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

TO: Local Agency Formation Commission

FROM: Shannon Costa, Deputy Executive Officer

SUBJECT: *LAFCo File 23-07 – City of Chico – Depweg – Centennial Avenue Annexation No. 3*

DATE: January 26, 2023 for the February 2, 2023 LAFCo Meeting

Summary

Via petition by a landowner (Leslie Depweg), proposed is the annexation of three parcels and adjacent right-of-way to the City of Chico. In order to promote a logical boundary, staff recommends that the Commission modify the proposal to include two small parcels adjacent to Manzanita Avenue, owned by Pacific Gas & Electric Company (PG&E) and Butte County, for a total annexation area of five parcels approximately 10.5 acres in size. As part of the annexation, the parcels would be removed from County Service Area (CSA) 164 (Butte County Animal Control).

General Information

Application Submitted: December 19, 2022

Application Deemed Complete: January 9, 2023

100% Landowner Consent: Yes

Notice and Hearing Required: Yes

Proponent: Leslie Depweg, via landowner petition

Landowners: Oak Leaf Properties LLC, c/o Leslie Depweg
Maplewood LLC, c/o Leslie Depweg
Pacific Gas and Electric Company
County of Butte

Location: The territory consists of five parcels and adjacent portions of Manzanita Avenue. The site is generally located at the junction of Manzanita Avenue and Chico Canyon Road, east of Bidwell Park and west of California Park subdivision. The territory is within supervisorial district 3.

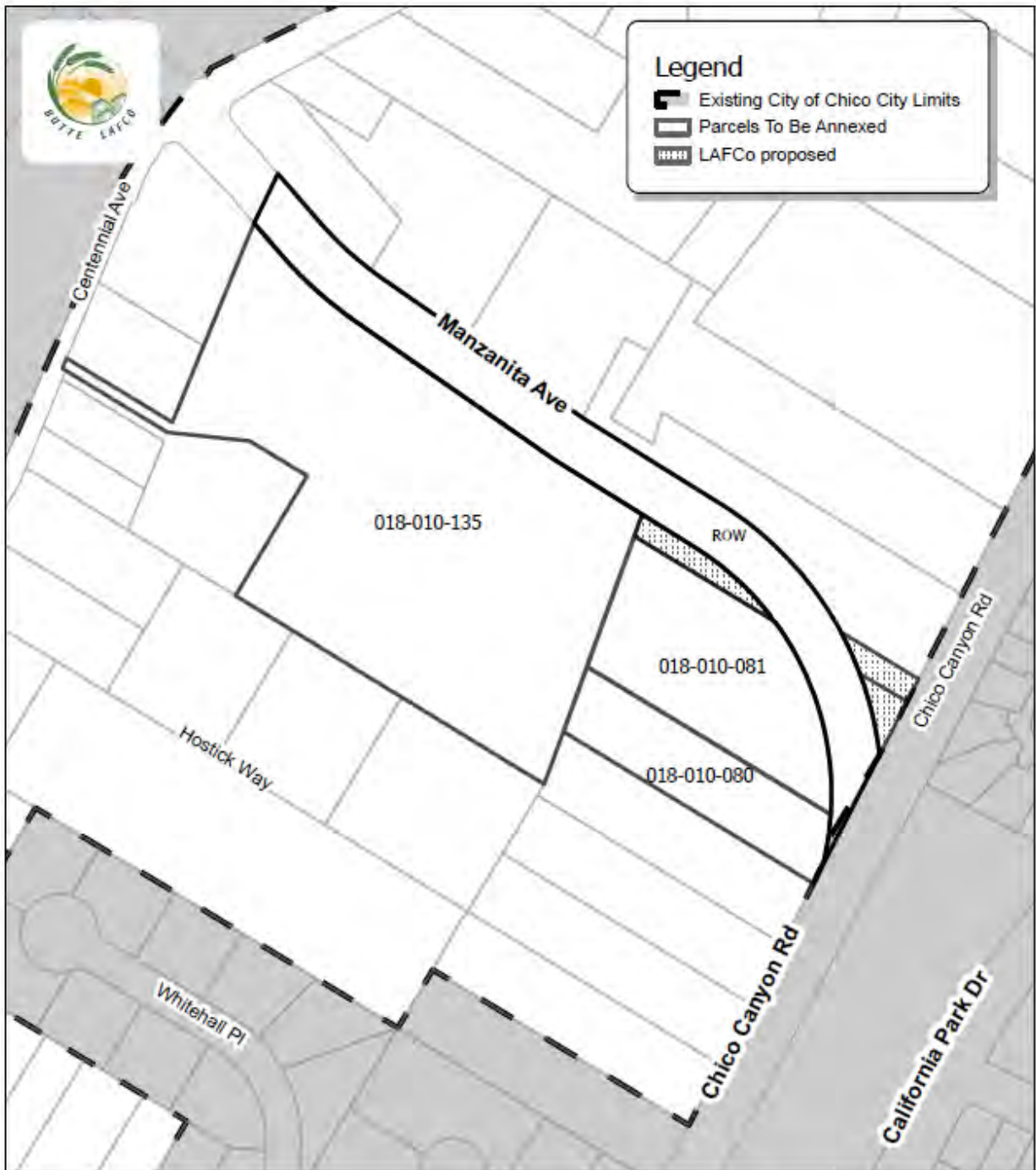
Proposal:


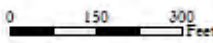
1. Annexation of 5 parcels and adjacent street right-of-ways, totaling approximately 10.5 acres to the City of Chico;
2. Detachment of the subject territory from CSA 164 (Butte County Animal Control District);

Requested

Action: Adopt Resolution 14 2022/23 (*Exhibit B*) approving the annexation.

Exhibit A



Butte Local Agency Formation Commission			
23-07 - Centennial Road Annexation No. 3			
Applicant: City of Chico	February 2, 2023	File: 23-07	
Map Project File: \\GIS\DEPTS\LAFCO\PROJECTS\File 23-07 CityOfChico_CentennialRoadAnnex #1 Rd File_23-07.aprx			

DISCUSSION AND ANALYSIS

Background

The annexation territory is within the bounds of the Chico Canyon Road Island Annexation Area. The island is identified in the Chico Island Annexation Agreement, executed between the City of Chico and Butte LAFCo in March 2022, which obligated the City of Chico to submit an application for annexation for the four remaining island areas within the City's boundary. In order to allow the City reasonable time to prepare for the provision of services to these areas, recordation of the islands would be staggered. The Chico Canyon Road Island Area proposal, if approved by the Commission, would be recorded in 2026. Until that time, development of the Depweg parcels would be subject to the County of Butte's land use regulations. The property owner as expressed desire to develop the parcels under the City of Chico's land use regulations and does not want to wait until the 2026 recordation date to do so. Given the County land use constraints/issues related to these parcels, including a history of code violations relating to setbacks, staff conferred with the County Department of Development Services (DDS) about various options regarding the future of the parcel. DDS supports the separation of this territory for immediate annexation, rather than delay any action until 2026.

As such, pursuant to the requirements of California Government Code §56700, the annexation proposal was submitted via petition by a landowner (Leslie Depweg) on Centennial Avenue, for the annexation of three parcels located at the junction of Manzanita Avenue and Chico Canyon Road. In order to promote a logical boundary, staff recommends that the Commission modify the proposal to include two small parcels adjacent to Manzanita Avenue, owned by Pacific Gas & Electric Company (PG&E) and Butte County, for a total annexation area of five parcels approximately 10.5 acres in size.

The proposed annexation would further reduce the size of an existing island and facilitate the extension of City of Chico municipal services, including sanitary sewer service, to the affected territory to support existing and future development. Staff further recommends the proposal be modified to include standard provisions for detachment from County Service Area No. 164 (Butte County Animal Control) as this service will be assumed by the City of Chico.

Project Site

The Depweg parcels are located on the south side of Manzanita Avenue, east of Bidwell Park and west of California Park Subdivision. The larger parcel (216 Centennial Avenue) is approximately 7 acres in size, and developed with a single-family home, guesthouse, shop, horse arena and stable, garden area, sheds, and various residential accessory buildings. The parcel is primarily accessed from Centennial Avenue, via a gravel access-way. The rear of the parcel extends into a vacant parcel (APN 018-010-081), which rises in elevation from the larger parcel and contains a series of manmade terraces. The smaller parcel (115 Chico Canyon Road) is 1.14 acres in size and developed with a single-family home, accessed from Chico Canyon Road.

Two parcels are proposed to be added to the annexation territory for the purpose of achieving a logical annexation boundary. The first parcel (APN 018-010-027) is owned by Pacific Gas & Electric Company (PG&E) and contains power poles/lines. The parcel is 0.18 acres (7,840 square feet) and is bisected by Manzanita Avenue. The second parcel (018-010-082) is 0.11 acres (4,791 square feet) in size and is most likely a piece of right-of-way remaining from a previously recorded subdivision map. The parcel is vacant. The inclusion of the two small parcels to the annexation territory would have a de minimis effect on proposal, but would result in a logical annexation boundary and further reduce the size of the existing island area.

The annexation territory is rural-residential in character, with larger lots and animal keeping uses. Manzanita Avenue and Centennial Avenue were developed as rural County roadways, lacking curbs, gutters, sidewalks, and streetlights. Storm drainage is handled by roadside ditches, which would drain to Big Chico Creek. Manzanita Avenue is the primary arterial serving the annexation territory. As such, consistent with Butte LAFCo Policy 4.31.1 (Annexation of Streets), the entire width of Manzanita Avenue adjacent to the territory is proposed for annexation.

Domestic water from the parcels is provided by onsite private wells, as California Water Service Company does not include the area in its service boundaries. Wastewater is handled by septic tanks.

The parcels are rezoned R1-10 (Low Density Residential, 10,000 square foot minimum lot size) and are identified as Low Density Residential by the City of Chico General Plan Land Use Diagram. The R1-10 zoning district is appropriate for traditional neighborhoods consisting of single-family housing. Allowed land uses include small animal keeping, daycare facilities, and various uses requiring use permit approval.



County Parcel and PG&E Parcel view from Chico Canyon Road (Google Maps)



115 Chico Canyon Road (Google Maps)

Vacant Parcel (Google Maps)



216 Centennial Avenue view from Manzanita Avenue (Google Maps)

Annexation

The annexation was initiated by petition by landowner Leslie Depweg. As previously mentioned, the parcels are within the Chico Canyon Road Island Annexation Area. The landowner has expressed desire to annex prior to the 2026 recordation date for that island area in order to pursue development of the site in the near future; no development is proposed at this time.

Government Code Section 56655 provides that if two or more proposals before the Commission conflict in any way, the Commission may determine the priority for conducting any further proceedings based on the proposals. As such, in order for the Depweg parcels to be annexed prior to the 2026 recordation date for the Chico Canyon Road Island Annexation, the Depweg annexation must be acted upon first by the Commission. If not approved, and included in the Chico Canyon Road Island area, government code provides that the landowner cannot seek annexation separately. As such, if the Depweg annexation is approved by the Commission, staff will recommend that the five affected parcels be removed from the Chico Canyon Road Island Annexation area.

As a result of the annexation, the territory would be removed from CSA 164 (Butte County Animal Control) as the City of Chico would assume this service. Portions of the territory are within CSA 114 (Chico Nitrates) and CSA 24 (Mud Creek Drainage) which provides a funding mechanism for flood control works associated with Mud Creek and Sandy Gulch. Staff recommends that the Commission waive Section 22613 of the Streets and Highways Code to allow the area to remain with the CSAs, finding that the services are needed to ensure the health, safety and welfare of the residents in the area.

Individual Factors for Consideration

California Government Code §56668 provides a list of factors to be considered in the review of a proposal. The Commission's review shall include, but is not limited to, consideration of these factors:

- a) **Population; land use; topography; proximity to other populated areas; the likelihood of significant growth in the area.**

The annexation territory is generally located in east Chico, south of Bidwell Park and north of California Park subdivision. The project site contains two single-family homes, guest

home, and other residential accessory structures. The topography of the site has a significant change in elevation from the larger parcel (216 Centennial Avenue) to the smaller parcels to the west. Vegetation for the parcels consists of residential landscaping.

The annexation territory, while rural-residential in nature, is surrounded by urban-level development built to the City of Chico's density regulations. Parcels located west of the annexation territory are built-out with multi-family uses, and single-family uses on smaller lots.

The parcels are rezoned R1-10 (Low Density Residential, 10,000 square foot minimum lot size) and are identified as Low Density Residential by the City of Chico General Plan Land Use Diagram. The R1-10 zoning district is appropriate for traditional neighborhoods consisting of single-family housing. Allowed land uses include small animal keeping, daycare facilities, and various uses requiring use permit approval.

Growth and development in the area would include development of undeveloped or underdeveloped lots with residential uses, including accessory dwellings, single-family homes, or residential accessory structures pursuant to the City's land use regulations.

b) The need for organized community services; probable effect of the proposed annexation on the cost and adequacy of services and controls in the area and adjacent areas.

The need for organized community services in the territory is to support existing and future residential development consistent with the City of Chico General Plan. The present cost and adequacy of governmental services and controls in the area are the County's responsibility, however, the City of Chico is the only provider of sanitary sewer services in the area and in an emergency response situation, and the City is usually the first responder to the territory. If the annexation is approved, the territory would then be able to receive full City services that can be best provided by the City. The City would provide a higher level of service to the area in terms of wastewater services as well as fire and police.

c) The effect of the proposed action and of alternative actions.

The area would be removed from the County's unincorporated area and be within the City of Chico's incorporated service area. The eventual impact would be minimal to the City. The City would be responsible for providing services to the area and any development would be subject to the City's development standards and applicable Development Impact Fees would be collected to offset future impacts. The existing residents already contribute to local businesses and to the social and economic interests of the area. Alternatively, the parcels could develop under the County of Butte's land use regulations for the Very Low Density Residential (VLDR) land use designation, which would allow for residential development on larger lots and at a reduced density.

d) The conformity of the proposal with the adopted commission policies on providing planned, orderly, efficient patterns of urban development.

The annexation of the subject territory to the City of Chico is consistent with the planned, orderly, and efficient patterns of urban development within the adopted Sphere of Influence of the City of Chico. The annexation will result in more effective, efficient, and logical jurisdictional boundaries and will provide more effective and efficient services to the residents of the area.

e) The effect of the proposal on agricultural lands.

The territory is developed with residential uses and no agricultural uses are found on the territory or on the surrounding parcels. The territory is located in a highly urbanized area that has been in existence for well over 80 years. The territory is not identified as Prime Agricultural land. Annexation of the subject territory would not contribute to the loss of agricultural lands.

f) Boundaries of the territory.

The subject territory is parcel specific, with definite and certain boundaries. With the inclusion of the additional two parcels owned by PG&E and Butte County, there are no conflicts with lines of assessment or ownership.

g) Consistency with city or county general and specific plans.

The City has rezoned the subject territory for low-density residential development with a minimum lot size of 10,000 square feet. Future development of the site would be subject to the City's development standards, consistent with the allowed land uses in the R1 zoning district. The proposal is consistent with the land use policies of the City of Chico.

h) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.

The proposed annexation is consistent with the Sphere of Influence for the City of Chico. The territory is within County Service Area No. 164 (Butte County Animal Control) and the territory will be detached from this district, as this service will be provided by the City of Chico.

The territory is within, and will remain within, the bounds of Chico Area Reaction and Park District and Butte County Mosquito and Vector Control District.

i) The comments of any affected local agency.

On December 19, 2022, LAFCo staff circulated the proposal for review and comment from local public agencies. The following table lists the agencies that responded to LAFCo's request for comments and their response.

<u>Agency</u>	<u>Comment</u>
<i>Butte Co. Assessor's Office</i>	<i>A portion of 018-010-027 lies East of Manzanita Ave and is not included in the annexation Staff response: Staff recommends the annexation territory be modified to include the entire area of APN 018-010-027.</i>
<i>Butte Co. Elections</i>	<i>The proposed annexation will require the creation of a new election precinct, which may lead to more ballot types and increased election costs in future elections. The proposed annexation would be added to Chico City Council District 6 unless otherwise specified by The City Council.</i>
<i>Butte Co. Development Services</i>	<i>An existing code enforcement case (Case #BCE21-00107) is located on this property concerning a violation of a side-yard setback. Upon annexation, the City of Chico's reduced side-yard setback would resolve the code enforcement case.</i>
<i>Butte Co. Environmental Health</i>	<i>Portions of the proposed annexation area (APN 018-010-135) are located within CSA 24. Other parcels are included in CSA 114-Chico Nitrate Compliance Area. The proposed annexation area is currently on</i>

septic and well water and is within the Chico Nitrate Compliance Area (CSA 114) and will have limited loading/development unless connected to sewer. There are no known septic failures in this area.

- a. *The following agencies were also sent a request for comments, but either did not respond or did not provide substantive comments:*

Butte County Animal Control; City of Chico Supervisor District; Butte County Auditor; CAL Fire; Chico Area Recreation & Park District; Butte-Glenn Community College District; Chico Unified School District; Butte Co. Mosquito Abatement District; and Butte County Sheriff.

j) The ability of the receiving entity to provide the services.

The City of Chico provides general administration, community development, public works, sewer, police, fire protection, and other services within its incorporated area. The City of Chico, through its resolution of application, attests to its ability to extend municipal services to the territory without impact to existing City residents. The City of Chico's financial difficulties have significantly improved over the last few years and the proposed annexation is not expected to have any positive or negative impact on the City's ability to provide adequate municipal services to the territory.

k) Availability of adequate water supplies.

Domestic water is provided by on-site domestic wells. No dry wells have been reported in the area.

l) 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.

The City of Chico Land Absorption Study (2018) identifies the parcels for the development of 20 residential lots. A previously approved City subdivision map has since expired, but parcel does have potential to for further development, which would count towards the City of Chico's ability to meeting its regional housing needs allocation.

m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The proposed annexation was initiated via landowner petition. Annexation of the three Depweg parcels has 100% landowner consent. LAFCo staff contacted representatives for both Butte County and PG&E for consent to annex the additional parcels and did receive confirmation of support to include the parcels in the annexation territory. The annexation has 100% landowner consent to annex.

n) Any information relating to existing land use designations.

The parcels are rezoned R1-10 (Low Density Residential, 10,000 square foot minimum lot size) and are identified as Low Density Residential by the City of Chico General Plan Land Use Diagram. The R1-10 zoning district is appropriate for traditional neighborhoods consisting of single-family housing. Allowed land uses include small animal keeping, daycare facilities, and various uses requiring use permit approval. Pursuant to City of Chico Land Use Regulations, any uses at the site considered non-conforming may be continued, transferred, or sold, provided that the use has not been lost (discontinued for a period of a year or more).

Existing uses within the territory that were legally established under Butte County jurisdiction will be "grandfathered" in and allowed to continue after annexation to the City of Chico.

o) The extent to which the proposal will promote environmental justice.

The territory, for all practical purposes, is a part of the City of Chico and many of the residents within the territory may already consider themselves residents of the city. Residents in the territory patronize commercial uses (with the City receiving the resident's sales tax dollars) and recreational facilities in the City of Chico and many residents work at businesses within the city. Additionally, the City of Chico Fire Department and the Police Department are typically the first responders to emergencies in the territory. However, as citizens of the unincorporated area, residents within the territory are not permitted to participate in City of Chico municipal affairs, such as voting in city elections, and they cannot run for city office or serve on city commissions or boards. Annexation of the territory to the City of Chico will provide residents the opportunity to participate fully in City of Chico municipal affairs, have a voice in city affairs, and be a full part of the City of Chico.

Based upon the above responses, the proposal appears to be consistent with the listed factors.

Applicable Butte LAFCo Policies

Section 2.0 (*LAFCo General Policies and Standards*) and Section 4.0 (*Annexation and Detachments*) of Butte LAFCo Policies and Procedures provides the Commission with general standards for annexation proposals. The relevant policies for consideration and guidance for this proposal include:

- Consistency of the proposal with the General Plan of the applicable planning jurisdiction. (2.10.1)
- The creation of logical boundaries. (2.11.2)
- Consistency of a proposal with the Sphere of Influence and Municipal Service Review of the affected jurisdiction(s). (4.1.1)
- Contiguity of a proposed annexation area to the jurisdictional boundaries of the annexing city. (4.1.3)
- Determination of the most efficient service provider. (4.2)

The proposal is substantially consistent with the above policies in that it:

- Is more effectively served by the City of Chico police and fire services;
- Is an integral part of the social and economic interests of the City of Chico as a whole;
- Will result in orderly and logical jurisdictional boundaries and provide for the delivery of more effective and efficient public municipal services;
- Will allow area residents to participate in City of Chico municipal affairs;
- Is located within a highly urbanized area.
- Will facilitate connection of many of the parcels within the territory to the City's sanitary sewer system and the subsequent abandonment of septic systems, resulting in less nitrates leaching into the groundwater, which is the primary goal of the Chico Area Nitrate Compliance Program.

Existing Service Agencies and Proposed Service Changes

The following table shows the services that are currently provided to the territory and the changes in service providers as a result of annexation to the City of Chico.

<u>Service</u>	<u>Presently Provided By</u>	<u>Proposed Provider</u>
Fire Protection	City of Chico/County of Butte	City of Chico
Police Protection	City of Chico/County of Butte	City of Chico
Code Enforcement	County of Butte	City of Chico
Sewer Service	Septic Systems/City of Chico	No change
Domestic Water Service	Cal Water/Private Well	No change
Agricultural Water Service	None	None
Animal Control	County of Butte (CSA 164)	City of Chico
Solid Waste	Private Collector	No change
Road/Street Maintenance	County of Butte	City of Chico
Power Infrastructure	PG&E	No change
Street Lighting	None	City of Chico
Planning & Zoning	Butte County	City of Chico
Schools	Chico Unified School District	No change
Resource Conservation	None	None
Mosquito Abatement	Butte Co. Mosquito Abatement Dist.	No change
Recreation	Chico Area Recreation & Park Dist.	No change
Storm Water Drainage	CSA 24	No change

The territory will be detached from the following districts:

- County Service Area No. 164 (Butte County Animal Control), as this service will be provided by the City of Chico.

The territory will remain within the following districts:

- County Service Area 24 (Chico-Mud Creek Drainage).
- County Services Area 114 (Chico Nitrate Compliance Area)

ADDITIONAL INFORMATION

Property Tax Agreement

In accordance with provisions of Revenue and Taxation Code §99, an Amended Master Property Tax Exchange Agreement was executed between the City of Chico and the Butte County Board of Supervisors on November 4, 1987. The agreement provides for the County to receive 55% of the property tax revenues and the City to receive 45%.

Support/Protest

On January 12, 2023, hearing notices for the Commission's February 2, 2023, public hearing on the annexation were mailed to all landowners and registered voters within 300 feet of the territory. On January 12, 2023, a legal notice regarding the Commission's hearing on the annexation proposal was published in the *Chico Enterprise-Record* on and placed on Butte LAFCo's webpage. No written comments were received as of the date of this report.

Conducting Authority Proceedings

The proposed annexation has 100% landowner consent to annex. As such, protest provisions can be waived pursuant to Government Code Section 56663 (Waiver of Protest Provisions).

Environmental Analysis

Butte LAFCo is the lead agency for the proposal under the California Environmental Quality Act (CEQA). The proposal is consistent with determinations made in the Final EIR prepared and certified for the Chico 2030 General Plan Update (SCH#2008122038), which programmatically and comprehensively analyzed impacts associated with implementation of the General Plan, including future annexations consistent with the Land Use Diagram. Pursuant to CEQA Guidelines Section 15132 (Subsequent EIRs and Negative Declarations), no subsequent environmental review is required because no new environmental effects are anticipated by the proposed annexation, nor has any new information about the annexation been revealed since the City Council Certification in April 2011 of the Chico 2030 General Plan Program Environmental EIR.

CONCLUSION

The City of Chico is capable of providing full municipal services to the territory without impacting service levels provided to current City residents. Annexation of this area represents a logical extension of the City's boundaries and services, and it will have no adverse impacts on any other agency's ability to provide services. The annexation proposal substantially conforms to LAFCo policy and the Executive Officer recommends approval of this proposal.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or materials that are presented, staff recommends that the Commission approve the annexation by taking the following actions.

OPTION 1 – Adopt Resolution No. 14 2022/23 APPROVING the AMENDED proposal as recommended by staff, and subject to the recommended conditions therein.

OPTION 2 – Adopt Resolution No. 14 2022/23 APPROVING the proposal as submitted by the Landowner petition and subject to the recommended conditions therein.

OPTION 3 – DENY the proposal.

OPTION 4 – CONTINUE this proposal to a future meeting for additional information.

PROPOSED MOTION

I recommend that the Commission adopt resolution 14 2022/23 making determinations approving the amended annexation identified as City of Chico – Depweg – Centennial Avenue Annexation No. 3, finding that no subsequent environmental review is necessary pursuant CEQA Guidelines section 15132, and waiving protest provisions pursuant to Government Code Section 56663.

ACTION REQUESTED:

Approve OPTION 1.

Respectfully submitted,

Shannon Costa

Shannon Costa
Deputy Executive Officer

Attachments:

Exhibit A: Amended Annexation Area Map (Page 2)

Exhibit B: Draft Resolution No. 14 2022/23

Distribution:

Leslie Depweg, email: ldepweg@gmail.com

Kevin Avila, email: kavila.chico@gmail.com

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS AND
ORDERING THE REORGANIZATION OF TERRITORY DESIGNATED AS
23-07 - CITY OF CHICO – DEPWEG – CENTENNIAL ROAD ANNEXATION NO. 3**

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

WHEREAS, a proposal for the annexation of the subject territory to the City of Chico in the County of Butte was heretofore filed by a landowner petition and accepted for filing on January 9, 2023 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 Executive Officer, pursuant to Government Code §56658, set February 2, 2023, as the hearing date on this proposal and gave the required notice of public hearing; and

WHEREAS, the Commission accepted the petition pursuant to Government Code §56700 and, pursuant to California Government Code §§56375 and 563759(a)(5) and Butte LAFCo Policies, the Commission added two additional parcels to the petition request to ensure the creation of logical, efficient, and effective jurisdictional boundaries; and

WHEREAS, the Executive Officer, pursuant to Government Code §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 February 2, 2023, 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. Butte LAFCo, as the lead agency, has determined that the proposal is consistent with determinations made in the Final EIR prepared and certified for the Chico 2030 General Plan Update (SCH#2008122038), which programmatically and comprehensively analyzed impacts associated with implementation of the General Plan, including future annexations consistent with the Land Use Diagram. Pursuant to CEQA Guidelines Section 15132 (Subsequent EIRs and Negative Declarations), no subsequent environmental review is required because no new environmental effects are anticipated by the proposed annexation, nor has any new information about the annexation been revealed since the City Council Certification in April 2011 of the Chico 2030 General Plan Program Environmental EIR.

Section 2. General Findings and Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to this annexation proposal, including, but not limited to, Butte LAFCo Policies and Procedures, City of Chico Sphere of Influence and Municipal Service Review, the City of Chico 2030 General Plan and 2030 General Plan EIR, the City of Chico Zoning Ordinance, the Butte County General Plan 2030 and Zoning Ordinance, and other factors specified in Government Code §56375.3 and s described in the staff report dated January 26, 2023 for the meeting of February 2, 2023.
- B. The annexation area shall consist of five parcels and the adjacent public rights-of-way totaling approximately 11 acres in size, as depicted in LAFCo Exhibit "A."
- C. The subject annexation area is found to be inhabited and is assigned the following short form designation: 23-07 – City of Chico – Depweg – Centennial Avenue Annexation No. 3
- C. The purpose of the annexation is to support orderly jurisdictional boundaries, and for the provision of municipal services, such as sewer service, police protection, road maintenance and drainage improvements for existing and future development within the territory.
- D. The Commission determines that agricultural and/or open space lands will not be adversely affected by this proposal as the territory is mostly developed; there are no agricultural lands associated with the proposal; the territory is designated by the City of Chico for residential uses; and the territory and surrounding parcels are not designated for agricultural uses as primary uses under the current City of Chico or County zoning and General Plan designations. Therefore, no conversion of designated agricultural or open space lands will occur as a result of the requested annexation.
- E. The exchange of property tax revenues between the County of Butte and the City of Chico will be performed in accordance with the Master Tax Exchange Agreement approved by the City of Chico and the Butte County Board of Supervisors on November 4, 1987.
- F. The proposal is consistent with the City of Chico Sphere of Influence.
- G. Waive the application of Government Code Section 25210.90, and find that the exclusion of any parcels in this area from CSA 24 (Chico Mud Creek Drainage) and CSA 114 (Chico Nitrates) would deprive this area of needed services to ensure the health and safety of the residents of the area, and find that a waiver would not affect the ability of the City of Chico to provide any service.
- H. The parcels identified in this annexation will be detached from the following districts:
 - 1. County Service Area 164 (Butte County Animal Control District)

Section 3. Conditions requested by LAFCo:

- A. All LAFCo, County of Butte, and State of California fees must be paid in full prior to filing the Certificate of Completion.
- B. The legal description and map, if amended by action of the Commission, will be revised at the expense of the applicant, prior to filing the Certificate of Completion.
- C. The map and legal description shall comply with the State Board of Equalization requirements and if rejected by the State Board of Equalization, shall be revised at the expense of the applicant.

Section 4. The boundaries, as set forth in the proposal, are hereby approved as submitted and are as depicted in Exhibits "A" attached hereto and by this reference incorporated herein.

Section 5. Further protest proceedings are waived and the Commission orders the annexation, pursuant to Part 4 commencing with Section 57000.

Section 6. The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution as provided in Section 56882 of the Government Code.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 2nd day of February 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

Clerk of the Commission

BILL CONNELLY, Chair
Butte Local Agency Formation Commission