compared to existing identified capital projects.

5) Shared Service and Facilities

Status of, and opportunities for, shared facilities	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Is the agency currently sharing services or facilities with other organizations? If so, describe the status of such efforts.	X		
b) Are there any opportunities for the organization to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?			X
c) Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?		X	

a) Is the agency currently sharing services or facilities with other organizations?

The District currently leases office space to the Granada Community Services District. The Harbor District recently purchased the office complex located at 504 Avenue Alhambra for use as the District’s Administrative Office. Unused office space is leased to governmental and commercial tenants.

As noted previously, SMCHD and the City of San Francisco have an agreement for the operation and management of the Oyster Point Marina. The District has characterize the relationship between the City and SMCHD as positive and cooperative. The District has not explored alternatives to the current management of Oyster Point Marina.

⁷ [Table-of-Contents-With-Policies+2024_08_28.pdf \(smharbor.com\)](#)

The City and District participate on the Oyster Point Joint Liaison Committee, which is comprised of two City Councilmembers from the City of South San Francisco and two Commissioners from SMCHD. The Oyster Point Joint Liaison Committee last met on August 28, 2024.

The City and District have worked together to share maintenance tasks at Oyster Point Marina. Overnight security staffing at Oyster Point Marina was canceled in part due to the fact it was duplicative of a service already being provided by South San Francisco Police Department.

The San Mateo County Harbor District has obtained the services of and partnered with the San Mateo Resource Conservation District to help identify sources of pollutants in Pillar Point Harbor through the Pillar Point Harbor Water Quality Assistance project and the First Flush program, which involves monitoring by volunteers during the first significant rain storm to provide information about a wide variety of pollutants such as bacteria, nutrients, and metals. In 2021 the Water Board developed and approved a plan to reduce bacteria pollution in the Pillar Point Harbor area.

b) Are there any opportunities for the organization to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?

LAFCo staff has not identified other opportunities that SMCHD could engage in to share costs and/or reduce duplication of resources, facilities or infrastructure.

c) Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?

See discussion under 6d-f.

Shared Services MSR Determination

Limited opportunities for shared facilities have been identified in the course of this MSR process. SMCHD currently partners with a number of agencies, such as the City of South San Francisco and San Mateo Resource Conservation District, related to services and functions are to the two harbor facilities.

6) Accountability, Structure, and Efficiencies

Accountability for community service needs, including governmental structure and operational efficiencies	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?			X
b) Are there any issues with staff turnover or operational efficiencies?			X
c) Is there a lack of regular audits, adopted budgets and public access to these documents?			X
d) Are there any recommended changes to the organization’s governance structure that will increase accountability and efficiency?			X
e) Are there any governance restructure options to enhance services and/or eliminate deficiencies or redundancies?		X	
f) Are there any opportunities to eliminate overlapping boundaries that confuse the public, cause service inefficiencies, unnecessarily increase the cost of infrastructure, exacerbate rate issues and/or undermine good planning practices?		X	

Discussion:

The Board of Commissioners is the elected body that oversees all SMCHD operations and provides policy leadership. The Board acts as the legislative arm of the District. Each Commissioner serves a staggered four-year term and is provided a monthly salary of \$600, per State law. Commissioners are also eligible for reimbursements for any and actual necessary expenses related to Commission actions. The District recently adopted a policy regarding reimbursement for Commissioners. Until recently, Commissioners were elected at-large. However, in 2018, a change to the California Voting Rights Act required SMCHD to switch to District elections. The first District elections were held 2020 for Districts 1 and 4. District elections for Districts 2, 3 and 5 occurred in November 2022.

- a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?

The San Mateo County Harbor District meets in person at the District Offices located at 504 Avenue Alhambra, 2nd floor, El Granada CA 94018 on the 3rd Wednesday of every month at

10am. Regular meetings are also accessible to the public by Zoom. Recording of the meetings are available on the District’s website.

Agendas, agenda packets and meeting presentations for are posted to the SMCHD website at least 72 hours prior to meeting dates.

Per the District, SMCHD received an allegation of Brown Act violation regarding an item at the June 4, 2020 Special Meeting. The District responded to the allegation by reconsidering the item at a subsequent meeting. No additional action was taken by any party or agency related to this issue.

SMCHD notes that it is in compliance with the Public Records Act and no violations have been report. LAFCo staff is not aware of compliance issues with a public records request. In 2023, the District received the Transparency Certificate of Excellence from the Special District Leadership Foundation. This certificate highlights an agency’s commitment to government transparency requirements, including the completion of ethics training for commissioners, adherence to the Brown Act for public meetings, and the filing and reporting for financial transactions and reports to the State in a timely manner.

The District’s website includes information regarding financial documents including budgets and audits, wage and compensation data, archived meeting minutes, and currently adopted policies on reserves financial transactions, conflict of interest, and ethics code.

b) Are there issues with staff turnover or operational efficiencies?

Per the District, there have not been challenges regarding staff turnover. Over half of the 32 operational employees have been with the District for longer than five years. Top positions in the Administrative section have been staffed by the same individuals for several years. The General Manager has been in his current position since 2019.

c) Is there a lack of regular audits, adopted budgets, and public access to these documents?

SMCHD regularly prepares an annual budget and contracts with an accounting firm to conduct annual audits, both of which are presented to the Board of Commissions at a public hearing and are published on the District’s website. Past budget and audit documents are available on the District’s website as well.

d-f) Changes in governance structure?

The 2006 and 2015 San Mateo LAFCo MSR’s mentioned several alternative SMCHD governance options. These potential changes included dissolution of SMCHD or altering the boundaries of the District. Neither governance alternative has occurred, and the ongoing study and discussion of these options does not impact the day-to-day operations of the District. These two potential governance options are summarized below:

I. Dissolution with the County of San Mateo as Long-Term Successor/JPA with City of South San Francisco

The County could assume all of the assets, liabilities and operational responsibilities of the Oyster Point Marina and Pillar Point Harbor. All revenues would accrue to the County to

fund expenditures. The County’s Board of Supervisors ultimately would have authority over the facilities to which it is the successor. The Board could create an appointed body to advise it on operational and policy issues.

The County would assume responsibility for PPH, and could utilize existing PPH staff for operations. The County of San Mateo’s Parks Department currently operates Coyote Point Marina and consequently has experience managing these types of facilities, as well as administrative staff that could be augmented as necessary to handle additional workload.

The County would assign responsibility for OPM to the City of South San Francisco through a new JPA, and allocate property tax sufficient to pay for OPM operations, capital improvements and applicable share of debt service. This amount could be adjusted annually as costs adjust during transition, efficiencies are achieved, and revenues change.

The City of South San Francisco would be responsible for maintaining parks and open space at OPM as they currently do in other areas of the City and utilize existing OPM staff to manage and operate the marina facilities. Currently, City administrative staff could be augmented as necessary to handle administrative tasks including financial accounting.

Potential Cost Savings

The assumption of SMCHD operations by a successor agency (or agencies) offers the opportunity to achieve certain service efficiencies and cost savings due to economies of scale and eliminating duplicative elected offices and administrative functions. This would eliminate some existing Harbor Commission expenses, such as election costs. The cost associated with holding elections is the greatest potential savings of a successor agency. The Fiscal Year 2024-25 Budget projects election costs of \$900,000 in alternating years. The majority of these election costs could be shared with the other County entities also holding elections. The exact magnitude of other administrative savings, if any, would depend upon the ability of the successor agency to manage increased workload before adding staff.

Transition Issues and Costs

Although it may be possible to achieve longer-term efficiencies, stability, and cost savings, in the short-term there would be transition costs associated with reorganization. A detailed Plan for Service would need to accompany any proposal for a governance change. This Plan would need to evaluate how service responsibility would be transferred, the benefits of the governance change, how pension liability will be addressed, the implementation and financing strategies for capital improvement projects, legacy costs, and staff transition. It is likely that the net benefits to County taxpayers and users following a reorganization would lag and not be measurable for several years.

II. Alternative Boundaries

The current boundaries of the SMCHD could be reduced if it is determined that the SMCHD primarily serves and area that is less than Countywide. However, depending on the extent of the boundary reduction, property taxes would correspondingly be reduced. Unless there

are equal reductions in current SMCHD expenditures and liabilities, the reduced property tax may be inadequate to fund operations and provide for needed capital improvements.

As noted previously in this section, the evaluation of alternative District governance options is solely a high-level review by LAFCo as part of this MSR/SOI. No proposal for a governance change has been submitted to LAFCo at this time. No action by LAFCo has been taken toward SMCHD other than the publication of this and previous studies. Changing the governance of SMCHD would require a separate application and action before the LAFCo Commission.

Accountability, Structure, and Efficiencies MSR Determination

SMCHD has taken a number of steps since the 2015 MSR to enhance transparent and address governance and operational efficiencies. In 2023, the District received the Transparency Certificate of Excellence from the Special District Leadership Foundation in 2023. This certificate highlights an agency’s commitment to government transparency requirements, including the completion of ethics training for commissioners, adherence to the Brown Act for public meetings, and the filing and reporting for financial transactions and reports to the State in a timely manner. As noted in this MSR, a Strategic Plan was adopted for the District in 2019 and an update of this plan is currently being developed.

There are potential governance could produce greater efficiencies and costs savings. Changes included dissolution of SMCHD or altering the boundaries of the District. No proposal for a change of governance has been submitted for either action since the 2006 MSR.

Recommendations

- 5) LAFCo supports the actions that SMCHD has made regarding transparency and encourages the District to continue these efforts.
- 6) The City of South San Francisco and the County of San Mateo should continue to confer and research issues and options affecting the feasibility of implementing these possible governance changes.

7) Other

Any other matter related to effective or efficient service delivery, as required by commission policy.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any other service delivery issues that can be resolved by the MSR/SOI process?			X
b) Water Resiliency and Climate Change			
i) Does the organization support a governance model that enhances and provides a more robust water supply capacity?		X	

ii) Does the organization support multi-agency collaboration and a governance model that provide risk reduction solutions that address sea level rise and other measures to adapt to climate change?	X		
c) Natural Hazards and Mitigation Planning			
i) Has the agency planned for how natural hazards may impact service delivery?	X		
ii) Does the organization support multi-agency collaboration and a governance model that provides risk reduction for all natural hazards?	X		

a) Other service delivery issues that can be resolved by the MSR/SOI process.

LAFCo staff did not identify any other service delivery issues that can be resolved by the MSR/SOI process.

b) Water Resiliency and Climate Change

SMCHD has worked in partnership with OneShoreline⁸ and other agencies to address sea level rise and coastal erosion. In 2023, the Harbor District coordinated with OneShoreline to act as the lead agency in making a request to the U.S. Army Corps of Engineers (ACOE) under the Corps Continuing Authorities Program to address the coastal erosion at Princeton by the Sea. The Harbor District and ACOE are now entering the second phase of the project, identifying and comparing potential solutions. During this phase, the Harbor District will coordinate with the Granada Community Services District to address:

- Reestablishing the beach to serve as a nature based protective zone for Princeton by the Sea; and,
- Disrupting the counterclockwise current created by the installation of the breakwater. This current is the cause of the excessive erosion and disappearance of the original beach at Princeton by the Sea. The project will prevent the current from stripping the beach of sand in the future.

The Harbor District has also been working with Congresswoman Anna Eshoo to include Sea Level Rise/Coastal Erosion in Northern Half Moon Bay in the Water Resources Development Act of 2024 (WRDA 2024). On July 22, 2024, the WRDA 2024 was approved by the House of Representative with a vote of 359 to 13. It has passed the Senate and is expected to be signed

⁸ OneShoreline refers to the San Mateo County Flood and Sea Level Rise Resiliency District. It is an independent government agency devoted to securing funds and planning for the long-term resilience of the area, building solutions to mitigate the climate change impacts of sea level rise, flooding and coastal erosion. <https://oneshoreline.org>

into law prior to the end of the year given the WRDA bill has strong bipartisan support and has passed every two years for the past several years without incident.

There are several other agencies that are conducting environmental studies and projects within the area of Pillar Point Harbor, including:

- Plan Princeton – A project by the County of San Mateo intended to a) make a comprehensive update to the policies, plans, and standards regulating the Princeton study area (west of and including Highway 1, between Pillar Point Harbor and Moss Beach); b) to review coastal access, recreation, research, and education opportunities; c) support and expand coastal-dependent and coastal-related uses; and, d) identify effective strategies for protecting the community from sea level rise, among other hazards.
- Mirada Road – A project by the County of San Mateo to repair portions of Mirada Road that were damaged by recent storm events and wave action.
- 2018 San Mateo County Sea Level Rise Vulnerability Assessment – A project by the County of San Mateo that reviewed how sea level rise will affect San Mateo County residents, businesses, and the services and infrastructure along the San Mateo County coast and bay shorelands.
- Pillar Point Harbor Area Shoreline Management Study – A study by OneShoreline regarding shoreline management approach for the northern Half Moon Bay shoreline from Mavericks Beach to the Mirada Road bridge.
- Surfer’s Beach and Highway 1— San Mateo County, Caltrans, and Half Moon Bay collaborated on a project constructed in 2016 to protect the highway from erosion at Surfers’ Beach, connect a 400-foot section of the Coastal Trail, and add a stairway down to the beach over the newly installed 175-foot section of rock slope protection. The Coastal Development Permit for the coastal armoring is temporary, for a 10-year period, to allow time for Caltrans to implement a long-term solution to protect the highway from erosion, which included a requirement to study moving the alignment of Highway 1.

c) Natural Hazards and Mitigation Planning

SMCHD participated in the 2021 Local Hazard Mitigation Plan (LHMP), along with the County and other San Mateo County cities. The Plan assessed hazard vulnerabilities and identified opportunities for mitigation to reduce the level of injury, property damage and community disruption that could occur in manmade and natural disasters.

SMCHD staff and consultants have worked to integrate and address resilience against natural hazards such as storm, waves, sea level rise, and flooding, in the planning for all infrastructure, capital improvement, and restoration projects at Pillar Point Harbor, Oyster Point Marina, and other District-owned properties. An assessment of the impacts of sea level rise on harbor facilities was conducted as part of the 2022 Master Plan.

The District has also implemented projects that specifically address existing issues that are caused by natural hazards. For example, the West Trail Living Shoreline Project was recently completed in spring of 2022. The West Trail is a very popular walking path located along the western edge of Pillar Point Harbor connecting the West Point Avenue parking lot to the Pillar Point outer harbor and Mavericks Beach. The living shoreline project uses a nature-based design to address chronic coastal erosion over the past few decades, resulting in degradation of the trail, and creating hazardous conditions for users as well as limiting access for emergency response. This project was designed to accommodate future sea level rise and will provide protection for many decades into the future.

Another project that is specifically being designed to address impact of natural hazards is the Surfers Beach Restoration Pilot Project. The District is currently in the final stages of planning for the Surfers Beach Restoration Pilot Project, another nature -based coastal resilience project. This project, being planned for Summer 2025, will address two major issues being caused by natural hazards: shoaling of sediment inside Pillar Point Harbor as well as extreme coastal erosion issues at Surfers Beach just outside of the Harbor. By placing clean sand that has been trapped inside the Harbor’s breakwaters in a berm along Surfers Beach, the District is addressing the impacts of sedimentation inside the harbor and erosion and hazards to beach access at Surfers Beach.

The Princeton by the Sea Shoreline Project also directly addresses sea level rise. The project will re-establish a living shoreline (the beach) along the Princeton shoreline that will provide a natural barrier to sea level rise and coastal erosion.

Finally, the Northern Half Moon Bay Sea Level Rise Project being addressed by WRDA 2024 as discussed above will address sea level rise from Pillar Point south to Miramar.

In addition to the above, the District has:

- Contracted with a professional consultant to conduct a Tsunami and Sea Level Rise vulnerability assessment.
- Replaced all articulating pins for all access ramps from land and Piers to docks to ensure safe range of motion during a tsunami event.
- Replaced all flex hoses and flanges for the extreme range during tsunami and king tide events.
- Trained staff on the Emergency Response Plan and the protocol for Public and Marina safety for near shore as well as long warning tsunamis.
- Assisted in the development of the San Mateo County Tsunami Warning and Preparedness Plan.
- Raised dock landings at Oyster Point Marina to a higher elevation.
- Posted Emergency Assembly Points and Tsunami Evacuation routes at key places throughout properties.

- Raised shoreline elevation through the Bay Trail Shoreline Project.

Of note, during the January 15, 2022 tsunami, the highwater rose four to five feet above normal hightide with no damage being reported within the harbor. Santa Cruz Harbor suffered over \$6 million in costs to repair damage caused by the same tsunami.

In order to address potential fire dangers, the District has:

- Placed hillside fire watch cameras at Pillar Point Harbor.
- Conducted ongoing removal of loose combustible vegetation, tree trimmings, fallen branches, etc. to harden landscape against potential fires.
- Assist and support community organizations (e.g. Coastside Emergency Response Teams, local schools, and the California Division of Boating and Waterways) in emergency response and educational efforts so the public knows how to respond to all natural hazards.
- Employed a Training Officer who coordinates all staff rescue training and public education to ensure staff are prepared to assist in protecting the public and quickly react to all natural hazards, then in aftermath, assist in mitigation and recovery.
- Maintain emergency response vehicles and vessels in always ready condition and stored emergency response equipment, supplies, generators.

Other Issues MSR Determination

SMCHD collaborates with several agencies, such as OneShoreline, U.S. Army Corps of Engineers, County of San Mateo, and other special districts, related to hazard mitigation and climate change. San Mateo LAFCo commends the District for the work they have undertaken in these areas.

Recommendation

- 7) San Mateo LAFCo encourages SMCHD and all other agencies working on natural hazards mitigation and climate change related projects to continue to collaborate. As there are numerous projects either ongoing or in the planning stage within the midcoast area, LAFCo would encourage all agencies involved in these projects to continue to share updates and communicate. The County of San Mateo could explore being an agency that hosts climate resiliency and hazard mitigation information relating to the several projects that are occurring within the midcoast area.

Section 6. Sphere of Influence Review

Determinations

Government Code Section 56425 requires the San Mateo LAFCo make determinations concerning land use, present and probable need for public facilities and services in the area, capacity of public facilities and adequacy of public services that the agency provides or is

authorized to provide, and existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. These include the following determinations:

1. The present and planned land uses in the area, including agricultural and open space lands.

The SMCHD is comprised of a wide range of land use designations, including residential, commercial, industrial, open space, agricultural, and rural. The District boundaries contain land that is under the jurisdiction of the County of San Mateo, incorporated cities, the California Coastal Commission, the State of California through a tidelands grant, the San Francisco Bay Conservation and Development Commission, as well as other agencies that have land use review authority.

2. The present and probable need for public facilities and services in the area.

Services provided by the SMCHD within District boundaries are also provided at varying levels by other public and private entities. The Harbor District provides search-and-rescue security vessels stationed at Pillar Point and Oyster Point Marina. Meanwhile, search-and-rescue capabilities are also provided by the County of San Mateo Sheriff's Department, other marina operators, and several fire agencies. Need for search-and-rescue services in this area is expected to continue.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

SMCHD has significant infrastructure and facility improvement needs as a result of the wear and tear of heavy use, a harsh marine environment, and deferred maintenance and capital projects. At Pillar Point Harbor, some support piers are in poor condition and need to be replaced. The marina docks are 30-40 years old and need to be replaced. Buildings at Pillar Point are generally in fair condition. Several of the docks at Oyster Point Marina are in serious to critical condition and will require replacement within the next five years. Pillar Point Harbor has a 90-95 percent berth occupancy rate, and Oyster Point Marina has a 70-75 percent berth occupancy rate. Both facilities include visitor-serving opportunities.

4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

San Mateo County Harbor District's boundaries are coterminous with San Mateo County, while operations are limited to two locations: Oyster Point in South San Francisco and Pillar Point in Half Moon Bay. These represent distinct communities with common social and economic interest in commercial and recreational fishing, boating, and visitor-serving facilities. Commercial fishing is an important industry to the County. Pillar Point Harbor's search-and-rescue services benefit the County's coast. Oyster Point offers a venue for a commuter ferry. These services remain valuable to the area,

whether they are provided by the current Harbor District or by a potential successor agency such as the County of San Mateo or the City of South San Francisco.

5. **For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.**

Not Applicable.

On the basis of the Municipal Service Review:

Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update is NOT NECESSARY in accordance with Government Code Section 56425(g). Therefore, NO CHANGE to the agency's SOI is recommended and SOI determinations HAVE NOT been made.

Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update IS NECESSARY in accordance with Government Code Section 56425(g). Therefore, A CHANGE to the agency's SOI is recommended and SOI determinations HAVE been made and are included in this MSR/SOI study.

Appendix A. San Mateo County Harbor District Fact Sheet

General Manager: James B. Pruett

Mailing Address: P.O. Box 1449, El Granada, CA 94018

Physical Address: 504 Avenue Alhambra, 2nd Floor, El Granada, California 94018

Email Address: jpruett@smharbor.com

Phone Number: (650) 583-4400

Date of Formation: 1933

District Commissioners:

Commissioners	Term Expiration Date
Bill Zemke, District 1	December 2024
George W. Domurat, District 2	December 2026
Kathryn V. Slater-Carter, District 3	December 2026
Tom Mattusch (Vice Mayor), District 4	December 2024
Virginia Chang Kiraly (Mayor), District 5	December 2024

Compensation: Harbor Commissioners receive a monthly salary of \$600

Public Meetings: Commission meetings are held in person at the District Offices located at 504 Avenue Alhambra, 2nd floor, El Granada CA 94018 on the 3rd Wednesday of every month at 10am. Regular meetings are also accessible to the public by Zoom. Recording of the meetings are available on the District’s website.

Services Provided: Harbor-related services as well as search-and-rescue.

Agency staff: 44 FTE

Area Served: Countywide, 449 square miles of land area

Population: 745,193 residents

Sphere of Influence: Dissolution (Zero)

FY 2024-25 Budget: \$11.6M

Appendix B. References

October 28, 2024 email correspondence with attachments received by LAFCo Staff in response to request for information from San Mateo County Harbor District staff.

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer

Subject: Consideration of Final Municipal Service Review for the City of Millbrae

Summary and Background

In 1985, San Mateo LAFCo first prepared comprehensive Sphere of Influence (SOI) studies and adopted SOIs for the County's cities and special districts. Subsequently, LAFCo reviewed and updated spheres on a three-year cycle. SOI updates focus on changes in service demand within the boundaries of cities and special districts. In 2003, in order to comply with the newly enacted CKH Act, LAFCo began the process of preparing SOI updates in conjunction with or following a Municipal Service Review (MSR). This Circulation Draft Municipal Service Review is the first MSR for the City of Millbrae.

The City of Millbrae was incorporated in 1948. As of 2020, the population of Millbrae was 23,216. The City of Millbrae's SOI includes small portions of unincorporated San Francisco Airport Lands to the northeast of the City's boundaries and west of Highway 101. Although Capuchino High School is entirely surrounded by the City of Millbrae, it is part of the City of San Bruno. Since 1979, the SOI for the City has also included a recommendation to detach Capuchino High School from the City of San Bruno and annex the property to the City of Millbrae. The High School is connected to San Bruno by a narrow corridor with irregular boundaries and is largely surrounded by the City of Millbrae. Currently, the City of Millbrae provides water and sewer to the property.

The City provides the following municipal services: law enforcement, parks and recreation, library, streets, lighting, water, wastewater and storm drain and flood control.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪

DIANE ESTIPONA, CLERK

Updates to Final Circulation Municipal Service Review

On November 4, 2024, San Mateo LAFCo staff received a letter from the City of Millbrae in response to a request for information. The comments from the letter have been incorporated into the staff report the Final MSR report.

Current Key Issues

Key issues identified in compiling information on the City of Millbrae include the following:

- While LAFCo staff has not identified any issues with the City's budgeting practices, the City's enterprise funds for water, sewer, and storm drains are projected to use fund balance to fund capital improvement projects. According to the City, there is sufficient revenue to fund ongoing operation and maintenance costs associated with sewer and water service, but storm drain projects are subsidized by the City's General Fund.
- While the revenue for the City has largely returned to pre-pandemic levels, the City has continued to implement various cost saving measures such as a hiring freeze for non-critical positions, reduction in spending on upgrades and deferred maintenance on City facilities, and limiting General Fund subsidies to fund Capital Improvement Projects only deemed mandatory, necessary and achievable.
- The City is making accommodations to incur a nearly 45% increase in its housing stock over the next eight years. The City's 2040 General Plan, which includes the specific plans and development projects described above, was updated and adopted by the City in 2022. The Environmental Impact Report for the General Plan did not identify any significant impacts to the City's ability to deliver municipal services to the residents and businesses of Millbrae.

Proposed Municipal Service Review Recommendations and Determinations

As required by State law, there are seven areas of MSR determination, including local policies as set forth in Section 56430. For the Circulation Draft, LAFCo has the following determinations and recommendations:

I. Growth and Population Determination

As of 2020, the City of Millbrae is home to 23,216 residents and 8,679 housing units. The City's adopted Housing Element proposes to increase its housing stock by 22% over the next eight years. The City's 2020 Urban Water Management Plan, which forecasts water demand and availability through 2045, projects that the City's population will increase to over 27,000 residents and that water demand in 2045 will exceed the available water supply.

Recommendation:

1. LAFCo encourages the City to update the Urban Water Management Plan to align with the projected development in the City's adopted Housing Element.

II. Disadvantaged Unincorporated Communities Determination

The City's sphere and municipal boundaries are nearly contiguous with the exception of the San Francisco International Airport Lands located along the City's eastern border and west of

Highway 101. Although Capuchino High School site is part of the City of San Bruno it is surrounded by the City of Millbrae. There are no disadvantaged unincorporated communities within the City's SOI.

Recommendation: None

III. Capacity and Adequacy of Public Facilities and Services Determination

LAFCo is not aware of any deficiencies in agency capacity to meet existing service needs for which the agency does not have a plan in place to resolve. The City is anticipated to be able to meet most service demands of foreseeable growth with project infrastructure improvements and other mitigation measures.

Recommendations:

2. The City's UMWP was last updated in 2020. The City should align the growth projections in the UMWP with the RHNA growth projections and the 2023-2031 Housing Element in its next UMWP update.
3. LAFCo encourages the City to continue to review potential revenue increases or the creation of a dedicated revenue source for stormwater projects.
4. LAFCo encourages the City to continue to work with Central County Fire, the City of Burlingame and the Town of Hillsborough regarding the implementation of recommendations from the Community Risk Assessment/Standards of Cover & Deployment Analysis.

IV. Financial Ability Determination

LAFCo staff has not identified any issues with the City's budgeting practices regarding process. The City of Millbrae prepares an annual operating and Capital Improvement Program (CIP) budget for the upcoming fiscal year that gets adopted by the City Council at a noticed public hearing before June 30th. The City also produces an Annual Comprehensive Financial Report (ACFR) that is reviewed by City Council.

The General Fund has been able to cover budgeted expenditures and the City has projected that the General Fund will continue to cover budgeted expenditures in upcoming years. However, the City has had to implement several cost saving measures including an ongoing hiring freeze for non-critical positions, and deferred maintenance for City facilities.

The City has three main enterprise funds, one each for Sewer, Water, and Storm Drain. Each one of these funds for FY 2024-25 is proposing to use fund balance to support on-going capital projects. The Water and Sewer funds have sufficient revenue to fund operational and maintenance expenditures. Budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance.

Recommendations:

5. LAFCo encourages the City to continue to review potential revenue increases for stormwater projects.
6. LAFCo encourages the City to develop projections for the Sewer, Water, and Storm Drain enterprise funds to provide the City a more complete assessment of these

funds. These projections can be used in conjunction with the Capital Improvement Program to help the City to allocate appropriate resources to infrastructure projects.

7. In future budget documents, the City should explore including a detailed breakdown of capital improvement costs versus operation and maintenance expenses for each enterprise fund. This would better illustrate what are ongoing versus one-time costs for each fund.

V. Shared Service and Facilities Determination

The City of Millbrae partners with several agencies to share resources and reduce costs.

Recommendation:

8. LAFCo encourages the City to review potential options regarding fire service, including becoming a member of the Central County Fire Department Joint Powers Agreement.

VI. Accountability, Structure, and Efficiencies Determination

The City of Millbrae ensures that public meetings are accessible and well-publicized. LAFCo staff is not aware of any failures to comply with disclosure laws or the Brown Act. The City prepares and adopts an annual budget, and annual independent audits are reviewed at a City Council meeting. LAFCo staff does not recommend any changes to the City's governmental structure or operations that will increase accountability and efficiency.

Recommendation: None

VII. Other Issues Determination

The City of Millbrae is engaged in activities to address hazard mitigation, wildfire prevention, and sea level rise for City residents and businesses.

Recommendation:

9. LAFCo encourages the City to continue its work in the areas of natural hazard mitigation and sea level rise, and continue to coordinate with partner agencies.

Sphere of Influence Determinations

As required by State law, LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency as set forth in Government Code Section 56425(e) that addresses the following:

I. The present and planned land uses in the area, including agricultural and open-space lands.

The City of Millbrae's Sphere of Influence includes small portions of unincorporated San Francisco Airport Lands to the northeast of the City's boundaries and west of Highway 101. Although Capuchino High School is entirely surrounded by the City of Millbrae, it is part of the City of San Bruno. The City's land use is primarily residential with some open space, office, commercial, and industrial uses. There is no agricultural land within the City's SOI.

II. The present and probable need for public facilities and services in the area.

The City of Millbrae's facilities and services meet the needs of its residents and businesses, and the City anticipates that it will be able to provide adequate facilities and services for the anticipated growth within its service area.

III. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The City currently provides adequate public services to its residents, including fire and police protection, water, sanitary sewer, and storm water services. In addition, the City routinely adopts a Capital Improvement Program to fund critical repairs, replacements and improvements to the City's infrastructure and facilities.

IV. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

There are no disadvantaged unincorporated communities within the SOI for the City of Millbrae.

V. For an update of a SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

No change to the SOI for the City of Millbrae is proposed at this time.

Public/Agency Involvement

The primary source of information used in this MSR has been information collected from agency staff and adopted plans, budgets, reports, policies, etc.. San Mateo LAFCo also submitted a request for data to the City. On November 4, 2024, the City provide a response to this request for data. The information from the City's response has been incorporated into this report.

LAFCo staff presented an overview of the draft MSR to the Millbrae City Council at their public meeting on October 22, 2024.

Environmental Review/CEQA

The MSR is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) under Section 15303, Class 6, which allows for the basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. The MSR collects data for the purpose of evaluating municipal services provided by an agency. There are no land use changes or environmental impacts created by this study.

The MSR is also exempt from CEQA under section 15061(b)(3), the commonsense provision, which states that CEQA applies only to projects which have the potential to cause a significant effect on the environment and where it is certain that the activity will have no possible significant effect on the environment, the activity is exempt from CEQA.

The MSR and SOI update will not have a significant effect on the environment as there are no land use changes associated with the documents.

Staff's Recommendation to Commission

1. Open the public hearing and accept public comment.
2. Accept the Final Municipal Service Review for the City of Millbrae.
3. Adopt the Municipal Service Review Determinations and Recommendations contained in this report.

Attachments

- A. Final Municipal Service Review for the City of Millbrae
- B. Resolution No. 1330 for the City of Millbrae Municipal Service Review
- C. MSR Areas of Determinations and Recommendations for the City of Millbrae



**Municipal Service Review and Sphere of Influence
Review for the City of Millbrae**

Final

Released November 13, 2024

Municipal Service Review and Sphere of Influence Review for the City of Millbrae

SUBJECT AGENCY:

City of Millbrae

621 Magnolia Avenue

Millbrae, CA 94030

Contact: Thomas C. Williams, City Manager

CONDUCTED BY:

San Mateo Local Agency Formation Commission

455 County Center, 2nd Floor

Redwood City, CA 94063

(650) 363-4224

Commissioners:

Kati Martin, Chair, Special District Member

Ray Muller, Vice Chair, County Member

Tygarjas Bigstycyk, City Member

Virginia Chang-Kiraly, Special District Member

Harvey Rarback, City Member

Warren Slocum, County Member

Ann Draper, Public Member

Commission Alternates:

Katheryn Slater-Carter, Special District Member

James O'Neill, Public Member

Noelia Corzo, County Member

Ann Schneider, City Member

Staff:

Rob Bartoli, Executive Officer

Sarah Flamm, Management Analyst

Diane Estipona, Commission Clerk

Tim Fox, Legal Counsel

**Municipal Service Review
and Sphere of Influence Update
City of Millbrae**

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EXECUTIVE SUMMARY

Section 1: Overview

This report is a Municipal Service Review (MSR) and Sphere of Influence (SOI) study for the City of Millbrae (City). California Government Code Section 56430 requires that the Local Agency Formation Commissions (LAFCOs) complete MSRs and SOI reviews on all cities and special districts. A LAFCo is an independent entity with jurisdiction over the boundaries of cities and special districts. An SOI is a plan for the boundaries of a city or special district. The MSR and SOI update do not represent a proposal¹ for reorganization of agencies, but rather a State-mandated study of service provisions of an agency.

Once adopted, the service review determinations are considered in reviewing and updating the SOI pursuant to Section 56425. The SOI, which serves as the plan for boundaries of a special district, is discussed in the second part of this report. This State-mandated study is intended to identify municipal service delivery challenges and opportunities and provides an opportunity for the public and affected agencies to comment on city, county, or special district services and finance; and opportunities to share resources prior to LAFCo adoption of required determinations.

San Mateo Local Agency Formation Commission

San Mateo Local Agency Formation Commission (LAFCo or “the Commission”) is a State-mandated, independent commission with county-wide jurisdiction over the boundaries and organization of cities and special districts including annexations, detachments, incorporations, formations, and dissolutions. LAFCo also has authority over extension of services outside city or district boundaries, and activation or divestiture of special district powers. The purpose of the Commission includes discouraging urban sprawl, preserving open space and prime agricultural lands, planning for the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. LAFCo operates pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) contained in California Government Code Sections 56000 and 57000. The Commission includes two members of the County Board of Supervisors, two city councilmembers from two of the County’s 20 cities, two special district board members from two of the 21 independent special districts, one member of the public, and four alternate members (county, city, special district, and public).

In 1985, San Mateo LAFCo first prepared comprehensive SOI studies and adopted SOIs for the County’s cities and special districts. Subsequently, LAFCo reviewed and updated spheres on a three-year cycle. SOI updates focus on changes in service demand within the boundaries of cities and special districts. In 2003, in order to comply with the newly enacted CKH Act, LAFCo

¹ An application for annexation may be submitted by 5 percent of the voters or landowners of territory proposed for annexation or by resolution of the District.

began the process of preparing SOI updates in conjunction with or following a Municipal Service Review (MSR).

Local Government in San Mateo County

Municipal service providers in San Mateo County include the County of San Mateo, 20 cities, 21 independent special districts, six subsidiary districts governed by city councils, and 33 County-governed special districts. Independent special districts provide a limited set of services based on their enabling legislation (i.e. fire, water, sanitation, etc.), while cities generally provide a wider array of basic services including police, recreation programs, planning, street repair, and building inspection. The County, as a subdivision of the State, provides a vast array of services for all residents across its cities, special districts and subsidiary districts, including social services, public health protection, housing programs, property tax assessments, tax collection, elections, and public safety. The County also provides basic municipal services for residents who live in unincorporated areas, who are not part of any city or special district. According to 2020 Census data, 63,205 of the County’s total 765,417 residents live in unincorporated areas.

Purpose of a Municipal Service Review/Sphere of Influence Update Study

This MSR/SOI study examines the City of Millbrae and represents the first MSR for the City.

LAFCo prepared this MSR/SOI Update study based on SMCHD source documents that included Adopted Budgets, Basic Financial Reports and Audits, Capital Plans, Urban Water Management Plans, and Planning Documents, including the General Plan. Draft MSRs/ SOI Updates are first circulated to the District under study, along with interested individuals and groups. The Final MSR/SOI Update study will include comments on the circulation draft as well as LAFCo staff recommended determinations that are presented before the Commission for consideration. MSR determinations must be adopted before the Commission updates or amends a SOI.

Per Government Code Section 56430, LAFCo is required to include the following areas in the MSR determinations:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities² within or contiguous to the SOI.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the SOI.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.

² “Disadvantaged community” means a community with an annual median household income that is less than 80 percent of the Statewide annual median household income. This area of determination does not apply to the study area.

6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by LAFCo policy.
 - a. Water Resiliency and Climate Change
 - b. Impact of Natural Hazards and Mitigation Planning

Per Government Code Section 56425, LAFCo is required to make five written determinations when establishing, amending, or updating a SOI for any local agency that address the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Disadvantaged Unincorporated Communities

In 2011, SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to “disadvantaged unincorporated communities,” including the addition of MSR determination #2 and SOI determination #5 listed above. Disadvantaged unincorporated communities, or “DUCs,” are inhabited, unincorporated territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the Statewide annual median household income. The City of Millbrae does not have any disadvantaged unincorporated communities within its SOI.

Section 2. Summary of Key Issues

Key issues identified in compiling information on the City of Millbrae include the following:

- While LAFCo staff has not identified any issues with the City’s budgeting practices, the City’s enterprise funds for water, sewer, and storm drains are projected to use fund balance to fund capital improvement projects. Per the City, there is sufficient revenue to fund ongoing operation and maintenance costs associated with sewer and water service, but storm drain projects are subsidized by the City’s General Fund.
- While the revenue for the City has largely returned to pre-pandemic levels, the City has continued to implement a number of cost saving measures such as a hiring freeze for

non-critical positions, reducing spending on upgrades or deferred maintenance on City facilities, and having General Fund subsidies to Capital Improvement Projects limited to those deemed mandatory, necessary and achievable.

- The City of Millbrae is making accommodations to incur a nearly 45% increase in its housing stock over the next eight years. The City’s 2040 General Plan, which includes the specific plans and development projects described above, was updated and adopted by the City in 2022. The Environmental Impact Report for the General Plan did not identify any significant impacts to the City’s ability to deliver municipal services to the residents and businesses of Millbrae.

Section 3: Affected Agencies

County and Cities: City of Millbrae and San Mateo County

School Districts: Millbrae School District and San Mateo Union High School District

Independent Special Districts: San Mateo County Harbor District, San Mateo County Mosquito and Vector Control, Peninsula Health Care District

Dependent Special Districts: None

Section 4: City of Millbrae Overview

The City of Millbrae encompasses 3.3 square miles and is bordered by the City of San Bruno and San Francisco Airport (SFO) to the north, SFO and the San Francisco Bay to the east, Highway 280 and unincorporated San Mateo County to the west, and the City of Burlingame and unincorporated San Mateo County to the south. Incorporated in 1948, Millbrae is home to approximately 23,000 residents and remains a primarily residential community with some commercial and industrial uses in the northeast portion of the City near El Camino Real and Highway 101. The City is well served by transit, including BART, SamTrans, Caltrain and SFO.

Millbrae operates under a Council-Manager form of government with five Councilmembers that set legislative priorities and who appoint the City Manager who then oversees daily operations of City life.

The City of Millbrae’s Sphere of Influence includes small portions of unincorporated San Francisco Airport Lands to the northeast of the City’s boundaries and west of Highway 101.

Although Capuchino High School is entirely surrounded by the City of Millbrae, it is part of the City of San Bruno.

Municipal Services

SERVICE	RESPONSIBLE AGENCY
<i>Public Safety</i>	
Police protection	County Sheriff’s Office
Fire protection	Central County Fire Department
Emergency Medical Service	Central County Fire Department
Animal Control	Peninsula Humane Society & SPCA
<i>Utilities</i>	
Water distribution	City of Millbrae
Wastewater collection	City of Millbrae
Wastewater treatment	City of Millbrae
Electricity	Pacific Gas & Electric Peninsula Clean Energy
Natural Gas	Pacific Gas & Electric Peninsula Clean Energy
Solid Waste Collection & Disposal	South San Francisco Scavenger Company (franchise agreement)
Stormwater drainage and flood control	City of Millbrae
Street Maintenance	City of Millbrae
Street Lighting	City of Millbrae
<i>Community Services</i>	
Parks and recreation	City of Millbrae
Library	City of Millbrae
Mosquito abatement and vector control	San Mateo County Mosquito & Vector Control
Public transportation	Bay Area Rapid Transit SamTrans Caltrain

Section 5: Municipal Service Review

The MSR determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all determinations are not significant, as indicated by “no” answers, the Commission may find that an MSR update is not warranted.

1) Growth and Population

Growth and population projections for the affected area.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?	X		
b) Will population changes have an impact on the subject agency’s service needs and demands?		X	
c) Will projected growth require a change in the agency’s service boundary?			X

Discussion

- a) Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?

As of 2020, the City of Millbrae is home to 23,216 residents and 8,679 housing units. Over the past 20 years, the City’s population has grown by 10%, slightly faster than the overall County’s population growth at 9%. Like other communities in the Bay Area, the number of new homes built in Millbrae has not kept up with demand. Between 2010 and 2020, Millbrae’s housing stock only increased by 3.1%^{3,4}.

The City of Millbrae offers a variety of housing options. As of 2020, 64.2% of households were single-family detached, 3.4% were single-family attached, 3.3% were multi-family housing with 2-4 units and 30.5% were multi-family housing with five or more units.

The Association of Bay Area Governments (ABAG), the agency responsible for forecasting population, housing and economic trends in the nine Bay Area counties, in coordination with the California Department of Housing and Community Development (HCD) estimates the housing need for the region and allocates a portion of projected need to every jurisdiction. In collaboration with Bay Area partner agencies, non-profit organizations and residents, ABAG developed Plan Bay Area 2050, a long-range regional plan that, among other activities, projects the population growth of each region throughout the Bay Area. Plan Bay Area 2050 anticipates that North San Mateo County, which includes the City of Millbrae, will increase its population by 70%, from 98,000 households in 2015 to 166,000 households in 2050.

To accommodate the projected growth, cities and counties throughout the State are updating their housing elements every eight years to accommodate the regional housing need assessment (RHNA) allocation for the upcoming cycle. The County and the cities in San Mateo County are currently in the process of updating their Housing Elements to be consistent with

³ https://data.census.gov/profile/Millbrae_city,_California?g=160XX00US0647486

⁴ City of Millbrae Draft Housing element

the RHNA allocations. The Housing Element is a required component of a city’s or county’s General Plan, and the RHNA allocations for each cycle may require an update to zoning ordinances to demonstrate plans to meet the community’s housing needs. The housing element empowers the City to address constraints that limit more productive housing construction, including amending zoning policies, development impact, and permitting fee processes.

Although the City of Millbrae did not meet its housing goals during the 5th RHNA cycle, meeting only 67 percent of its target (see table below), the City had several successes including:

- Issuing 447 building permits
- Adopting the updated Millbrae Station Area Specific Plan, which zoned for potential development of 1,750 units near transit
- Approving the Gateway at Millbrae Station project, which includes 400 new housing units, of which 100 are affordable
- Approving the Millbrae Serra Station Transit Oriented Development, which includes 488 units, of which 73 are affordable
- Updating the Millbrae 2040 General Plan
- Updating the Downtown and El Camino Real Specific Plan, which plans for 3,130 units and hotel, office, commercial and restaurant development.

The City expects that the planning efforts it undertook during the 5th RHNA cycle will prepare it to exceed the mandate of the 6th RHNA cycle. In addition to the 1,700 entitled proposed projects and potential creation of 112 accessory dwelling units, the City has identified over 2,000 sites that are available for housing production at a variety of income levels. The City Council adopted the Housing Element on February 27, 2024, and it was certified by HCD on March 1, 2024.

City of Millbrae Regional Housing Need Assessment (RHNA) allocation

Income Category	RHNA 2015-2023 (5 th Cycle)	Permits Issued 2014-2022	RHNA 2023-2031 (6 th Cycle)	Proposal for 2023-2031
Very low (0-50% Area Median Income [AMI])	193	37 (19%)	575	672 (117%)
Low (51-80% AMI)	101	66 (65%)	331	390 (118%)
Moderate (81-120% AMI)	112	32 (29%)	361	464 (120%)
Above moderate (Over 120% AMI)	257	312 (121%)	932	2,335 (1,151%)
Total	663	447 (67%)	2,199	3,861 (+76%)

- b) Will the population changes have an impact on the subject agency’s service needs and demands?

The City of Millbrae is making accommodations to incur a nearly 45% increase in its housing stock over the next eight years. The City’s 2040 General Plan, which includes the specific plans and development projects described above, was updated and adopted by the City in 2022. The Environmental Impact Report for the General Plan did not identify any significant impacts to the City’s ability to deliver municipal services to the residents and businesses of Millbrae.

However, the City’s 2020 Urban Water Management Plan, which forecasts water demand and availability through 2045, projects that the City’s population will increase to over 27,000 residents and that water demand in 2045 will exceed the available water supply. Despite a decrease in the average annual water demand over the past several years due to the successful implementation of water conservation measures, the UWMP projects that the annual water demand will be 1,170 million gallons (MG), whereas the annual water supply from the San Francisco Public Utilities Commission (SFPUC) will be 1,150 MG. The shortage would be exacerbated by a single dry year, resulting in a shortage of as much as 635 MG annually.

The City of Millbrae has an adopted a Water Shortage Contingency Plan (WSCP), which was updated alongside the 2020 UWMP. The WSCP outlines a six-stage approach to reducing water demand during times of water shortage. In addition, the City uses recycled water from the Water Pollution Control Plant operated by the City. Recycled water usage is currently limited to onsite activities, but the City has identified opportunities for additional recycled water usage that may supplement water supply in future years.

Annual Water Supply and Demand Comparison (Million Gallons)

	2025	2035	2045
Normal year supply			
Supply	1,150	1,150	1,150
Demand	835	896	1,170
Difference	315	251	-20
Dry year supply			
Supply	533	569	635
Demand	835	896	1,170
Difference	-302	-327	-535

c) Will projected growth require a change in the agency’s service boundary?

The projected growth will occur within the City’s boundaries and will not require a change in the City of Millbrae’s service boundary.

Growth and Population MSR Determination

As of 2020, the City of Millbrae is home to 23,216 residents and 8,679 housing units. The City’s adopted Housing Element proposes to increase its housing stock by 22% over the next eight years. The City’s 2020 Urban Water Management Plan, which forecasts water demand and availability through 2045, projects that the City’s population will increase to over 27,000 residents and that water demand in 2045 will exceed the available water supply.

Recommendations:

LAFCo encourages the City to update the Urban Water Management Plan to align with the projected development in the City’s adopted Housing Element.

2) Disadvantaged Unincorporated Communities

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?	X		
b) Are there any “inhabited unincorporated communities” within or adjacent to the subject agency’s sphere of influence that are considered “disadvantaged” (80% or less of the statewide median household income)?			X
c) If “yes” to both a) and b), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community (if “no” to either a) or b), this question may be skipped)?			X

Discussion:

a) Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?

The City of Millbrae provides public services related to sewers, municipal and industrial water to its residents and contracts with the Central County Fire Department for structural fire protection.

b) Are there any inhabited unincorporated communities within or adjacent to the subject agency’s sphere of influence that are considered disadvantaged (80% or less of the statewide median household income)?

There are no disadvantaged unincorporated communities within the City of Millbrae’s SOI. The areas located within the SOI of the City include uninhabited, vacant lands adjacent to Highway 101 and Capuchino High School. The City of Millbrae already provides water and sewer services to Capuchino High School.

c) If yes to both, is it feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community?

Not applicable.

Disadvantaged Unincorporated Communities MSR Determination

The City’s sphere and municipal boundaries are nearly contiguous with the exception of the San Francisco International Airport Lands located along the City’s eastern border and west of Highway 101. Although Capuchino High School site is part of the City of San Bruno it is surrounded by the City of Millbrae. There are no disadvantaged unincorporated communities within the City’s SOI.

3) Capacity and Adequacy of Public Facilities and Services

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.	Yes	Maybe	No
a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?			X
b) Are there any issues regarding the agency’s capacity to meet the service demand of reasonably foreseeable future growth?		X	
c) Are there any concerns regarding public services provided by the agency being considered adequate?			X
d) Are there any significant infrastructure needs or deficiencies to be addressed?		X	
e) Are there changes in state regulations on the horizon that will require significant facility and/or infrastructure upgrades?		X	
f) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency’s sphere of influence?			X

Discussion:

Water⁵

The City of Millbrae Public Works Department distributes water purchased from the San Francisco Public Utilities Commission (SFPUC) to its residents and commercial customers. The City’s 2020 UWMP reported that Millbrae has reduced its water demand and usage over the past decade. In 2020, Millbrae’s annual water demand was approximately 685 MG, well under the annual guaranteed supply of 1,150 MG annually. Based on population projections, water demand is projected to rise to 1,170 MG by 2045, which would exceed the guaranteed supply by 1.7%. Demand projections take into account conservation measures such as updated building codes, education and outreach, high efficiency water fixture rebates, water loss control program, and more.

The City’s Water Shortage Contingency Plan outlines a six-stage approach to reducing water demand during times of water shortage. On July 25, 2023 the City rescinded the State’s 2022 Executive Order to enact water shortage actions and implemented Stage 1 of its Water Contingency Plan. The City is currently under Stage 1 of the WSCP, which calls for voluntary usage reductions and implementation of conservation measures.

In 2017, the City adopted a Water Financial Plan and Rate Study conducted by Bartle Wells Associates. Prior to Study adoption, rates had not been increased in two years, and the water utility fund was operating at a deficit and drawing down its reserve fund. The Study noted that the City’s water rates for a typical single-family home were among the lowest in the County and recommended annual rate increases over five years that would bring water rates in the upper range compared to neighboring agencies and help recover the rising cost associated with purchasing water from SFPUC and ongoing operations and maintenance. The City paused the annual rate increases scheduled for Fiscal Year 2020 and Fiscal Year 2021 to alleviate the financial burden its residents faced during the COVID-19 pandemic. The City is in the process of reviewing the water rates and will be conducting an updated water rate study in early 2025.

City of Millbrae Water Rates⁶

	Effective Dates		
	July 1, 2019	July 1, 2023	July 1, 2024
Fixed monthly service charge			
3/4"	\$25.00	\$28.40	\$30.00
1"	\$31.25	\$35.50	\$37.50
1.5"	\$62.50	\$71.00	\$75.00
2"	\$100.00	\$113.60	\$120.00
3"	\$187.50	\$213.00	\$225.00
4"	\$312.50	\$355.00	\$375.00
6"	\$625.00	\$710.00	\$750.00
8"	\$1,000.00	\$1,136.00	\$1,200.00

⁵ 2020 Urban Water Management Plan

⁶ <https://www.ci.millbrae.ca.us/400/Water-Sewer-Service>

10"	\$1437.50	\$1,633.00	\$1,725.00
Quantity charge (billed per hundred cubic feet of metered water use)			
All water use	\$10.40	\$12.00	\$12.80

The Water Utility Fund’s sole revenue source is from water fees collected from customers. The City estimated the Water Utility Fund will earn approximately \$11.97M in FY 24-25 and dedicated \$9.42M towards CIP projects during the fiscal year, including the Broadway Water Main Replacement, water main replacements on Ahwahnee Drive and Vista Grande, among other streets.

Sanitary Sewer Services

Sanitary sewer services are provided by the City of Millbrae Public Works Department. The City’s sanitary sewer collection system consists of 55 miles of gravity sewers, 1,600 manholes and 22 miles of publicly owned lower laterals⁷. The City also owns and maintains a wastewater treatment plant. The City of Millbrae is the only user of this facility.

The sanitary system has two Enterprise funds to support operations. The first is the Sanitation Fund, which receives revenue through fees collected by customers. Sanitation Sewer Enterprise fund operations and maintenance associated with treatment and collection of wastewater, the Water Pollution Control Plant and pre-treatment. It is anticipated that the Sewer Fund will bring in \$15.89M and expend \$28.93M in FY 2024-25. A fund balance of \$15 million is anticipated to address the \$13.04M deficit for this Enterprise Fund. At the end of the fiscal year, the Enterprise Fund will be reduced to \$2 million.

City of Millbrae Sewer Rates (Residential)⁸

	Effective Dates				
	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2025
Fixed monthly service charge					
Per Account or Dwelling Unit	\$62.43	\$66.18	\$70.15	\$74.36	\$78.82
Universal Life Support ⁹	\$46.82	\$49.64	\$52.61	\$55.77	\$59.12
Quantity charge (billed per hundred cubic feet of metered water use)					
All water use	\$6.62	\$6.62	\$7.01	\$7.43	\$7.87

The second Enterprise Fund is the Sewer Modernization Program, which is funded by Clean Bay Charges collected from sewer customers. The Sewer Modernization Program was formed in 2011 in response to a Consent Decree from San Francisco Baykeeper¹⁰. In the 2000s and early 2010s, the City’s sewer system was in significant need of repair and rehabilitation, and the system was susceptible to sanitary sewer overflows (SSOs)¹¹. In 2011, the City entered into a

⁷ SSMP 2018

⁸ <https://www.ci.millbrae.ca.us/400/Water-Sewer-Service>

⁹ Describe Universal Life Support subsidized program

¹⁰ describe

¹¹ <https://www.ci.millbrae.ca.us/331/Sewer-Modernization-Program>

Consent Decree with San Francisco BayKeeper that required Millbrae to reduce the number of SSOs by November 2018. The City successfully reduced the number of SSOs by the deadline.

Clean Bay Charges for the City’s Sewer Modernization Fund¹²

	Effective July 1, 2020
Single Family Charge per Dwelling Unit	\$23.71
Multi-Family Charge per Dwelling Unit	\$14.23
Quantity Charge (\$/ccf)	\$3.89
Min. Monthly Charge	\$14.23

The sanitary sewer capital improvement projects for FY 2023-24 include the Arroyo Seco Storm Drain Bypass project, annual sewer main replacements at various locations, the bi-annual flow monitoring program, and sewer capacity upgrades at Murchison Avenue, Richmond Drive and Anita Drive.

Storm Drain and Flood Control¹³

The City Public Works Water Pollution Control Division operates and maintains the City’s storm drain infrastructure and implements programs to remove and prevent pollutants from entering the San Francisco Bay, and programs to address issues related to sea level rise. The Storm Drain Fund supports the administration, maintenance, and improvements of the City’s storm drains.

The City’s 2018 Storm Drain Master Plan noted that the City’s storm drain system is not equipped to handle 100-year, 24-hour storms and that significant SSOs would be expected under those conditions. The Plan recommended Tier 1, 2 and 3 improvements, where Tiers 1 and 2 prioritized projects where flood hazard risk is more significant. The City has completed storm drain improvements in Landing Lane Bowl and at several locations along Hillcrest and Tioga Drive and continues to prioritize funding toward the Tier 1 improvements. LAFCo staff is unaware of any proposed updates to the Master Plan.

The storm drain fund receives fees that are collected as part of property tax, but those fees are insufficient to meet program needs. As a result, transfers from the City’s General Fund have been made to support storm drain and flood control operations and capital improvements. The City has allocated funding in FY 2023-24 for several storm CIP projects at the Arroyo Seco/Vista Grande Vista Grande Bypass project and the Tioga/Helen/Geraldine Drive Storm Drain project and GIS mapping of the stormwater system.

Streets and Sidewalks

The Millbrae Public Works Department maintains street pavement, sidewalks, traffic signs and signals, street lights and pavement marking. As of 2022, the City’s pavement condition index, as reported by ABAG,¹⁴ is considered “at risk” with a score of 55 out of a maximum score of 100.

¹² <https://www.ci.millbrae.ca.us/400/Water-Sewer-Service>

¹³ FY 23-24 budget

¹⁴ Describe

The City has an Annual Pavement Maintenance Program, as well as a Sidewalk Maintenance Program to replace damaged or broken sidewalks and pavement. The City has allocated \$2.32M in CIP funding for street and sidewalk projects and is applying for funding to support additional pavement maintenance as part of the State SB1 Local Streets and Road Program.

Police^{15, 16}

Since 2012, the San Mateo County Sheriff's Office operates, via contract with the City, the Millbrae Police Bureau. The Police budget for FY 2024-25 is \$10.58M. Contracted police services include a County Sheriff Captain who provides administration and oversight of the department, two deputies, and a supervising sergeant available 24 hours a day, seven days a week. In addition, the Sheriff's Office provides staffing for traffic enforcement, investigative services, records, administration and school resources, and community policing. Per the contract with the Sheriff's Office, there are 21.45 full-time employees assigned to the City of Millbrae. Per the City, the City and the County Sheriff's Department maintain a collaborative partnership and relationship.

Fire Protection^{17, 18}

Since 2014, fire protection services are provided to the City of Millbrae via a contract with the Central County Fire Department (CCFD), a JPA between the City of Burlingame and Town of Hillsborough. CCFD operates two stations in the City of Millbrae. Fire Station 37, located at 511 Magnolia Ave, was built in 1956 and upgraded in 1997 to meet seismic standards. According to the Community Risk Assessment/Standards of Cover & Deployment Analysis published by CCFD in March 2023, Fire Station 37 is in Poor condition. Fire Station 38, located at 785 Crestview Drive, was built in 1974 and is in Fair condition. Two fire engines are assigned in the City of Millbrae at Fire Stations 37 and 38. CCFD recently was awarded a SAFER grant to hire 12 additional Firefighters that will increase truck staffing from three Firefighters to four Firefighters and re-open Station 36 (the current administration location). Station 36 is located at 1399 Rollins Road and was closed in 2008. Station 36, when open, will help increase Millbrae's Station 37 reliability and will increase the service level to Millbrae as the next closest fire apparatus.

Millbrae is responsible for approximately 30% of the CCFD operational budget. In FY 2024-25, the City budgeted \$12.63M.

In FY 2021-22, CCFD responded to 2,707 calls from the City of Millbrae, representing 32.5% of all calls that fiscal year. On average, CCFD arrived on a structure fire scene within six minutes of dispatch over 80% of the time and responds to priority 1 (emergency) calls in under five minutes and thirty seconds. The CCFD received an ISO rating of 2 in 2023.

¹⁵ <https://www.ci.millbrae.ca.us/370/San-Mateo-County-Sheriffs-Office>

¹⁶ FY 23-24 budget

¹⁷ Central County Fire Department FY 23-24 Budget

¹⁸ Central County Fire Department, Community Risk Assessment/Standards of Cover & Deployment Analysis, March 2023, <https://ccfd.org/wp-content/uploads/2023/07/Central-County-FD-CRA-SOC-Study-FINAL-2023-0327-optimized.pdf>

CCFD Systemwide performance

	FY 18-19	FY 19-20	FY 20-21	FY 21-22	Est. FY 22-23*
Total calls for service	7,493	7,410	7,004	8,328	4,774
Medical responses	4,548	4,486	4,314	5,141	3,014
Fire suppression responses	144	116	156	153	96
Hazardous conditions responses	214	225	169	238	114
Training hours completed	7,168	18,122	20,491	12,294	4,017
% of time fire engine arrives on structure fire scene within 6 min of dispatch	100%	83%	86%	73%	76%
Avg. response time for all calls	6:59	5:17	5:43	5:32	5:29
Avg. response time for priority 1 calls (emergency)	6:59	5:02	5:30	5:18	5:21
Average response time for priority 3 calls (non-emergency)	6:59	6:21	6:37	6:38	6:08

* FY 22-23 YTD data collected as of March 9, 2023

The Community Risk Assessment/Standards of Cover & Deployment Analysis examined the department's response performance, operations, facilities and apparatus, organizational structure, governance and mutual cooperation. The Assessment made several systemwide recommendations and noted several observations regarding the City of Millbrae, including the lack of representation from the City on the Board, and that Fire Station 37 in the City of Millbrae has historically incurred most of the service demand within the service area. City staff report that they will be considering becoming a member of the CCFD JPA.

Parks and Recreation¹⁹

The City provides parks and recreation services for Millbrae residents. The Recreation Department operates the Millbrae Recreation Center, the Millbrae Community Youth Center, the Millbrae Library, City Hall Council Chambers, Central Park picnic sites and the David J Chetcuti Community Room. In addition, the Department maintains six playgrounds, nine picnic areas, one skate park and one dog park. All athletic fields are owned by the Millbrae school district and managed by the Recreation Department. The Department provides a variety of programs to Millbrae residents, including adult sports, middle and elementary school sports, senior programs and summer camps.

The City's Recreation Department was significantly impacted by the COVID-19 pandemic due to low program participation and facility use. However, following the June 2022 opening of the Millbrae Recreation Center, located at 477 Lincoln Circle, revenue for the Department has increased substantially. Between FY 2022 and FY 2023, the City saw a 137% increase in senior classes, a 20% increase in summer camp participation, a 39% increase in elementary and middle school sports participation, a 133% increase in adult sports participation and a 309% increase in rental revenue.

¹⁹ City of Millbrae FY 23-24 Budget

Library^{20, 21}

The Millbrae Library is located at 1 Library Avenue in Millbrae’s municipal complex. As a member of the San Mateo County Libraries, the Millbrae Library serves residents throughout the City, mainlining 500,000 volumes and circulating 3.3M items per year. The Millbrae Library offers a variety of services, including access to public computers, printers, copy machines, Wi-Fi and study rooms. The Library’s roof needs to be re-roofed, as it has reached its end of useful life, and the City has programmed \$150,000 in the FY 24-25 CIP to complete the roof replacement.

Since 1976, the Friends of the Millbrae Library, a non-profit organization, provides support, programming and funding for the Millbrae Library. The non-profit funds events such as the Annual Open House, the Mid-Autumn Festival, and the Tricycle Music Fest and provides support to learning programs²².

Contract Services

Animal Control

Twenty cities in San Mateo County, including the City of Millbrae, contract with the County to operate a countywide animal control program. The County contracts with the Peninsula Humane Society & SPCA to enforce all animal control laws, shelter homeless animals, and to provide a variety of other related services.

Garbage/solid waste/recycling/composting

The City of Millbrae contracts with the South San Francisco Scavenger Company to collect and dispose non-recyclable garbage, recyclables, and yard trimmings along with food scraps once a week. Rates are adjusted annually in accordance with the franchise agreement with the City.

South San Francisco Scavenger Fees for Millbrae Residential Services

Residential Rates*	Monthly Rate	Quarterly Rate (invoice Amount)
20 Gallon	\$28.68	\$86.04
32 Gallon	\$45.92	\$137.76
64 Gallon	\$91.86	\$275.58
96 Gallon	\$137.77	\$413.31

*Rates as of November 2024, available on South San Francisco Scavenger web page

²⁰ <https://smcl.org/jpa-governing-board/>

²¹ <https://citylibrary.com/public-libraries/millbrae-library/>

²² <https://www.millbraelibraryfriends.org/>

- a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?

LAFCo staff has not identified any deficiencies to meet the needs of existing development within the City of Millbrae.

- b) Are there any issues regarding the agency’s capacity to meet the service demand of reasonably foreseeable future growth?

The City of Millbrae is planning for additional growth over the next eight years and expects to have sufficient water supply during non-drought years and resources to fund sewer, police, fire and emergency response services, as well as administrative services to support administrative and some public works functions.

- c) Are there any concerns regarding the adequacy of public services provided by the agency?

LAFCo staff does not have any concerns regarding the adequacy of the public services being delivered by the City of Millbrae to its residents and businesses.

- d) Are there any significant infrastructure needs or deficiencies to be addressed?

The City continues to implement capital improvements to road, sewer and water systems, and building and park improvements with allocations to capital improvement funds for projects.

- e) Are there changes in state regulations on the horizon that will require significant facility and/or infrastructure upgrades?

The City anticipates that the state may change discharge requirements from the wastewater treatment plant. This may result in improvements to the wastewater treatment plant including the installation of a new filter system.

- f) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency’s sphere of influence?

Not applicable.

Capacity and Adequacy of Public Facilities and Services MSR Determination

LAFCo is not aware of any deficiencies in agency capacity to meet existing service needs for which the agency does not have a plan in place to resolve. The City is anticipated to be able to meet most service demands of foreseeable growth with project infrastructure improvements and other mitigation measures.

Recommendations:

2. The City’s UMWP was last updated in 2020. The City should align the growth projections in the UMWP with the RHNA growth projections and the 2023-2031 Housing Element in its next UMWP update.
3. LAFCo encourages the City to continue to review potential revenue increases or the creation of a dedicated revenue source for stormwater projects.
4. LAFCo encourages the City to continue to work with Central County Fire, the City of Burlingame and the Town of Hillsborough regarding the implementation of recommendations from the Community Risk Assessment/Standards of Cover & Deployment Analysis

4) Financial Ability

Financial ability of agencies to provide service	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the organization routinely engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, failing to commission independent audits, or adopting its budget late?			X
b) Is the organization lacking adequate reserve to protect against unexpected events or upcoming significant costs?			X
c) Is the organization’s rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?		X	
d) Is the organization unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?		X	
e) Is the organization lacking financial policies that ensure its continued financial accountability and stability?			X
f) Is the organization’s debt at an unmanageable level?			X

Discussion:

- a) Does the City routinely engage in budgeting practices that may indicate poor financial management such as overspending its revenue, failing to commission independent audits, or adopted its budget late?

LAFCo staff has not identified any issues with the City’s budgeting practices. The City of Millbrae prepares an annual operating and Capital Improvement Program (CIP) budget for the upcoming fiscal year that gets adopted by the City Council at a noticed public hearing before June 30th.

The City of Millbrae engages in annual budget process to develop its annual budget. At the start of the calendar year, City staff review mid-year actuals for the current fiscal year and works with the Finance team to prepare estimates for the following year. City Council also holds a goal setting session to identify priorities for the following year. In April, the City holds study sessions on the draft budget to finalize a budget proposal that aligns with Council priorities. In May and June, the draft budget is proposed to City Council and the final budget is adopted prior to the beginning of the fiscal year.

The City’s largest portions of revenue for the General Fund are Property Tax, Transit Occupancy Tax, Sales Tax, and Franchise Taxes.

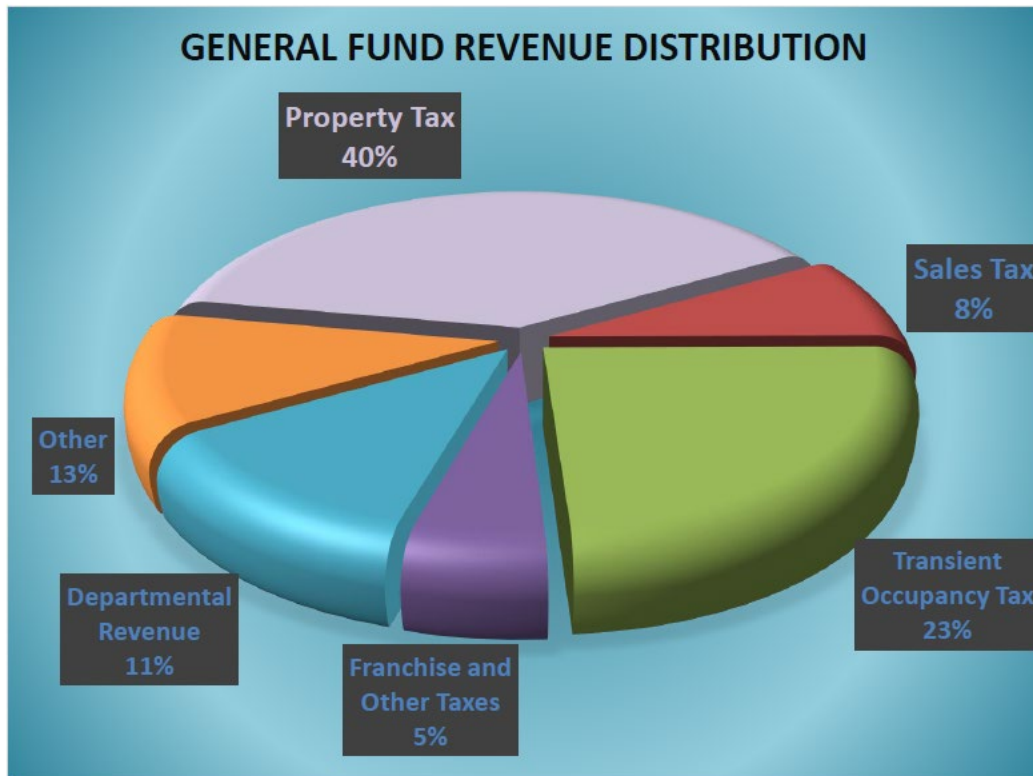


Figure 1 - City of Millbrae General Fund Revenues FY 2024-25 (Source - City of Millbrae)

City of Millbrae Budget FY2020-2025

	FY20-21 (Actuals)	FY21-22 (Actuals)	FY22-23 (Actuals)	FY23-24 (Estimated Actuals)	FY24-25 (Projected)
	In \$1,000s				
Revenues					
Property Tax	12,676	13,228	16,357	15,823	15,776
Sales Tax	2,621	3,384	3,335	3,395	3,323
Hotel/Motel Tax (TOT)	2,278	4,893	7,960	9,600	9,565
Franchise Tax	1,123	1,264	1,318	1,389	1,513
Other Taxes	606	837	797	711	741
Licenses and Permits	2,186	841	3,497	1,792	2,952
Charges for Services	1,164	1,397	2,085	1,963	1,822
Fines and Forfeitures	929	1,261	884	843	956
Use of Money	-101	-1,390	1,723	1,555	1,689
Grants/Intergovernmental	4,114	3,092	257	195	165
Other Revenue	2,292	2,416	2,376	2,768	2,636
Total Revenue	29,887	31,224	40,595	40,035	41,140
Expenditures					
General Government	4,222	4,689	5,602	5,865	5,212
Police	7,595		8,968	9,845	10,582
Fire	9,287		10,572	10,778	12,117
Public Works	2,412	2,692	3,362	6,101	4,279
Parks	1,310	2,294	2,012	2,674	2,411
Community Development	2,632	3,283	3,702	3,458	4,187
Total Expenditures	28,139	31,723	34,662	38,721	38,788
Transfer to other funds	2,424	2,479	2,784	2,241	2,656
Reserve	4,830	5,028	5,483	5,958	6,171
Fund Balance	14,106	13,166	13,826	12,686	12,480
Total Ending Funding Balance	18,936	16,417	19,565	18,654	18,651

The City has noted that sales tax revenue and Transient Occupancy Tax (TOT) now exceeds pre-pandemic levels. However, the City is continuing to practice caution with spending costs. The City has taken a number of steps in recent fiscal years to control spending including:

- A hiring freeze except for critical positions. No new headcount unless approved by the City Council.
- Part time and seasonal employee freeze unless cost recovery.
- A reduction of purchases of vehicles and equipment unless determined essential; extended amortization schedules for additional five years.
- Reduction in IT hardware and software updates.
- General Fund subsidies to Capital Improvement Projects limited to those deemed mandatory, necessary and achievable.
- Discontinuation or significant reduction in reliance on contract services.
- Reduction in spending on upgrades or deferred maintenance on City facilities.

The General Fund has been able to cover budgeted expenditures and the City has projected that the General Fund will continue to cover budgeted expenditures in upcoming years. However, there have been recent cost increases for contracted police and fire services.

Enterprise funds

The City has three Enterprise funds, one each for Sewer, Water, and Storm Drain. In review of budget documents, the Sewer fund consists of two accounts, one for general sanitation costs associated with collection and treatment of wastewater and the other for sewer system modernization.

Sanitation Sewer Fund: The Sanitation Fund includes programs associated with collection and treatment of wastewater from City customers. This includes utility billing, engineering, operations, Water Pollution Control Plant (WPCP), and pretreatment. These costs are funded entirely by collection of fees from customers. In 2018, costs related to the Sewer Modernization Program (previously called the Wet Weather Program) were moved into a separate fund described in the next section. Reserves will be set at a similar rate to the General Fund (15% of operating expenditures and transfers out). This fund mainly supports the Public Works Department. This fund also supports various administration and finance positions as well as a small public safety allocation. Budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance.

Sewer Modernization: In response to a consent decree from Baykeeper requiring the reduction of Sanitary Sewer Overflows (SSO's) from the City's sanitary sewer collection system, the City has initiated a capital improvement program to meet the requirements of this consent decree which is focused on Rainfall Dependent Infiltration and Inflow (RDII or I/I). This program is funded by Clean Bay Charges collected from sewer customers. While these costs are considered a part of the sewer program, the City separates this specific program to assure the specified charges are directed at program needs and associated debt service. For Fiscal Year 2024-2025, many capital projects are included in the Capital Improvement Plan (CIP) including a few large

capital projects (Lower Hillcrest Subbasin 4 South Sewer Replacement, Sludge Thickener and Digester 2 Rehabilitation, Nearshore Outfall, and the City SCADA Upgrade Project).

The combined total revenue for the two Sewer funds for FY 2024-25 is projected to be \$15,891,000 and expenditures are \$28,930,000. Fund balance is proposed to be reduced to fund on-going capital projects. Per City staff, revenue for the two sewer funds is sufficient to cover operation and maintenance activities.

Water Utility: The Water Utility Fund includes programs associated with distribution of water to City customers. This includes utility billing, engineering, operations, and water conservation. These costs are funded entirely by collection of fees from customers. For Fiscal Year 2024-2025, a few capital projects are included in the Capital Improvement Plan (CIP) including Millbrae Downtown Specific Plan Improvement and the Highline – Hillsborough Water Transmission Main. Reserves are set at the same rate as the General Fund (15% of operating expenditures and transfers out.) This fund mainly supports the Public Works department. Total revenue for water fund is projected to be \$13,211,000 in FY24-25, with expenditures expected to be \$17,015,000. Fund balance is proposed to be used to fund on-going capital projects. Per City staff, revenue for the two sewer funds is sufficient to cover operation and maintenance activities. However, budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance.

Storm drain: The Storm Drain Fund is used to account for the administration, maintenance, and improvements of the City's Storm Drains. The storm drain fund receives fees that are collected as part of property tax, but those fees are insufficient to meet program needs, which is similar to several cities that LAFCo has recently conducted MSRs for. Transfers from the General Fund are made to support operations and capital programs in this Fund. For Fiscal Year 2024-2025, a few capital projects are included in the Capital Improvement Plan (CIP), including the Helen Drive Stormwater Subbasin Improvements, Landing Lane Trash Capture Devices Project and the Anita Drive Drainage Subbasin Stormwater Study. Total revenue for stormwater fund is projected to be \$1,452,000 in FY24-25, with expenditures expected to be \$1,460,000. The majority of this revenue is a \$1,152,000 transfer of funds from the General Fund. To address the revenue shortfall, fund balance is proposed to be used. The current CIP notes that there are \$45 million in unfunded stormwater projects compared to just \$1 million in funded projects.

Fire Assessment Fee

Since 2004, the City of Millbrae has maintained a Fire Assessment to fund fire services. The assessment has been renewed in 2009 and 2014, and was scheduled for a reauthorization at a higher rate in the spring of 2024. The rate would have been \$299 per single family home which would have run in perpetuity. However, this reauthorization did not pass. The City amended the proposed fire assessment with a lower rate of \$199 and set the duration of the assessment to 10 years. This assessment passed in June of 2024.

Internal Service Funds

The City has several internal funds, include garage operations for costs associated with maintenance of City vehicles and similar equipment, a vehicle replacement fund, workers compensation fund, insurance, unemployment, and OPEB funds.

CalPERS Increases:

The City’s share of the “normal” retirement rate increased from 16.87% of payroll to 16.94% of payroll for Classic Employees. Employees pay 5.5% of the employer’s cost. The Unfunded Actuarial Liability (UAL) for the City Miscellaneous employees increased from \$2.5 million to \$2.9 million. The UAL portion is allocated to each department based on employee PERS costs.

The transfer to the General Liability Insurance Internal Service Fund has been updated to current rates. Transfers to the Workers Compensation Fund and Unemployment Fund have sufficient balances and will not receive an allocation this year. Staff expect to monitor these Internal Service Funds in future years and restart funding for these funds.

b) Is the organization lacking adequate reserves to protect against unexpected events or upcoming significant costs?

According to the City’s FY 2024-25 Budget, the City’s Reserve fund will be funded at 15% of budgeted expenditures and transfers out and all uses of the reserve must be approved by City Council and repaid to the Reserve over period to be determined by Council at the time of approval. It is not clear to LAFCo staff whether the City has an adopted a reserve policy.

c) Is the City’s rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?

LAFCo is not aware of any challenges to raising fees for the City. However, in review of the budgets for the sewer, water, and storm drain funds, each fund has a shortfall in revenue. While fund balance is projected to be utilized to address these shortfalls for each fund, based on publicly available data it is unclear to LAFCo if these funds will have sufficient fund balance and revenue in future years with service change increases or reduced expenditures.

d) Is the agency unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?

The City of Millbrae’s Five Year Capital Improvement Plan (CIP) is normally developed and updated with funding allocated every two years. Per the City FY 2024-25 Budget document, despite increases in revenue for impact fees, the CIP remains largely limited to and focused on preservation and maintenance of capital assets, transportation and utility infrastructure, and operations. The budget document also states that the City will continue to face challenges in finding the resources to build and maintain its capital infrastructure. It is noted that the City will review moving back to a biennial (two-year) budget as revenues and expenditures begin to stabilize.

e) Is the agency lacking financial policies that ensure its continued financial accountability and stability?

Long-term financial planning includes a focus on transit-oriented development, investment in bringing in retail and diversification of revenue sources, including attracting biotech to the City. In addition, the City collects impact fees and focuses on risk management, cash flow management, and Pension and OPEB.

f) Is the agency's debt at an unmanageable level?

As of June 30, 2022, Millbrae's debt amount subject to the limit was \$8,033,053, approximately 3.40% of the overall legal debt limit. The City is currently making payments on several bonds including a Pension Obligation Bond, General Obligation Refunding Bond associated with the Millbrae Public Library Project, Wastewater Revenue Bond, and a Wastewater Revenue Bond. Total outstanding debt is \$52 million.

The city continues to prepay in full the UAL (Unfunded Actuarial Liability) in July of each Fiscal Year, saving on interest with the pre-payments. The city plans to continue to pre-pay the UAL in the future to continue to save on interest costs.

Financial Ability MSR Determination

LAFCo staff has not identified any issues with the City's budgeting practices in regards to process. The City of Millbrae prepares an annual operating and capital improvement program (CIP) budget for the upcoming fiscal year that gets adopted by the City Council at a noticed public hearing before June 30th. The City also produces an Annual Comprehensive Financial Report (ACFR) that is reviewed by City Council.

The General Fund has been able to cover budgeted expenditures and the City has projected that the General Fund will continue to cover budgeted expenditures in upcoming years. However, the City has had to implement several cost saving measures including a hiring freeze and deferred maintenance to City facilities.

The City has three main enterprise funds, for Sewer, Water, and Storm Drain. Each one of these funds for FY 2024-25 is proposing to use fund balance to provide funding for on-going capital projects. The Water and Sewer funds have sufficient revenue to fund operational and maintenance expenditures. Budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance.

Recommendations:

5. LAFCo encourages the City to continue to review potential revenue increases for stormwater projects.
6. LAFCo encourages the City to develop projections for the Sewer, Water, and Storm Drain enterprise funds to provide the City a more complete assessment of these funds. These projections can be used in conjunction with the Capital Improvement Program to help the City to allocate appropriate resources to infrastructure projects.
7. In future budget documents, the City should explore including a detailed breakdown of capital improvement costs versus operation and maintenance expenses for each enterprise fund. This would better illustrate what are ongoing versus one-time costs for each fund.

5) Shared Service and Facilities

Status of, and opportunities for, shared facilities	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Is the agency currently sharing services or facilities with other organizations? If so, describe the status of such efforts.	X		
b) Are there any opportunities for the organization to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?			X
c) Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?		X	

a) Is the agency currently sharing services or facilities with other organizations?

Police protection services: The City contracts with the County Sheriff’s Office to operate the Millbrae Police Bureau.

Fire protection services: The City contracts with the Central County Fire Department to provide fire protection services.

Risk management: The City of Millbrae participates in a Joint Power Agreement (JPA) with other San Mateo County cities to provide excess insurance coverage. Excess coverage provided by the JPA covers claims in excess of \$300,000 for workers’ compensation claims and \$100,000 for general liability.

Solid waste: The City has a franchise agreement with South San Francisco Scavenger Company to provide solid waste removal services.

Animal control: Along with nineteen other cities in San Mateo County, the City of Millbrae contracts with the County to operate a countywide animal control program. The County contracts with the Peninsula Humane Society and SPCA to enforce all animal control laws, shelter homeless animals and to provide a variety of other related services.

Legal services: Legal services are provided by consultants.

b) Are there any opportunities for the organization to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?

LAFCo staff has not identified other opportunities that the City could engage in to share costs and/or reduce duplication of resources, facilities or infrastructure.

- c) Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?

As noted in the Community Risk Assessment/Standards of Cover & Deployment Analysis for the Central County Fire Department, the City of Millbrae is not a member agency of the JPA. LAFCo is not aware of efforts for the City to become a member agency, but the City may want to explore potential benefits of doing so.

Shared Services MSR Determination

The City of Millbrae partners with several agencies to share resources and reduce costs.

Recommendations:

- 8. LAFCo encourages the City to review potential options regarding fire service, including becoming a member of the Central County Fire Department JPA.

6) Accountability, Structure and Efficiencies

Accountability for community service needs, including governmental structure and operational efficiencies	Yes	Maybe	No
a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?			X
b) Are there any issues with staff turnover or operational efficiencies?			X
c) Is there a lack of regular audits, adopted budgets and public access to these documents?			X
d) Are there any recommended changes to the organization’s governance structure that will increase accountability and efficiency?			X
e) Are there any governance restructure options to enhance services and/or eliminate deficiencies or redundancies?			X
f) Are there any opportunities to eliminate overlapping boundaries that confuse the public, cause service inefficiencies, unnecessarily increase the cost of infrastructure, exacerbate rate issues and/or undermine good planning practices?			X

Discussion:

The City Council is the elected body that oversees all municipal operations, provides policy leadership, and acts as the legislative arm of the City government. Until recently, councilmembers were elected at-large. However, in 2018, a change to the California Voting Rights Act required the City to switch to District elections. The first District elections were held on November 8, 2022 for Districts 2 and 4. District elections for Districts 1, 3 and 5 occurred in November 2024.

Each member of the City Council is provided a stipend in accordance with State law. In addition, Councilmembers and their dependents are eligible for benefits including PERS retirement, health, dental, and vision care coverage.

a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?

The Millbrae City Council meets in person at the Millbrae Council Chambers in City Hall at 621 Magnolia Avenue on the 2nd and 4th Tuesday of every month at 7pm. Regular meetings are also accessible to the public by Zoom and are broadcast live on the Millbrae Community Television Cable Channel 27 or on www.mctv.tv.

Agendas, agenda packets and meeting presentations for 2023 and 2024 are posted to the City website at least 72 hours prior to meeting dates. Video recordings of meetings are published on the City website.

There do not appear to be any issues with public meetings being accessible and well publicized, nor has LAFCo staff identified any issues regarding the City of Millbrae’s compliance with disclosure laws and the Brown Act.

b) Are there issues with staff turnover or operational efficiencies?

Staffing levels have been fairly consistent over the past several fiscal years. The City has implemented a hiring freeze except for critical positions for the FY 2023-24 period. This does not appear to have resulted in any operational deficiencies. The City has stated that they have not experienced extraordinary turnover issues.

c) Is there a lack of regular audits, adopted budgets, and public access to these documents?

The City of Millbrae regularly prepares an annual budget and contracts with an accounting firm to conduct an annual ACFR, both of which are presented to the City Council at a public hearing and are published on the City’s website.

d-f) Changes in governance structure:

LAFCo staff does not recommend any changes to or restructuring options of the City’s governance structure or service boundaries that would increase accountability and efficiencies, enhance services and/or eliminate deficiencies.

Accountability, Structure, and Efficiencies MSR Determination

The City of Millbrae ensures that public meetings are accessible and well-publicized. LAFCo staff is not aware of any failure to comply with disclosure laws or the Brown Act. The City prepares and adopts an annual budget, and annual independent audits are reviewed at City Council meetings. LAFCo staff does not recommend any changes to the City’s governmental structure or operations that will increase accountability and efficiency.

7) Other

Any other matter related to effective or efficient service delivery, as required by commission policy.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any other service delivery issues that can be resolved by the MSR/SOI process?			X
b) Water Resiliency and Climate Change			
i) Does the organization support a governance model that enhances and provides a more robust water supply capacity?	X		
ii) Does the organization support multi-agency collaboration and a governance model that provide risk reduction solutions that address sea level rise and other measures to adapt to climate change?	X		
c) Natural Hazards and Mitigation Planning			
i) Has the agency planned for how natural hazards may impact service delivery?	X		
ii) Does the organization support multi-agency collaboration and a governance model that provides risk reduction for all natural hazards?	X		

a) Other service delivery issues that can be resolved by the MSR/SOI process.

LAFCo staff did not identify any other service delivery issues that can be resolved by the MSR/SOI Update process.

b) Water Resiliency and Climate Change

The City of Millbrae is a partner of One Shoreline, an independent government agency that secures and leverages public and private resources to plan for and build solutions to the climate change impacts of sea level rise, flooding and coastal erosion.

The City has initiatives including implementing the Climate Action Plan (CAP), which includes measures for water and energy conservation, sustainable landscaping, and encouraging sustainable transportation. In 2005, the City’s emissions estimate was at 150,643 metric tons of carbon dioxide. In 2021, Millbrae successfully reduced emissions by 42.7% to 73,815 metric tons of carbon dioxide. This reduction surpassed the 2025 emission reduction target which was to be 32% below the 2005 levels by over 10%. Millbrae has implemented a commercial and residential Green Building Ordinance as well as a Tree Ordinance, both of which will contribute positively to climate change impacts.

c) Natural Hazards and Mitigation Planning

Along with the County and other San Mateo County cities, Millbrae participated in the 2021 Local Hazard Mitigation Plan (LHMP) that assessed hazard vulnerabilities and identified opportunities for mitigation to reduce the level of injury, property damage and community disruption that could occur in manmade and natural disasters.

Other Issues MSR Determination

The City of Millbrae is engaged in activities to address hazard mitigation, wildfire prevention, and sea level rise for City residents and businesses.

Recommendation

9. LAFCo encourages the City of Millbrae to continue its work in the areas of natural hazard mitigation and sea level rise and continue to coordinate with partner agencies.

Section 6. Sphere of Influence Review and Update

Determinations

Government Code Section 56425 requires the Commission to make determinations concerning land use, present and probable need for public facilities and services in the area, capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, and existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. These include the following determinations:

- 1. The present and planned land uses in the area, including agricultural and open space lands.**

The City of Millbrae’s Sphere of Influence includes small portions of unincorporated San Francisco Airport Lands to the northeast of the City’s boundaries and west of Highway 101. Although Capuchino High School is entirely surrounded by the City of Millbrae, it is part of the City of San Bruno. The City’s land use is primarily residential with some open space, office, commercial, and industrial uses. There is no agricultural land within the City’s SOI.

- 2. The present and probable need for public facilities and services in the area.**

The City of Millbrae’s facilities and services meet the needs of its residents and businesses, and the City anticipates that it will be able to provide adequate facilities and services for the anticipated growth within its service area.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The City currently provides adequate public services to its residents, including fire and police protection, water, sanitary sewer, and storm water services. In addition, the City routinely adopts a Capital Improvement Program to fund critical repairs, replacements and improvements to the City’s infrastructure and facilities.

4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

There are no disadvantaged unincorporated communities within the SOI for the City of Millbrae.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

No change to the SOI for the City of Millbrae is proposed at this time.

On the basis of the Municipal Service Review:

Staff has reviewed the agency’s Sphere of Influence and recommends that a SOI Update is NOT NECESSARY in accordance with Government Code Section 56425(g). Therefore, NO CHANGE to the agency’s SOI is recommended and SOI determinations HAVE NOT been made.

Staff has reviewed the agency’s Sphere of Influence and recommends that a SOI Update IS NECESSARY in accordance with Government Code Section 56425(g). Therefore, A CHANGE to the agency’s SOI is recommended and SOI determinations HAVE been made and are included in this MSR/SOI study.

Appendix A. City of Millbrae Fact Sheet

City Manager: Thomas C. Williams

Address: 621 Magnolia Avenue, Millbrae, CA 94030

Email Address: twilliams@ci.millbrae.ca.us

Phone Number: 650-259-2334

Date of Incorporation: January 14, 1948

City Councilmembers:

Councilmember	Term Expiration Date
Gina Papan, District 1	December 2024
Sissy Riley, District 2	December 2026
Ann Schneider, District 3	December 2024
Bob Nguyen, District 4	December 2026
Anders Fung (Mayor), District 5	December 2024

Compensation: Councilmembers receive a stipend of \$345/month and are eligible for benefits including PERS retirement, health, dental and vision coverage for themselves and their dependents

Public Meetings: 2nd and 4th Tuesday of the month at 7:00m in the City Hall Council Chambers

Services Provided: Police, Water, Sanitary Sewer, Stormwater Control, Streets & Sidewalks, Lighting, Parks & Recreation

Agency staff: 97.75 Full time equivalent employees

Area Served: City of Millbrae (3.2 square miles)

Population: 23, 216

Sphere of Influence: Boundaries of 1980 less than Capuchino High School plus San Francisco International Airport lands west of Highway 101.



City Boundary
 Unincorporated Area in City Sphere
LAFCo SPHERE RECOMMENDATION
Detach Capuchino High School from San Bruno and Annex to Millbrae

Source: Esri, DigitalGlobe, GeoEye, Earthstar (United States), CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, GEBCO, Swisstopo, and the GIS User Community

MILLBRAE SPHERE OF INFLUENCE

RESOLUTION NO. 1330

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF SAN MATEO
MAKING DETERMINATIONS PURSUANT TO GOVERNMENT CODE
SECTION 56430 FOR THE CITY OF MILLBRAE**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo, State of California, that:

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, set forth in Government Code Section 56000 et seq., governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Section 56000 et seq.,

WHEREAS, Government Code Section 56425 et seq. requires the Local Agency Formation Commission (LAFCo or Commission) to develop and determine the sphere of influence of each local governmental agency within the County; and

WHEREAS, the Commission conducted a Municipal Service Review pursuant to Government Code Section 56430 for the City of Millbrae;

WHEREAS, the Executive Officer prepared a written report of the Municipal Service Review that was provided to the Commission and affected agencies; and

WHEREAS, the Executive Officer set a public hearing date for November 20, 2024 for the consideration of the final Municipal Service Review and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on November 20, 2024; and

WHEREAS, a public hearing by this Commission was held on the report and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report; and

WHEREAS, the Commission is required pursuant to Government Code Section 56430 to make statement of written determinations with regards to certain factors; and

WHEREAS, the Commission is required pursuant to Government Code Section 56425 and local Commission policy to make statement of written determinations with regards to the following factors:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The City of Millbrae's land use is primarily residential with some open space, office, commercial, and industrial uses. There is no agricultural land within the City's SOI.

2. The present and probable need for public facilities and services in the area.

The City of Millbrae's facilities and services meet the needs of its residents and businesses, and the City anticipates that it will be able to provide adequate facilities and services for the anticipated growth within its service area.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The City currently provides adequate public services to its residents, including fire and police protection, water, sanitary sewer and storm water services. In addition, the City routinely adopts a Capital Improvement Program to fund critical repairs, replacements and improvements to the City's infrastructure and facilities.

4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

There are no disadvantaged unincorporated communities within the SOI for the City of Millbrae.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

No change to the SOI for the City of Millbrae is proposed at this time.

WHEREAS, based on the results of the MSR, staff has determined that the SOI for the City of Millbrae does not need to be updated at this time; and

WHEREAS, the Municipal Service Review is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) under Section 15303, Class 6, which allows for basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. The Municipal Service Review collects data for the purpose of evaluating municipal services provided by an agency. There are no land use changes or environmental impacts created by this study.

The Municipal Service Review also is exempt from CEQA under the section 15061(b)(3), the common-sense provision, which states that CEQA applies only to projects which have the potential for

causing a significant effect on the environment and where it is certain that the activity will have no possible significant effect on the environment, the activity is exempt from CEQA; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of San Mateo DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. By Resolution, the Commission accepts the Executive Officer's Report dated November 20, 2024, Final Municipal Service Review for the City of Millbrae, and all written comments and attachments incorporated herein and contained in attached "Exhibit A."

Section 2. By Motion, the Commission adopts the Municipal Service Review determinations set forth in "Exhibit B" which is attached and hereby incorporated by reference.

Regularly passed and adopted this ___day of__.

Ayes and in favor of said resolution:

Commissioners:

Noes and against said resolution:

Commissioners Absent and/or Abstentions:

Commissioners:

Chair
 Local Agency Formation Commission
 County of San Mateo
 State of California

ATTEST:

Executive Officer
 Local Agency Formation Commission

Date: _____

I certify that this is a true and correct copy of the resolution above set forth.

Date: _____

Clerk to the Commission
 Local Agency Formation Commission

Exhibit B

Municipal Service Review (MSR) Areas of Determination and Recommendations for
the City of Millbrae**Areas of Determinations and Recommendations****Growth and population projections for the affected area.***Determination*

As of 2020, the City of Millbrae is home to 23,216 residents and 8,679 housing units. The City's adopted Housing Element proposes to increase its housing stock by 22% over the next eight years. The City's 2020 Urban Water Management Plan, which forecasts water demand and availability through 2045, projects that the City's population will increase to over 27,000 residents and that water demand in 2045 will exceed the available water supply.

Recommendation

1. LAFCo encourages the City to update the Urban Water Management Plan to align with the projected development in the City's adopted Housing Element.

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI.*Determination*

There are no disadvantaged unincorporated communities within the City's SOI.

*Recommendation: None***Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the SOI.***Determination*

LAFCo is not aware of any deficiencies in agency capacity to meet existing service needs for which the agency does not have a plan in place to resolve. The City is anticipated to be able to meet most service demands of foreseeable growth with project infrastructure improvements and other mitigation measures.

Recommendations

2. The City's UMWP was last updated in 2020. The City should align the growth projections in the UMWP with the RHNA growth projections and the 2023-2031 Housing Element in its next UMWP update.
3. LAFCo encourages the City to continue to review potential revenue increases or the creation of a dedicated revenue source for stormwater projects.
4. LAFCo encourages the City to continue to work with Central County Fire, the City of Burlingame and the Town of Hillsborough regarding the implementation of

recommendations from the Community Risk Assessment/Standards of Cover & Deployment Analysis.

Financial ability of agency to provide services.

Determination

LAFCo staff has not identified any issues with the City’s budgeting practices regarding process. The City of Millbrae prepares an annual operating and Capital Improvement Program (CIP) budget for the upcoming fiscal year that gets adopted by the City Council at a noticed public hearing before June 30th. The City also produces an Annual Comprehensive Financial Report (ACFR) that is reviewed by City Council.

The General Fund has been able to cover budgeted expenditures and the City has projected that the General Fund will continue to cover budgeted expenditures in upcoming years. However, the City has had to implement several cost saving measures including an ongoing hiring freeze for non-critical positions, and deferred maintenance for City facilities.

The City has three main enterprise funds, one each for Sewer, Water, and Storm Drain. Each one of these funds for FY 2024-25 is proposing to use fund balance to support on-going capital projects. The Water and Sewer funds have sufficient revenue to fund operational and maintenance expenditures. Budget documents do not differentiate between expenses for capital projects and for ongoing operations and maintenance.

Recommendations

5. LAFCo encourages the City to continue to review potential revenue increases for stormwater projects.
6. LAFCo encourages the City to develop projections for the Sewer, Water, and Storm Drain enterprise funds to provide the City a more complete assessment of these funds. These projections can be used in conjunction with the Capital Improvement Program to help the City to allocate appropriate resources to infrastructure projects.
7. In future budget documents, the City should explore including a detailed breakdown of capital improvement costs versus operation and maintenance expenses for each enterprise fund. This would better illustrate what are ongoing versus one-time costs for each fund.

Status of, and opportunities for, shared facilities.

Determination

The City of Millbrae partners with several agencies to share resources and reduce costs.

Recommendation

8. LAFCo encourages the City to review potential options regarding fire service, including becoming a member of the Central County Fire Department Joint Powers Agreement.

Accountability for community service needs, including governmental structure and operational efficiencies.

Determination

The City of Millbrae ensures that public meetings are accessible and well-publicized. LAFCo staff is not aware of any failures to comply with disclosure laws or the Brown Act. The City prepares and adopts an annual budget, and annual independent audits are reviewed at a City Council meeting. LAFCo staff does not recommend any changes to the City's governmental structure or operations that will increase accountability and efficiency.

Recommendation: None

Any other matter related to effective or efficient service delivery, as required by LAFCo policy including the following:

i. Water Resiliency and Climate Change

ii. Impact of Natural Hazards and Mitigation Planning

Determination

The City of Millbrae is engaged in activities to address hazard mitigation, wildfire prevention, and sea level rise for City residents and businesses.

Recommendation

9. LAFCo encourages the City to continue its work in the areas of natural hazard mitigation and sea level rise, and continue to coordinate with partner agencies.

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 13, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer

Subject: Broadmoor Police Protection District and LAFCo Initiated Dissolution Process

Background

LAFCos have countywide jurisdiction over changes in organization and boundaries of cities and special districts including annexations, detachments, incorporations, formations and dissolutions. At the May 2024 LAFCo meeting, the Commission directed staff to provide an overview of the LAFCo dissolution process.

As defined by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), a "Dissolution" means the disincorporation, extinguishment, or termination of the existence of a special district and the cessation of all its corporate powers, except as the Commission may otherwise provide pursuant to specific terms and conditions or for the purpose of winding up the affairs of the district.

This item was presented to the Commission at the July 17, 2024, LAFCo meeting. At that meeting the Commission directed staff to continue this item to the November 20, 2024, LAFCo meeting.

Current Status of the Broadmoor Police Protection District

At the May 15, 2024 LAFCo meeting, the Commission adopted a Municipal Service Review (MSR) for the Broadmoor Police Protection District (BPPD). The report highlighted that LAFCo had several areas of concern for BPPD including the fiscal health of the District and the ability to continue to provide police services to residents. BPPD has had significant budget deficits in five of the last six fiscal years for a total loss of \$1.4 million. These budget deficits, and the reduction of fund balance, have now directly impacted the District. BPPD has made dramatic cuts to spending since the start of FY23-24 by eliminating two officer positions, eliminating some per-diem officers and moving other per-diem officers into unpaid volunteer positions. These cuts have lowered the number of sworn officers to 7, a decrease from 9 officers just last year.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: KATHRYN SLATER-CARTER, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
DIANE ESTIPONA, CLERK

In June 2024, the BPPD Commission approved a budget for FY24-25 with a proposed surplus of \$411,639, the first proposed surplus in several years. The District was also projecting a surplus for the FY23-24; however, the projection was only through April 2023.

One of the recommendations in the previous Special Study and in the 2024 MSR was for BPPD to explore both ways to reduce costs and/or enhance revenue. On April 18, 2024, BPPD selected a consulting firm, NBS, to assist the District with developing a budget for this fiscal year, the creation of a long-term financial plan, and research and analysis for a potential tax measure for the upcoming November 2024 election. At their July 9, 2024 meeting, the BPPD Commission will be considering placing a special tax on the November 2024 ballot. Per a BPPD staff report, the measure would be in place for five years and would raise \$700,000 in the first year of the measure if passed.

As of November 12, 2024, the ballot measure is projected to fail, with 57% voting No and 43% voting yes. The measure required 2/3 approval. It not yet known by LAFCo what the short- and long-term fiscal impacts will be to the District without this additional revenue.

LAFCo Dissolution Process

CKH establishes procedures for local government changes of organization, including dissolutions. A dissolution of an active special district may be initiated by either the subject district by resolution, an outside agency (such as a county, city, or school district) by resolution, registered voters or property owners by petition, or by LAFCo by resolution. LAFCo can initiate a dissolution by resolution of a district if the action is consistent with a recommendation or determination documented in municipal service review or sphere of influence update (Government Code Sections 56378, 56425, 56430).

LAFCo must hold a noticed public hearing on the dissolution proposal (56662(b)). The proposal must include a plan service (56653) that includes:

- A list and description of the services currently provided by the subject agency
- The level and range of those services
- An indication of when those services can feasibly be extended to the affected area
- An indication of any improvements or upgrading of structures or other conditions that the successor agency would require
- Information on how those services will be financed

When reviewing the proposal, the Commission shall consider the following factors including, but not limited to:

- Population and density, land area and land use, assessed valuation, proximity to other populated areas, growth projections
- The need for organized community services, the current and projected cost and adequacy of services and controls, and probably effect of the proposed dissolution

- Impact of dissolution on adjacent areas
- The ability of successor agency to provide services to the affected area (56668)

For a LAFCo initiated dissolution, the Commission must make both of the following determinations:

- 1) Public service costs of a proposal that the Commission is authorizing are likely to be less than or substantially similar to the costs of alternative means of providing the service.
- 2) A change of organization or reorganization that is authorized by the commission promotes public access and accountability for community services needs and financial resources. (56881(b))

Within 35 days of approving by resolution a proposal to dissolve a district, LAFCo must schedule a protest hearing date. The protest hearing must occur at least 21 days and no more than 60 days from the date of hearing notice (57002(a)).

Valid, written protests must be received by LAFCo prior to the conclusion of the protest hearing (57051). The Commission shall adopt the proposal to dissolve the district without an election unless there is sufficient protest to order an election.

The threshold to submit the dissolution to a vote for a LAFCo initiated action (57094) is either a minimum of 10% of the registered voters within the district or a minimum of 10% of the number of landowners within the district who also own at least 10% of the assessed value of land within the district.

The threshold to submit the dissolution to a vote for an action not initiated by LAFCo (57092) is either a minimum of 25% of the registered voters within the district or a minimum of 25% of the number of landowners within the district who also own at least 25% of the assessed value of land within the district.

If the protest threshold is met, the Commission shall order an election. If the protest threshold is not met, the Commission shall issue a certificate of completion (57200).

57077.1(c) provides another process. The Section states that if the change of organization consists solely of the dissolution of a district that is consistent with a prior action of the commission pursuant to Section 56378 (studies), 56425 (MSR), or 56430 (SOI), and the proposal was initiated by an affected agency, the Commission, or petition, the dissolution can be approved after holding one public hearing. If there is majority protest then the proceeding is terminated. If there is no majority, then it is approved. There is no election related to this process.

If an election is held and the majority of voters vote against dissolution of the district, the dissolution proposal is terminated, and the Commission must issue a certificate of termination proceedings (57179) within 30 days. Conversely, if the majority of voters vote in favor of the dissolution of the district, dissolution proposal is successful, and the Commission must issue a certificate of completion confirming the order of the dissolution and (57176) within 30 days.

LAFCo Initiated Dissolution Using SB 938

In July 2022, Governor Newsom signed SB 938, developed by the California Association Local Agency Formation Commission (CALAFCO) and the California Special District Association (CSDA), and supported by San Mateo LAFCo, into law (56375.1). The legislation creates a higher voter protest threshold for LAFCo-initiated dissolutions that meet specific criteria. In order to be eligible for the higher threshold, the Commission must adopt a study that includes a finding (based on a preponderance of the evidence) that at least one of the following conditions is met:

- One or more documented chronic service provision deficiencies that substantially deviate from industry standards or other government regulations, and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.
- Expenditure of public funds in an unlawful or reckless manner inconsistent with the principal act or statute governing the district and no action has been made to prevent similar future spending.
- Will neglect and failure to adhere to the California Public Records Act and other public disclosure laws.
- Failure to meet the minimum number of times required in its principal act in the prior calendar year and no action has been made to ensure future meetings are conducted on a timely basis.
- Consistent failure to perform timely audits in the prior three years, or failure to meet the minimum financial requirements over the prior five years as an alternative to an audit.
- Recent audits show chronic issues with the district's fiscal controls and no action has been taken to remediate the issues.

In addition, the Commission, at a noticed public hearing, must adopt a resolution of intent to initiate dissolution based on one or more of the above. The resolution must provide a remediation period of at least 12 months during which time the district may take steps to remedy the specified deficiencies and provide a mid-point report on the remediation efforts at a Commission meeting. At the end of the remediation period and based on the district's actions, the Commission may adopt a resolution to dissolve the district in accordance with the considerations noted above (or rescind the notice of intent to dissolve the district at a noticed public hearing).

The noticing requirement for the protest hearing is the same as described above, but the date of the hearing for LAFCo initiated dissolutions completed in accordance with 56375.1 shall be at least 60 days and no more than 90 days from the date the notice is given (57002(c)). The new protest threshold is a minimum of 25% of the registered voters within the district or a minimum of 25% of the number of landowners within the district who also own at least 25% of the assessed value of land within the district. The 25% threshold is the same threshold that would be required if the dissolution were initiated by another agency or by petition.

If the protest threshold is met, the Commission shall order an election. If the protest threshold is not met, the Commission shall issue a certificate of completion (57200).

If an election is held and the majority of voters vote against dissolution of the district, the dissolution proposal is terminated, and the Commission must issue a certificate of termination proceedings (57179) within 30 days. Conversely, if the majority of voters vote in favor of the dissolution of the district, dissolution proposal is successful, and the Commission must issue a certificate of completion confirming the order of the dissolution and (57176) within 30 days.

Considerations of a LAFCo Initiated Dissolution

The Commission should consider several factors when contemplating the initiation of a dissolution.

Successor Agency & Plan for Service: If LAFCo initiates a dissolution, staff will be tasked with outreaching to various agencies for future service providers. If a district was to dissolve, and the service area of the district was located solely of unincorporated land, the county is the successor agency (57451).

In addition, LAFCo will need to work with the successor agency to develop a plan for services that addresses all the factors noted above. This could include the formation of a county service area or other type of district.

If the district or outside agency initiates dissolution, the district and/or outside agency will be responsible for both identifying the successor agency and creating a plan for service. In this scenario, LAFCo staff would play a support role in identifying the successor agency and developing a plan for service in line with CKH requirements.

The plan for service must address the district's liabilities, if any, and ensure that there is not a negative fiscal impact to the general public and that funds will be sufficient to provide service (57450-57463).

Protest threshold: If LAFCo initiates a dissolution, the protest threshold to submit the topic of dissolution to a vote is 10%.

If LAFCo initiates a dissolution using SB 938 or an outside agency initiates dissolution, the protest threshold increases to 25%.

If an affected agency initiates dissolution, the protest threshold increases to 25%.

If the subject district initiates dissolution and the action is consistent with prior action of the Commission, LAFCo may immediately approve and order the dissolution without an election or protest proceedings (57077.1(c)(1)) .

Dissolution timelines estimates: A regular LAFCo-initiated dissolution proposal could take up to 12 months to complete. This timeline includes 4-6 months to develop a service plan and an

additional 4-5 months to go through the LAFCo process. The dissolution process could be extended past 12 months if the protest hearing results in an election.

Impact to LAFCo Workplan: A LAFCo-initiated dissolution proposal would require LAFCo staff and legal counsel to prepare a plan for service, conduct a financial analysis, draft resolutions, and prepare for public hearings and workshops. Staff time would need to be reallocated to address these tasks. As agency and public initiated LAFCo applications have statutory timelines, the adopted LAFCo work program item that would most impacted would-be Municipal Service Reviews.

Costs to LAFCo

Election costs: While an election is not required just by the approval of the dissolution from LAFCo. If the appropriate threshold to force an election is met, the agency that initiates a dissolution is responsible for the cost of holding the election. The initiating agency will want to understand if there is sufficient community and stakeholder support for the dissolution to preclude an election. In conversations with the County of San Mateo Elections Office, if a measure related to BPPD was to be placed on the ballot of regularly scheduled election, the cost would range from \$25,000 to \$30,000. If a BPPD measure was on to be placed on a special election ballot, the cost is estimated to be from \$70,000 to \$84,000.

Consultant costs: It likely that a consultant will be required to assist LAFCo staff regarding the fiscal aspects for a plan for service. The estimated costs for this work range from \$15,000 to \$30,000. If the Commission desires to maintain the existing adopted work program for MSRs, consultants will be needed to argument staff time. This consultant cost for MSRs could range from \$20,000 to \$40,000.

Estimated total costs: If an election was required and held during a regularly scheduled election and only a consultant was utilized for assistance with the plan for service, the cost to LAFCo is estimated to between \$40,000 to \$60,000. If a consultant is utilized for MSRs, the cost increases to \$60,000 to \$100,000.

If an election was required and held during a special election and only a consultant was utilized for assistance with the plan for service, the cost to LAFCo is estimated to between \$85,000 to \$114,000. If a consultant is utilized for MSRs, the cost increases to \$105,000 to \$154,000. County Attorney costs would also need to be accounted in these estimates as well.

Depending on the timing of the proposal, these costs may be spread out across fiscal years. If these costs were included in FY24-25, it is likely that the Commission would be required to allocated funds from LAFCo's reserve to cover unbudgeted costs.

SB938 Findings:

A LAFCo-initiated dissolution proposal using SB 938 could take up to 20 months to complete. This timeline includes 2 to 4 months needed for staff to produce an MSR and for the

Commission to adopt the determinations and recommendations in the MSR in order to formerly initiate dissolution using SB 938. It also includes the minimum 12-month remediation period, during which time LAFCo staff could be working with affected agencies to identify a successor agency and develop a plan for service, and 4 months to go through the LAFCo process. The dissolution process could be extended past 20 months if the protest hearing results in an election. In May the Commission approved an MSR for the District and did not make SB938 findings for the District.

Alternatively, LAFCo could continue working with the District and affected agencies to address the issues the District is facing and arrive at a solution that is supported by other agencies and potentially the District. The outcome may nevertheless result in dissolution and the transfer of District responsibilities to another agency. However, the benefit of this approach is that there would have been a multi-agency effort to work with the District, and the outcome may be viewed more favorably by residents.

Examples

In the last 20 years, there have only been two district dissolutions processed by San Mateo LAFCo. Both of these, one to dissolve the Skyline County Water District in 2009 and the other to dissolve the Los Trancos County Water District in 2015, were initiated by each of the district's respective boards. In a review of actions from other LAFCos across the state, with the exception for the dissolutions of district pursuant to SB 488, which established a process for LAFCos to dissolve inactive special districts, LAFCo-initiated dissolutions are not common.

Contra Costa LAFCo is currently reviewing a potential LAFCO initiated dissolution of a County Service Area. The County Service Area provides park and recreational functions but does not have a secure source of revenue to provide these services. However, Contra Costa LAFCo voted for a 12-month pause to reevaluate this option.

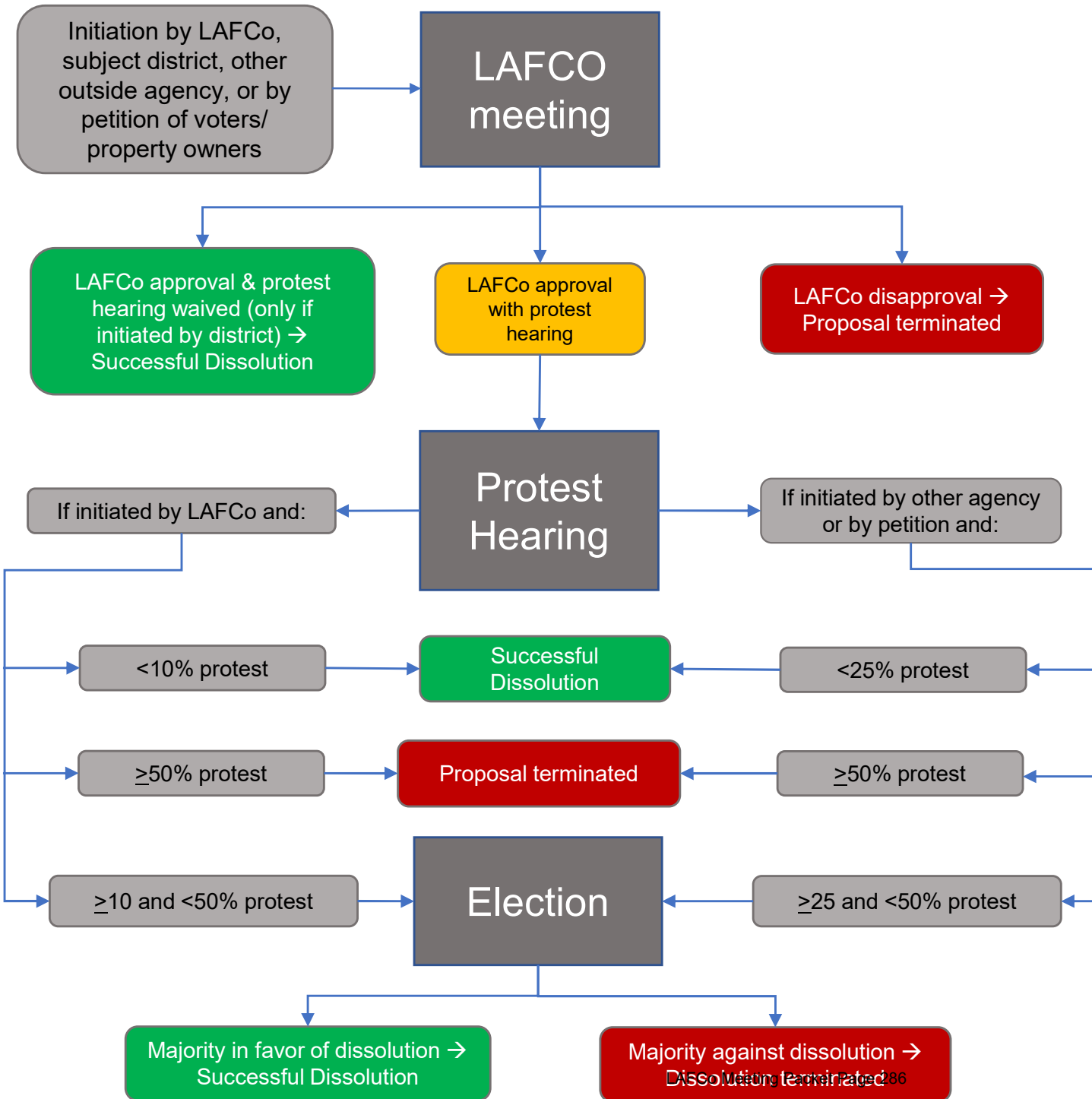
Recommended Action

Receive the report. If desired, the Commission can also direct staff to prepare an application for the dissolution of BPPD, to produce follow-up reports or additional studies on BPPD, or to take no additional action related to BPPD at this time.

Attachment

- A. Dissolution flow chart

Dissolution of a Special District



Key Points

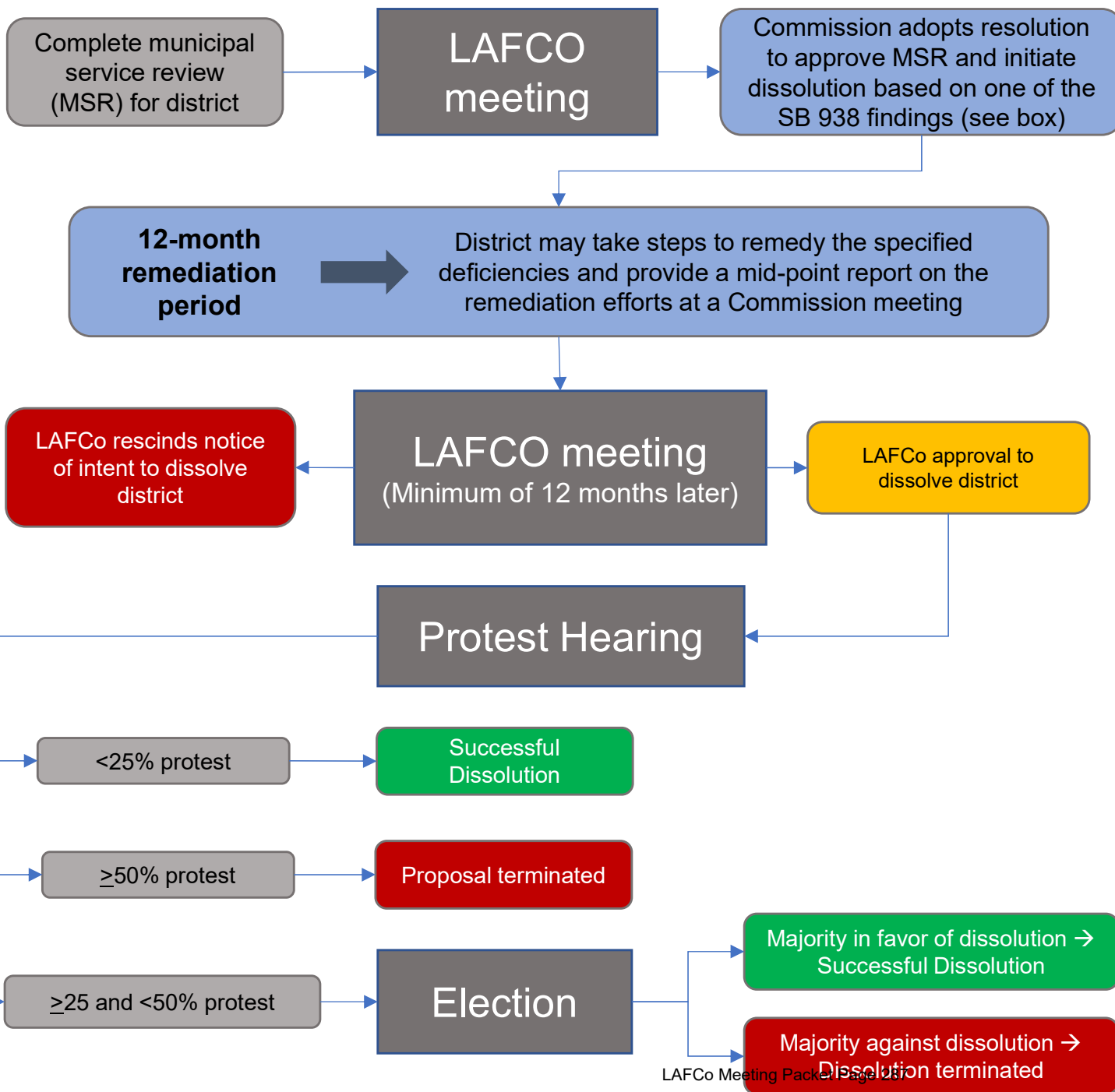
Dissolution proposal must include a plan for service that describes:

- The services currently provided by the subject district
- The level & range of those services
- The successor agency that will provide services & when new service will begin
- Any improvements, upgrades or other conditions that the successor agency would require
- How services will be financed & how liabilities will be paid

Protest thresholds:

- **Successful dissolution:** <25% of registered voters OR <25% of landowners within the district who also own <25% of the assessed value of land in district. (Threshold is <10% if LAFCo-initiated.)
- **Proposal terminated:** ≥50% of registered voters OR ≥50% of landowners who also own ≥50% of assessed value of land in district.
- **Election is ordered:** At least 25% & less than 50% of registered voters OR at least 25% & less than 50% of landowners who also own at least 25% & less than 50% of assessed value in district (Lower threshold is 10% if LAFCo-initiated.)

Dissolution of a Special District via SB 938



What is SB 938?

Signed into law in 2022, SB 938 creates a higher voter protest threshold for LAFCo-initiated dissolutions that meet specific criteria (25% protest threshold instead of 10%). A minimum of a 12-month remediation period must occur before action can be taken.

What are the requirements to initiate dissolution using SB 938?

Commission must adopt a municipal service review (MSR) that includes a finding that at least one of the following conditions is met:

- One or more documented chronic service provision deficiencies AND Board management is not actively engaged in efforts to fix deficiencies
- Expenditure of public funds in an unlawful or reckless manner AND no action has been taken to prevent similar future spending
- Willful neglect and failure to adhere to the California Public Records Act and other public disclosure laws
- Failure of Board to meet the min. # of times required by its principal act in the prior year AND no action has been taken to ensure future mtgs are held on timely basis
- Consistent failure to perform timely audits over the last three years
- Recent audits show chronic issues with the district's fiscal controls AND no action has been taken to remediate the issue

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

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November 13, 2024

To: LAFCo Commissioners
From: Rob Bartoli, Executive Officer
Subject: CALAFCO 2024 Annual Conference Update – Information Only

Summary

CALAFCO held its 2024 Annual Conference in Fish Camp, CA on October 16th through the 18th. Commissioners Kati Martin, Ray Mueller, Ann Draper, Virginia Chang Kiraly, Kathryn Slater-Carter, Legal Counsel Tim Fox, Clerk Diane Estipona and Executive Officer Rob Bartoli attended the Conference. There were several sessions on environmental justice, a presentation regarding district consolidations, an in-depth discussion on the state legislative process, and a mobile workshop through Yosemite National Park that highlighted intergovernmental efforts in the Park.

As part of the Conference, CALAFCO Board of Directors elections were held. For the Coastal Region, Virginia Chang Kiraly was elected as the Special District Member to the CALAFCO Board. Those elected/re-elected to the Board for a two-year term are:

Coastal Region (Includes San Mateo) – District Member representative is Virginia Chang Kiraly of San Mateo LAFCo and County Member representative is Wendy Root Askew of Monterey LAFCo

Central Region – District Member representative is Gay Jones of Sacramento LAFCo and County Member representative is Rich Desmond of Sacramento LAFCo

Northern Region – City Member representative is Paul Minchella of Modoc LAFCo and Public Member representative is Josh Susman of Nevada LAFCo

Southern Region – City Member representative is Steve Sanchez of Riverside LAFCo and Public Member representative is Derek McGregor of Orange LAFCo

Recommended Commission Action:

Receive report.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG KIRALY, SPECIAL DISTRICT ▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

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STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SARAH FLAMM, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪ DIANE ESTIPONA, CLERK

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THE SPHERE

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Cover Photo by
Stephanie Pratt, Napa LAFCO

THE SPHERE

CALAFCO Journal

October, 2024

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Articles, announcements, comments or other materials noteworthy to LAFCO commissioners and staff, may be submitted to the Editor at 916-442-6536 or info@calafco.org.

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CALIFORNIA ASSOCIATION OF
LOCAL AGENCY FORMATION
COMMISSIONS

CALAFCO

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CALAFCO MISSION

The mission of CALAFCO is to promote efficient and sustainable government services based on local community values through legislative advocacy and education.

A Message From The Chair of **CALAFCO**



MARGIE MOHLER
Chair of the Board

As we approach the end of this year, many of us naturally look toward the future and anticipate what lies ahead. While the promise of tomorrow excites us, it's essential to recognize that growth springs from reflection. What did we execute well, and where did we encounter challenges? These insights will guide our path forward.

During my tenure as Chair of the Board of Directors, I heard concern from some LAFCO members: uncertainty about the organization's impact. Rather than viewing this as a fault, I see it as an opportunity. Our mission is to provide value to our members, and we achieve this through innovative ideas, active participation, and feedback. As a volunteer-driven organization, our strength lies in collaboration.

At our last strategic planning session, the Board of Directors acknowledged room for improvement in our political effectiveness.

The previous Legislative Committee encountered several challenges, including time constraints, unproductive meetings, and limited legislative influence. Over the years, CALAFCO has received numerous complaints from members about the committee's structure, composition, and inclusivity—ranging from concerns about it being too inclusive to not inclusive enough. After thoroughly considering these complaints, challenges, and our Strategic Plan goals, the Board of Directors approved the new Legislative Policy Committee.

Subsequently, the CALAFCO Board received numerous complaints regarding the establishment of the Legislative Policy Committee and held a Special Board Meeting on September 30th. At that time, they voted

to rescind the new Legislative Policy Committee and reestablish the previous Legislative Committee. However, the action was conditioned on the Board committing to again discuss the Legislative Committee structure at its strategic planning meeting in 2025,

In addition to addressing the concern about CALAFCO's political impact, we're considering discussing other challenges:

1. Membership Engagement:

Ensuring offerings for all levels of LAFCO staff. Enhancing communication channels, organizing engaging events, and fostering a robust statewide network for all LAFCO professionals.

2. Resource Allocation:

Efficiently allocating resources to maximize our impact. We've been exploring ways to streamline processes, reduce administrative overhead, and allocate funds strategically.

I extend my deepest gratitude to our CALAFCO Board of Directors. Your time, dedication, and ideas shape our organization to build a stronger future. On behalf of all members a heartfelt thank you to our staff, Rene LaRoche who does all the rest.

If you're passionate about promoting efficient government services, advocating for legislative change, or contributing your unique skills, consider becoming part of our CALAFCO Board of Directors. Your involvement can make a meaningful difference.



New Laws Affecting LAFCOs

SB 1209 (Cortese) - Indemnification

What started in the wake of a 2022 court case, concluded on September 28, 2024, when Governor Gavin Newsom signed into law SB 1209. A CALAFCO sponsored bill, SB 1209 authorizes LAFCOs to require indemnification provisions as a condition for processing a LAFCO action, which can then be triggered if a commission approval is challenged. The bill will be chaptered as Government Code Section 56383.5, and it will take effect on January 1, 2025.

The new law also requires LAFCOs to take certain actions to maintain the indemnification. These actions include promptly notifying an applicant of any claim or action against an approval, fully cooperating in the defense of the action, and getting approval from the applicant of any settlement. Since failure to do any of those three things will negate the indemnification provision, thereby leaving a commission solely responsible for costs, LAFCOs are strongly urged to update their procedures as soon as possible to incorporate those actions.

Background

In July, 2022, the Second District Court of Appeals determined that a LAFCO, despite prevailing in the underlying court case, could not require or rely upon indemnification because it is not expressly authorized to do so in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Within months of that decision, a legislative proposal was crafted to add such authorization into law.

Due to major legislative deadlines that occur at the beginning of each year, the proposal was ushered along swiftly, and it was approved by the CALAFCO

(Continued on page 10)

AB 3277 (Assembly Local Government Committee) Districts: property tax

A CALAFCO sponsored bill, AB 3277 adds language to Government Code Section 56810(a)(2) that limits the requirement to perform a financial analysis of ad valorem taxes during the formation of a district to only those times when a share of the taxes are actually being sought. Without this amendment, the financial analysis is required at all times - even when a share of the taxes is waived.

This bill takes effect on January 1, 2025.

BROWN ACT CHANGES:

The following changes to the Brown Act take effect on January 1, 2025:

◆ **AB 2302 (Addis D) Open meetings: local agencies: teleconferences.**

This bill removes language from Government Code Section 54953 (f)(3) regarding how much members of legislative bodies may attend regularly scheduled meetings via teleconferencing, and adds in new sections to redefine the limitations.

Existing law limits teleconference attendance by members of a legislative body to three consecutive months, or 20 percent, of regular meetings within a calendar year, or more than two meetings when the legislative body meets fewer than 10 times per year. However, this bill removes that provision and redefines them based on the frequency that regular meetings are held. The new limits are:

- Two meetings per year, if the legislative body conducts regular meetings once per month, or less;

(Continued on page 10)

Jerry Gladbach Water Treatment Plant Dedication

Submitted by Los Angeles LAFCo

On Thursday, June 27, 2024, the Santa Clarita Valley Water Agency (SCVWA) dedicated its on-site water treatment plant as the “E. G. ‘Jerry’ Gladbach Water Treatment Plant.” In addition to serving on the SCVWA, Jerry had been a commissioner on the Los Angeles LAFCo for twenty-one years, a CALAFCo Director from 2005 to 2013, and the 2012 CALAFCo Board Chair.

Speakers at the dedication included SCVWA Board Chair Gary Martin; City of Santa Clarita Mayor Laurene Weste; representatives of Congressman Mike Garcia, State Senator Scott Wilk, and State Assemblymember Pilar Schiavo; and Donna Gladbach (Jerry’s wife).

The speakers discussed Jerry’s decades-long service to SCVWA, LA LAFCo, CALAFCo, the Association of California Water Agencies (ACWA), and the National Water Resources Association.

While Jerry certainly had a positive impact on the water community, his wife noted that his true legacy was in the way that he lived, and she quoted Maya Angelou to describe Jerry’s life as not being measured by the breaths we take, but by the moments that take our breath away.

At the conclusion of the moving ceremony, a plaque



Above: Marsha McLean, Santa Clarita Councilmember (left), Donna Gladbach (center), and Laurene Weste, Santa Clarita Mayor (right)



recognizing Jerry was unveiled in front of the treatment building which will act as a permanent testament to his life of service.

Los Angeles Executive Officer Paul Novak and Deputy Executive Officer Adriana Romo attended the dedication.

WHY?

WHY?

WHY?

WHY?

WHY?

Problem Solving With the 5 Whys

By René La Roche, CALAFCO Executive Director

The old *time is money* adage has never been truer in the office and business world than now, as everyone is being asked to do more with less. Given the expense involved in developing and implementing working solutions, it is imperative to develop proficiency in first identifying core problems. Yet, that is not always as easy as it seems because we often mis-define the symptoms of a problem as the underlying issue. To illustrate, consider sunburn for a moment.

Sunburn has always been a problem for me. In fact, in my younger years I considered it my arch-nemesis because my skin would turn lobster red long before anyone else among my friends. One particularly bad instance ended with my shoulders covered in one-inch-long blisters, which I later learned was a sign of a second-degree burn. Yes, sunburn was a huge problem for me. Or was it?

Like most people, I defined the problem as the thing that was immediately impacting me - in this case a sunburn. Since sunburns hurt, they made outings unpleasant, ergo, sunburns were the problem. But as I matured, I realized that the problem was that I had chosen to spend too much time in the sun for my skin tone, and that I had compounded the negative effects of that choice by not using the proper strength of

sunscreen and by choosing not to wear a hat or any other kind of protective sun covering. Reframed in that way, it becomes easier to see that sunburn was not the problem but, rather, a consequence of some poor choices. Changing the choices created a different result.

However, it took many years and, unfortunately, many sunburns before I realized the mistake I was making. It is extremely difficult to identify core problems when in the midst of them. So, what can we do to help identify them? The best thing to do is to ask questions. But, as Elon Musk has noted, "...a lot of times the question is harder than the answer."ⁱ This is where the 5 Whys can help.

The 5 Whys

With roots in Lean Manufacturing, the 5 Whys is a simple method to peel open a problem like an onion to uncover its core issue.^{ii & iii} Its beauty is that it does not require special training, math, or any particular skill or tool other than being able to channel one's inner toddler to repeatedly ask why something is a problem.

So, what does that look like? Consider, for example, an oft-repeated example from Taiichi

(Continued on page 13)



Understanding AI for LAFCO Agencies: Navigating the Future of Technology

By Amanda Ross, CEO, South Fork Consulting LLC (with some help from an AI LLM)

What is AI and How Does it Work?

First, let's demystify what is meant by "AI." In simple terms, AI refers to computer systems designed to perform tasks that typically require human intelligence. Large Language Models, a type of AI, are systems trained on vast amounts of text data, allowing them to understand and generate human-like responses. You might be surprised to learn that you're likely already interacting with AI in your daily life, perhaps through your smartphone's voice assistant or your email's spam filter or predictive text appearing as you are typing in your word document or email. While I have not applied AI to work produced by South Fork Consulting, I have played around with its applications and found that, while it can introduce errors, there are opportunities for AI to help LAFCOs and their staff.

Possibilities of AI in LAFCO Work

In the context of LAFCO work, AI and LLMs could assist with tasks such as document review, data analysis, and report generation. For instance, these systems could help summarize lengthy municipal service reviews or sphere of influence studies, potentially saving time in the review process. They might also aid in analyzing historical data on population growth, service demands, and land use patterns to provide more accurate projections for boundary reviews and service planning. This can lead to more informed decisions about annexations, sphere of influence updates, and special district formations or dissolutions. The possibilities for AI as it continues to learn could potentially be endless.

As these LLMs advance, they can be trained to be better at producing documents that meet the needs of each LAFCO agency. They will likely allow LAFCOs to automate report generation, provide service demand forecasting for agencies, and project population growth more accurately through incorporation of multiple data sources (census data, local economic indicators, known and potential development projects, etc.) And while this is an exciting new chapter in humanity's quest for ever expanding technology, it's crucial to approach these possibilities with caution.

AI Challenges and Risks

While AI can process information quickly, it lacks the nuanced understanding and local knowledge that LAFCO officers, staff, and commissioners have within their agencies. The complexity of boundary reviews, service planning, and community dynamics requires human judgment that cannot be replicated by AI. Transparency and explainability pose additional challenges. Many AI systems, especially complex ones like LLMs, operate as "black

“While AI can process information quickly, it lacks the nuanced understanding and local knowledge that LAFCO officers, staff, and commissioners have within their agencies.”

(Continued on page 12)

CALAFCO Partners with Assura to Develop LAFCO Software Solution

By Assura Software

Navigating the complex twists and turns of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH) is a challenge all LAFCO practitioners are familiar with. Whether a LAFCO considers a few dozen or only a few applications per year, making sure the application is processed properly requires a focused effort to ensure the Commission’s ultimate action can withstand any possible challenge.

For decades, LAFCO staff have devised methods to make sure they don’t miss any subtle statutory requirements using sticky notes, whiteboards, spreadsheets, and home grown checklists to manage the process.

Yes, over the past 40 years, the software industry has developed tailored applications to meet the needs of virtually every other type of organization. The catchphrase “there’s an app for that” has brought the power of information systems to bear for others, while LAFCOs were forced to improvise on their own, using administrative methods that would be familiar to our grandparents. Until now.

Specialized Software for LAFCOs

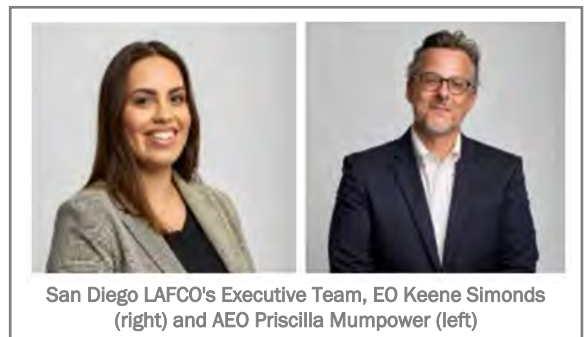
This year, CALAFCO partnered with Assura Software, a technology company from New Zealand and CALAFCO Associate member, and Kennedy Water Consulting, another CALAFCO Associate member based in California, to develop the first ever workflow software specifically designed to assist LAFCO staff when processing applications. The software, which is a secure cloud-based application that runs on ordinary web browsers and includes a mobile app, has been built to “understand”

some of the complex rules in CKH.

For instance, if a LAFCO is processing a landowner initiated application, the information collected and workflow process will be different than if it were initiated by the vote of a board of directors. As LAFCO practitioners know, CKH has a variety of deadlines for notifications and other processes and these have been built into the software. The software automatically calculates the dates for these notifications and prompts users as the deadline nears.

From Large to Small

The larger LAFCOs were eager to get started with San Diego LAFCO “going live” on the Assura platform in the summer of 2024. Since implementation, the new software has revolutionized their processes.



San Diego LAFCO's Executive Team, EO Keene Simonds (right) and AEO Priscilla Mumpower (left)

Assistant Executive Officer Priscilla Mumpower reports that “the Assura team has assisted LAFCO staff in creating a tailored platform that streamlines proposal management and keeps the executive team updated on all ongoing proposals.” Now, all team members can see the

(Continued on page 11)



From Vision to Action: Crafting a Strategic Plan that Reflects your Unique Perspective

By CV Strategies

For many agencies, a strong foundation and individual talents aren't enough to ensure continued success. Leveraging strategic planning to align your organization on both short- and long-term goals not only encourages employee adoption but also helps to mitigate financial risk.

Every successful project should begin with an audit of the organization's strengths and weaknesses – both internal and external – as well as an analysis of opportunities and threats. It's important to take the time to listen to and truly understand your staff, the public agencies you support and your commissioners. Through a deep partnership, your team can capture the big picture while also exploring every angle for a successful, multifaceted strategic plan.

By examining these factors and building a criteria framework, your organization can strategically allocate resources that leverage employee strengths and build toward common goals. This process empowers individuals and fosters creativity, which allows for more meaningful inter-department collaboration. Success can be measured throughout the strategic planning process by clearly communicating and tracking key performance indicators.

However, these plans aren't set in stone. Organizations must monitor internal and external feedback closely and adjust accordingly. It's best to revisit your strategic plan regularly, adapting to current market conditions and anticipating new threats that may be on the horizon. By continuing to evolve, you can ensure long-term success for your county's LAFCO.



TRACKS AROUND THE STATE

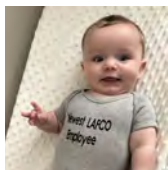


TYLER SALCIDO, Imperial LAFCO Executive Officer

On August 26, 2024, Tyler Salcido took the helm as the new Executive Officer for Imperial LAFCO. He comes to Imperial LAFCO after previously serving as the City Manager for the City of Brawley. Tyler is new to the LAFCO world but is excited for this new journey.

AIMEE DIAZ, Orange LAFCO Policy Analyst I

A recent graduate of UC Irvine's Master of Public Policy Program with a focus on Social Inequity Policy, Aimee is the new Policy Analyst I in the OC. She came to LAFCO from the City of Lake Forest, where she made significant contributions through her work with the Economic Development Division. Aimee is eager to advance her talent at OC LAFCO and is already managing her first district annexation!



Newest San Diego LAFCO Employee, Jack Sellen.
"Hired" March 2024

NEW LAWS AFFECTING LAFCOs - SB 1209 (Cortese)

(Continued from page 4)

Board of Directors at a Special Meeting held on January 19, 2023. The bill was submitted to Legislative Counsel but immediately encountered resistance from a sister entity. That created concerns among potential authors and resulted in the bill not being introduced by the February 17, 2023, deadline. Not to be deterred, CALAFCO used the months that followed to prepare a Fact Sheet, and then to communicate extensively with stakeholders, including CSDA, CSAC, RCRC, and the League of Cities.

By the end of summer 2023, with the sister entities now comfortable with the proposal, CALAFCO's advocate, Jean Hurst, again began searching for an author. However, her efforts bumped into the holidays when key legislative staff were unavailable. On February, 2024, CALAFCO received confirmation that Senator Dave Cortese would be carrying the bill. The Senator introduced the bill on February 15, 2024, as SB 1209, and it was scheduled for hearing before the Senate Local Government Committee on March 20, 2024. However, soon after the bill's introduction, the California Building Industry Association (CBIA) notified the Senator of its intent to oppose the bill.

In a preliminary listening session, CBIA advised the Senator's staff and CALAFCO that its primary concern involved indemnification for applications that are denied. With the Author's office indicating a desire to resolve CBIA's concerns, CALAFCO committed to working towards compromise language. Based on that commitment, SB 1209 was heard before the Senate Local Government Committee as scheduled. During that hearing, the Author noted not only CBIA's concerns, but also his commitment to address them. With that contingency, the bill passed out of committee with a vote of 6-0 and no formal opposition on record.

Negotiations between the CALAFCO team and CBIA would extend over the next four months in search of language acceptable to both parties. Satisfactory language was finally crafted and SB 1209 was officially amended into its final form on June 11, 2024, and scheduled before the Assembly Local Government Committee (ALGC) on June 19, 2024. With a unanimous vote of 9 to 0, the ALGC approved the amended bill, with 32 LAFCOs, Los Angeles County, and CALAFCO in support, and the California Association of Resource Conservation Districts the only opposition.

With both local government policy committees approving, the bill passed quickly out of the Assembly with a 60 to 0 vote, and through Senate Concurrence with a 39-0 vote.

The Team

CALAFCO wishes to extend its sincere thanks to negotiating team members Paul Novak (Los Angeles LAFCO), René LaRoche (CALAFCO), David Ruderman (Colantuono Highsmith and Whatley, LLP), and Jean Hurst (Hurst Brooks and Espinosa); to Paul Novak, Steve Lucas (Butte LAFCO) and Scott Browne (P. Scott Browne, Attorney) for co-authoring the bill proposal and for reviewing amended language; and to all of the LAFCOs who sent in letters of support.

BROWN ACT CHANGES

(Continued from page 4)

- Five meetings per year, if the legislative body conducts regular meetings twice per month; or
- Seven meetings per year, if the legislative body conducts regular meetings three or more times per month.

For purposes of this provision, the bill also requires any meetings begun on the same calendar day to be counted as separate meetings.

- ◆ **AB 2715 (Boerner) Ralph M. Brown Act: closed**

sessions

Currently, Government Code Section 54957 allows closed session discussions regarding threats to the security of public buildings, essential public services, and the public's right of access to public services or public facilities.

This bill expands the list of permissible closed session topics to cybersecurity threats by adding threats to critical infrastructure controls (defined as networks and systems controlling assets that are so vital to the local agency that their incapacity or destruction would have a debilitating impact on public health, safety, or economic security.), and threats to critical infrastructure information.

LAFCO SOFTWARE SOLUTION

(Continued from page 8)

The screenshot displays the Assura software interface for a proposal. At the top, it shows 'K Proposal No. 2024-01 - Anytown Annexation of Development A' and an 'ACTION' dropdown menu. Below this is a progress bar with five steps: 0. PRE-ADMINISTRATIVE REVIEW, 1. ADMINISTRATIVE REVIEW, 2. PRE-COMMISSION MEETING, 3. APPROVED - PENDING, and 4. PROTEST HEARING. The 'Overview' section contains a table with the following data:

State	5. Post Commission Action	ID	14
Lodged By	Kennedy, Tom	Date Lodged	16-Feb-2024 11:55 AM
Last Changed By	Whitelock, Samantha	Date Changed	13-Aug-2024 5:25 PM
Start Date	16-Feb-2024 11:51 AM	Category	Planning

The 'Proposal Details' section includes the following information:

- Date Received: 16-Feb-2024
- Proposal Type: Reorganization
- Proposal Number: 2024-01
- Proposal Source: Board Resolution
- Proposal Name: Anytown Annexation of Development A
- OPR Title: [Empty field]
- State Clearing House Number: [Empty field]

exact status of any proposal from anywhere - including their phone - without having to track down the analyst or find their notes or checklist. Executive Officer Keene Simonds adds “the new norm out of the pandemic of regular teleworking practices means greater importance in technology to help bridge the

communication gaps that exist when employees are not in the same place; among other benefits, Assura is San Diego LAFCO’s investment in bridging the communication gap to help ensure proposals are proceeding as intended.”

Additionally, the Assura system automatically develops a detailed, complete administrative record that documents each step of the application process. While no LAFCO wants to experience a challenge to their process, using the Assura system will save time and legal costs should that happen. Assura can also incorporate local county policies into the workflows as the software is highly configurable to meet specific needs.

What About Smaller LAFCOs?

Understanding that smaller LAFCOs have limited budgets, Assura partnered with CALAFCO over the summer to develop a shared system tailored specifically to smaller LAFCOs. From a call seeking volunteers, four LAFCOs generously provided personnel to work on the project. The group, composed of Shiva Frentzen (El Dorado LAFCO), Krystle Heaney (Shasta LAFCO), JD Hightower (San Joaquin LAFCO), Mitzi Stites (San Joaquin LAFCO), and Jeren Seibel (Marin LAFCO), brought diverse experience and great insight to the effort. They met several times to review software capabilities and were able to develop a basic version that will bring the benefits of a customized installation to a shared system - at an affordable cost.

“
Assura
partnered with
CALAFCO over the
summer to develop
a shared system
tailored specifically
to smaller LAFCOs.”

This shared system features user level account security, which means that a LAFCO’s staff members can only see the data of their LAFCO - and no other LAFCOs. Since it is a shared server, the CALAFCO workgroup also identified workflow processes that would be of use to all participants. Through this collaboration, the system that was developed features all the tools most LAFCOs will need. This system is expected to be a boon for part time EOs who process very few applications, as the Assura system will guide them through the process and make sure that nothing is missed.

Why Assura Software?

a. User Experience: Assura’s intuitive interface ensures that users of all skill levels can navigate and utilize Assura Software effectively. With a focus on user-centric design, users experience a smooth transition and immediate productivity gains because it looks like the normal process.

b. Flexibility and Accessibility: Available on both web and mobile platforms, Assura Software provides the flexibility to manage tasks from anywhere. This cross-platform compatibility is ideal for teams and individuals who need consistent access and functionality across devices.

c. Security and Scalability: Assura Software invests in the security of their platform to ensure it is as robust as possible. The Assura Software solution also scales as user needs evolve, ensuring long-term value and adaptability.



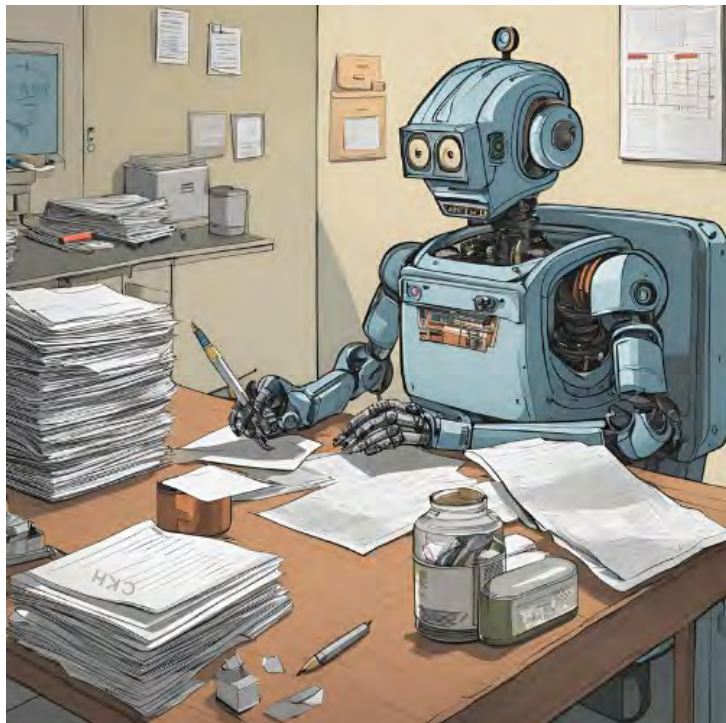
More information on the Assura solution can be found online at <https://www.assurasoftware.com/LAFCO>.

AI FOR LAFCO AGENCIES

(Continued from page 7)

boxes," making it difficult to understand how they arrive at their conclusions. This lack of transparency can be particularly problematic for government agencies like LAFCOs, which are required to provide clear justifications for their decisions to the public and stakeholders.

It is also crucial to understand that AI can sound intelligent or correct without actually being accurate. These systems are designed to generate plausible-sounding text based on patterns in their training data, but they don't truly understand the content in the way humans do. They can make mistakes, present outdated information, or even generate entirely fictitious "facts" that sound convincing. As an example, consider the case of a lawyer who



recently used an LLM to generate an argument for court and submitted the brief without a review. Several of the cases used for the legal precedents in the argument weren't real, the LLM misidentified judges, and it included companies that didn't exist. The incident made headlines and the law firm was fined. This phenomenon, sometimes called "AI delusion," underscores the need for rigorous human oversight and verification of any AI-generated content.

If LAFCOs do consider integrating AI into their operations, it should be done with caution and through a carefully planned approach. This might include starting with small, low-risk projects, ensuring full transparency about AI use, maintaining strong human oversight, and investing in comprehensive training for staff. For example, a LAFCO agency could start with tasking an LLM to summarize long documents or review an application for completeness. Any use of AI would need to be checked for biases, errors, or incorrect information.

The Future is Already Here

Today, right now, consultants can use AI for summarization, data processing, document creation, and idea generation. Even if LAFCOs themselves don't directly implement AI systems, they may interact with AI through their consultants' work. LAFCOs should consider adding clauses to consultant contracts requiring disclosure of any AI use in their work for LAFCOs. Just as subcontractors are required to be listed in contracts, AI should too. This transparency can help ensure that LAFCOs are fully aware of how AI might be influencing the information and recommendations.

No one knows what the future will hold. Major advancements in technology are always met with concern and skepticism. While it's important to embrace the future, the use of AI in LAFCO operations requires careful consideration and a cautious approach for now. Collaboration will be key in navigating this new technology. Engaging with other LAFCOs and government agencies to share experiences, best practices, and lessons learned in AI implementation can help us all navigate this complex and somewhat exciting new chapter of the human experience.

UPCOMING CALAFCO EVENTS

2025 Staff Workshop

April 30 – May 2

Temecula Creek Inn, Temecula, California
Hosted by Riverside LAFCO

2025 Annual Conference

October 22 – 24

Wyndham Bayside Hotel, San Diego, California

2026 Staff Workshop

Spring, 2026

Location: TBD

THE 5 WHYS

(Continued from page 6)

Ohno's 1988 analysis of Toyota's Production in which a machine stops. Using the 5 Whys method, questions and answers might look something like:

1. *Why did the machine stop?*
There was an overload and the fuse blew.
2. *Why was there an overload?*
The bearing was not sufficiently lubricated.
3. *Why was it not lubricated sufficiently?*
The lubrication pump was not pumping sufficiently.
4. *Why was it not pumping sufficiently?*
The shaft of the pump was worn and rattling.
5. *Why was the shaft worn out?*
There was no strainer attached and metal scrap got in.^{iv}

As you can see, the underlying problem was much more serious than a fuse. Without engaging in this exercise, the machine operator would have been doomed to making repeated, and increasingly more serious, repairs in the future.

While the above is a simplistic example, Toyota applied this method to larger scale questions that compared their operations to those of other companies. Some of their greatest transformations came from asking questions like: "Why can one person at Toyota Motor Company operate only one machine, while at the Toyoda textile plant one young woman oversees 40 to 50 automatic looms?" Starting with this inquiry and engaging in the iterative questioning process, Toyota found that Toyoda's looms stopped when weaving was complete. Based on that discovery, Toyota changed its machines so that they stopped when machining was finished. That led to broad-scale manufacturing innovations through the development and application of automation.^v

Engaging in the 5 Whys recognizes that problem solving is complicated and provides a way to differentiate between what is cause and what is effect. In fact, the technique is so effective that it is now a core exercise in the Analyze phase of Lean Six Sigma - a method taught and used extensively to improve an organization's operations through the elimination of waste and unnecessary steps.

So, the next time a problem comes your way, pause, take a breath, and go through the 5 Whys exercise. You may find that hats and SPF 100 sunscreen are your solution.

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Local Agency Formation Commissions

CALAFCO

SUPPORTING SUSTAINABLE
COMMUNITY GROWTH

ANNUAL REPORT

FISCAL YEAR 2023-2024



Photo By
Crystal Craig, Riverside LAFCO
2nd Place Winner, 2024 Staff Photo Contest

CALAFCO

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CALAFCO LEADERSHIP

June 30, 2024



Photo By
José Henriquez, Sacramento LAFCO
3rd Place Winner, 2024 Staff Photo Contest

BOARD OF DIRECTORS

Margie Mohler (*Napa - City*), *Chair*
Acquanetta Warren (*San Bernardino - City*), *Vice-Chair*
Gay Jones (*Sacramento - District*), *Treasurer*
Blake Inscore (*Del Norte - City*), *Secretary*

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Kimberly Cox (*San Bernardino - District*)
Rodrigo Espinosa (*Merced - County*)
Yxstian Guitierrez (*Riverside - County*)
Kenneth Leary (*Napa - Public*)
Gordon Mangel (*Nevada - District*)

Michael McGill (*Contra Costa - District*)
Derek McGregor (*Orange - Public*)
Anita Paque (*Calaveras - Public*)
Wendy Root Askew (*Monterey - County*)
Josh Susman (*Nevada - Public*)
Tamara Wallace (*El Dorado - City*)

STAFF

René LaRoche, *Executive Director*
Clark Alsop, *Legal Counsel*
Brandon Dante, *Accountant*
Jeni Tickler, *Administrator*

Steve Lucas, *Executive Officer*
José Henriquez, *Deputy Executive Officer*
Dawn Mittleman Longoria, *Deputy Executive Officer*
Gary Thompson, *Deputy Executive Officer*

CALAFCO

1451 River Park Drive, Suite 185, Sacramento, California 95815
(916) 442-6536



Photo By
Stephanie Pratt, Napa LAFCO
1st Place Winner, 2024 Staff Photo Contest

ASSOCIATION MANAGEMENT

The past year has been a banner year of change for CALAFCO. Guided by the 2023-2026 Strategic Plan, concerted effort has been focused on modernizing the Association. Included among those efforts was a move to a new office space, transitioning our bookkeeping system to a cloud system, building a new website on an association management platform to provide a one-stop shop format for members, and more. Together, the changes helped to create a more sustainable organization by creating new efficiencies and reducing costs.

While efficiency and sustainability are worthy goals unto themselves, the changes are expected to also help position CALAFCO for future growth, new offerings, and increased political effectiveness and relevance. Of more importance for this report, however, is that the changes, combined with higher revenues, also resulted in FY 23-24 enjoying record-breaking Net Revenues and our highest ever Net Asset Balance.

Of course, every success stands on the back of another and so, too, with this. Kudos must be extended to previous Boards and staff who did the hard work to get us to where CALAFCO has structurally balanced budgets that fully fund operations from member dues. By making that shift previously, the Association is now seeing the benefits as event returns translate directly into the Association's Net Revenue, with that net amount being further amplified through placement in interest-bearing accounts and certificates of

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deposit.

Correction

While the transition to the new cloud bookkeeping system in July, 2023, has provided many new financial tools and reports, it was not a smooth process because of the age of our former system. While we were finally able to transfer over all of our data, we had not immediately noticed that the salary that was paid on July 5, 2024, and which was attributable to the last quarter of FY 23-24 under accrual accounting rules, had not posted correctly. The mis-posting was discovered later in the year and the journal adjusted accordingly; however, that correction results in a change from last year's reported data. Specifically, the FY 23-24 Net Assets that were reported as \$235,066 on previous year end Balance Sheets, were actually \$227,053 as shown in the Statement of Financial Position comparison in this year's report.

Member Dues

△ 3.1%

Event Revenues

△ 26%

Other Revenues

△ 261%

Total Expenses

△ 1.2%

Total Revenues

▲ 18%

Revenue of \$131,281, which is nearly three times the FY 22-23 Net Revenues of \$44,473.

Higher Net Revenues, in turn, boosted the Association's Net Assets, which posted a 57.8% increase over the prior year (\$358,334 compared to \$227,053.)

Financial Picture

Overall, CALAFCO finished Fiscal Year 2023-2024 in a strong financial position. Revenues increased and expenses were relatively flat, which resulted in healthy returns.

Total revenues increased by 18% due to:

- A 26.3% increase in event revenues due to significantly higher attendance;
- A 3.1% CPI increase of member dues, and
- Other Revenues posting a 261% increase due to higher interest rates on financial accounts.

With the pandemic behind us, we are again offering our full calendar of events and, as evidenced by the attendance at the 2023 annual conference, they seem to be enjoying a great deal of energy and interest. Unfortunately, the smaller size of the 2024 conference facility prevents a determination of whether significantly higher attendance is the new trend.

Taken together, the increased revenues along with total expenses that were held to a mere 1.2% increase, had a synergistic effect that returned an Annual Net

Net Revenues (Return)

3X ▲

Net Assets

▲ 57.8%

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More impressively, however, is that a full 79% of revenues was spent on the delivery of CALAFCO's mission-driven programs, while only 17% went to operational administrative expenses, and 4% went to Board support and regional officer stipends.

Conclusion

As can be seen in the financial statements that follow, adhering to the actions defined in the 2023-2024 Strategic Plan have brought CALAFCO a successful year with increased revenues and nearly flat expenses. The cumulative effect for the Association is that Net Assets at fiscal year-end are higher than the Association has ever enjoyed. However, given that most of the cost cutting actions have now occurred, repeating this performance will rely heavily on the attendance numbers of future events.



Gay Jones
Board Treasurer



René LaRoche
Executive Director

The Data

The financial data that follows draws from the Association's year-end financial statements, which were prepared in accordance with Generally Accepted Accounting Principles (GAAP). This report, which incorporates data from those year-end statements, was prepared without audit from the books and records of the corporation.

CALAFCO employs multiple safeguards to guarantee that the Association's assets are safeguarded from unauthorized use, and that all transactions are scrutinized to ensure that they are authorized, executed, and recorded properly. Association bookkeeping and reconciliations are performed by Books in Balance of San Rafael, California, with the Board presented with financial reports on a quarterly basis. Annual tax filings are prepared by the Association's accountant, Brandon Dante, and reviewed and approved by the Board prior to filing.

Unabridged copies of all financial statements can be found in the Board's July 19, 2024, agenda packet or may be obtained by sending an email request to info@calafco.org.



AT A GLANCE

What We Did:

- 26% Increase in Event Revenue
- 195% Increase in Net Revenue
- 56% Increase in Net Assets
- Maintained Operational Costs through Cost Reductions and New Efficiencies
 - ⇒ New Lower Cost Office Space
 - ⇒ New Accountant
 - ⇒ Association Management System with event registration and online payment processing
 - ⇒ Transitioned from Desktop to Cloud accounting software which provides better data reporting
 - ⇒ Offsite bookkeeper
- Advocacy
 - ⇒ 2,532 Bills Reviewed
 - ⇒ 2 Bills Sponsored

How We Did It:

Staffing:

- 1.3 Full Time Equivalent Employees
- 4 Regional Officers
- 50-60 Volunteers Assisting with Event Planning and Staffing



PROGRAMS vs OPERATIONS SPENDING

- \$372,301 spent for programs
- \$20,070 spent for Board support & Regional Officer Stipends
- \$80,987 spent for operations

While Personnel expenses totaled \$205,214, only 10% of that time/expense went to operational administration. The remaining 90% was used to provide the Association's exempt-purpose programs.

That means that in Fiscal Year 2023-2024, 79% of CALAFCO'S expenses went to the delivery of our mission-driven programming, 4% went to Board support and Regional Officer Stipends, and 17% went to our operating expenses and other Professional Services.

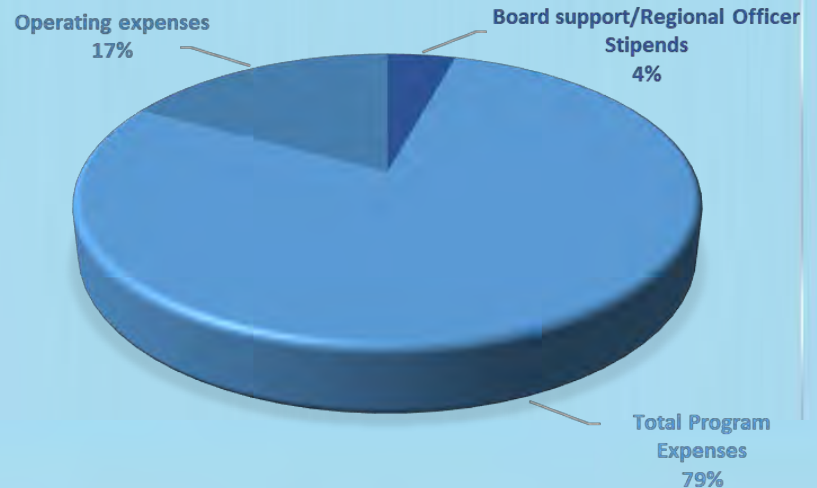
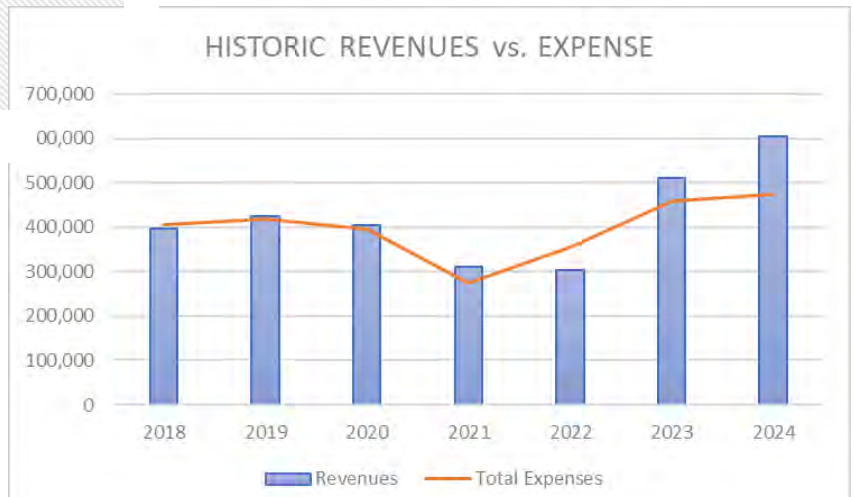
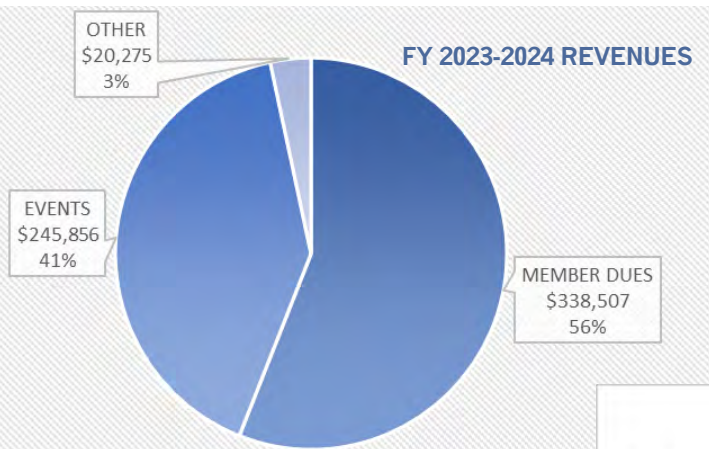


Photo By
Kristina Grabow, Sacramento LAFCO
2024 Staff Photo Contest Entry

STATEMENT OF ACTIVITY

YEAR ENDED JUNE 30, 2024

REVENUES	2024	2023
Dues	\$ 338,507	\$ 312,011
Contributions	\$ 325	\$ 0
Conferences	\$ 182,096	\$ 148,388
Workshops	\$ 63,760	\$ 42,055
CALAFCO U Trainings	\$ 0	\$ 4,250
Other Revenues	\$ 19,950	\$ 5,520
Total Revenues	\$ 604,639	\$ 512,224
EXPENSES		
Personnel	\$ 205,214	\$ 197,116
Board Meeting Expenses and EO/DEO Stipends	\$ 20,070	\$ 23,763
Professional Services	\$ 28,606	\$ 25,768
Operating Expenses	\$ 31,860	\$ 31,844
Conference Expenses	\$ 125,325	\$ 144,866
Workshop Expenses	\$ 57,207	\$ 36,198
Legislative Services	\$ 5,076	\$ 5,196
Research & White Papers	\$ 0	\$ 3,000
Total Expenses	\$ 473,357	\$ 467,751
NET		
Net Revenue	\$ 131,281	\$ 44,473

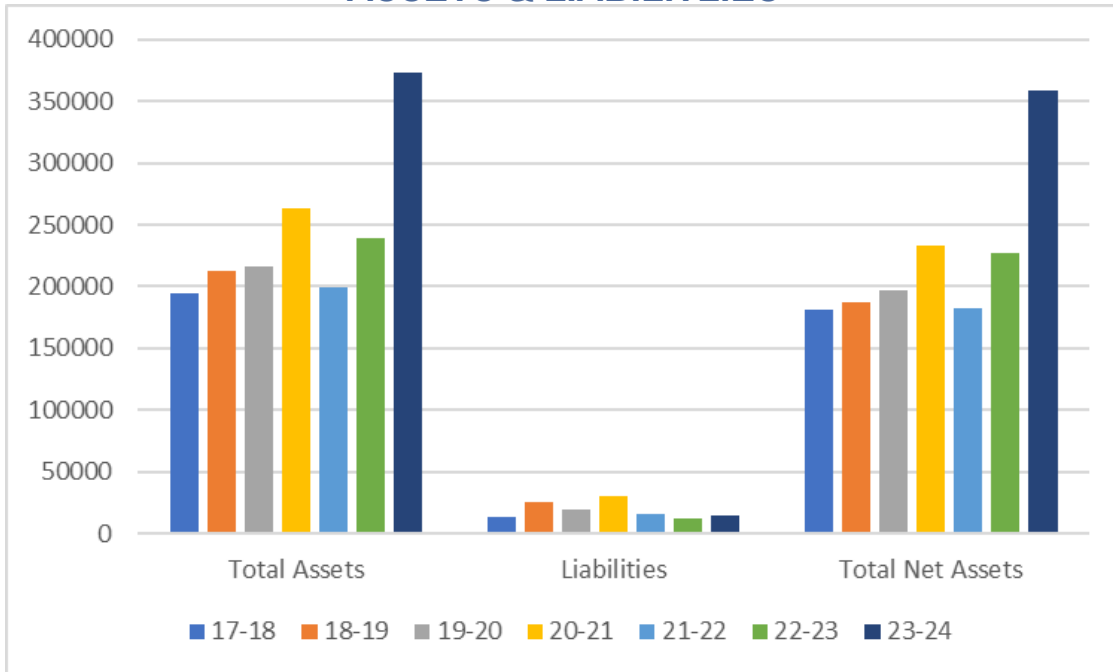


STATEMENT OF FINANCIAL POSITION

YEAR ENDED JUNE 30, 2024

ASSETS	2024	2023
Cash and Cash Equivalents	\$ 365,055	\$ 265,119
Accounts and Other Receivables	-\$ 8,316	-\$ 28,931
Prepaid and Deferred Expenses	\$ 16,169	\$ 2,700
Total Assets	\$ 372,907	\$238,888
LIABILITIES		
Accounts and Other Payables	\$ 2,051	\$ 3,825
Deferred Income	\$ 2,400	\$ 0
Accrued Expenses	\$ 10,122	\$ 8,010
Total Liabilities	\$ 14,573	\$ 11,835
NET ASSETS		
Unrestricted	\$ 64,299	\$ 19,826
Fund Reserve	\$ 162,754	\$ 162,754
Net Surplus/Deficit	\$ 131,281	\$ 44,473
Net Assets	\$ 358,334	\$ 227,053
Total Liabilities & Net Assets	\$ 372,907	\$ 238,888

ASSETS & LIABILITIES



Thank You to Our Associate Members

GOLD ASSOCIATE MEMBERS



SILVER ASSOCIATE MEMBERS

- Assura Software
- Berkson Associates
- Chase Design, Inc.
- City of Rancho Mirage
- County Sanitation Districts of L.A. County
- Cucamonga Valley Water District
- David Scheurich
- DTA
- E Mulberg & Associates
- Economic & Planning Systems (EPS)
- Goleta West Sanitary District
- Griffith, Masuda & Hobbs, a Professional Law Corp
- HdL Coren & Cone
- Hinman & Associates Consulting
- Holly Owen, AICP
- Kennedy Water Consulting, LLC
- LACO Associates
- Policy Consulting Associates
- P. Scott Browne
- QK
- Rancho Mission Viejo
- Sloan Sakai Yeung & Wong, LLP
- South Fork Consulting, LLC
- SWALE Inc.
- Terranomics Consulting

California Association of
Local Agency Formation Commissions

CALAFCO

SUPPORTING SUSTAINABLE
COMMUNITY GROWTH

1451 River Park Drive , Suite 185
Sacramento, California 95815
916. 442.6536
www.calafco.org

**RESOLUTION OF THE
SAN MATEO LOCAL AGENCY FORMATION COMMISSION
HONORING
WARREN SLOCUM
FOR HIS DEDICATED SERVICE**

RESOLVED, by the members of the Local Agency Formation Commission of the County of San Mateo, that

WHEREAS, **Warren Slocum** has served as the County Alternate member of the Local Agency Formation Commission from 2013 to 2016 and as a County member from 2017 to 2024; and

WHEREAS, he served as Vice Chair of LAFCo in 2020 and as Chair in 2021; and

WHEREAS, he has made contributions to the Commission’s deliberations on a number of complex and controversial proposals and studies, including the successful multi-year effort to establish the East Palo Alto Sanitary District as a subsidiary district of the City of East Palo; and Municipal Service Reviews and Sphere of Influence Updates for the San Mateo County Harbor District, the North County Cities and Special Districts, the Broadmoor Police Protection District and the City of East Palo Alto, East Palo Alto Sanitary District and West Bay Sanitary District; and

WHEREAS, he regularly volunteered for the various LAFCo committees; and

WHEREAS, he served as a San Mateo County Board of Supervisor representing District 4 from 2013 to 2024 and served as Board President in 2016, 2020, and 2024; and

WHEREAS, he had previous served as Chief Elections Officer & Assessor-County Clerk-Recorder of San Mateo County from 1986 until 2012; and

WHEREAS, he has led and presided over numerous programs, projects and other notable efforts that have enhanced the quality of life for all County residents, including establishment of the San Mateo Veterans Commission, development of the Office of Equity and Social Justice, establishment of the Home for All program and the Navigation Center project, and took the lead in developing the County Poet Laureate Program; and

WHEREAS, his willingness to serve, his understanding of and support for the Commission’s policies and objectives and his knowledge of local government have been of great benefit to the work of the Commission and the community; and

WHEREAS, his presence and contributions will truly be missed by his colleagues on the Commission and by the Commission’s staff.

NOW THEREFORE, this Commission does hereby express its deep appreciation and sincere thanks to **Warren Slocum** for his willingness to serve and dedicated service to this Commission and to all the people and public agencies in San Mateo County. Best wishes on all his future endeavors.

Dated: November 20, 2024

Chair

**RESOLUTION OF THE
SAN MATEO LOCAL AGENCY FORMATION COMMISSION
HONORING
TYGARJAS BIGSTYCK FOR HIS DEDICATED SERVICE**

RESOLVED, by the members of the Local Agency Formation Commission of the County of San Mateo, that

WHEREAS, **Tygarjas Bigstyck** has served as a City member of the Local Agency Formation Commission from 2022 to 2024; and

WHEREAS, he has made contributions to the Commission’s deliberations on a number of complex and controversial proposals and studies, including the successful multi-year effort to establish the East Palo Alto Sanitary District as a subsidiary district of the City of East Palo; and Municipal Service Reviews and Sphere of Influence Updates for the San Mateo County Harbor District, the North County Cities and Special Districts, the Broadmoor Police Protection District and the City of East Palo Alto, East Palo Alto Sanitary District and West Bay Sanitary District; and

WHEREAS, he regularly volunteered for the Commission’s budget committee; and

WHEREAS, he served as Councilmember for the City of Pacifica from 2020 to 2024 and Mayor Pro Tempore in 2023; and

WHEREAS, he has led and presided over numerous programs, projects and other notable efforts that have enhanced the quality of life for all residents of Pacifica, including the recent adoption of the City’s 2023-2030 Strategic Plan, the passing of two ballot measures enhancing City revenue, adoption of the 2023-2031 Housing Element, and work on the City’s Local Coastal Plan to address sea level rise and coastal erosion; and

WHEREAS, his willingness to serve, his understanding of and support for the Commission’s policies and objectives and his knowledge of local government have been of great benefit to the work of the Commission and the community; and

WHEREAS, his presence and contributions will truly be missed by his colleagues on the Commission and by the Commission’s staff.

NOW THEREFORE, this Commission does hereby express its deep appreciation and sincere thanks to **Tygarjas Bigstyck** for his willingness to serve and dedicated service to this Commission and to all the people and public agencies in San Mateo County. Best wishes on all his future endeavors.

Dated: November 20, 2024

Chair

**RESOLUTION OF THE
SAN MATEO LOCAL AGENCY FORMATION COMMISSION
HONORING
HARVEY RARBACK FOR HIS DEDICATED SERVICE**

RESOLVED, by the members of the Local Agency Formation Commission of the County of San Mateo, that

WHEREAS, Harvey Rarback has served as a City member of the Local Agency Formation Commission from 2021 to 2024; and

WHEREAS, he has made contributions to the Commission’s deliberations on a number of complex and controversial proposals and studies, including the successful multi-year effort to establish the East Palo Alto Sanitary District as a subsidiary district of the City of East Palo; and Municipal Service Reviews and Sphere of Influence Updates for the San Mateo County Harbor District, the North County Cities and Special Districts, the Broadmoor Police Protection District and the City of East Palo Alto, East Palo Alto Sanitary District and West Bay Sanitary District; and

WHEREAS, he regularly volunteered for the Commission’s policy and legislative committee; and

WHEREAS, he served as Councilmember for the City of Half Moon Bay from 2016 to 2024 and Mayor in 2019; and

WHEREAS, he has led and presided over numerous programs, projects and other notable efforts that have enhanced the quality of life for all residents of Half Moon Bay, including the creation of the Crisis Assistance Response & Evaluation Services Program, adoption of the 2023-2031 Housing Element, and adoption of the City’s Climate Action Plan; and

WHEREAS, his willingness to serve, his understanding of and support for the Commission’s policies and objectives and his knowledge of local government have been of great benefit to the work of the Commission and the community; and

WHEREAS, his presence and contributions will truly be missed by his colleagues on the Commission and by the Commission’s staff.

NOW THEREFORE, this Commission does hereby express its deep appreciation and sincere thanks to **Harvey Rarback** for his willingness to serve and dedicated service to this Commission and to all the people and public agencies in San Mateo County. Best wishes on all his future endeavors.

Dated: November 20, 2024

Chair

**RESOLUTION OF THE
SAN MATEO LOCAL AGENCY FORMATION COMMISSION
HONORING
ANN SCHNEIDER
FOR HER DEDICATED SERVICE**

RESOLVED, by the members of the Local Agency Formation Commission of the County of San Mateo, that

WHEREAS, Ann Schneider has served as an Alternate City member of the Local Agency Formation Commission from 2022 to 2024; and

WHEREAS, she has made contributions to the Commission’s deliberations on a number of Municipal Service Reviews and Sphere of Influence Updates, including the City of Millbrae, City of Burlingame and the City of East Palo Alto, East Palo Alto Sanitary District and West Bay Sanitary District; and

WHEREAS, she served on the Millbrae City Council 2015 to 2024 and served as Mayor in 2021 and 2023; and

WHEREAS, she has led and presided over numerous programs, projects and other notable efforts that have enhanced the quality of life for all residents in Millbrae, including the creation Millbrae’s first Community Garden, development of Millbrae’s Disaster Preparedness Day, hosting host several Bike Rodeos including safe riding course and free helmets, and serving on the SFO Noise Airport Roundtable; and

WHEREAS, her willingness to serve, her understanding of and support for the Commission’s policies and objectives and her knowledge of local government have been of great benefit to the work of the Commission and the community; and

WHEREAS, her presence and contributions will truly be missed by her colleagues on the Commission and by the Commission’s staff.

NOW THEREFORE, this Commission does hereby express its deep appreciation and sincere thanks to **Ann Schneider** for her willingness to serve and dedicated service to this Commission and to all the people and public agencies in San Mateo County. Best wishes on all her future endeavors.

Dated: November 20, 2024

Chair

