

## BUTTE LOCAL AGENCY FORMATION COMMISSION

### DRAFT Minutes of April 3, 2014

#### 1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:00 a.m., on April 3, 2014, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

##### 1.1 Roll Call

Present: Commissioners: Scott Lotter (City), Larry Duncan (Special District), Tom Lando (Special District), Jerry Fichter (City), and Chair Carl Leverenz (Public).  
Alternate Commissioner Greg Steel (Public).A

Absent: Commissioners: Bill Connelly (County) & Steve Lambert (County)  
Alternate Commissioners: Ann Schwab (City), Wes Gilbert (Special District), and Larry Wahl (County).

Others Present: Stephen Lucas, LAFCO Executive Officer  
Stephen Betts, LAFCO Deputy Executive Officer  
Jill Broderson, LAFCO Management Analyst  
Joy Stover, LAFCO Commission Clerk  
Scott Browne, LAFCO Legal Counsel

The meeting was adjourned to the Closed Session Item at 9:01 a.m.

#### 2. CLOSED SESSION (*Administration Conference Room Available 9:00 a.m. to 11:00 a.m.*)

##### 2.1 Conference with Legal Counsel on Significant Exposure to Litigation Pursuant to Gov. Code Section 549569(b)(1) – One Case.

Commissioner Connelly arrived at 9:16 a.m.

The meeting was reopened at 9:30 a.m. Chair Leverenz stated the Commission met with LAFCO Counsel and no formal action was taken.

#### 3. CONSENT AGENDA

##### 3.1 Approval of the Minutes of March 6, 2014.

Chair Leverenz asked if anyone wanted any corrections or changes to the minutes. None stated.

**Commissioner Lotter made a motion to approve the consent agenda. The motion was seconded by Commissioner Connelly.**

**The motion was carried by the following vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Lando, and Chair Leverenz

**NOES:** None

**ABSENT:** Commissioner Lambert

**ABSTAINS:** Fichter

#### 4. NOTICED PUBLIC HEARINGS

#### 4.1 14-02 – City of Chico – Boucher Annexation No. 6

Steve Betts stated the proposed annexation was initiated by landowner petition from Harbinder Janda. The landowner initially requested that the City of Chico initiate annexation and the City denied initiating the annexation.

Steve Betts recommended 16 additional parcels be included in the annexation. Staff sent out solicitation letters to the landowners of the additional 16 parcels and we have received a total of 3 letters in response to date. Staff prepared two resolutions; No. 26 2013/14"A" approves all 17 parcels and No. 26 2013/14"B" includes the Janda parcel only. If approved for the 17 parcels, a protest hearing will be required. Staff is recommending approval of the annexation and adopting the two resolutions. We have only received the 3 letters to date, but staff believes there is a fair number of people opposed to the annexation. The market on the Janda parcel is an allowed use within the County land use. LAFCo has no control over land use issues.

Commissioner Duncan asked if the market were annexed into the City, could the City stop the market from being opened.

Steve Betts stated the City could stop the market from opening as the parcel is pre-zoned R1-residential high density. Staff recommends if LAFCo approves the annexation that the annexation not be recorded until such time as the County has issued a certificate of occupancy.

Commissioner Lotter noted it would become a legal pre-existing non-conforming use issue.

Commissioner Connelly asked how many of the affected parcels are already hooked up to the sewer system.

Steve Betts stated there are four as shown on the map on page 8 of the staff report. The map shows both authorized connections and non-authorized connections.

Chair Leverenz stated we could take testimony today and continue this item for another month. State law requires LAFCo to look at logical boundaries and consider the whole area when an annexation is processed. LAFCo has no control over the land use, so the existence or non-existence of the market is not under LAFCo control. The hearing was opened to the public for comments.

Polly Bisaga, 1534 Boucher Street homeowner, stated her main objection is to the opening of the market. She asked for clarification on how the protest hearing results are determined.

Chair Leverenz provided information on how the protest hearing is determined.

Karen Branson, shown as property #8 on the map, stated her family has owned the property for 88 years, requested further clarification in how the protest hearing is processed regarding registered voters versus landowners.

Detailed protest hearing requirements were provided.

There was discussion on the current parcel zoning and whether the market could open if it was annexed into the city.

Pete Calarco, Assistant Director of Butte County Development Services, stated the property is designated commercial by the county as a part of the General Plan update process in 2010. The use proposed is permitted by the County which is processing building permits to issue for interior remodel for this parcel. Alcohol is prohibited in the current zoning for this parcel.

Karen Branson asked if the market does get permitted to open, then the County would not allow alcohol to be sold.

Pete Calarco stated in the current County regulations alcohol would not be allowed to be sold.

Keagan York, residing at 1425 Boucher Street, asked if he understands it correctly, if the parcel were to be annexed into the City, currently alcohol would not be approved to be sold.

Commissioner Connelly stated it is unlikely, but not impossible, to get the zoning changed in order for the property owner to be allowed to sell alcohol.

Harbinder Janda, landowner of 1406 Boucher Street, stated he bought this property in 2011 and knows a lot of the people here today are his neighbors and he wanted to clarify that he does not plan to sell alcohol at the market.

Chair Leverenz stated we can continue this matter to our meeting next month on the first Thursday of the month. Staff will check the names and landowners against the letters that were received to confirm the amount opposition to annexation.

Floyd Wood asked if the property owners could get letters by mail if they have enough signatures and property owner values to kill the annexation of the additional parcels.

Chair Leverenz stated the LAFCo staff can notify the parcels owners of the outcome, so they will know ahead of time that they have enough signatures so they don't have to come back to the next meeting. The public portion was closed.

**Commissioner Lando made a motion to continue this item to next month. The motion was seconded by Commissioner Fichter.**

Commissioner Duncan stated he wanted the public to know that if they are voting against the annexation because they don't want the market this is not the way to go.

**The motion was carried by the following vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Lando, Fichter and Chair Leverenz

**NOES:** None

**ABSENT:** Commissioner Lambert

**ABSTAINS:** None

#### **4.2 Review and Consideration of Proposed Budget for FY 2014/15**

Steve Lucas stated the Budget Committee met on Feb. 26, 2014 and unanimously recommended forwarding the proposed budget presented today. The Commission's continued fundamental support of LAFCo is recognition that LAFCo performs many levels of functions. There are cost saving measures we accrued over the last six budget cycles, most notably staff voluntarily taking a 10% - 15% furlough the last six years without taking a single cost of living adjustment. The furlough savings have helped to offset the reduction of filing fees. A lot of what we do is not funded by fee generations.

Commissioner Duncan asked besides the City of Chico, does anyone else owe LAFCo money?

Steve Lucas stated no.

Chair Leverenz opened this item to the public for comment. None stated.

Commissioner Connelly made a motion to approve the tentative budget subject to continuing this item through its normal process to May 1, 2014 for final adoption of the budget. The motion was seconded by Commissioner Lando.

The motion was carried by the following vote:

**AYES:** Commissioners Duncan, Connelly, Lando, Fichter and Chair Leverenz

**NOES:** Commissioner Lotter

**ABSENT:** Commissioners Lambert

**ABSTAINS:** None

**5. REGULAR AGENDA**

**5.1 Items Removed from the Consent Agenda – None**

**5.2 Update of Sewer Service Extensions in the City of Chico**

Steve Lucas provided an update. Some amendments to the Agreement will be brought back to the Commission for comments at its May 1<sup>st</sup> meeting, following the City of Chico Council Consideration.

**6. PUBLIC COMMENTS NOT ON THE AGENDA –**

Allen Young, residing at 1284 Montgomery Street, Oroville, spoke about the island annexation law and how it affects the south Oroville unincorporated area.

Chair Leverenz paraphrased the island annexation law currently in effect.

**7. REPORTS AND COMMUNICATION**

**7.1 Executive Officer's Report**

Steve Lucas summarized the Executive Officer's Report.

**7.2 Correspondence - None**

**8. ADMINISTRATION – None**

**9. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:36 a.m. to the next LAFCo meeting to be held on Thursday, **May 1, 2014** at 9:00 a.m.

**LOCAL AGENCY FORMATION COMMISSION**

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**By: Stephen Lucas, Executive Officer**

Minutes prepared by Joy Stover, Commission Clerk