TO: Local Agency Formation Commission
FROM: Stephen Lucas, Executive Officer
SUBJECT: LAFCo File 19-07 – City of Chico – Extension of Services – 2499 Guynn Avenue
DATE: March 27, 2019, for the meeting of April 4, 2019

Summary
The City of Chico is requesting approval to extend sanitary sewer services to a single unincorporated parcel that is developed with a multi-family residential use (Exhibit A). An emergency authorization was approved to allow the parcel to connect to the City’s sanitary sewer system due to a failed septic system. The parcel is not contiguous to City of Chico jurisdictional boundaries and annexation is not feasible due to the lack of contiguity.

Staff recommends that the Commission approve the extension of services request. Draft Resolution 14 2018/19 (Exhibit B) contains recommended conditions of approval.

General Information
Application Submitted: March 14, 2019
Application Deemed Complete: March 18, 2019
100% Landowner Consent: Yes
Notice and Hearing Required: No
Proponent: City of Chico
Landowners: Luke Hamblin and Zenobia Vincent-Hamblin
Location: The subject parcel is located north and east of Nord Avenue, south of W East Avenue and on the northwest corner of Meier Drive and Guynn Avenue in the unincorporated Chico area known as the Guynn Avenue island area. The subject parcel is identified as Assessor’s Parcel Number 042-390-033 (2499 Guynn Avenue), Chico, CA. The territory is located in Supervisorial District 2.
Proposal: Extension of City of Chico sanitary sewer service to a single parcel.
Requested Action: Adopt Resolution 14 2018/19 (Exhibit B) approving the extension of City of Chico sanitary sewer services.
DISCUSSION AND ANALYSIS

Background

The subject parcel, which is approximately 0.31 acres in size, is developed with a 7-bedroom, 6 full bathrooms, 1 half bath, and 3,924 square foot multi-family residential tri-plex dwelling built in 1981. Domestic water supply for the dwelling is provided by the California Water Service Company. The parcel fronts on Meier Drive, which is a public county road. Guynn Avenue is partially improved with curbs, gutters, and sidewalks. Land uses on the surrounding parcels are primarily multi-family and single-family dwellings. City of Chico sewer lines are located within Guynn Avenue and Meier Drive. As shown on Exhibit A, several properties in the vicinity are connected to the City of Chico’s sanitary sewer system following failed or failing septic systems.

![Project Site – 2499 Guynn Avenue (Photo – Google Maps)](image)

As shown on the map (Exhibit A) on page 2, the parcel is not contiguous to the City of Chico jurisdictional boundaries. Annexation of the parcel is not feasible given the lack of contiguity to the City’s boundaries. The nearest City of Chico boundary is located approximately 463 feet to the east of the subject parcel, with two intervening parcels. Contiguity could be achieved with the annexation of 2 additional parcels but the configuration would be less than ideal. The City has not indicated a desire to annex the area at this time.

Until recently, sewage disposal for the dwellings on the subject parcel was handled by an on-site septic system. A recent inspection (Exhibit C) of the septic system determined that the septic tank leach field was not discharging liquid from the tank and was considered failed. However, 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 February 11, 2019, 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 February 13, 2019, the LAFCO Executive Officer authorized an emergency extension of services to allow the City of Chico to connect the parcel to the City’s sanitary sewer system (see Exhibit D).
Land Use/Zoning Designations

The Butte County General Plan designates the subject parcel as Medium Density Residential (up to 6 dwelling units per acre) and the parcel is zoned Medium Density Residential (up to 6 dwelling units per acre). The City of Chico's General Plan designates the parcel as Medium Density Residential (7.1 up to 14 units per acre) and the City has pre-zoned the parcel as R2 (6 up to 14 units per acre). The multi-family residential use on the subject parcel is consistent with both the County’s and the City’s General Plans and zoning ordinances.

Governing Law and LAFCo Policy

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

- Extensions of service are to be in anticipation of annexation, which at a minimum requires the parcel to be located within the agency’s Sphere of Influence (Butte LAFCo Policy 4.5.4.A.5; GC56133(b)).
- Annexations to cities and special districts are generally preferred for providing public services (Butte LAFCo Policy 4.5.4.A.1).
- Health, safety, or emergency 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 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 feasible (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).

Criteria 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 approves a service extension it generally requires the owner of record to execute an Annexation Consent Agreement and Covenant consenting to annex the territory which is then recorded and binds future owners of the property.

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 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. City of Chico sanitary sewer lines are located within the Guynn Avenue and Meier Drive.

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

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

The affected parcel is developed with a multi-family tri-plex dwelling unit. This use is consistent with the City of Chico’s General Plan land use designation of Medium Density Residential and with the City's R2 pre-zoning of the parcel. The existing use is also consistent with the County’s General Plan land use designation of Medium Density Residential and the County’s zoning of Medium Density Residential.

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

The proposal to connect to the City of Chico’s sanitary sewer system will facilitate the continued use of the parcel for multi-family residential purposes. The extension of services will be conditioned to state that the extension of sewer services is for existing development only. Any additional development on the parcel, such as a replacement dwelling or a fourth 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 subject parcel is located within the 82-acre, 233-parcel Guynn/W. East Ave island area number 10, which is 76% surrounded by the City of Chico. The nearest City of Chico boundary is located approximately 463 feet to the east of the subject parcel, with two intervening parcels. As the island area is within the SOI, it is considered by policy to be anticipated for later annexation. The area is part of an on-going discussion with the City of Chico regarding annexation.

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 City of Chico does not support the annexation of the affected parcel at this time and provided the following response in its application:

“The City is not contemplating any significant annexations at this time due to concerns related to its ability to provide adequate services community-wide (especially in light of upcoming Chapman and Mulberry annexations), and the fact that the City is moving forward with the 411-acre North Chico Annexation. These large “island” annexations, in addition to the recent influx of between 10,000 and 20,000 Camp Fire evacuees into the community, have exacerbated the City’s provision of services.”

Discussion/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 for development on the effected parcel that existed at the time of application to LAFCo, which for this project is a multi-family tri-plex dwelling use. Staff recommends 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 042-390-033 – 2499 Guynn Avenue) is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization, which is a 7-bedroom, 6 full & 1 half bathrooms, 3,924 square foot multi-family tri-plex residential dwelling. Prior to the City of Chico or County of Butte authorizing or otherwise allowing any new or additional development on the parcel that alters the existing use, the City or County shall provide such proposals to the LAFCo Executive Officer for review of compliance with this sewer extension authorization.

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 multi-family 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.
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. 14 2018/19 authorizing the City of Chico to provide sanitary sewer service outside the City’s boundary to the property located at 2499 Guynn Avenue (APN 042-390-033) 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,

Stephen Lucas
Executive Officer

Attachments:
Exhibit A: Area Map – pg. 2
Exhibit B: Draft LAFCo Resolution No. 14 2018/19 – pg. 9
Exhibit C: Septic Pumper Report – pg. 12
Exhibit D: Signed Emergency Extension of Services Authorization – pg. 13-14
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 2499 GUYNNE AVENUE (APN 042-390-033), 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 2499 Guynn Avenue (APN 042-390-033), Chico, CA, located outside of the Chico city limits but within the City of Chico’s Sphere of Influence, in the County of Butte, was heretofore filed by the City of Chico and accepted for filing on February 18, 2019, 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 and annexation of the parcel to the City of Chico is not feasible due to non-contiguity; and

WHEREAS, due to failing leach lines and to prevent potential health and safety issues, the subject parcel was allowed to connect to the City of Chico’s sanitary sewer system under an emergency authorization granted by the LAFCo Executive Officer on February 13, 2019; and

WHEREAS, a City of Chico sanitary sewer line is installed within the Guynn Avenue and Meier Drive right-of-ways and the City of Chico’s sanitary sewer system and wastewater treatment plant have adequate capacity to serve the subject parcel; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658, set April 4, 2019, as the hearing date on this proposal; and

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

WHEREAS, this Commission called for and held a hearing on April 4, 2019, 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 not subject to 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 March 27, 2019, for the meeting of April 4, 2019.

B. The Commission authorizes the City of Chico to extend sanitary sewer service outside the City’s boundary to the property located at 2499 Guynn Avenue (APN 042-390-033), in the unincorporated Chico area.

C. The proposal is assigned the following short form designation: 19-07 - City of Chico – Extension of Services – 2499 Guynn Avenue.

D. The purpose of the extension of services is to allow the City of Chico to provide public sanitary sewer service to the existing development on the subject parcel.

E. The City of Chico’s sanitary sewer system has adequate capacity to serve the dwelling on the subject parcel and a City of Chico sanitary sewer line is located within the Guynn Avenue and Meier Drive road right-of-ways.

F. The territory is located within the City of Chico’s Sphere of Influence and is not within the Sphere of Influence or the district of any other sanitary sewer service provider.

G. This extension of sanitary sewer services is only to support development on the subject parcel that existed at the time of application to LAFCo.

Section 3. Conditions requested by LAFCo:

A. All LAFCo fees must be paid in full prior to the extension of service authorization becoming effective.

B. The authorization to extend City of Chico sewer services to the subject parcel (APN 042-390-033 – 2499 Guynn Avenue), is explicitly restricted to the current, existing use on the parcel as of the date of the LAFCo authorization, which is a 7-bedroom, 6 full and 1 half bath, 3,924 square foot multi-family tri-plex dwelling unit. Prior to the City of Chico or County of Butte authorizing or otherwise allowing any new or additional development on the parcel that alters the existing use, the City or County shall provide such proposals to the LAFCo Executive Officer for review of compliance with this sewer extension authorization. This condition will become inapplicable following a future annexation to the City of Chico.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 4th day of April 2019, by the following vote:
AYES:

NOES:

ABSENT:

ABSTAINS:

ATTEST:

Clerk of the Commission

CARL LEVERENZ, Chair
Butte Local Agency Formation Commission
Domenic’s Septic Service, Inc.
P.O. Box 7848  Chico, CA  95927
(530) 345-1585 Phone    (530) 345-5879 Fax  CA Lic# 780811

SEPTIC SYSTEM INSPECTION REPORT

February 7, 2019

Property Address:  2499 Guynn Ave, Chico

Sent To:  Matt Thompson, City of Chico, matt.thompson@Chicoca.gov

Septic Inspection:  Passed / X Failed  TOTAL DUE $0.00  INVOICE #19-0124

1 Tank located:  Tank is approximately a 2500 gallon 2-chamber concrete septic tank.

Condition of Septic Tank:  Excellent _ Good _ X Poor _

The Inlet Pipe:  Is in place and in working order at this time.

The Outlet Pipe:  Is not in place and not in working order at this time.

The Leach Lines:  Are not leaching properly at this time.

The Septic System was inspected on 02/01/2019  Tank was pumped at the time of this inspection.

The septic tank should be pumped every 3-5 years to ensure proper working conditions.

Additional notes and/or recommendations:

NOTE:

Domenic’s Septic Service, Inc:  JS/Robert Perkins

I declare that the information herein is true and correct to the best of my knowledge. This report is based on septic tank performance and visible condition performance at the time of inspection. We have located all septic tanks that have been disclosed to us. It is possible that there are additional tanks, in use or abandoned, on said property. No guarantee is expressed or implied against future problems.
Emergency Extension of Services Application

Purpose: This Emergency Extension of Services Application is intended to be used by a local agency to request an immediate authorization from Butte LAFCO for urgent service extensions subject to ALL of the following criteria:

1. The lack of service being requested constitutes an immediate health and safety concern; and
2. The property is currently developed; and
3. There are physical restrictions on the property that prohibit a conventional service delivery method typically suited to the unincorporated area (i.e., septic tank, private well, etc.)

Process: The local agency shall complete the Emergency Extension of Services Application and submit it to the Executive Officer (via mail, fax or email) who will immediately evaluate the request and is authorized to approve the immediate extension of services subject to submission by the affected agency within 30 days of emergency approval, a complete Extension of Services Application with appropriate fees for Commission consideration.

Please provide the following information:

Applicant (local agency) ___ City of Chico
Assessor’s Parcel Number(s): ___ 042-390-033-000
Street Address: ___ 2499 Guynn Ave.
Landowner Name: ___ Hamblin
Requested Service(s): Sewer
Reason for Emergency Extension of Service(s): ___ Failed on-site system
(Note: Please attach documentation from the local agency, a licensed contractor or the Butte County Environmental Health Division if for a septic system or well failure.)

As the local agency providing emergency services to the affected parcel, I certify that the reason for the emergency condition is accurate and the agency understands the responsibility to submit a formal application and all appropriate fees as noted above.

Authorized Local Agency Contact: Name: __ Matt Thompson
Title: __ Mgr. Sr. Civil Eng
Signature: __

Approved by LAFCO Executive Officer (or designee) on ___ 2/13/19

Please see Caution Notice on back side of this form
Emergency Service Extension Authorization Caution Notice

February 13, 2019
2499 Guynn Avenue, Chico (Hamblin)
APN 042-39-033

The affected parcel is located within Annexation Area #10, an 82 acre /233 parcel island area that can be annexed under the streamlined island annexation law that waives protest proceedings.

The Commission may require the sewer service extension authorization be conditioned to require the City to initiate annexation of the entire island area. Such a condition was placed on previous service extension applications by the Commission.

If annexation cannot be supported by the City, the City may wish to reconsider whether or not to provide sewer services under this Emergency Authorization and wait for the Commission to consider the request without the decision burdened by an existing sewer connection that would be difficult to undo.

Alternatively, the City may wish to advise the property owner to immediately seek annexation if circumstances allow.