

DATE: June 4, 2008

TO: Members, Local Agency Formation Commission

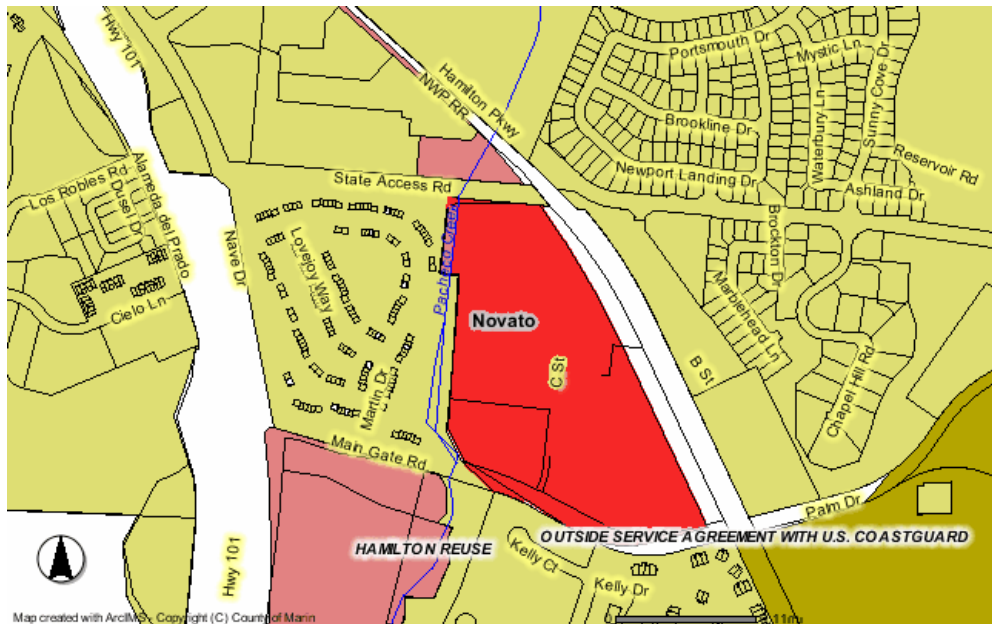
FROM: Peter Banning, Executive Officer

SUBJECT: Executive Officer's Report and Recommendation: **Proposed Annexation of the Hamilton Main Gate Area to the Novato Sanitary District (File #1293)**

Summary

This proposal requests annexation of 24.5 acres to the Novato Sanitary District. The various property owners seek annexation of the area to provide for continuation of the District's sewer service which has previously been extended on a contractual basis. One parcel would require extension of new service. The proposal area is located in the former Hamilton Field area between Lanham Village and the North West Pacific Railroad right-of-way. The subject area is surrounded by territory already within the boundaries of the Novato Sanitary District. Staff recommends approval. NSD may request that approval be granted subject to terms and conditions.

The entire area shown on the map below is within the boundary of the City of Novato. The proposal area is shown in red, the present jurisdiction of the Novato Sanitary District is shown in yellow with areas served by the District on a contractual basis shown in other colors.



General Information

Proposal Description:	Annexation to Novato Sanitary District to provide for the continuation of sewer service to existing and master planned uses.
Proposal Location:	Former Hamilton Air Force Base.
No. of Parcels:	4.
Acres:	24.53 acres.
Development Potential:	Subject to Hamilton Field Master Plan.
Applicants:	Mike Marovich, Hamilton Square LLC, by petition.
Consent of Property Owner(s):	100%, three additional property owners consenting in writing.
Public Hearing Required:	No.
Number of Registered Voters:	0.
City or County:	City of Novato.
Assessed Value:	\$1,950,748.
Property Tax Exchange:	\$0.

Current and Proposed Provision of Services

	<u>Current:</u>	<u>If Approved:</u>
Police:	City of Novato	No Change
Fire:	Novato Fire Protection District	No Change
Water:	North Marin Water District	No Change
Sewer:	Novato Sanitary District (contract)	No Change
Streets:	City of Novato	No Change
Planning:	City of Novato	No Change

Comments of Affected Agencies

Novato Sanitary District: The District is aware of the proposal and has allowed more than 60 days to pass since notification without comment. District staff, in oral communication, has stated that existing sewer connections for school facilities need to be improved as a condition of annexation. However, as of the date of this report, the District has not provided specific information on the needed improvements or proposed language for a condition of approval. The District may provide this information prior to LAFCO action on this proposal.

County Environmental Health Services (EHS): County EHS notes no record of failing wastewater systems in the vicinity of the proposal area.

Novato Fire Protection District: No comment.

Marin County Committee on School District Organization: No comment.

North Marin Water District: No comment.

City of Novato, Community Development: City staff notes the general plan designations for the annexation area are Community Facilities (CF) and Neighborhood Commercial (CN). Zoning for the area is Planned Development, which authorizes office, medical, retail and other uses. The Department expects no population growth to be associated with this annexation proposal.

County Community Development Agency (CDA): No comment.

Discussion & Analysis

The applicant for this proposal, the developer of an office condominium complex, is one of four property owners in the affected area. All four property owners have consented in writing to the proposed annexation to Novato Sanitary District.

The Novato Sanitary District has provided sewer service to various uses on this site on a contractual basis since the 1940s. Redevelopment of the area has required a series of annexations to NSD as the former air base passes into private ownership and undergoes improvements and re-use.

District sewer service would support an existing day care center, a charter school, a proposed office condominium project and U.S. Navy military storage facilities in process for public benefit conveyance to the Novato Unified School District. NSD staff in informal communication, has mentioned the need for the Commission to adopt terms and conditions of approval that would assure the improvement of

existing sewer facilities in the affected territory by agreement with Novato Unified School District. To date, the District has not provided comment on the proposal or information on what improvements are needed or proposed terms and conditions for consideration by LAFCO. NSD may provide this information prior to the expected July 10, 2008 meeting date at which the Commission may take action on this proposal.

The proposal area is entirely within the boundary of the City of Novato and is surrounded by territory already in the jurisdiction of the Novato Sanitary District. The proposed annexation is consistent with the Commission's adopted policies and spheres of influence as summarized in Attachment A.

Environmental Review

Most, but not all of the area affected by the proposed annexation already receives sewer service from the Novato Sanitary District on a contractual basis. Annexation of this area would be exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15320 of the State CEQA Guidelines which provides exemption for annexations in which there is no change in the territory in which previously existing powers of local government are exercised.

The environmental impacts of any development projects not already receiving service from NSD are examined in the EIR for the Hamilton Field Redevelopment project, which analyzed the disposal and reuse of the Navy-owned Department of Defense Housing Facility (DODHF) properties at the Hamilton Army Airfield. The EIR was certified by the Novato Redevelopment Agency acting as lead agency under the California Environmental Quality Act and is available on-line at www.rbf.com/novato/reuse.htm.

Recommendation

The proposed annexation is consistent with the Commission's adopted policies and spheres of influence. The annexation area is surrounded by territory already within Novato Sanitary District boundaries and has been served by the District on a contractual basis for many years. Staff recommends approval.

Recommended Commission Action, by Resolution:

1. The Commission certifies that for portions of the project area not exempt from CEQA, that it has reviewed and considered the environmental impact report prepared for the Hamilton Field Redevelopment project by the Novato Redevelopment Agency acting as lead agency under CEQA.

2. The Commission finds that changes or alterations to the project and mitigation measures to lessen environmental effects to less than significant levels as identified in the project EIR are within the responsibility of the Novato Redevelopment Agency and the City of Novato and not LAFCO. The Novato Redevelopment Agency and City of Novato, acting as lead agency, has adopted a mitigation monitoring and reporting plan in which staff of the City of Novato is responsible for compliance and is empowered to sanction non-compliance.
3. Adopt a resolution making determinations approving the proposed Annexation of the Hamilton Main Gate Area to the Novato Sanitary District (File #1293) as shown on Exhibits "A" and "B" of the attached resolution.
4. Authorize staff to complete subsequent proceedings pursuant to Government Code §57000 without notice and hearing.

Respectfully submitted,

Peter V. Banning
Executive Officer