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

TO: Local Agency Formation Commission

FROM: Shannon Costa, Deputy Executive Officer

SUBJECT: LAFCo File 23-01 – City of Chico – Extension of Services – 1721 Chico

River Road

DATE: August 25, 2022 for the meeting of September 1, 2022

Summary

The City of Chico, on behalf of the property owner, is requesting approval to extend sanitary sewer services to a single unincorporated parcel that is developed with a residential uses (*Exhibit A*). The parcel is not contiguous to City of Chico jurisdictional boundaries and annexation is not feasible due to the lack of contiguity. On July 28, 2022, LAFCo staff authorized an Emergency Extension of Services due to a failed septic at the site.

Staff recommends that the Commission approve the extension of services request. Draft Resolution 02 2022/23 (*Exhibit B*) contains recommended conditions of approval.

General Information

Application Submitted: July 28, 2022

Application Deemed Complete: August 1, 2022

100% Landowner Consent: Yes

Notice and Hearing Required: No

Proponent: City of Chico

Landowners: Kurt Huffine

Location: The subject parcel is located southwest corner of Chico River Road and

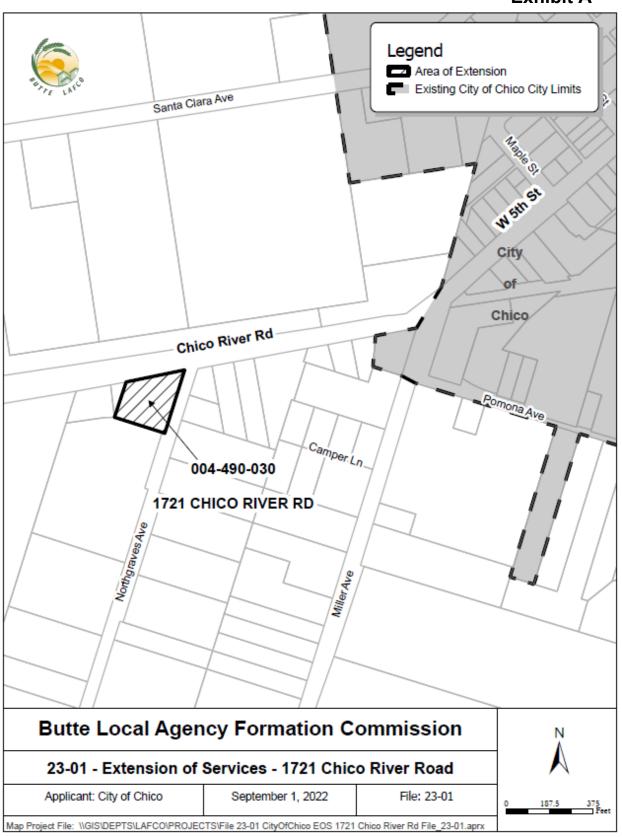
Northgraves Avenue in the unincorporated Chico area. The subject parcel is identified as Assessor's Parcel Number 004-490-030 (1721 Chico River Road),

Chico, CA. The territory is located in Supervisorial District 4.

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

Requested Action: Adopt Resolution 2 2022/23 (*Exhibit B*) approving the extension of City of Chico sanitary sewer services.

Exhibit A



DISCUSSION AND ANALYSIS

Background

The subject parcel, which is approximately 38,768 square foot (0.89 acres) in size, is developed with three single-family homes and one on-site septic system. The parcel is an irregular pentagon shape and shares its westerly property line with a smaller, triangular shaped vacant parcel; one single-family home on the lot is built over the shared property line. The layout and number of homes at the site, along with the shared septic tank, make the parcel and density non-conforming. The landowner is pursuing a lot line adjustment through the Butte County Planning Division to bring the parcel further into conformance with zoning and environmental health regulations.

The parcel fronts on Chico River Road, which is a public county road that is partially improved in some short sections with curbs, gutters, and sidewalks. Land uses on the surrounding parcels are single-family dwellings and agricultural uses. A City of Chico sewer trunk line is located within the Chico River Road right-of-way. The nearest parcel connected to the City's sewer system is located on the corner of Chico River Road and Miller Avenue.



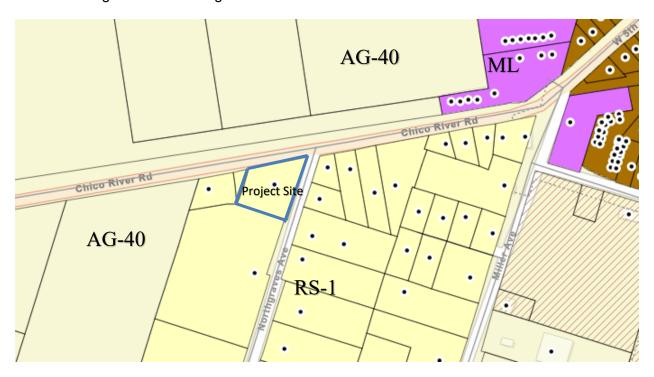
Project Site - 1721 Chico River Road (Photo - Google Maps)

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 cracked and was considered failing (*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. On July 28, 2022, the City of Chico staff submitted an emergency extension of services application to allow the City of Chico to connect the parcel to the City's sanitary sewer system. On July 28, 2022, the LAFCo Deputy Executive Officer authorized the emergency extension request (see *Exhibit D*). The parcel owner has signed the Annexation Consent and Covenant, which consents to the annexation of the parcel at any future date.

As shown on the map (Exhibit A) on page 2, the parcel is not contiguous to the City of Chico jurisdictional boundaries. The City has not indicated a desire to annex this area at this time. The nearest City of Chico boundary is located approximately 635 feet to the east of the subject parcel. Annexation of the subject parcel would require the annexation of seven parcels to achieve the creation of logical, efficient, and effective jurisdictional boundary.

Land Use/Zoning Designations

The Butte County General Plan designates the subject parcel as Agriculture and the parcel is zoned AG-40 (Agriculture, 40 acre minimum). The City of Chico's General Plan designates the parcel as Very Low Density Residential (0.2 to 2 units per acre) and the City has prezoned the parcel as RS-1 (Suburban residential, 1 acre minimum). The parcels westerly boundary constitutes the Sphere of Influence boundary for the City of Chico. Development of the site with more than one single-family homes is not consistent with the development standards for the RS-1 zoning district, however, the use existed prior to the City's prezoning of the site and is considered legal nonconforming.



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, binding future owners of the property. The parcel owner has signed the Annexation Consent and Covenant, which consents to the annexation of the parcel at any future date.

Consideration of Request

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 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 is located within the Chico River Road 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 subject parcel, which is approximately 38,768 square foot (0.89 acres) in size, is developed with three single-family homes and one on-site septic system. The parcel is an irregular pentagon shape and shares its westerly property line with a smaller, triangular shaped vacant parcel; one single-family home on the lot is built over the shared property line. The layout and number of homes at the site, along with the shared septic tank, make the parcel and density non-conforming. The landowner is pursuing a lot line adjustment

through the Butte County Planning Division to bring the parcel further into conformance with zoning and environmental health regulations.

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 <u>existing development only</u>. 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 nearest City of Chico boundary is located approximately 635 feet to the east of the subject parcel, with several intervening parcels. The City of Chico has indicated that it has no desire to annex this area in the near future. Annexation of the subject parcel require the annexation of one seven parcels to ensure the creation of logical, efficient, and effective jurisdictional boundaries.

A Butte LAFCo Annexation Consent Agreement and Covenant was submitted with the extension of services application, which binds the current and future owners of the parcel to the future annexation of the parcel. The annexation consent agreement and covenant will be recorded with the Butte County Recorder's Office and all prospective buyers of the parcel will be aware of annexation requirement.

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 prezoning 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.

The fifth criterion is difficult to assess in that the City has clearly indicated no desire to initiate annexation of the subject parcel. However, an annexation consent agreement and covenant for the subject parcel was submitted with the extension of services application.

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 three single-family dwellings. 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 004-490-030 – 1721 Chico River Road) is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization. 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. 02 2022/23 authorizing the City of Chico to provide sanitary sewer service outside the City's boundary to the property located at 1721 Chico River Road (APN 004-490-030) 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

Deputy Executive Officer

Attachments:

Exhibit A: Area Map - pg. 2

Exhibit B: Draft LAFCo Resolution No. 02 2022/23

Exhibit C: Septic Pumper Report

Exhibit B

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 1721 Chico River Road (APN 004-490-030), 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 1721 Chico River Road (APN 004-490-030), 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 submitted by the City of Chico and accepted for filing on August 2, 2022, 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 not contiguous to the City of Chico's jurisdictional boundaries Chico; and

WHEREAS, a City of Chico sanitary sewer line is installed within the Chico River Road 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 56133, set September 1, 2022, as the hearing date on this proposal 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 September 1, 2022, 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 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 August 25, 2022, for the meeting of September 1, 2022.
- B. The Commission authorizes the City of Chico to extend sanitary sewer service outside the City's boundary to the property located at 1721 Chico River Road (APN 004-390-030), in the unincorporated Chico area.
- C. The proposal is assigned the following short form designation: 23-01 City of Chico Extension of Services 1721 Chico River Road.
- 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 is located within the Chico River Road 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:

NOES:

- A. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.
- B. The authorization to extend City of Chico sewer services to the subject parcel (APN 004-490-030 1721 Chico River Road), is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization. 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 | ADOP | TED I | by this | Local | Agency | / Formation | Commission | of | the |
|--------|---------------|--------|-------------|-------|---------|--------|----------|---------------|------------|----|-----|
| County | of Butte, | on the | 1st day | of Se | ptemb | er 202 | 2, by th | e following v | ote: | | |

| | County of butte, of the 1st day of September 2022, by the following vote: | |
|-------|---|--|
| AVEC. | | |
| AYES: | | |

RESOLUTION NO. 02 2022/23

| ABSENI: | |
|-------------------------|--|
| ABSTAINS: | |
| ATTEST: | |
| | |
| Clerk of the Commission | BILL CONNELLY, Chair Butte Local Agency Formation Commission |

EVALUATION REPORT

This onsite wastewater system evaluation report will provide evidence to the Town of Paradise Onsite Wastewater Management Zone that the system has been evaluated for compliance with regulations in Chapter 13.04 of the Paradise Municipal Code and the Town of Paradise Manual for the Onsite Treatment of Wastewater.

| Assessor's Parcel No. | Evalı | uation Date | 30 2027 Sar | nitech No. | |
|--|---|---|---|------------|---------------|
| Owner's Name: | | FINE | Phone No | | |
| Property Address: | 1 04100 | RIVER | RD. | | |
| City, State, Zip: | O, CA | | | | |
| Mailing Address: | | hurth | nuffling & | yaho | 0.com |
| | Encs | | License No | | |
| (530) 872-8338 | SEPTIC TAN | IK OBSERVATION | | | |
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| Access Riser(s) in Place | ************************* | | •••••• | | o []Yes |
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| | | | | | Inches |
| Sludge Depth, Inlet Compar Structural Tank Condition | | •••••• | | 4" | Inches |
| Structural Tank Condition | | | [] Good | d [] Fair | Poor |
| Liquid Operating Level Baffle Condition | *************************************** | | [] High | Normal | []Low |
| Baffle Condition | ·>••••••••••••••••••••••••••••• | ••••••••••••• | [] Good | M Fair | |
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| Riser Condition | •••••• | ······ | | 0 | _ Gallons |
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| Effluent Pump | | *************************************** | | 19" | _ Inches |
| 5. | | · ··· | • | 🔀 No | []Yes |
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| Effluent Line Diverter Valve | | TO ODOLITY | NUME OCC | of ode. | 04/04/03/12/1 |
| Well on Property | ld | PANI | i . | MNO | [] Yes |
| Common Area Absorption Fie Absorption Field Type | ld | | | OVI [] | [Yes |
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| Hydraulic Load Test | | | | LINO | MYVee |
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| | | | | | [] Yes |
| Saturated Absorption Field Multiple Systems | ···· | | | [A] No | []Yes |
| Graywater Discharge | | | | [X] No | []Yes |
| Multiple Systems Graywater Discharge | | | MONE SEEN | E K NO | [] Yes |

COMMENTS / OBSERVATIONS

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