

DATE: August 6, 2004

TO: Members, Local Agency Formation Commission
Interested Agencies and Individuals

FROM: Peter Banning, Executive Officer

SUBJECT: Continued Public Hearings: Southern Marin Service Review & Sphere of Influence Update

The continued its public hearings on the Southern Marin Service Review and Spheres of Influence Update at its July 8, 2004 meeting, reviewing the staff report and receiving testimony on the proposed spheres of influence of the Town of Tiburon and the cities of Belvedere, Mill Valley and Sausalito. The Commission adopted amended spheres of influence for the Cities of Belvedere, Tiburon and Sausalito and continued action on the Mill Valley sphere until the August 8th meeting to review additional testimony.

The Commission opened the public hearing on the spheres of influence of the Tamalpais and Marin City Community Services Districts and the Strawberry Recreation District, continuing that hearing to the August 12th meeting. Copies of the staff report (*Southern Marin Service Review and Sphere of Influence Update – Administrative Draft*) were distributed and posted on the LAFCO website on April 26, 2004.

The Commission is currently following the hearing schedule suggested by staff:

City of Mill Valley (cont.)	August 12, 2004
Tamalpais and Marin City Community Services Districts (cont.)	July 8 and August 12, 2004
Strawberry Recreation District (cont.)	July 8 and August 12, 2004
Southern Marin and Tiburon Fire Protection Districts	August 12 and September 9, 2004
Sanitary Districts	Pending completion of further study (See Agenda Item 9.)

According to the schedule, the Commission's meeting on August 12th will include additional testimony on the proposed amendments to the spheres of influence of the City of Mill Valley, and southern Marin community services districts, recreation and park district and fire protection districts. Following testimony, the Commission may close the public hearing and act on the staff recommendations or continue the public hearings to a subsequent meeting.

Mill Valley Sphere of Influence - Comments Received

The Commission has received written comments and oral testimony on the proposed sphere of influence of the City of Mill Valley in the Alto and Muir Woods Park areas.

Marin County Community Development Agency submitted corrections to open space data shown on Map 4. County Planning staff also suggests that the Mill Valley sphere of influence should exclude all of the Tam Junction commercial area, rather than following the boundary of the Almonte Sanitary District as shown in the staff report. LAFCO staff concurs with these recommendations. A revised map of the recommended Mill Valley sphere of influence is attached to this staff report. The revised map also excludes Bothin Marsh, which is owned by the County Open Space District.

The Commission has received several comments regarding the location of the Mill Valley sphere of influence in the Muir Woods Park area (attached). Staff has recommended that the Muir Woods Park area be excluded from the Mill Valley sphere of influence except for approximately 40 unincorporated parcels deriving access from Edgewood Avenue. Approximately 100 parcels with access from Edgewood Avenue are already within the City's boundary. In staff's view, all of the parcels on both sides of Edgewood should be planned for inclusion in the City's boundary in order to minimize the potential for conflict and confusion over availability of city services as discussed on page 100 of the Administrative Draft report and because the unincorporated portion of Edgewood Avenue is accessed from Mill Valley streets. The recommended sphere of influence is therefore located at the rear parcel boundary of parcels deriving access from Edgewood Avenue.

The attached comments request exclusion of all unincorporated parcels from the City's sphere of influence based on several assertions:

1. LAFCO's designation of the sphere of influence of the City of Mill Valley should not inhibit the ability of Muir Woods Park residents to build and operate a sewer collection system outside of the City's boundary.
2. Annexation of Muir Woods Park to the City of Mill Valley to extend sewer service is not a desirable or practical solution.

3. The inclusion in the City's sphere of unincorporated parcels including "paper" (undeveloped) streets and pedestrian pathways along the west side of Edgewood Avenue could hinder the extension of new sewer mains to the City's sewer main in Edgewood Avenue.
4. The City of Mill Valley has not adequately protected such rights-of-way in the past.

LAFCO staff has met on a number of occasions with Muir Woods Park representatives to discuss potential approaches to sewer service in the area. Extension of sewer service to Muir Woods Park would require either annexation to the City of Mill Valley or the formation of a new public agency for the financing, construction and operation of a sewage collection system. LAFCO staff agrees that annexation to the City appears impractical and has encouraged area representatives to consider formation of a county-governed agency such as a county service area or a sewer maintenance district.¹ The organization and funding of sewer service in Muir Woods Park will require:

- Significant engineering and design expense.
- Improvements to the capacity of existing collection systems of other agencies to convey new sewage flows from Muir Woods Park to the SASM treatment plant.
- Agreements with other agencies to convey sewage flows through their existing collection systems.
- Agreements with other agencies to transfer sewage treatment capacity.
- Two-thirds majority voter approval for financing the management, construction, operation and maintenance of the new system.

With the possible exception of purchasing treatment capacity, each of the above requirements represents a significant obstacle to new sewer service in Muir Woods Park. According to the City's Department of Public Works, the capacity of the existing six-inch sewer main in Edgewood Avenue may be sufficient to serve the approximately 40 unincorporated parcels within the recommended Mill Valley sphere of influence and would not be sufficient to carry flows from a wider area of Muir Woods Park. The existing sewer main represents a potential solution to sewer problems experienced along Edgewood Avenue. To exclude unincorporated Edgewood Avenue parcels from the City's sphere of influence would preclude them from obtaining an available service and require property owners to rely on a new system that may not be feasible for many years.

¹ The formation of an independent special district such as a community services district would conflict with the Commission's policy (Chapter III, Section 1. A.) discouraging the proliferation of local governments.

The stated concern for the ability of a future Muir Woods Park sewer service agency to reach conveyance facilities in Edgewood Avenue is based on an assumption that the County is more inclined to protect paper streets and undeveloped pedestrian rights-of-way than would be the City of Mill Valley. This represents a vague potential problem for future sewer access that in the view of staff and is not a sufficient justification to exclude Edgewood Avenue parcels from the City's sphere of influence.

However, the Commission may be able to take other appropriate action to protect utility and pedestrian access in the area, beginning with inserting text in its sphere of influence resolution taking note of the need to protect utility access in the future. Although LAFCO may not take action to directly determine land use entitlements, the Commission may require applicants for annexation to provide complete information on the location of such rights-of-way, their use and preservation status. The Commission would be well within its authority to deny approval for an annexation if there was clear potential for interference with needed utility access. The Commission would probably not be able to effectively set conditions of approval that would directly protect such access.

The inclusion or exclusion of the 40 currently unincorporated parcels on Edgewood Avenue will not, in staff's view, significantly affect the efforts of other Muir Woods Park property owners to organize the political and financial mechanisms necessary to build and operate a new sewer collection system.

Community Services Districts and Recreation District Spheres of Influence

The Commission continued the public hearing on the spheres of influence of the Marin City Community Services District, Tamalpais Community Services District and Strawberry Recreation District from the July 8th meeting to August 12th.

Each of these three districts provides services to a large unincorporated community that has previously been included in the sphere of influence of a city. The general direction of staff recommendations in this review has been to amend city spheres of influence to exclude these areas on the basis of their physical relationship to existing city boundaries, the service impacts of annexing large populations to cities and the relatively high degree of community autonomy that characterizes the Tam Valley, Marin City and Strawberry.

If Tam Valley, Marin City and Strawberry are excluded from the spheres of influence of Mill Valley, Sausalito and Tiburon as recommended, the spheres of influence of the districts serving those areas should assume that each district's services will be needed for the foreseeable future, rather than being subject to annexation by a city. Accordingly, staff's recommendations for these three districts are as follows:

Agency	SOI Recommendation	Map Reference
Tamalpais Community Services District	Reaffirm the TCSD sphere of influence without change.	Map 16
Marin City Community Services District	Amend the existing “interim” sphere of influence to designate a coterminous sphere of influence (equal to existing District boundaries) in the expectation that the Marin City area will remain unincorporated and benefit from the services of MCCSD for the foreseeable future.	Map 21
Strawberry Recreation District	Amend the existing “interim” sphere of influence to designate a coterminous sphere of influence (equal to existing District boundaries) in the expectation that the Strawberry area will remain unincorporated and benefit from the services of SRD for the foreseeable future.	Map 22

Staff has received a letter from the Tamalpais Community Services District supporting the recommendation for that agency. The board of the Strawberry Recreation District previously submitted a letter supporting the exclusion of the Strawberry area from the sphere of influence of the Town of Tiburon.

Fire Protection District Spheres of Influence

The hearing schedule proposed by staff calls for the Commission to open the public hearing on the spheres of influence of the Tiburon and Southern Marin Fire Protection Districts at the August 12th meeting and extend opportunities for testimony to the meeting of September 9th.

The recommended “interim” sphere of influence designations would function to allow the affected agencies to apply for consolidation or other types of organizational change to enhance the scale and efficiency of the existing fire protection and emergency medical services. Continuing financial pressure on emergency service agencies is likely to cause those agencies to periodically consider consolidation alternatives. The recommended revisions to the sphere of influence designations simply open the way for such consideration by the affected agencies and by LAFCO.

Fire Protection Districts:

Tiburon Fire Protection District	Amend the District's sphere of influence to designate an "interim" sphere of influence including the current jurisdiction of TFPD and the City of Belvedere. The "interim" designation defines an area within which annexations may take place prior to eventual reorganization to form a larger fire protection district.	Map 19
Southern Marin Fire Protection District	Amend the District's sphere of influence to designate an "interim" sphere of influence coterminous with the current jurisdiction of SMFPD. The "interim" designation anticipates eventual reorganization to form a larger fire protection district which may include the cities of Belvedere, Mill Valley and Sausalito and the area served by the Tiburon Fire Protection District.	Map 20

Recommended Actions

Staff recommends that the Commission take the following actions with respect to city spheres of influence:

Adopt the attached draft resolution amending the sphere of influence of the City of Mill Valley, including the revised map including 40 unincorporated parcels with access from Edgewood Avenue and excluding the Tam Junction commercial area and Bothin Marsh.

Staff recommends that the Commission take the following actions with respect to community services district and recreation district spheres of influence:

Adopt the attached resolutions reaffirming the sphere of influence of the Tamalpais Community Services District without change and amending the sphere of influence of the Marin City Community Services District to designate a coterminous sphere of influence (equal to existing District boundaries).

Staff recommends that the Commission take the following actions with respect to recreation and park district spheres of influence:

Adopt the attached resolution amending the existing "interim" sphere of influence of the Strawberry Recreation District to designate a coterminous sphere of influence (equal to existing District boundaries).

Staff recommends that the Commission take the following action with respect to fire protection district spheres of influence:

1. Open the public hearing and receive testimony.
2. Continue the hearing to the Commission's next regular meeting on September 9, 2004, to ensure adequate opportunity for public input.

Respectfully submitted,

Peter Banning
Executive Officer