

## M E M O R A N D U M

**TO:** Local Agency Formation Commission

**FROM:** Stephen Lucas, Executive Officer

**SUBJECT:** **Agenda Item 6.1 - Executive Officer's Report**

**DATE:** March 30, 2022 for the meeting of April 7, 2022

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### **ADMINISTRATION:**

1. Staff has recruited for the position of Commission Clerk and is happy to welcome Krystal Bradford as the Commission Clerk...only the second clerk in the independent era!
2. The recruiting process has been illustrative of a tight employment market that has caused the Executive Officer to consider possible reorganizations of current LAFCo roles and responsibilities to better stage the agency to meet future challenges. This was discussed with the Budget Committee at its meeting and Staff will agendize the item when necessary for a larger conversation.
3. County staff has initiated a discussion with LAFCo Staff about possible changes to our now 13 year old Contractual Services Agreement with the County. Most notably, the County has switched to a new countywide enterprise information system called Workday which will manage all aspects of County functions including human resources and finances. County Human Resources does not believe this new system may be the most useful for LAFCo with regard to payroll services and it was suggested we explore other private contracted payroll related services. This review will play out over the next few months and staff will keep the Commission apprised of any necessary changes or conversations.
4. Staff is developing an agreement with the City of Oroville for the permanent use of the City Council Chambers for all future LAFCo meetings. This effort will also involve a small amendment to our bylaws.

### **PROJECT/GENERAL NOTES:**

The following issues/proposals are at various stages of being reviewed, discussed and/or considered.

- **County of Butte - Tuscan Ridge Planned Development (PUD21-0001) –**  
<http://www.buttecounty.net/dds/Planning/Notable-Projects>

The 163 acre site on the south side of Skyway about 3 miles west of Paradise and 4 miles east of Chico which was used as staging area for Camp Fire workers in 2018/19 and was previously the former Tuscan Ridge Golf Course. The proposal includes a 98 acre planned development of 165 homes, limited commercial space, golf related facilities and open space. The site is to be served by an existing on-site well for domestic water and an existing permitted on-site wastewater treatment system, both of which were initially proposed to be managed by a newly formed Community Service District (CSD) that would require LAFCo approval. Given the issues related to a conceptual potable water pipeline and sewer line to Chico along the Skyway, this proposal does cause concerns related to service provisions, growth inducement and logical/orderly development patterns. The County now indicates that

the sewage disposal and potable water systems could be maintained and operated under a contractual agreement with the Paradise Irrigation District (PID) which may or may not cause the PID to initiate annexation of the site which is currently not contiguous to the PID boundaries. The County has released a Notice of Preparation for the Environmental Impact Report on February 23, 2022. The updated project description indicates the PID will annex the territory and maintain the water and sewer systems on-site. **\*\*NEW\*\*** Staff has provided initial observations to the project consultant which are provided as Attachment 1. The issue of greatest importance to LAFCo staff at this time is the proposed expansion of the PID powers and service area expansion while it is currently being evaluated in the Options Study and is in need of an updated MSR/SOI. This issue is further complicated by the fact that the Town of Paradise has not net updated its 1994 General Plan and therefore, LAFCo and PID do not have the benefit of post Camp Fire land use plan with associated infrastructure requirements and demands.

- ***Paradise Irrigation District/Options Study - Financial Recovery*** – The State Water Resources Control Board (SWRCB) in cooperation with Sacramento State University, Office of Water Programs (CSUS-OWP), continues to proceed with the Options Study for the Paradise Irrigation District. The group of stakeholders, including LAFCo, meets regularly to discuss the process and the path forward. Possible options include, the District merging with the Town of Paradise, reorganizing with another public or private water purveyor, expanding the District’s customer base (Miocene residents, Butte Valley, Chico), temporary raw water transfers, Chico intertie, new businesses (bottled water, hydro power, fisheries help), partnership with the Town to operate the proposed sewer system, and rate increases. On 2/5/21, GEI Consultants, Inc. was selected to prepare the Options Study and the OWP is completing contract negotiations with GEI. **\*\*NEW\*\*** The Options Study was to be released to the public at a workshop scheduled for March 24, but this workshop was cancelled as the Consultant team deemed it not yet ready. During the comment response period, new information was uncovered related to PID future revenues and estimate population growth which needs to be incorporated into the Study. No new date for the public workshop has been set.
- ***El Medio Fire Protection District*** – LAFCo was contacted by the County of Butte and City of Oroville in August 2020 to discuss concerns about the functionality of the El Medio Fire Protection District (EMFPD), primarily a lack of adequate funding. The EMFPD tax measure failed in November, 2020, and the District Board met on November 11, 2020 and unilaterally decided to “shut the doors” and lay-off its employees. The Board met on November 19 and issued lay-off notices that took effect on Dec 25, 2020, at which time the District reasonably ceased to provide its empowered services. As directed by the Commission, Staff has engaged all parties to explore the issues at hand and the options available for District reorganization including contractual agreements, converting to a subsidiary district (governed by City Council) and dissolution. Staff coordinated a meeting on December 4, 2020, with representatives from the District (Board Chair, Chief, Fire Captain), the County (Fire Chief, Deputy Administrative Officer) and the City of Oroville (Public Safety Director, Battalion Chief) to discuss various options that could be considered by all parties. There seemed to be preliminary concurrence that the City and the District would - prior to the December 25 shutdown - approve a contractual agreement or MOU that would allow the City to provide services to the District for payment. This effort was unsuccessful and the District effectively shut down operations on December 25, 2020. The Oroville City Council held a special meeting on January 28, 2021 to receive a presentation from CALFIRE related to the City contracting for fire services similar to Paradise, Biggs, Gridley and the County. This presentation included contingencies to address the issue of the EMFPD. The issue cannot be solved alone by LAFCo, but most likely will require LAFCo action to resolve. Staff has received a growing number of complaints from citizens within the District concerning a lack

of service and the continued collections of District parcel assessments. In an effort to prompt the District to act, Staff sent a letter dated November 8, 2021, to the District Board and Chief strongly recommending that the District hold a public meeting to discuss the future of the District with its constituents. Staff met with the EMFPD Board Chair on December 14, 2021, and discussed the District's future actions. It was shared that the District has another option (not revealed) to allow it to re-open and provide service within the next 30-60 days. Staff also met with the City of Oroville Mayor, Legal Counsel and City Administrator on December 16, 2021, to discuss options. The candid Staff assessment at this time is that the EMFPD is substantially unlikely to resolve its issues or take action to dissolve itself meaning one or more affected agencies (City, County, LAFCo) must decide to formally initiate, at a public hearing, a discussion to reorganize the EMFPD as either a subsidiary district of the City of Oroville or dissolve the District altogether. Staff met with City of Oroville on February 17, 2022, to discuss a number of service issues to include the current condition of the EMFPD. City staff is now considering adopting a resolution of application to LAFCo to initiate the dissolution of the EMFPD.

- ***Town of Paradise/City of Chico Sewer Line*** – The Town of Paradise has explored options to provide wastewater treatment services to its existing commercial land uses that are limited from expanding due to sewage disposal constraints. The selected option is to convey the Town cores' wastewater directly to the City of Chico's Water Pollution Control Plant. This alternative would represent an extension of services (GC56133) by the City of Chico outside of its jurisdictional and sphere of influence boundaries requiring LAFCo approval. Staff recognizes that this proposed project is of significant value to the Town and has been a long standing goal. The Town staff have presented the proposal to the Chico City Council, the Board of Supervisors and LAFCo and the City of Chico has agreed to proceed with the sewer options study. The *Paradise Sewer Regionalization Project Advisory Committee* consisting of 2 councilmembers each from the Town of Paradise and City of Chico and guided by State Water Board staff are evaluating the proposal as it proceeds. The Committee's efforts can be tracked at <https://paradisesewer.com>. Most of the discussion to date has involved logistics and expectations for the project. Projected costs are estimated to be approximately \$184 million: \$2M for environmental studies, \$ 30M for design and right-of-way acquisition, \$152M for construction. The Town released a Notice of Preparation (NOP) for the Environmental Impact Report (EIR) and Staff prepared and submitted NOP comments on May 20, 2021. The EIR is not expected to be completed until spring 2022. The City of Chico and Town engineering staff continue to develop a sewer agreement that will be the backbone of the proposal.
- ***Palermo Clean Water Consolidation Project*** ([http://buttecounty.net/waterresourceconservation/Palermo Clean Water](http://buttecounty.net/waterresourceconservation/Palermo_Clean_Water)) - Butte County was awarded a Proposition 1 grant to help address clean water needs of the semi-rural unincorporated residential community of Palermo with less than 5,500 residents located in an unincorporated portion of Butte County south of Oroville. Palermo has smaller parcels served by individual wells for potable water supply and on-site septic systems and has many long term challenges regarding contaminated drinking water, poor drainage, and failing septic systems. The County is coordinating with the South Feather Water & Power Agency (SFWPA) to annex approximately 490 parcels in order to access treated water to address the drinking water quality concerns. The Initial Study has been circulated with comments due by January 13, 2022 and annexation applications possible by summer 2022.
- ***City of Chico – Valleys Edge Specific Plan*** - The City of Chico is currently processing the Public Review Draft Valley's Edge Specific Plan (VESP) related Draft Environmental Impact Report (EIR) which can be found on the City's website at <https://chico.ca.us/valleys-edge-specific-plan>. The City of Chico 2030 General Plan (GP 2030) provides a comprehensive

and long-range framework for the growth of Chico and identified five new growth areas, designated Special Planning Areas (SPA), which are to be developed as connected and complete neighborhoods with a mix of housing types, services, employment, and shopping opportunities, along with parks and open space. The VESP is the blueprint for the planning area within the 1,448 acres identified in the Chico General Plan as the Doe Mill/Honey Run Special Planning Area (SPA). Valley's Edge is characterized as a multi-generational, mixed-use, recreationally-oriented community offering a broad range of housing types, lifestyles and amenities framed by natural open space corridors and served by a vibrant Village Core providing the commercial services and social hub of the community. The VESP territory was placed in the City of Chico Sphere of Influence in 2013 and will require an annexation application to LAFCo in order to proceed.

- **Lake Oroville Area Public Utility District - Palermo Sewer Project** – This is a decades long effort to bring sanitary sewer services to the residents of the Palermo community. LOAPUD is re-initiating its efforts with the preparation of an updated study to consider the technical and fiscal issues in the path to a solution. The LAFCo role will be to monitor the process and ultimately consider the annexation of the Palermo area into the LOAPUD.
- **City of Biggs – Annexation Plan** – The City of Biggs has utilized its share of SB2 planning funds to develop a long range annexation plan that is anticipated to occur in three phases and be driven by market demand for new homes. City staff have worked very cooperatively with LAFCo staff during this process.
- **Miocene Canal** - The destruction of the upper Miocene Canal by the Camp Fire has dewatered the middle and lower Miocene, causing great disruption to landowners dependent on the water supply for their farms/residences and the environment dependent on canal leakage over the decades to thrive. PG&E initially refused to repair the canal infrastructure, but entered a plea agreement for its criminal actions resulting in PG&E providing up to \$15 million over five years to restore water to the middle canal. A number of options were considered to restore the Miocene flow and PG&E has tentatively decided to replace the destroyed upper Miocene ditch/flumes with pipes to carry the Feather River water to Kunkle Reservoir. This effort is anticipated to be completed by November 2021. It remains an open question as to how this water flow will be managed/maintained in the future with one possible scenario being to form a special district to finance and manage any future facilities. Staff continues to participate in discussions. Staff will continue to monitor and assist this effort towards the universal goal of re-establishing water flow in the Miocene Canal. Staff participated in the Miocene Working Group monthly call on May 20, 2021 which covered emergency water deliveries from Paradise Irrigation District (PID) which would require LAFCo review, the ongoing design of a replacement project for the Upper Miocene and the belief by PG&E that they are not legally bound to redevelop the destroyed Miocene facilities, but only required to restore water deliveries (by any means possible).
- **Oroville Region Sewer and Water Service Providers MSR** - The State Department of Housing and Community Development (HCD) has awarded a \$100,000 SB2 Planning Grant to Butte County to contract with LAFCo for the development of a MSR update for backbone service providers in the Oroville region, including the SFWPA, LOAPUD, TWSD and SCOR. LAFCo entered into an Agreement with SWALE Inc. to conduct the study and prepare the documents. A kick-off meeting was held on March 17, 2021 with all the affected Districts staff. The final MSR is expected to be completed in February 2022.
- **City of Gridley MSR/SOI Update** – The City has expressed an interest in updating its MSR and SOI Plan in anticipation of new development proposals being considered. Staff

anticipates that the City and LAFCo may enter into a Letter Agreement to conduct this effort, similar to agreements with the City of Chico and City of Oroville.

- **County of Butte, North Chico Village Vision Plan** – The County in cooperation with the City of Chico, is developing an update to the "Village Core" in the 1995 North Chico Specific Plan (NCSP). The mixed-use North Chico Village, known as the heart of the NCSP, is a 484-acre portion of the larger 2,980-acre NCSP. The site is relatively flat and extensively planted with orchards at this time. Current zoning would support approximately 2,000 dwelling units, the area has been identified for urban development by both the City and County's General Plans since 1995, but has yet to be developed due to a lack of infrastructure and financing. The planning effort includes a "re-visioning" of the North Chico Village with an emphasis on increased residential development and density. The project will update existing constraints, provide for a mix of housing types, including multi-family and low-income. Staff will be tracking this project as it will require annexation to the City of Chico in order to build-out with full City services provided. More information can be found at [www.northchicovillage.com](http://www.northchicovillage.com)
- **Drainage/Reclamation District MSR Actions** – The Drainage and Reclamation Districts MSR/SOI Plan adopted in 2018 called for a number of possible reorganizations among drainage districts. Staff has met with district staff and initiated a process to consider the dissolution of Drainage District No. 2 as it is completely overlaid by Butte Creek Drainage District and the detachment of territory from Butte Creek Drainage District that is overlaid with District 100. These actions will have no impact to current services, but will rather clean-up old boundaries that no longer make sense.
- **Thermalito Sewer and Water District** - Sphere of Influence Amendment and Annexation of the state owned clay pits recreation area southeast of the Oroville airport along Larkin Road. The State has yet to resolve a conflict between the State Parks Department and Department of Fish and Wildlife who share authority over the affected territory.
- **County of Butte** - Expansion of Powers for CSA 164 to add fire protection services. The County has placed this effort on hold.
- **City of Oroville MSR Update** – The City of Oroville is starting the process to evaluate its growth goals and has determined that the City needs to update its SOI to accommodate new development goals and at the same time update its MSR to reflect its current service capabilities and financial position. The City has requested LAFCo update its MSR at City expense and executed a Letter Agreement with LAFCo to prepare the MSR update. The City has entered into a contract with Policy Consulting Associates to complete the project under LAFCo supervision. The administrative draft is currently being prepared.

#### **CALAFCO:**

- The CALAFCO Executive Director (ED) retired from her position effective February 28, 2022. The CALAFCO Board has hired Rene LaRoche to be the new CALAFCO Executive Director. This will not alter the current roles of Commissioner Connelly and the Executive Officer who will be expected to assist the new ED with her transition.

**LEGISLATION:** The 2021/22 Legislative session is approaching and the CALAFCO Legislative Committee has been formed to guide CALAFCO legislative priorities and initiatives. Commissioner Connelly, the Executive Officer and Legal Counsel are voting members of the Legislative Committee. CALAFCO priorities for the coming year include:

- SB 938 (Hertzberg) – This bill has two components, a reorganization (without changes) of existing protest provisions and the authority for LAFCo's to initiate a special district dissolution. Of importance is the dissolution authority. The CALAFCO Protest Provisions working group achieved a hard fought and elusive goal of amending the protest provisions in CKH to allow LAFCo initiated proposals to be treated the same as all others by changing the protest threshold from 10% to 25% and establish some guardrails to ensure the LAFCo process offers local agencies a path to corrections before a dissolution or other reorganization. A full review of the relevant factors can be reviewed in (Attachment 2).

### **APPLICATION ACTIVITY:**

<b>APPLICATION ACTIVITY</b>								
<i>Project Status As of Mar. 29, 2022</i>								
File	Applicant	Project Name	Date Application Received	Certificate of Filing	LAFCO Hearing Date	Certificate of Completion	SBE Submittal Date	Additional Comments
11-06	Butte County	CSA No. 114 - Expansion of Powers	02/02/11	N/A	pending	N/A	N/A	Incomplete - On Hold
18-09	TWSD	Clay Pit State Recreation Area Annexation						On hold. Incomplete Application
19-12	County	CSA 158 - Mandville Park Subd. Annex	05/02/19	05/29/19	10/03/19			Approved w/ conditions - 218 Hearing
20-08	Oroville	Municipal Service Review Update (MSR)	05/20/20	N/A				In progress
20-09	LAFCO	Oroville Region Sewer & Water MSR	N/A	N/A				In progress
21-06	Landowners	Tuscan Water District Formation	02/22/21	10/01/21	12/02/21			Approved - Protest hearing 4/5/22
22-05	Gridley	W Biggs-Gridley Rd Annexation No. 2	10/12/21	11/01/21	03/03/22			Approved - Reconsideration period
22-06	Chico	Glenwood Ave Annexation No. 3	10/22/21	11/17/21	04/07/22			In progress
22-07	CALFIRE	Fire Services by Contract - City of Oroville	10/22/21	11/17/21	04/07/22			In progress
22-08	SFWPA	Oro Bangor Hwy Annexation No. 4	10/22/21	11/22/21	01/06/21		02/22/22	Approved - Reconsideration period
22-10	Gridley	W Biggs-Gridley Rd Annexation No. 3	03/28/22					In progress

- Attachments: 1. LAFCo Observations – NOP/DEIR for Tuscan Ridge Planned Development  
2. Senate Bill 938 – Hertzberg - (Relevant text)



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## BUTTE LOCAL AGENCY FORMATION COMMISSION

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**Attachment 1**

March 24, 2022

Kevin Valente, Contract Planner     **Submitted via email to:** [kvalente@raneymanagement.com](mailto:kvalente@raneymanagement.com)  
1501 Sports Drive, suite A  
Sacramento, CA 95834

RE:     Notice of Preparation of the Draft Environmental Impact Report (DEIR) being prepared  
          for the Tuscan Ridge Planned Development project

Dear Mr. Valente,

The Butte Local Agency Formation Commission (LAFCo) appreciates the opportunity to provide our observations on the Notice of Preparation of the Draft Environmental Impact Report (DEIR) being prepared for the Tuscan Ridge Planned Development project. The project, as described, would necessitate the annexation of the project site into the service area of the Paradise Irrigation District (PID) boundary in order for the PID to provide its professional services for operation of the on-site water and wastewater facilities.

### General Comments

As LAFCo has not yet received any applications concerning this project site, our comments at this time are not to be considered as a measure of completeness for any future applications or requests to LAFCo. The following comments are provided in order to allow the County the opportunity to address LAFCo concerns related to the project description, environmental review and issues related to impacts to other agencies should this be necessary to effectively process any future applications. At such time an application is formally submitted, LAFCo will review all materials and make a completeness determination, which may require the submittal of additional information in order to effectively evaluate the proposed actions.

Government Code Section 56668 lists the sixteen factors that LAFCo's must consider in the review of a proposal. These factors are:

- a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.
- b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls;

- c) Alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.
- d) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.
- e) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.
- f) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.
- g) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.
- h) Consistency with city or county general and specific plans.
- i) The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.
- j) The comments of any affected local agency or other public agency.
- k) The ability of the newly formed or receiving entity to provide the services, which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.
- l) Timely availability of water supplies adequate for projected needs as specified in Section 5352.5.
- m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.
- n) Any information or comments from the landowner or owners.
- o) Any information relating to existing land use designations.
- p) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities.
- q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

LAFCo staff encourages the County to review the above factors and ensure that the proposed development is consistent with and addresses these factors in the DEIR. The failure to specifically address these factors may require the LAFCo to consider efforts to seek additional information and supplement the DEIR to support a LAFCo decision at a later date.



Aside from the factors listed above, the Tuscan Ridge proposal prompts a number of other observations to consider in evaluating the impacts of the project.

#### Growth Inducement on Scenic Corridor

It has long been acknowledged that the County of Butte, City of Chico and Town of Paradise have supported an open space separation between the two cities to reduce the likelihood of urban sprawl along the Skyway scenic corridor. The significant separation between the five incorporated cities in the county is a purposeful, deliberate and desirable planning outcome of associated city and county general plans. Such focused planning for dense residential developments has allowed for more concentrated and efficient urban service delivery patterns, emergency services response, and reduced vehicle miles travelled. The DEIR must evaluate the impacts and effects of this proposal with respect to encouraging further development along the Skyway to include proposals from the Town of Paradise for a regional sewer line and the Paradise Irrigation District for a domestic water line, that will both bypass this project site.

#### Need for Services

The project site would be served by the Butte County Sheriff and Butte County Fire/CAL FIRE. The EIR should discuss the increased need for emergency services to this high fire hazard area and the need for a financing mechanism to support additional services and infrastructure that may be seen as desirable by these agencies. The project site is remote and response times provided by these departments may not satisfy the goals and policies of the General Plan. It is known that the County is continually reevaluating its contract with CAL FIRE because of budgetary constraints, and that stations may need to close. How will the County justify the reduction of services to some portions of the County, while committing to serve new areas?

#### Politically Divided Site

The Tuscan Ridge site is currently split between the Durham Park and Recreation District and the Paradise Recreation and Park District. This scenario may be problematic for the dedication of any park facilities or participation in park district programs. It would be useful to consider seeking the affected agencies including the Board of Supervisors, to initiate a boundary change through LAFCo.

#### Paradise Irrigation District (PID)

The PID has purposefully not undergone a Municipal Service Review (MSR) update since the 2018 Camp Fire because data on finances, infrastructure needs, population growth and options for rebuilding among others, were simply not known given the magnitude of destruction on the Ridge. The PID along with its State Water Board and CSU Sacramento partners has been developing an Options Study for the past two years that is evaluating a menu of options for regaining its fiscal foundation and continuing to rebuild its infrastructure. This Study is not yet completed, but in Draft form and has not yet been viewed or vetted by the public. Once complete, the Options Study will provide a wealth of knowledge that will be necessary for LAFCo to update the PID MSR and Sphere of Influence (SOI) plan. The MSR/SOI updates will provide the necessary comprehensive analysis that would inform the LAFCo when considering expanding the powers or territory of the PID. It would be desirable for the project proponents and the PID to consider initiating a MSR/SOI update in conjunction with this proposal to maximize resources, minimize time constraints and increase transparency to the general public and current PID customers and Town residents.

#### Agriculture Issues

The project site is adjacent to lands zone for agriculture use, and has been historically used for cattle grazing. As you know, LAFCO is charged with the responsibility to protect and maintain the state's ag lands, and must consider a project effect on these lands. Pursuant to LAFCo policy 2.13.4, in making the determination whether conversion will adversely impact adjoining prime agricultural or open space lands, LAFCO will consider the following factors:

- The agricultural/open space significance of the subject and adjacent areas relative to other agricultural/open space lands in the region;
- The use of the subject and the adjacent areas;
- Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of adjacent or nearby agricultural/open space land, or will be extended through or adjacent to any other agricultural/open space lands which lie between the project site and existing facilities;
- Whether natural or man-made barriers serve to buffer adjacent or nearby agricultural/open space land from the effects of the proposed development; and,
- Applicable provisions of the County's General Plan Agricultural Element, Open Space and Land Use Elements, applicable growth-management policies, or other statutory provisions designed to protect agriculture or open space. (Refer to [www.buttecounty.net/dds/planning.htm](http://www.buttecounty.net/dds/planning.htm) to locate Butte County's General Plan.)

The Draft EIR should t address the topic of agricultural or open space impacts that the proposal may cause, contribute to, or encourage by its existence. This may be especially concerning for the Paradise Rod and Gun Club who relies on the open space characteristics of the area to minimize its impacts on nearby residents. is area . Further discussion of this topic is needed to ensure that the project meets all LAFCo policies.

Thank you for the opportunity to provide these observations and contribute to the dialogue. Feel free to contact myself at 538-6819 or email at [slucas@buttecounty.net](mailto:slucas@buttecounty.net) or Shannon Costa at 538-7784 or email at [scosta@buttecounty.net](mailto:scosta@buttecounty.net) .

Sincerely,

*Steve Lucas*

Stephen Lucas  
Executive Officer

CC: Commission  
Scott Browne, LAFCo Counsel  
Kevin Phillips, Town of Paradise

**Senate Bill 938 – Hertzberg**  
**(Relevant text)**

**SEC. 2.** Section 56375.1 is added to the Government Code, to read:  
**56375.1.**

(a) A **commission may initiate a proposal for the dissolution of a district** if both of the following conditions are satisfied:

(1) At a public hearing for which notice has been published and posted, the commission approves, adopts, or accepts a study prepared pursuant to Section 56430 that includes a finding, based on a preponderance of the evidence, that one or more of the following conditions is met:

(A) The district has one or more documented **chronic service provision** deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.

(B) The district **spent public funds in an unlawful or reckless manner** inconsistent with the principal act or other statute governing the district and has not taken any action to prevent similar future spending.

(C) The district has shown willful neglect by **failing to consistently adhere to the California Public Records Act** (Division 10 (commencing with Section 7920.000) of Title 1) and other public disclosure laws to which the agency is subject.

(D) The district has **failed to meet the minimum number of times** required in its principal act in the prior calendar year and has taken no action to remediate the failures to ensure future meetings are conducted on a timely basis.

(E) The district has consistently **failed to perform timely audits** in the prior three years, or failed to meet minimum financial requirements under Section 26909 over the prior five years as an alternative to performing an audit.

(F) The district's recent annual audits show **chronic issues with the district's fiscal controls** and the district has taken no action to remediate the issues.

(2)

(A) At a **public hearing** for which notice has been published and posted, the commission adopts a resolution of **intent to initiate dissolution** based on one or more of the required findings in paragraph (1). The resolution shall provide a **remediation period of not less than 12 months** during which the district may take steps to remedy the specified deficiencies and also specify a date upon which the district shall provide the commission a **mid-point report on such remediation efforts** at a regularly scheduled commission meeting.

(B) At the conclusion of the remediation period, at a public hearing for which notice has been published and posted, the commission shall take one of the following actions:

(i) If the commission finds the district has **adequately remedied the deficiencies**, the commission shall rescind the notice of intents to initiate dissolution and no further action is required.

(ii) If the commissions finds that the district has **failed to remedy the deficiencies**, the commission may **adopt a resolution to dissolve the district** making the determinations in paragraph (1) and in subdivision (b) of Section 56881.

(b) (1) Any public notice required pursuant to this section shall be published and posted pursuant to Chapter 4 (commencing with Section 56150) of Part 1.

(2) The public hearings required under subdivision (a) may be combined into a single public hearing for which notice has been published and posted.

(c) The commission's power to initiate dissolution of a district pursuant to this section is separate from and in addition to the commission's power to initiate dissolution pursuant to subparagraphs (B) and (G) of paragraph (2) of subdivision (a) of Section 56375.