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## Town of Moraga to Form a GHAD

*By Sophie Braccini*

Orinda has one for Wilder, now Moraga will have one, too: a Geologic Hazard Abatement District, or GHAD; a legal entity that is formed to fund the prevention and remediation of land slides and other earth movements for a group of property owners. As in Orinda, the council members will comprise the GHAD's board of directors. Three developments in Moraga will have to join Moraga's GHAD as part of their conditions of approval: Palos Colorados, Hetfield, and Rancho Laguna II.

"The GHAD functions a little like insurance," explained Uri Eliahu, president of the consulting firm Engeo, who answered questions at the May 14 town council meeting. "But unlike insurance, a GHAD monitors soil conditions and does preventive work."

A GHAD is relatively new mechanism that was authorized by the state in 1979; the first was the Abalone Cove Landslide Abatement District, formed in Los Angeles County in 1981. The 600-acre Abalone Cove landslide, which began moving in 1978, threatened over 100 homes. This GHAD has since financed continued geologic investigation of the slide and has allowed it to be treated as a single physical entity, with no consideration of property boundaries. "The four magic words in GHAD law are abatement, prevention, litigation, and control of geologic hazards," said Eliahu.

The source of revenue for a GHAD is a tax, assessed on homes that fall within the GHAD, which appears on the homeowner's county tax bill. Council members asked about the cost for each resident. "The preliminary study will determine how much money should be put aside and what the annual levy should be," said Eliahu. "The amount can be different for each development; it works like insurance, a different risk level will mean a different premium." The consultant explained that there are economies of scale linked to large GHADs but the Moraga GHAD will be on the small side; GHADS range from 40 to 22,000 homes. "A very large GHAD would have an annual assessment in the hundred dollar range, while a development like Wilder in Orinda has an annual assessment of about \$2,700," he added.

The council wondered if a GHAD ever went bankrupt and if the town would have any liability. "It's never happened," said the consultant. "First a GHAD does prevention work; then if a major catastrophe happens, it can borrow against future revenue streams." Eliahu also confirmed that the town would not be liable, but that the GHAD as a separate legal entity could be. Council members were surprised to learn that a GHAD, which is a state entity, would not be subject to local rules, such as MOSO, to fulfill its mandate.

GHADs are managed by a team separate from town staff that reports to the board annually. "It gives a rundown on the reserves, which is key," said Eliahu. Town attorney Michelle Kenyon stressed the fact that the council members would not be acting as a town council, but as a GHAD board.

Once established, other groups of property owners can petition to be annexed into the GHAD, including property owners outside of Moraga. It will be the prerogative of the board to accept or refuse annexation.

The final proposal for the establishment of the Moraga GHAD will come back to the council for approval, and the selection of a management team, at a date not yet set.

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