

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 25-23

**ADOPTION OF THE SAN RAFAEL AREA MUNICIPAL SERVICE REVIEW AND
WRITTEN STATEMENT OF DETERMINATIONS**

WHEREAS the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission”, is a political subdivision of the State of California with regulatory and planning responsibilities to produce orderly growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS the Commission is responsible under Government Code Section 56430 to regularly prepare studies to independently assess the availability, performance, and need of governmental services to inform its regulatory and other planning activities; and

WHEREAS part of such reviews, LAFCos must compile and evaluate service-related information and make written determinations regarding infrastructure needs or deficiencies, growth and population projections for the affected area, financing constraints and opportunities for shared facilities, government structure options, including advantages and disadvantages of consolidation or reorganization of service providers, evaluation of management efficiencies, and local accountability and governance; and

WHEREAS a written report on the municipal service review was presented to the Commission at a public hearing on Thursday, August 14, 2025, in a manner provided by law; and

WHEREAS Marin LAFCo issued a Draft Service Review on Monday, July 28, 2025, which included a public hearing, and a Final Service Review on Thursday, October 9, 2025, which also included a public hearing; and

WHEREAS as part of the San Rafael Area Municipal Service Review, the Commission is required pursuant to Government Code Section 56430(a) to make a statement of written determinations with regards to certain factors.

NOW, THEREFORE, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER**, based upon the information contained in the written report, correspondence from affected agencies and information received during the public hearings, as follows:

1. The Commission determines this municipal service review is a project under the California Environmental Quality Act, but qualifies for an exemption from further action as an informational document consistent with State CEQA Guidelines Section 15306, Class 6.
2. The Commission adopts the municipal service review and the statement of written determinations generated from the information presented in the written report on the municipal service review as set forth in Exhibit “A”.
3. The Commission refers the public to the report on the municipal service review for additional details and important context, including – but not limited to – documenting each agency’s active and latent service powers.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on October 9, 2025, by the following vote:

AYES: Commissioners Coler, Rodoni, Chu, Kious, Murray and Burdo

NOES: _____

ABSTAIN: _____

ABSENT: Lucan

Barbara Coler
Barbara Coler (Oct 10, 2025 15:42:31 PDT)

Barbara Coler, Chair
Marin LAFCo

ATTEST:

Jason Fried
Jason Fried, LAFCo Executive Officer

APPROVED AS TO FORM:

Mala Subramanian
Mala Subramanian (Oct 12, 2025 09:15:35 PDT)
Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 25-23

- 1) Exhibit "A"

EXHIBIT A
SAN RAFAEL AREA MUNICIPAL SERVICE REVIEW
MUNICIPAL SERVICE REVIEW DETERMINATIONS
GOVERNMENT CODE SECTION 56430

1. Growth and population projections for the affected area.

a) Currently, the estimated population of Marinwood CSD is 5,119. As the developable area within the district's boundary is 96% built out based on current zoning regulations, future growth within the district's current boundary is anticipated to be minimal. There are currently two sites within the district's boundary, Marinwood Plaza and Miller Creek School District Properties (Marinwood Plaza adjacent), that have been designated by the County of Marin within its most recent housing element as possibilities for future development to help meet the County's RHNA requirements. These two sites, if developed as currently anticipated, would create 135 new units. Given the current persons per household ratio within the Lucas Valley-Marinwood Census Designated Place of 2.56, these developments would potentially show an increase in population within the District of approximately 346 residents.

While not within the district's boundary, yet still within the current sphere of influence, the County of Marin has also identified the site of St. Vincent's as another possible area for development to meet RHNA requirements. Should the site be developed as currently projected, it would add a total of 680 new units within the district's sphere of influence. Given the current person-per-household ratio within the Lucas Valley-Marinwood Census Designated Place of 2.56, this development would potentially show an increase in population within the district's sphere of influence of 1,741 residents.

b) Currently, the estimated population of the City of San Rafael is 59,855. Between 2010 and 2025, San Rafael experienced a total population increase of 3.76%. According to the Association of Bay Area Governments (ABAG) Growth Forecast, the population of the City is expected to grow by just 0.74% annually over the next 15 years. This is a slightly higher projected increase in population than what is anticipated for the County as a whole. ABAG projects that San Rafael's total population will increase to approximately 66,880 by 2040, with an average household size of 2.43.

The City's land use is guided by General Plan 2040, which strives to balance urban development with environmental preservation. The City has always placed a strong value on the retention and protection of open space and parklands, with just over 45% of the City's planning area remaining protected as parks, open space, or conservation land.

The City's 2023-2031 Housing Element identifies the need for the development of 3,220 housing units to meet its Regional Housing Needs Allocation (RHNA) mandate from the Association of Bay Area Governments (ABAG), including 1,349 units for low and very-low-income households. Within the Housing Element, a number of sites have been identified with their planned unit counts for development. The site inventory strategy relies on underutilized commercial properties, vacant lots, and mixed-use redevelopment to meet

95% of the RHNA. In total, the Housing Element identifies sites that would allow for 4,658 total units to be constructed, offering the City a surplus of 1,438 units beyond what the RHNA has mandated.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

a) There are currently no identified disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Marinwood Community Services District.

b) Disadvantaged unincorporated communities, or “DUCs”, are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income. The Cortese-Knox-Hertzberg (CKH) Act prohibits LAFCo from approving a City annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal unless an application to annex the DUC has been filed with LAFCo. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out underserved, inhabited areas, with infrastructure deficiencies and a lack of access to reliable potable water and wastewater services.

According to the California Department of Housing and Community Development, the median household income in California in 2025 is \$118,100, with 80% of that amount being \$94,480. Census Tract 1121, Block Group 1, comprises a portion of the unincorporated neighborhood of California Park, which is outside of the City of San Rafael’s jurisdictional boundary (albeit substantially surrounded by it), but within the City’s sphere of influence. This Census Block Group has an estimated median household income of \$77,625, giving it the designation of a disadvantaged unincorporated community.

As the DUC is surrounded on all sides by either the City of San Rafael or the City of Larkspur, an annexation of more than 10 acres by the City of San Rafael that is contiguous to this DUC is highly unlikely. With that in mind, should Marin LAFCo in the future receive such an application, it will work with the community to determine if it is in the best interest of those living within the DUC to be annexed. If it is not in the community’s best interest, then they would not be included in that application.

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 sphere of influence.

- a. a) Fire Protection | Marinwood CSD is authorized to provide fire protection service as it is described in Government Code section 61100(a). Marinwood CSD is an All-Risk Department servicing district residents as well as providing automatic aid to the adjacent unincorporated areas, the City of Novato, and the City of San Rafael. The district has an agreement with and relies upon the City of San Rafael for administrative and operational leadership, including Fire Chief services, as well as the use of training facilities, among other things.

While the District is able to sustain its current level of service and operation for the foreseeable future, staff retention and recruitment have been a hardship in recent years. Additionally, the vast majority of the district's calls for service responses are outside of its boundaries. Over the course of the study window, on average, only 22.3% of the total calls for service annually were for responses within the district's boundaries. In order to continue to serve the broad area of response that the district has been maintaining, district staff have expressed interest in exploring the possibility of other governmental structures for its fire protection service. Further analysis is necessary to determine the feasibility and the most sensible alternative governmental structure to ensure the uninterrupted delivery of this service in the future. Marin LAFCo determines that Marinwood CSD has capability and capacity to adequately provide fire protection service at the same level that it currently is, however, as population grows and utilization rates increase both within the district's own sphere of influence as well as the surrounding areas that it responds to, additional staffing and improvements to capital facilities and equipment may be necessary to improve the delivery of services to the district.

b) Parks and Recreation | Marinwood CSD is authorized to provide parks and recreation services as it is described in Government Code section 61100(e). Marinwood CSD currently owns, operates, and maintains the Marinwood Community Park, Las Gallinas Park, and Creekside Park, as well as approximately 800 acres of protected open space. Marin LAFCo determines that Marinwood CSD has the capability and capacity to continue providing parks and recreation services within its boundaries at the current service levels.

c) Street Lighting | Marinwood CSD is authorized to provide street lighting service as it is described in Government Code section 61100(g). This service is facilitated by way of a special assessment that only applies to parcels within the district that are provided with lighting. Marin LAFCo determines that Marinwood CSD has the capability and capacity to continue providing street lighting services within its boundaries at the current service levels.

d) Fire Protection | San Rafael Fire Department is an All-Risk Department servicing City residents as well as providing automatic aid to the unincorporated island areas throughout the City which make up Marin County Service Area No. 19. The City has an agreement with the Marinwood Community Services District to provide administrative and operational leadership, including Fire Chief services, as well as the use of training facilities, among other things. The agreement produces significant benefits to the City, with Marinwood Fire's Engine 58 averaging over 60% of its calls for service to locations within City limits (outside of the District's own boundary) throughout the course of this study window.

The City has made significant investments in the Department's infrastructure over the course of the study window, with five separate fire stations seeing major renovations, including the opening of the City's Public Safety Center. The Fire Department's current facilities are more than adequate to meet service needs now and into the future. The Department continually replaces necessary equipment and vehicles through the City's budget process each year. The City maintains a robust Capital Improvement Plan (CIP) and the department's needs, as outlined within the CIP, are generally met through the City's long-range financial planning.

Marin LAFCo determines that the City of San Rafael has the capability and capacity to continue providing fire protection and emergency medical response services within its

boundaries at the current service levels, with the understanding that the current agreement with Marinwood Community Services District remains in place. Should the agreement be discontinued for any reason, the department would have a significant number of annual calls for service that Marinwood responds to annually, to try to backfill with responses from other firehouses in the City.

e) Parks and Recreation/Library | San Rafael's Library and Recreation Department oversees 23 municipal parks totaling 99 acres, three community centers, one cultural center, and three library locations. This department was part of a larger departmental reorganization in 2019, combining what was then the Community Services Department and the Library Services Department into the Library and Recreation Department.

Over the course of the study window, the City has invested heavily in library-related infrastructure projects, including the renovation of the City's Carnegie Library and Pickleweed Branch Library, as well as the planning and funding acquisition for the construction of a new library at Albert Park. The City also invested in the Pickleweed Park Enhancement Project, which included replacement of the existing sports field with an all-weather turf field usable year round, installation of a new outdoor basketball court, addition of playground features for children under five, installation of adult fitness equipment, construction of a new gazebo with shaded seating, replacement of the park restroom building, and improved lighting, among other things.

In April of 2023, following a two-year development process, the City adopted its Citywide Parks and Recreation Master Plan (CPRMP). The document offers the City a comprehensive framework to address evolving recreation needs, equity gaps, and infrastructure modernization in order to better position the City to meet future demands through strategic prioritization and collaborative governance. The CPRMP offers the City a guiding document for shaping the future of the City's parks, recreation facilities, and programs, creating a framework for services in San Rafael's recreation network for years to come.

Marin LAFCo determines that the City of San Rafael has the capability and capacity to continue providing parks, recreation, and library services within its boundaries at the current service levels.

f) Police | The City of San Rafael Police Department (SRPD) maintains a vast array of divisions, units, and services that support residents and visitors to the City. These services are well-managed and staffed with adequate equipment and facilities. Department staff completed 7,984 hours of training in 2024, emphasizing de-escalation and cultural competency. Transparency mechanisms for the department include biannual public reports and a Police Advisory & Accountability Committee reviewing 33 complaints in 2024. Use-of-force incidents decreased by 32% from 2023 to 2024. SRPD receives its policy framework from Lexipol, the recognized expert in police policy, which is utilized by the vast majority of police agencies in California. In addition, the SRPD reviews policies and procedures on a continuous basis.

The Police Department's existing facilities are adequate to meet service needs now and into the future. The Department continually replaces necessary equipment and vehicles through the City's budget process each year. The City maintains a robust Capital Improvement Plan

(CIP) that sets forth the City's capital improvements for the next five years. The Police Department's needs, as outlined in the most recent CIP, are generally met through the City's long-range financial planning. Though the Department meets all response time goals for all priority call types for all years studied, staff expressed the need to increase staffing to continue to meet growing needs.

Marin LAFCo determines that the City of San Rafael has the capability and capacity to continue providing police services within its boundaries at the current service levels.

g) Public Works | The City of San Rafael's Public Works Department has executed \$48.3 million in capital projects over the past five years while managing 173 miles of roadway, 25 municipal buildings, a fleet of over 300 City vehicles, 58 miles of storm drains, and 12 stormwater pump stations. The Department operates with four separate divisions of streets, parks maintenance, facilities maintenance, and vehicle maintenance. The current Capital Improvement Program (CIP) for FY 2024-25 through FY 2026-27 prioritizes seismic resilience, multimodal transportation upgrades, and aging infrastructure replacement through \$62.3 million in planned investments. While the City has the financial capability to continue to provide these services at their current levels, staff have expressed concern over the possibility of the loss of some federal grant funding due to recent cuts that were allocated towards public works and transportation. Staff is continuing to monitor any possible impacts of the federal reallocation of funds.

Marin LAFCo determines that the City of San Rafael has the capability and capacity to continue providing public works services within its boundaries at the current service levels.

4. Financial ability of agencies to provide services.

a) Marinwood CSD appears to have adequate annual revenue and fund balance to continue to provide its authorized services at current service levels. The district has shown adequate revenues to provide for expenditures throughout the course of the study window, with revenues outpacing expenditures in FY 2023-24 by \$468,702.

b) Marinwood CSD's net position has shown a significant turnaround over the course of the study window, going from a negative net position in FY 2019-20 to a positive net position at the end of FY 2023-24 of \$2,371,685. Overall, Marinwood CSD has shown itself to be financially stable despite increasing costs, particularly those related to fire services. The district has built significant fund balances to be able to weather unforeseen financial hurdles for the foreseeable future.

c) The City's publicly accessible Finance Department webpage includes budgets, audits, and financial information relevant to the City. The City's budget process and financial procedures are in accordance with all applicable standards of the Government Accounting Standards Board (GASB), Generally Accepted Accounting Principles (GAAP), and the City's internal financial policies.

d) For FY 2019-20 through FY 2023-24, the City's revenues exceeded expenditures for all years studied except for the City's FY 2019-20, which was significantly impacted by the COVID-19 pandemic. Fire and Police services account for approximately 50% of the City expenditures, with costs for these services only likely to continue to rise. The City's net

pension liability and its unfunded accrued liability continue to pose a challenge; however, the City has made great strides to reduce these liabilities in recent years. The City's financial management practices provide a financial safety net for the City and include building reserves, financially sound rules on how surplus is spent, and rules that support fiscal sustainability. The City is well-managed and has adequate staff to maintain and plan for future services.

e) With continued strong management of financial resources and proactive measures to locate alternative funding sources, the City will likely maintain its high level of existing services and have the capacity to serve both current residents and accommodate the minimal growth anticipated through the life of this report.

5. Status of, and opportunities for, shared facilities.

a) The district currently utilizes the training facilities of the San Rafael Fire Department at Station 52. The district also utilizes the facilities of the Miller Creek Middle School for programming, as well as the tennis courts owned by the Lucas Valley Home Owners Association.

b) The district's current agreement with the City of San Rafael is an exemplary case of the value of shared facilities and services. Both agencies benefit greatly from the services and facilities/equipment that the other provides.

c) The City participates in regional agreements, as well as agreements with neighboring agencies for the provision of municipal services. The City takes proactive measures to reduce costs and improve service efficiency overall and within each City department. The City generally takes advantage of opportunities for shared facilities with neighboring entities. Additional opportunities within the City's numerous unincorporated islands should be explored with the County of Marin.

d) The City's current agreement with the Marinwood Community Services District is an exemplary case of the value of shared facilities and services. Both agencies benefit greatly from the services and facilities/equipment that the other provides.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

a) Marinwood CSD is governed by a five-member Board of Directors that is elected to four-year terms. Regularly scheduled monthly Board meetings are held, and all meetings are open to the public and are publicly noticed a minimum of 72 hours prior to the meeting in accordance with the Brown Act.

b) Marinwood CSD maintains an up-to-date website that contains district information, documents, and updates.

c) Marinwood CSD has demonstrated accountability and transparency in its disclosure of information and cooperation during the process of this municipal service review. The district cooperated in a timely manner with all document requests and staff questions.

d) Marin LAFCo determines that Marinwood CSD is currently meeting or exceeding all of the thresholds set forth by the State for community services districts for accountability and transparency.

e) The City of San Rafael is governed by a five-member City Council (including one separately elected Mayor) that is elected to four-year terms. Regularly scheduled City Council meetings are held, and all meetings are open to the public and are publicly noticed a minimum of 72 hours prior to the meeting in accordance with the Brown Act.

f) The City of San Rafael maintains an up-to-date website that contains district information, documents, and updates.

g) The City of San Rafael has demonstrated accountability and transparency in its disclosure of information and cooperation during the process of this municipal service review. The City cooperated in a timely manner with all document requests and staff questions.

h) Marin LAFCo determines that the City of San Rafael is currently meeting or exceeding all of the thresholds set forth by the State for municipalities for accountability and transparency.

Any other matter related to effective or efficient service delivery, as required by commission policy

a) There are no other matters related to the efficiency of services for Marinwood CSD.

b) Flood Zone 6 was established prior to the City of San Rafael's annexation of the area. While the MOU between the Flood Control District and San Rafael has worked well, it may be time for the Flood Control District to transfer the remaining work it does for the district to the City of San Rafael. The City has the ability to do the work the Flood Control staff does now within the zone. The work that would need to be transferred should include general administration, which includes such items as the permitting process for maintenance to the creeks and oversight of the Advisory Board, including keeping the current Board members to ensure continuity and history of the zone.

Since the last MSR, the District and City staff have agreed on terms for the transfer of Zone 6 to the City; however, the Zone 6 Advisory Board is yet to endorse them. Measures should be included to ensure all current and future funds are properly transferred to the City and that the City has measures in place to ensure that all of those funds are strictly allocated for services within Flood Zone 6. Having said that, the District (until transfer of services is completed), City, and Advisory Board should discuss, as needed, when projects fall outside the boundary of the zone, but will help deal with flood control issues within the boundary. It could be prudent to use some funds on these types of projects if they end up benefiting and supporting the system that Zone 6 is responsible for. While LAFCos have the authority to perform an MSR for flood control districts, they do not have oversight of the formation, change to, or

elimination of individual zones within them. However, if requested by both the District and City, LAFCo staff can assist with this process.

The Advisory Board for Zone 6 held a public meeting on July 16th, 2025, to discuss the possibility of the transfer. The Advisory Board expressed concerns that should be reviewed by the District and City staff to determine if they can be met and how to proceed. Their concerns included ensuring ongoing Zone 6 revenue continues to be set aside for local drainage purposes within its boundaries, and a citizens' advisory committee continues to guide that work.

In addition to the District and City, staff should coordinate with the Sonoma-Marín Area Rail Transit (SMART) staff. Currently, SMART runs its own programs to ensure the safety of the rail line that runs through the Zone 6 area. Similar to the discussion above about District funds being used for projects just outside of its boundary, SMART may get similar benefits by working with Zone 6 to help use some of its funds outside of its direct efforts, as it may be possible to help divert water earlier in the system, so the rail line is better protected. For example, in 2019, an Advisory Board member for Zone 6 pointed out that SMART modifications in the area may have impacted drainage and erosion patterns in some parts of the zone. County and City staff have worked with SMART staff, but more collaboration may be needed by SMART when performing work in this zone to ensure work done by any group does not impact the efforts of the others. A memorandum of understanding (MOU) between the three groups would help facilitate this.












Resolution 25-23 - San Rafael MSR

Final Audit Report

2025-10-13

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