

MINUTES - MARIN LOCAL AGENCY FORMATION COMMISSION

On November 9, 2006, the regular meeting of the Marin Local Agency Formation Commission was held at the San Rafael Council Chambers, 1400 Fifth Avenue in San Rafael. Chair Blanchfield called the meeting to order at 7:11 p.m.

ROLL CALL

Commissioners Present: Einar Asbo
Susan Adams
Jeffry Blanchfield
Barbara Heller
Charles McGlashan
Dennis J. Rodoni
Jeff Slavitz

Alternate Commissioners
Present: Christopher Burdick
Carla Condon

Staff present: Peter Banning, Executive Officer
Candice Bozzard, Clerk to the Commission
Evelyn Ellis, Assistant Planner

Staff requested to add an emergency item to the agenda that required the Commission to take immediate action regarding workers' compensation coverage.

M/S Adams - Heller to add the additional item to the end of the agenda.

Approved unanimously.

1. **Public Comment** - None

CONSENT CALENDAR ITEM(S)

2. **Regular Meeting Minutes - October 12, 2006**
3. **Financial Report - October 2006**
4. **Annexation of the Lands of Mott to North Marin Water District (File #1278):**

Commissioner Adams requested to remove agenda items 2 and 4 from the consent calendar for discussion.

M/S Slavitz - Heller to approve the October financial report.

Approved unanimously.

2. **Regular Meeting Minutes - October 12, 2006**

Commissioner Adams requested to amend the narrative of item 7 of the regular meeting Minutes of October 12, 2006 to include, "Commissioner Adams a representative on the Marin Telecommunications Agency, explained the franchise agreement, the establishment of an independent non-profit media center and the expectations for participation." Commissioner Adams also requested to amend the narrative of item 8 to include "Staff reported that at the August meeting, the Commission directed staff to discuss with County Community Development Director Alex Hinds and San Rafael Principal Planner Linda Jackson the strategic plan objective of providing a possible venue for policy makers to discuss countywide planning issues." Commissioner Adams also noted that under Commissioner's Reports the Senate Bill was 840, not A40.

M/S Adams-Slavitz to approve the Minutes as amended.

Approved unanimously.

4. **Annexation of the Lands of Mott to North Marin Water District (File #1278):**

Commissioner Adams noted for clarification purposes regarding the zoning for the Mott property, that despite the moratorium in Dillon Beach, the parcel was allowed hook up due to a previously existing residence that had burned down several years ago.

M/S Adams - McGlashan to approve agenda item 4, Annexation of the Lands of Mott to North Marin Water District (File #1278).

Approved unanimously.

BUSINESS ITEM(S)**5. Sphere of Influence & the Regional Housing Needs Allocation Process:**

The Executive Officer reported that, as directed by the Commission at its last meeting, staff has been working with city and county community development directors to study and respond to proposed ABAG growth projections and their use in the State's Regional Fair Share Housing Allocation (RHNA) process. He stated that draft projections, especially of employment growth, are significantly in excess of those of the cities' adopted general plans. Some of Marin's community development directors feel that this ignores local policy and attempts to place inappropriate incentives for development in particular locations. LAFCOs are involved when the projections are used in the RHNA process to allocate housing targets to the cities and counties using LAFCO's adopted spheres of influence as part of that process. Staff stated that, in Marin County, 75% of the housing need in census tracts within city spheres of influence was allocated to that city and 25% to the county in the last cycle. In this cycle, the ABAG staff has recently agreed to support Marin's city community development directors in allocating 100% of that need to the county.

Staff summarized arguments on both sides of the allocation of housing need in city spheres of influence: That the policies of the Commission and the Countywide Plan create incentives for annexation of city spheres because these areas are so closely associated with their cities in terms of physical proximity, access from city streets and demand for other services; and, on the other side, cities are not able to effectively control whether annexation occurs or otherwise control land use in their unincorporated sphere areas and therefore should not be burdened with the expectation of creating housing opportunities outside their boundaries.

The Executive Officer stated that LAFCO's recent actions in revising city spheres will have a real impact on the allocation process, reducing allocations to cities in Novato, Tiburon, Sausalito, Mill Valley and San Rafael since 2001. He stated that the Commission has yet to act on the Larkspur sphere, a case where the City's sphere of influence will have a significant effect on its RHNA allocation.

The Executive Officer stated that the Commission has a policy interest in resisting actions that would make areas remaining in city spheres appear to be liabilities to the cities rather than areas where the cities and the county should collaborate in planning and that perceived incentives for cities requesting removal of areas from their spheres based on added liability to plan for housing were undesirable. Staff advocated a RHNA methodology including equally shared responsibility of cities and the county for enhancing housing opportunities in areas remaining in city spheres. Staff requested guidance on whether the Commission wished to take a position on this issue and communicate that position to ABAG.

Commissioner Slavitz inquired if LAFCO was required to make a recommendation to the Association of Bay Area Governments (ABAG). The Executive Officer responded that no response was required. Commissioner Adams responded that she felt that LAFCO needed to notify ABAG of the updates to the spheres of influence that have already taken place and those that may change in the future. Commissioner Adams believed strongly of the importance for the policymakers of all the cities and county to speak as "one voice" to inform ABAG of the inaccuracies of the numbers that are being used in the allocation process.

Chair Blanchfield asked for additional questions from the Commissioners regarding the staff report. Hearing none, Chair Blanchfield opened the hearing to the public.

- Linda Jackson, Principal Planner, City of San Rafael – Ms. Jackson acknowledged how difficult it was for all the agencies to meet State housing mandates. Ms. Jackson stated that the 11 planning directors of the cities and towns throughout Marin unanimously agreed that the County of Marin had more opportunities to increase residential development and it was of the planning directors' opinion that LAFCO either take no position on this matter or support the practice of allocating 100% of housing responsibility to the County in city spheres of influence.

Commissioners McGlashan and Adams inquired if the City of San Rafael had considered the impact on the quality of life for residents in San Rafael by placing 100% of the allocation on the County of Marin. Ms. Jackson responded that that was the kind of dialog that would come with long range planning.

Commissioner Heller made a point of clarification that the cities and counties are only required to make housing "opportunities" for development in their general plans, not necessarily actual, physical housing development.

Commissioner Slavitz inquired as to what the process was for generating RHNA allocation numbers. Ms. Jackson responded that the process consisted of two parts. The first part was the projections work that ABAG completes every two years for growth and housing in the bay area down to the local jurisdictions. The second part was that every seven years, the State required the cities to plan for housing during the coming seven-year period. The housing allocation that each local jurisdiction receives from the State is based on a formula provided by the State.

- Nancy Kaufman, Planning Director, City of Larkspur – Ms. Kaufman stated that she was aware that the Commission had started the Ross Valley sphere of influence study that included Larkspur and wanted the Commission to consider excluding the Kentfield area from the Larkspur sphere of influence to assist Larkspur with their State housing mandates. Ms. Kaufman stated she believed that if an area was not in the City's sphere, the RHNA numbers should be adjusted accordingly.

Commissioner Adams commented that once the RHNA numbers were set, any annexation would not shift responsibility. Ms. Kaufman responded that she felt that was an issue that should be raised with ABAG.

- Alex Hinds, Community Development Director, County of Marin – Mr. Hinds stated that it was important to look at the County as whole and how it pertains to LAFCO policy. Mr. Hinds asked that the Commission join with the Board of Supervisors in recommending that the ABAG allocation remain 75% of new additional housing directed to the city and 25% to the County.

Commissioners McGlashan and Adams stated that spheres of influence were an important part of the housing allocation numbers which makes LAFCO a critical part of the RHNA process.

Commissioners Slavitz and Heller commented that LAFCO should not make a statement on the housing allocation process, that the process should remain a matter for resolution between the cities, the County and ABAG. Commissioner McGlashan stated the he felt strongly that LAFCO should recommend shared responsibility between cities and the County for the RHNA allocation.

M/S Adams – McGlashan that Marin LAFCO will send a letter to the Association of Bay Area Government describing the process that LAFCO had gone through to adjust the spheres of influence in order to bring ABAG current with any changes or anticipated changes and; that LAFCO recommended a shared allocation for city spheres of influence between the cities and County in the RHNA process.

Commissioner Slavitz questioned why the previous practice of shared allocation had been rejected. Commissioner McGlashan stated that a proposal had been made to ABAG to allocate 100% of the responsibility to the county over the objection of the County. The Executive Officer clarified that this allocation method was recommended at the staff level by the Housing Methodology Committee and that ABAG had not made a final decision.

- Ms. Jackson was asked for her recollection of the ABAG discussion at the meeting. Ms. Jackson stated her recollection was that the preference of the cities was 100% of the allocation should go to the county, since the cities didn't have land use jurisdiction or permitting authority.
- Stacey Lauman, Assistant Planner, Community Development Agency, County of Marin – Ms. Lowman clarified that there was so much discussion amongst the members of the Housing Methodology Committee regarding the appropriate share, that it was simply proposed as an “all or none” allocation.
- Alex Hinds commented that it was in the best interests of both the County and the cities to share the responsibility.

Vote was taken by roll call vote.

Ayes: Commissioners Adams, Asbo, Rodoni and McGlashan

Noes: Commissioners Blanchfield, Heller and Slavitz

Abstained: None

Motion was approved by majority vote.

6. **Review of Application Fee Schedule:**

The Executive Officer reported that staff examined the current fee schedule as directed in the Strategic Plan for 2006. Marin LAFCO's fees were based primarily on the acreage of the affected area, plus other factors relating to anticipated complexity of the proposal and that a portion of some charges was based on time and materials in instances such as city incorporation, sphere amendment requests, and signature verification. The 15 to 20 LAFCOs that practiced on a time-and-materials-based fee system reported varying degrees of administrative problems with time-and-materials charges. The Executive Officer noted that staff would be contributing to a workshop session on fee schedules and billing methods for the staff conference in Orange County and would be conduct further research on billing methods.

Staff recommended that no action be taken at the present time and that the Commission direct staff to research more specific aspects of the fee schedule and report back after the staff conference in April.

Commissioner Asbo commented that a time-and-materials-based fee system would not make sense due to the administrative burden on staff. Commissioners Rodoni and Slavitz clarified that the basis for the discussion was to ensure that Marin LAFCO was covering its costs to process applications. Commissioner McGlashan questioned staff about different ways to most accurately calculate the fee schedule. Staff recommended that this be discussed in more detail at the Strategic Planning Workshop.

COMMISSIONER'S REPORT

There were none.

EXECUTIVE OFFICER'S REPORT

7. Progress Report:

The Executive Officer had no additions to his written report.

ADDED AGENDA ITEM

8. Workers' Compensation:

The Executive Officer reported that after preparation of the agenda materials for the November meeting, staff was informed that the County of Marin was prohibited from providing Marin LAFCO staff for workers' compensation insurance. The Executive Officer stated that immediately upon hearing that information staff contacted the Special District Risk Management Association (SDRMA) to obtain coverage. Staff reported that in order to obtain coverage through SDRMA, the Commission was required to execute a Certificate to Consent to Self-Insure and a resolution authorizing a Joint Powers Agreement governing participation in the SDRMA program.

M/S Rodoni - McGlashan to approve the Resolution 06-19, Authorizing Application to the Director Of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation and Resolution 06-20, Approving the Form of and Authorizing the Execution of A Fifth Amended Joint Powers Agreement and Participation in the Special District Risk Management Authority Property and Liability Program.

Approved unanimously.

M/S McGlashan - Adams to request reimbursement of funds paid by LAFCO to the County for workers' compensation from the time that LAFCO funding was divided between the County, cities and special districts to the present.

Approved unanimously.

ADJOURNMENT

M/S Adams - Asbo to adjourn.

Approved unanimously.

The meeting was adjourned at 9:25 p.m. The next regular LAFCO meeting was scheduled for Thursday, December 14, 2006 at 7:00pm at the San Rafael Council Chambers.

Respectfully submitted,

PETER V. BANNING, Executive Officer

ATTEST:

JEFFRY BLANCHFIELD, Chair