
**BUTTE LOCAL AGENCY FORMATION COMMISSION (LAFCO)
EXECUTIVE OFFICER'S REPORT**

TO: Local Agency Formation Commission

FROM: Shannon Costa, Local Government Planning Analyst

SUBJECT: **LAFCo File 21-09 – City of Chico – Extension of Services – Extension of Services – 817 Oak Lawn Avenue**

DATE: November 23, 2021, for the December 2, 2021 meeting

Summary

The City of Chico is requesting approval to extend sanitary sewer services to a single unincorporated parcel that is developed with a single-family residential use (see **Exhibit A**). The parcel is contiguous to City of Chico jurisdictional boundaries and is anticipated for annexation within six years. Staff recommends that the Commission approve the extension of services request. Draft Resolution 06 2021/22 (**Exhibit B**) contains recommended conditions of approval.

General Information

Application Submitted: November 19, 2021

Application Deemed Complete: November 22, 2022

100% Landowner Consent: Yes

Notice and Hearing Required: No

Proponent: City of Chico

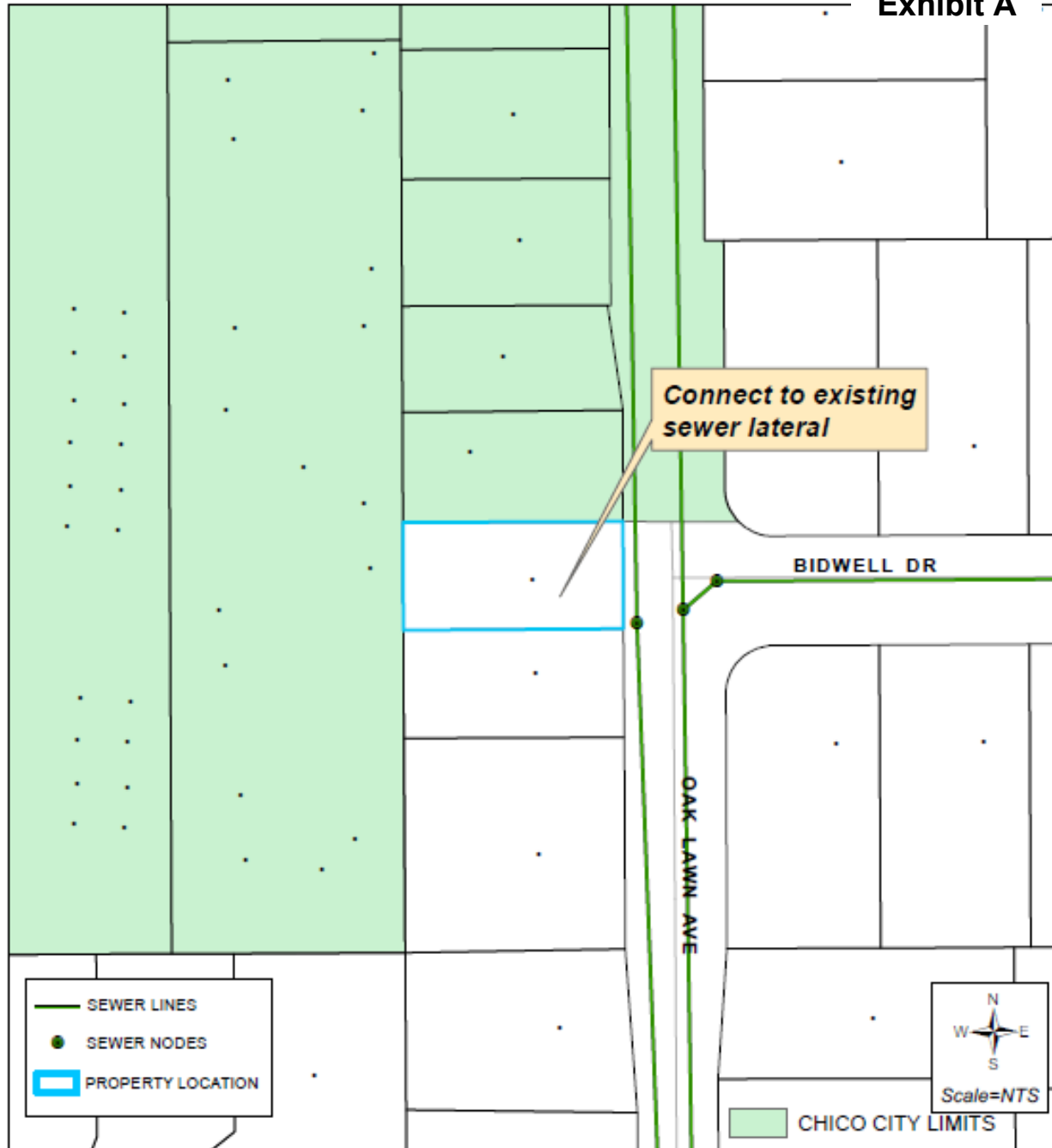
Landowners: Gino and Kayla Ottoboni

Location: The subject parcel is located on the west side of Oak Lawn Avenue, approximately 450 feet south of W. Sacramento Avenue. The subject parcel is identified as Assessor's Parcel Number 043-260-008 (817 Oak Lawn Avenue), Chico, CA. The territory is located in Supervisorial District 2.

Proposal: Extension of City of Chico sanitary sewer service to a single parcel.

Requested Action: Adopt Resolution 06 2021/22 (**Exhibit B**) approving the extension of City of Chico sanitary sewer services.

Exhibit A



CITY OF CHICO

PUBLIC WORKS DEPARTMENT

DRAWN BY: JS
DATE: 11/2/2021

PLAT TO ACCOMPANY APPLICATION
FOR SEWER CONNECTION
NO.ENGSSA21-00385
043-260-008
817 OAK LAWN AVE

*Disclaimer:
The City of Chico is providing
this information for reference purposes and does not
warrant, guarantee, or accept any liability for the
accuracy or completeness of any information contained herein.*

DISCUSSION AND ANALYSIS

Background

The subject parcel is approximately 5,227 square feet (0.12 acres) in size and is developed with a 784-square-foot, two-bedroom, one-bathroom, single-family residential dwelling built in the 1950's. Domestic water supply for the dwelling is provided by the California Water Service Company. The parcel fronts on Oak Lawn Avenue, which is a public county road that is fully improved with rolled curbs, gutters, and sidewalks. Land uses on the surrounding parcels are single-family dwellings.



Image 1 - Project Site – 817 Oak Lawn Avenue (Photo – Google Maps)

Sewage disposal for the dwelling on the subject parcel is handled by an on-site septic system. A recent inspection of the septic system determined that the septic tank on the subject parcel is deteriorating and was considered failing (see **Exhibit C**). Butte County Environmental Health Division policies require, in the event of a failed or failing septic system, connection of the parcel to a public sanitary sewer if there is a sewer line within 250 feet of the parcel.

A City of Chico sewer line and lateral are located within the Oak Lawn Avenue right-of-way. The surrounding neighborhood is identified as within a Nitrate Concern Area in the Chico Urban Area Nitrate Compliance Program and has been fully sewered by the City to encourage connection to the sewer system.

The parcel is contiguous to the north to the City of Chico jurisdictional boundary. LAFCo policies encourage annexation to cities and special districts involving territory located within the affected agency's sphere of influence over extending services by contract or agreement. The annexation territory is located within the bounds of the West Sacramento Island Area, which is identified as one of the four remaining island areas within the City of Chico. LAFCo and City of Chico staffs are currently working to develop an island annexation agreement that would 'clean-up' the remaining areas by annexing on a yearly basis. It is anticipated that the West Sacramento Island Area would be annexed within a six-year timeframe. As such, Resolution 06 2021/22 includes a condition of approval (Condition B) that would require the applicant to apply to LAFCo for annexation of the parcel within six months of approval of this Extension of Services, should the Island Annexation Agreement be delayed or abandoned for any reason.

Land Use/Zoning Designations

The Butte County General Plan designates the subject parcel as Medium Density Residential (up to 6 dwelling unit per acre) and the parcel is zoned Medium Density Residential (up to 6 dwelling unit per acre). The City of Chico's General Plan designates the parcel as Low Density Residential (2.1 to 7 units per acre) and the City has rezoned the parcel as R1-AOD (Low Density Residential with Airport Overlay Zone D overlay). The single-family residential use on the subject parcel is consistent with both the County's and the City's General Plans and zoning ordinances.

Governing Law and LAFCo Policy

Provisions for extension of service requests are found in Government Code §56133 and in Section 4.5 of the Commission Policies and Procedures. In brief, the law permits the Commission to authorize a city or district to provide new or extended service outside its jurisdictional boundaries but within its sphere of influence (SOI) *in anticipation of a later change of organization*. These documents offer the following guidance:

- Extensions of service are to be in *anticipation of annexation*, which is generally defined by LAFCo as meaning the area is located within the agency's Sphere of Influence (Butte LAFCo Policy 4.5.4.A.5).
- Annexations to cities and special districts are generally preferred for providing public services (Butte LAFCo Policy 4.5.4.A.1).
- Local circumstances, health and safety, emergency service, or other concerns may warrant the approval of an extension of service where annexation is not practical or deemed undesirable for other policy reasons (Butte LAFCo Policy 4.5.4.A.1).
- Extension of service agreements are usually considered to be a temporary measure, typically considered in response to an existing or impending public health and safety threat (e.g., failing septic system or domestic water well), or when annexation is not immediately feasible, and in anticipation of a future annexation (Butte LAFCo Policy 4.5.4.A.1).
- The Commission gives great weight to properly documented existing health and safety needs when considering justification of such extensions (Butte LAFCo Policy 4.5.4.A.1).
- The Commission discourages use of contract service extensions for the purpose of extending services to new development and will approve such extensions only under extraordinary circumstance and may apply strict limitations on such services (Butte LAFCo Policy 4.5.4.A.1).

Requests for Approval

In accordance with State law, requests and approvals for extensions of service are to be filed and acted upon prior to an agency providing services. All requests *shall explain the specific*

circumstances that make annexation infeasible and justify extension of service by contract. The Commission may condition any extension of services where it finds local circumstances warrant applying greater scrutiny and guidance.

Whenever the Commission determines to condition the approval upon a later annexation of the affected property, the condition shall normally include a requirement that the owner record an agreement consenting to annex the territory, which agreement shall bind future owners of the property. A fully executed Annexation Agreement and Covenant were submitted with the application and is included as **Attachment D** of this report.

Pursuant to Butte LAFCo Policy 4.5.4.D, the Executive Officer is required to evaluate the following five factors when reviewing an extension of services request. The factors are intended to provide the Commission with information about certain topics that are often relevant to extension of services request. No single factor is determinative. An evaluation of these factors as it relates to the proposed extension of service request follows.

- 1) The ability of the local agency to provide service to the proposal area without detracting from current service levels.

The City of Chico owns and maintains a wastewater collection, treatment, and disposal system. As indicated in the City's Municipal Service Review (adopted by the Commission in October 2018), and the City's General Plan (adopted by the City in 2011), the City of Chico's wastewater system has sufficient capacity to provide service to the affected parcel without detriment to current service recipients. A City of Chico sanitary sewer line and lateral are located within the Oak Lawn Avenue right-of-way.

The City does not, and will not, provide any other parcel specific service, such as fire protection and law enforcement services, to the subject parcel. The existing public services provided to the subject parcel by Butte County will not change as a result of this proposal until such time as the parcel is annexed to the City of Chico.

- 2) The proposal's consistency with the policies and general plans of all affected local agencies.

The affected parcel is developed with a single-family dwelling. This use is consistent with the City of Chico's General Plan land use designation of Low Density Residential and with the City's R1 rezoning of the parcel. The existing use is also consistent with the County's General Plan land use designation of Medium Density Residential and the County's zoning of Medium Density Residential.

- 3) The proposal's effect on growth and development within and adjacent to the affected land.

The proposal to connect to the City of Chico's sanitary sewer system will facilitate the continued use of the parcel for single-family residential purposes. The extension of services will be conditioned to state that the extension of sewer services is for existing development only (two-bedroom, one-bathroom single-family dwelling). Any additional development on the parcel, such as another dwelling unit, will not be allowed unless the parcel is first annexed to the City of Chico.

- 4) Whether the proposal contributes to the premature conversion of agricultural land or other open space land.

No agricultural uses are found on the subject parcel. The proposed extension of sanitary sewer service to the subject parcel will not affect agricultural lands.

5) The likelihood of a later change of organization being initiated by the affected agency.

The parcel is contiguous to the north to the City of Chico jurisdictional boundaries. LAFCo policies encourage annexation to cities and special districts involving territory located within the affected agency's sphere of influence over extending services by contract or agreement. The annexation territory is located within the bounds of the West Sacramento Island Area, which is identified as one of the four remaining island areas within the City of Chico. LAFCo and City of Chico staffs are currently working to develop an island annexation agreement that would 'clean-up' the remaining areas by annexing on a yearly basis. It is anticipated that the West Sacramento Island Area would be annexed within a six-year timeframe. The Draft Agreement would also grant the City authority to connect parcels with failing septic systems to the municipal sewer system. The Draft Agreement is expected to be brought forward to the City Council and the Commission for approval within 6 months. For this reason, Staff is recommending the service extension be approved with the following conditions:

Condition B - The applicant shall submit to LAFCo within six (6) months of approval of this Extension of Services request, an application for annexation to the City of Chico. The annexation application shall not be required if an Island Annexation Agreement that identifies the West Sacramento Island Area and signed by representatives of the City of Chico and LAFCo is executed before that time.

Environmental Analysis

The proposed extension of service is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) – General Rule Exemption. This section can be used when the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The General Rule exemption is appropriate for this proposal because: 1) the subject parcel is developed with a residential use; 2) the residential use is consistent with the City's General Plan and rezoning and with the County's General Plan and Zoning Ordinance; and 3) the City has already extended sewer infrastructure to the area.

Staff Recommendation

This proposal meets all of the five criteria established to review service extensions in that:

- 1) The City has documented its ability to provide service;
- 2) The proposal is consistent with current land use plans for the City;
- 3) The proposal will have an insignificant effect on growth and development;
- 4) The proposal will not cause impacts to agricultural land; and
- 5) The parcel is identified as within the West Sacramento Avenue Island area, which is anticipated for annexation within a six-year timeframe.

This extension of services authorization is intended only for development on the effected parcel that existed at the time of application to LAFCo, which for this project is a single-family dwelling use. Staff recommends that the Commission approve the extension of City of Chico sanitary

sewer services to the subject parcel, but with the following condition that prohibits new development that requires additional sewer service:

The authorization to extend City of Chico sewer services to the subject parcel (APN 043-260-008 – 817 Oak Lawn Avenue) is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization, which is a 2-bedroom, 1-bath, 784 square foot single-family residential dwelling. Prior to the City of Chico or County of Butte authorizing or otherwise allowing any new or additional development on the parcel that alters the existing use, the City or County shall provide such proposals to the LAFCo Executive Officer for review of compliance with this sewer extension authorization.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1 – APPROVE the proposal as submitted:

- A. Find that the extension of services request is not subject to the provisions of the California Environmental Quality Act per Section 15061(b)(3), General Rule Exemption.
- B. Adopt Resolution No. 06 2021/22 authorizing the City of Chico to provide sanitary sewer service outside the City’s boundary to the property located at 817 Oak Lawn Avenue (APN 043-260-008) in the unincorporated Chico area.

OPTION 2 - DENY the proposal.

OPTION 3 - CONTINUE this proposal to a future meeting for additional information.

ACTION REQUESTED: Approve OPTION 1.

Respectfully submitted,

Shannon Costa

Shannon Costa
Local Government Planning Analyst

Attachments:

- Exhibit A: Area Map – pg. 2
- Exhibit B: Draft LAFCo Resolution No. 06 2021/2022
- Exhibit C: Septic Report
- Exhibit D: Annexation Agreement and Covenant

RESOLUTION NO. 06 2021/22

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF BUTTE AUTHORIZING THE CITY OF CHICO TO
PROVIDE OUT-OF-AGENCY SANITARY SEWER SERVICES
TO 817 OAK LAWN AVENUE (APN 043-260-008) CHICO, CA**

RESOLVED, by the Local Agency Formation Commission of the County of Butte, State of California, that

WHEREAS, a proposal for the extension of public sanitary sewer services by the City of Chico to 817 Oak Lawn Avenue (APN 043-260-008), Chico, CA, located outside of the Chico city limits but within the City of Chico's Sphere of Influence, in the County of Butte, was heretofore filed by the City of Chico and accepted for filing on November 22, 2021 by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the subject parcel is contiguous to the City of Chico's jurisdictional boundaries Chico and annexation is anticipated within six years; and

WHEREAS, a City of Chico sanitary sewer line and lateral are installed within the Oak Lawn Avenue right-of-way and the City of Chico's sanitary sewer system and wastewater treatment plant have adequate capacity to serve the subject parcel; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658, set December 2, 2021, as the hearing date on this proposal; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission called for and held a hearing on December 2, 2021, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Environmental Action:

- A. The Commission finds that the extension of services request is exempt from the provisions of the California Environmental Quality Act per Section 15061(b)(3) (General Rule Exemption).

Section 2. Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and City

Exhibit B

of Chico General Plan and zoning consistency, the City of Chico Municipal Service Review, and other factors specified in Government Code Section 56133, and as described in the staff report dated November 23, 2021, for the meeting of December 2, 2021.

- B. The Commission authorizes the City of Chico to extend sanitary sewer service outside the City's boundary to the property located at 817 Oak Lawn Avenue (APN 043-260-008), in the unincorporated Chico area.
- C. The proposal is assigned the following short form designation: 21-09 - City of Chico – Extension of Services – 817 Oak Lawn Avenue.
- D. The purpose of the extension of services is to allow the City of Chico to provide public sanitary sewer service to the existing development on the subject parcel.
- E. The City of Chico's sanitary sewer system has adequate capacity to serve the dwelling on the subject parcel and a City of Chico sanitary sewer line and lateral area located within the Oak Lawn Avenue right-of-way.
- F. The territory is located within the City of Chico's Sphere of Influence and is not within the Sphere of Influence or the district of any other sanitary sewer service provider.
- G. This extension of sanitary sewer services is only to support development on the subject parcel that existed at the time of application to LAFCo.

Section 3. Conditions requested by LAFCo:

- A. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.
- B. The applicant shall submit to LAFCo within six (6) months of approval of this Extension of Services request, an application for annexation to the City of Chico. The annexation application shall not be required if an Island Annexation Agreement that identifies the West Sacramento Island Area and signed by representatives of the City of Chico and LAFCo is executed before that time.
- C. The authorization to extend City of Chico sewer services to the subject parcel (APN 043-260-008 – 817 Oak Lawn Avenue), is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization, which is a 2-bedroom, 1-bath, 784 square foot single-family dwelling. Prior to the City of Chico or County of Butte authorizing or otherwise allowing any new or additional development on the parcel that alters the existing use, the City or County shall provide such proposals to the LAFCo Executive Officer for review of compliance with this sewer extension authorization. This condition will become inapplicable following a future annexation to the City of Chico.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 2nd day of December 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

ATTEST:

Clerk of the Commission

CARL LEVERENZ, Chair
Butte Local Agency Formation Commission

DRAFT

CHICO SEPTIC

Complete
SEPTIC SERVICE

5050 Cohasset Rd Suite 70, Chico, CA 95926
530-343-6340

SEPTIC TANK PUMPER'S INSPECTION REPORT (Page 1 of 3)

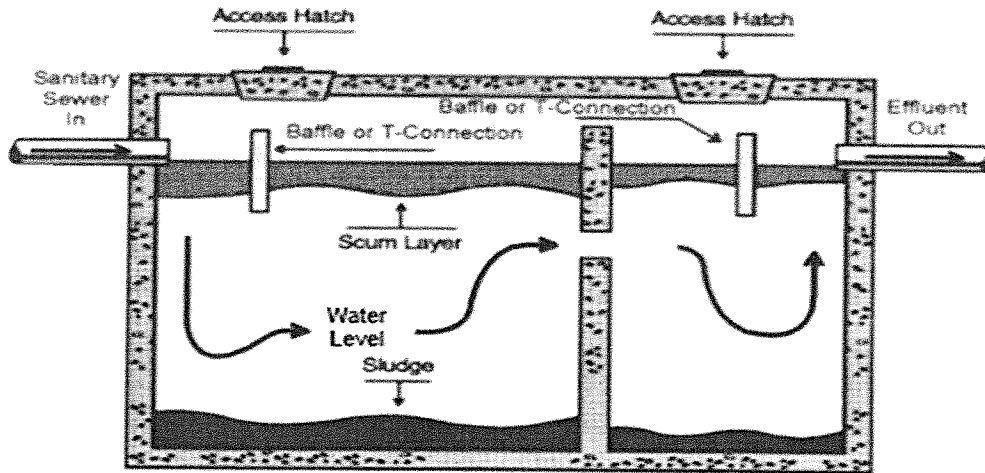
Owner/Agent: Kayla Ottoboni

Date of Inspection: 11/1/21

Address: 817 Oak Lawn Ave

SEPTIC TANK INFORMATION & CONDITION

Septic Tank Sectional View



ACCESS HATCH/LID (We check the lids to make sure there are no major cracks and that it fits snug. There needs to be enough lids to access each compartment, and their construction needs to be sound and meet code.)

Lid Construction & Quantity: (4) 2x12 wood boards

RISERS (Risers are lid extensions and if they are at the surface this makes it easier to service and monitor the system. If they are present we will check them for safety and operation.)

Lid Condition: Poor

Risers: None

TANK (We check condition of tank, walls, floor, etc. to determine its construction is sound, meets code, and is free from defects. We then measure the septic to determine its size and gallons pumped. Tanks need to be pumped for two reasons: 1 To inspect the septic tank 2. When the scum and sludge thickness exceeds 25% of the tank's depth to insure proper bacterial action and to keep the system working efficiently. Tanks are measured to the best of our ability with a tape measure and can vary due to the limited access.)

Tank Construction: Concrete

Tank Condition: Poor

Inside Length: 7ft x Inside Width: 3ft x Depth of Effluent: 4ft x 7.48 = Gallons: 700

Crust Thickness: 0in

**If the above "Percent of Solids" is greater than 40% this may indicate a lack of pumping and/or maintenance of the system, if there is a concern that solids may have filtered out to the leach field, we can do further investigation upon your request.*

Sludge Thickness: 36"

Gallons Pumped: 0

Exhibit C

SEPTIC TANK PUMPER REPORT (Page 2 of 3)

Address: 817 Oak Lawn Ave

Date of Inspection: 11/1/21

SEPTIC TANK INFORMATION & CONDITION (continued)

OPERATION (We are looking for evidence of abnormal water levels. Level should be at the invert (bottom) of outlet sanitary tee. Water level higher than the outlet pipe or evidence of seepage into the soil through the lids of the tank may point to possible leach field problems. If the water level is low in the septic then it could be evidence of seam leaking septage out of the tank. We also check around the septic area, if known, to determine if there is any evidence of possible problems indicated by seepage in the soil, odor, or other. If available we will attempt to test the outgoing line with 100-150 gallons of water – all of the water should be accepted by this line.)

Water Level: 6" low

Did Water Flow Back: Yes

Evidence of Surfacing: No

Gallons Used For
Operation Test: 40

Result of Load Test: failed

BAFFLE (The baffle separates the solids in the first compartment and allows liquid into the second compartment. The baffles are checked for defects, that its construction is sound, and meets code.)

Baffle Construction &
Condition: Wood

INLET & OUTLET TEES (We check the inlet and outlet sanitary tees to make sure they are securely attached with approximately 12 to 18 inch drop lines on each, and that their construction is sound and meets code.)

Inlet Construction &
Condition: Wood baffle T

EFFLUENT FILTER (If present, we will pull this filter, inspect it, and clean it of sludge buildup and reinstall. Not all septic have this filter, but if one is present it should be cleaned annually.)

Outlet Construction &
Condition: Wood Baffle T

Outlet Filter: None

OTHER (Some systems may require additional services like county required annual maintenance and 24hr monitoring)

County Maintenance
Required: No

TIPS TO KEEP THIS SEPTIC SYSTEM FREE-FLOWING

When doing laundry wash loads evenly throughout the week and always run full loads to use water wisely.

Normal amounts of household detergents, bleaches, drain cleaners, and other household chemicals can be used and won't stop the bacterial action in the septic tank. But don't use excessive amounts of any household chemicals. Do not dump cleaning water for latex paint brushed and cans into the house sewer

Don't deposit coffee grounds, cooking fats, wet-strength towels, disposable diapers, facial tissues, cigarette butts, and other non-decomposable material into the house sewer. These materials won't decompose and will fill the septic tank and plug the system.

If you must use a garbage disposal, you will likely need to remove septic tank solids more often. Ground garbage will likely find its way out of the septic tank and plug up the drain field. It is better to compost, incinerate, or deposit the materials in the garbage that will be hauled away.

Clean your septic tank every three to five years. How often depends on the size of the tank and how many solids go into it. A rule of thumb is once every 3 years for a 1,000 gallon tank serving a 3 bedroom home with 4 occupants.

SEPTIC TANK PUMPER REPORT (Page 3 of 3)

Address: 817 Oak Lawn Ave

Date of Inspection:11/1/21

RECOMMENDATIONS/CORRECTION/REMARKS

Failing Inspection. Tank is in poor condition, it is full of corrosion and was 6" low. Tank is also partial wood board and concrete. Repairs needed: City Sewer Connection

The average septic tank should be pumped every three to five years to insure proper bacterial action and to keep the system working efficiently. As you know, this maintenance is critical to the over-all performance of the sewage disposal system, neglecting to perform this maintenance can lead to premature backing up of your septic tank.

I also recommend water conservation should be enlisted for household water use to maximize the life expectancy of the absorption trenches. Each septic system has a certain capacity. When this capacity is reached or exceeded, there will likely be problems because the system won't take as much sewage as you want to discharge into it. When the onsite sewage treatment system reaches its daily capacity, be conservative with your use of water. Each gallon of water that flows into the drain must go through the septic tank and into the soil absorption unit. There may be other ways to conserve water that you can think of in your home. The main idea is to consider water as a valuable resource and not to waste it. Take care of any household leaks to avoid unnecessarily saturating the leach trenches.

Following a few simple rules like not using too much water and not depositing materials in the septic tank that bacteria can't decompose should help to make a septic system trouble free for many years. But don't forget the septic tank does need to be cleaned out when too many solids build up. Septic tanks need tender, loving care too!

On behalf of all of us, thank you for this opportunity to work with you.

Rachel Bartlett, Owner

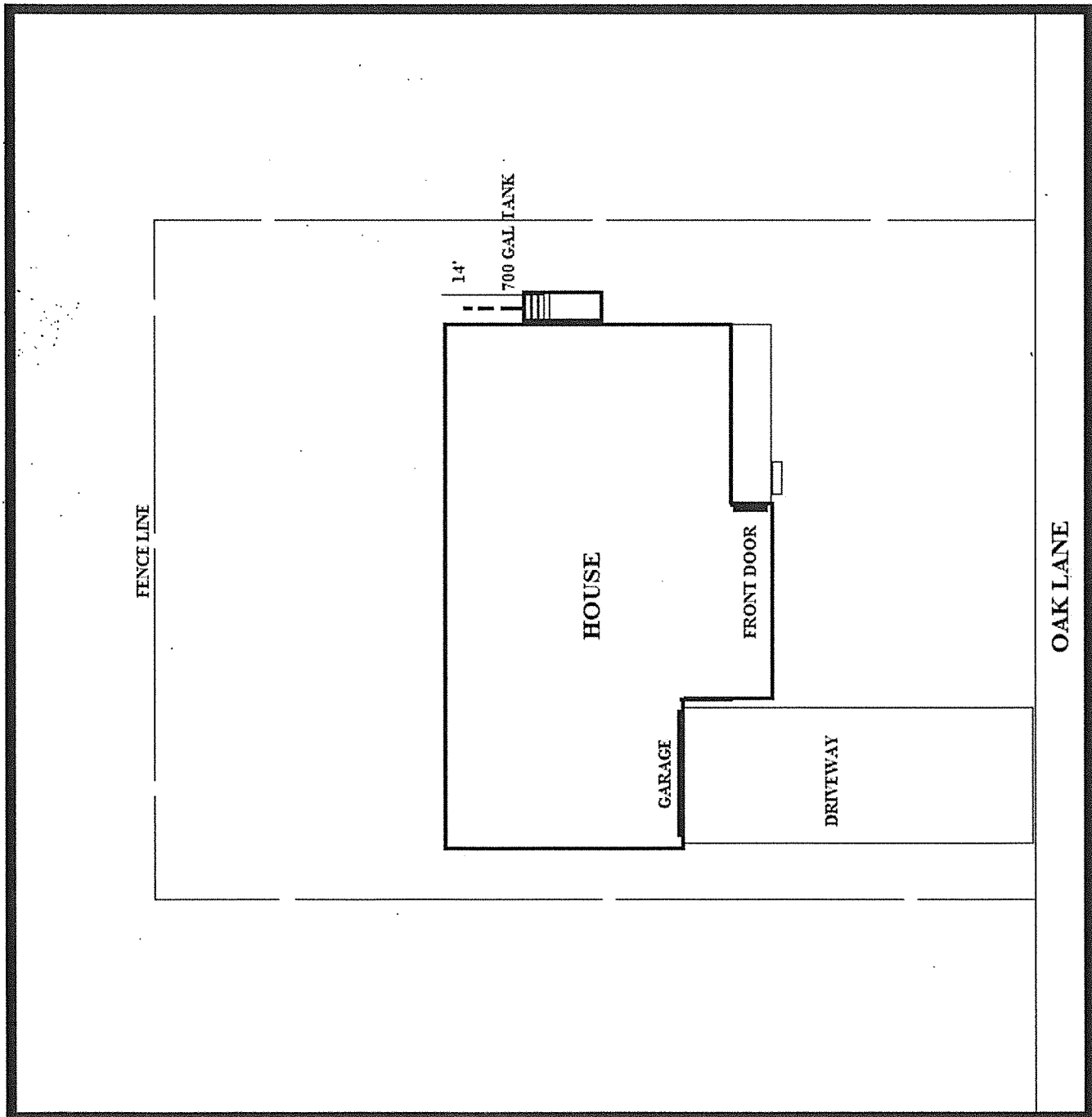
WE DECLARE THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE. We can only attest to the condition of the tank at the time of pumping on the above date and cannot be held liable for any condition that might arise after inspection. We cannot be held liable for any past or future problems that may arise due to weather conditions, vacancy during time of inspection, changes in the size of household and/or proper care and maintenance of the septic system. If system passes inspection, satisfactory performance is expected. However, the septic system is existing and "used" which means that no guarantee can be made as to the length of time that satisfactory service will occur.

5050 Cohasset Rd, Suite 70
Chico, CA 95926
530-343-6340
www.chicoseptic.com

CHICO SEPTIC

Complete
SEPTIC SERVICE

817 OAK LANE



Septic Inspector: _____

Date: _____

Exhibit C

After recording, return to:
Butte Local Agency Formation Commission
1453 Downer St. Suite C
Oroville, CA 95965

Exempt from fees per Gov Code 6103

ANNEXATION CONSENT AGREEMENT AND COVENANT

A.P. No. 043-260-008 OWNER(S): Gino Ottoboni
SITUS ADDRESS: 817 Oaklawn Avenue [Must list all owners of the Property]
Chico, CA 95926 Kayla Ottoboni

This agreement is executed by the **Butte Local Agency Formation Commission** ("LAFCo") and the above named owner(s) (hereinafter "Owner") of certain property located in the County of Butte, State of California.

WHEREAS, the Owners executing this agreement are all of the owners of the certain property (hereinafter "the Property") located in the County of Butte, State of California, and within the Sphere of Influence of the **City of Chico** (hereinafter "the CITY"). The legal description for the Property is attached as Exhibit A; and

WHEREAS, Owner has applied to the CITY for connection of Owner's Property to the CITY sewer system, even though it is outside the current boundaries of the City; and

WHEREAS, in accordance with the requirements of state law, specifically Government Code Section 56133 of the Cortese Knox Hertzberg Act and LAFCo's policies adopted there under, LAFCo approval of any such out of CITY extension of service is required; and

WHEREAS, §56133(b) only permits extension of services outside the CITY boundaries "in anticipation of a later change of organization"; and

WHEREAS, LAFCo and the CITY have entered into an agreement to expedite LAFCo approval of individual parcel connections to sanitary sewer service, one requirement of which is that the Owners of every property seeking connection and all successors in interest covenant and agree to future annexation of the Property to the City; and

WHEREAS, this agreement and covenant is for the benefit of the public and the lands in Butte County as part of LAFCo's and the CITY's overall plan for orderly development of the CITY sphere and lands of Butte County.

NOW, THEREFORE, in consideration of LAFCo approving the service extension agreement between Owner and the CITY, Owner agrees with LAFCo, on behalf of Owner's own self and on behalf of all persons or legal entities hereafter succeeding to Owner's interest in and to the Property and any part thereof, and also on behalf of CITY as follows:

1. Consent/Petition to Future Annexation or Reorganization. Owner hereby irrevocably consents to and petitions for the future annexation of his or her property to the City of Chico and agrees to cooperate in such annexation upon the CITY'S or LAFCo's request, including the payment of applicable processing fees for the annexation of the Property. If the annexation proceeding includes other

changes of agency jurisdictional boundaries in addition to the annexation, such as a detachment from a county service area or special district, (i.e. the proceeding is referred to as a "Reorganization") Owner also consents/petitions to such other changes of agency jurisdictional boundaries included in the "reorganization" proceeding. Nor shall Owner challenge or otherwise hinder the annexation/reorganization, directly or indirectly, in any other manner. Owner understands and agrees that this consent/petition to annexation includes all obligations attendant upon annexation, including all taxes, assessments and fees that the CITY imposes upon property within the CITY.

2. Binding on Successors in Interest. This consent shall be a covenant running with the land and binding on Owner's successors in interest to the Property.
3. Tenants to be Bound. Owner and LAFCo also agree that any lease, rental agreement, or other agreement now or hereafter executed by Owner, or by any person succeeding to Owner's interest in the fee title to the Property or any part thereof, which grants to a natural person or persons the right to possess and occupy the Property or any part thereof as a personal residence shall contain the following covenant:

"This agreement and the right of lessee or tenant to possess and occupy the property leased or rented pursuant to this agreement shall be subject to the provisions of the Annexation Agreement which was executed and recorded against such property at the time of and as a condition of extending services to the property. That agreement contains a complete and irrevocable consent to annexation of the property leased or rented pursuant to this agreement to the City of Chico and is binding on all persons possessing and occupying such property."

4. Consequences of Breach. Owner and LAFCo agree that in the event that Owner and/or any other person or legal entity hereafter succeeding to Owner's interest in and to the Property or any part thereof seek to protest annexation of the Property or any part thereof to CITY contrary to and in breach of the provisions of this agreement, LAFCo and the CITY shall be entitled to take the following actions:
 - a. LAFCo shall treat this consent as the binding decision and action of the Owner for all purposes under the Cortese Knox Hertzberg Act (Government Codes Sections 56000 *et seq.*) and any objection or protest shall be null and void and may be disregarded by LAFCo in determining objections and/or the value of all protests to such annexation.
 - b. In addition to the above, if deemed necessary, LAFCo and CITY may legally enforce this agreement and covenant against Owners or their successors in the state courts of Butte County
5. Termination Upon Annexation. This agreement and covenant shall automatically terminate as to the Property or any part thereof at such time as the Property or such part thereof is annexed to the incorporated territory of the CITY.
6. Construction of Terms; Severability. All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement

shall remain in full force and effect and shall not be affected, impaired or invalidated thereby in the event of such invalidity, voidness or unenforceability, the parties hereto agree to enter into supplemental agreements to effectuate the intent of the parties and the purposes of this Agreement.

7. Covenants Run With the Land. This agreement shall be recorded against the Property, shall run with the Property and each part thereof until terminated in the manner provided for herein, and is intended by the parties to be and shall be binding on all persons or legal entities succeeding to Owner's interest in and to the Property and any part thereof.

IN WITNESS WHEREOF, the parties have executed this agreement on the date set forth below.

Date: _____, _____

OWNER(S)

The undersigned hereby certify to be the owner(s) of real property included within the boundary of the real property described in the aforementioned Covenant and Agreement, the only person(s) whose consent is necessary to pass title to said real property, and to have consented to the annexation of said real property to the City of Chico.

Signature: *Ging Ottoboni*

Printed Name: GING OTTOBONI AKA: _____

Signature: *Kayla Ottoboni*

Printed Name: Kayla Ottoboni AKA: _____

Signature: _____

Printed Name: _____ AKA: _____

Butte Local Agency Formation Commission

Executed by: _____, Executive Officer

Printed Name: _____

on _____, 20__

* Signatures to be acknowledged

ATTACH APPROPRIATE NOTARIES FOR ALL SIGNATURES

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE §1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }

COUNTY OF BUTTE }

On November 19, 2021, before me, Robyn Ryan, a Notary Public, personally appeared Gino and Kayla Ottoboni, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY, under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Robyn Ryan
Robyn Ryan, Notary Public

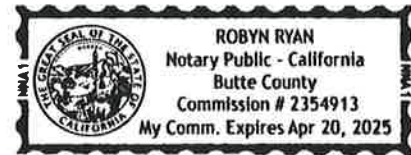


EXHIBIT A:
Legal Description of Property

A portion of Lot 11, as shown on that certain Map entitled, "Map of the Second Subdivision of the John Bidwell Rancho, near Chico, Butte Co., California", filed in the Office of the County Recorder of Butte County, California, on September 17, 1900, in Book 5 of Maps, Page 27, described as follows: Beginning at an iron pipe on the West line of said Lot 11, North 150 feet from the Southwest corner thereof; and running thence North 50.00 feet along said West line to an iron pipe; thence East 104.8 feet to a point on the West line of Oaklawn Avenue, thence South 50.00 feet on last mentioned line to a point; thence West 104.8 feet to the Point of Beginning.

Assessor's Parcel Number: 043-260-008-000