

February 19, 2004

To: Local Agency Formation Commission

Re: LAFCO #03-13: North Sanborn Road Reorganization No. 320 – A reorganization of territory proposing to annex 30 acres to Yuba City and detach the property from County Service Area G that provides fire protection to unincorporated areas around Yuba City. The Commission may consider expanding the reorganization to include 9.1 additional acres located immediately south of the annexation area, east of Sanborn Road and North of Lincoln Road. The affected territory is generally located on the west side of Yuba City between Cherry and Lincoln Roads and east of Sanborn Road to the current city limits.

**I. STAFF’S RECOMMENDED ACTION**

Adopt the attached resolution No. 2004-06 making determinations and approving the reorganization annexing the territory shown on Exhibit “A” to Yuba City and detaching the property from County Service Area G.

**II. APPLICATION AND REQUEST**

LAFCO has received a landowner petition to annex 30 acres to Yuba City and detach the property from County Service Area G. The Commission may consider expanding the reorganization to include 9.1 additional acres located immediately south of the annexation area, east of Sanborn Road and North of Lincoln Road in an effort to create a more logical City/County boundary. The affected territory is generally located on the west side of Yuba City between Cherry and Lincoln Roads and east of Sanborn Road to the current city limits. A map of the reorganization area is attached as Exhibit “A”.

The expanded proposal involves the detachment of 39.1 acres from County Service Area (CSA) G. This CSA is a dependent County district created when the Walton Fire District was dissolved in 2001 to provide fire protection services to unincorporated areas around Yuba City. CSA G contracts with the city of Yuba City to provide fire protection and emergency services within its boundaries.

### **III. ENVIRONMENTAL**

LAFCO is a responsible agency for this annexation which differs from being the lead agency. The California Environmental Quality Act (CEQA) defines a responsible agency as a public agency, other than the lead agency which has responsibility for carrying out or approving a project. Yuba City conducted an environmental review for the project and adopted a Negative Declaration as part of completing their pre-annexation zoning for the reorganization area. The CEQA Guidelines, Section 15096 state that a responsible agency complies with CEQA by considering the Negative Declaration prepared by the lead agency (Yuba City in this case), and your Commission shall reach its own conclusions regarding the potential environmental impacts. If your Commission disagrees with the determinations reached by the City, your Commission may assume lead agency status and direct staff to prepare another environmental document addressing the issues that you may wish to be analyzed.

Staff is recommending your Commission consider the environmental document prepared by Yuba City and direct staff to file a Notice of Determination consistent with Section 15096(i) of the CEQA Guidelines. The proposed resolution, included with this report, includes language providing staff with this direction. The environmental document is attached as Exhibit "B".

LAFCO staff is proposing expanding the boundaries of the reorganization to include 9.1 additional acres that are already developed and located immediately south of the original 30 acres proposed for reorganization. Because this additional land is already developed residentially, this additional territory to be annexed is Categorically Exempt from CEQA pursuant with Section 15319 of the Guidelines. As such, the proposed resolution of approval attached as Exhibit "C" includes language directing the Executive Officer to file a Notice of Exemption for this portion of the proposal.

### **IV. TAX REVENUE EXCHANGE**

The Auditor's Office has estimated the County's portion of the property tax revenue subject to tax exchange by the Master Property Tax Exchange Agreement is \$4,036.00. This does not include revenues from special road property taxes of \$196.00; and revenues from CSA G of \$1,063.00. The master tax agreement states that the City shall receive 100 percent of the Special Road property taxes and 45 percent of the base revenue property tax dollars. In addition, the contract between Yuba City and the County for the delivery of fire services within CSA G specifies that the City shall receive 100 percent of the property tax revenue for fire protection once annexation. Based upon these percentages, the total property taxes to be exchanged from Sutter County to Yuba City will be approximately \$3,075 if your Commission approves this proposal.

There are no sales tax dollars subject to exchange within the reorganization area.

### **V. STATEMENT OF REASONS**

This matter concerns a proposed reorganization of territory with the City of Yuba City and County Service Area G. This type of action calls on the Commission to exercise its quasi-legislative authority. (See City of Santa Cruz v. Local Agency Form. Com. Of Santa Cruz County (1978) 76 Cal.App.3d 381, 387-388 ("boundary and annexation determinations of LAFCO.... are quasi-

legislative in nature") (emphasis omitted).

Nevertheless, an agency exercising its quasi-legislative authority must have a sound basis for doing so. A court reviewing a quasi-legislative decision will uphold the decision if the agency has: (1) "adequately considered all relevant factors"; and (2) "demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute." (California Hotel & Motel Assn. v. Industrial Welfare Com. (1979) 25 Cal.3d 200, 212.). Findings of fact "bridge the analytical gap between the raw evidence and the ultimate decision or order." (Topanga Assn. For a Scenic Community v. County of Los Angeles (1974) 11 Cal.3d 506, 515.) In McBail & Co. v. Solano County Local Agency Form. Com. (1998) 62 Cal. App. 4<sup>th</sup> 1223, 1230, the court expressed its preference that "a statement of reasons be formally entered in the agency's resolution and committed to writing..." (Id., at p. 1230.)

The statement of reasons is organized around the "relevant factors" mentioned in McBail. The factors material to the reorganization are set out in Government Code section 56668. Those factors, because they are specifically set forth in Government Code section 56668, are "rationally related to the purposes" of the Cortese-Knox-Hertzberg Act, which govern the decisions on reorganization. The factors are grouped into fourteen subject areas, the relevant evidence for each factor is described, and the connection between that evidence and the conclusion for each subject area is articulated. Taken as a whole, the statement of reasons, if adopted by the Commission, will serve as the basis for the decision to approve the proposed reorganization.

The following statement of reasons for the proposed reorganization is submitted for LAFCO's consideration and approval.

**a. Population**

Population: The population of the reorganization area is approximately 35 persons.

Population Density: The reorganization area has a population density of 1.1 persons per gross acre.

Proximity To Other Populated Areas: The city of Yuba City borders the reorganization area to the east.

Likelihood of Significant Growth In the Subject and Adjacent Incorporated and Unincorporated Areas in the Next 10 Years: If approved, it is anticipated that the northern 30 acres of the expanded reorganization area will be developed with residential uses within the next three years, depending on market demand. The southern 9.1 acres are already developed residentially and no additional growth is anticipated for that portion of the reorganization area.

Adjacent lands could likely urbanize in the next ten years based upon current growth trends and market conditions. Unincorporated lands to the west are within the Yuba City sphere of influence and within the designated growth area for Yuba City as specified by the County General Plan. These factors make urbanization of the surrounding areas likely in the future.

**Conclusion**:

The reorganization is consistent with population growth trends in Sutter County, and is consistent with the County's and City's planning policies and growth projections.

**b. Physical Characteristics:**

1. Relevant Factors:

Land Area and Land Use: The expanded reorganization area totals 39.1 acres and is developed with an orchard and dwellings.

Topography: The topography of the reorganization area and vicinity is level with slopes generally ranging from 0-1 percent.

Natural Boundaries: There are no natural boundaries that are within or adjoin the reorganization area.

Drainage Basins: The reorganization area is not located within any recognized drainage basins; however, the land is within the Tierra Buena County Drainage District that handles urban runoff from development in the area.

2. Conclusion:

The reorganization area will not affect the physical characteristics, topography or drainage basins of the project area.

**c. Need for Services:**

1. Relevant Factors:

Per Capita Assessed Valuation: Net per capita assessed valuation for the expanded reorganization is estimated at \$58,834.

Need For Organized Community Services: In order for build-out of the northern 30-acres to occur, development requires connections to Yuba City's municipal water and sewer systems. As the County does not offer these services and the City requires annexation before providing water or sewer connections, annexation to Yuba City is necessary for development to take place.

Present Costs and Adequacy of Governmental Services and Controls in the Area: The territory involved in the reorganization receives a full range of County services (criminal justice system, health and welfare, general government administration, etc.) that are provided throughout the entire county. These services are funded by a variety of federal, state, and local revenues (including, to some extent, local sales and property tax revenues). The area, or various portions of it, also receives a variety of services<sup>1</sup> including:

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<sup>1</sup> It should be noted that the reorganization area also receives services from a variety of other local and regional  
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*North Sanborn Road Reorganization No. 320*  
*LAFCO 03-13*

- Police and Traffic Enforcement. Patrol services are currently provided by the Sheriff's Department and traffic enforcement services are provided by the California Highway Patrol.
- Domestic Water. Water service is currently provided to the existing dwellings by private on-site wells.
- Sewer Service. Sewer services are provided to the existing homes in the expanded reorganization area by private onsite septic and leach field systems.
- Fire Protection. Fire protection is provided by County Service Area G which contracts with Yuba City for fire protection services.
- Parks. Persons living within the reorganization area have access to all the community parks maintained by Yuba City and the many recreational opportunities available within the unincorporated County.
- Street Lighting. Street lighting services are currently not provided on the property.
- Emergency Medical Services. Emergency Medical Services (EMS) is provided throughout the project boundaries by the Bi-County Ambulance Company. Yuba City Fire Department which provides fire protection services also responds to emergency medical calls.
- Streets and Roads. Sutter County currently maintains those portions of Lincoln and Philips Roads that abut the reorganization area.
- Drainage Services. The Tierra Buena County Drainage District provides drainage services throughout the western Yuba City urban area by collecting urban runoff and conveying it in the Live Oak Canal to the Sutter By-Pass and ultimately the Sacramento River.

The affected territory appears to receive an acceptable level of services. If approved, future street lighting, road maintenance, street sweeping, and the ability to connect with municipal sewer and water systems will be provided by Yuba City.

Probable Future Needs For Those Services and Controls: As stated, in order for build-out of the property to occur, connections to Yuba City's water and sewer systems are necessary. As the County does not offer these services and the City requires annexation before providing water or sewer connections, annexation is necessary for development to take place.

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agencies, including: Sutter County Water Agency; Sutter County Flood Control & Water Conservation District; Sutter Cemetery District; Yuba Community College District; Feather River Air Quality Management District; Sutter-Yuba Mosquito and Vector Control District; Yuba City Unified School District; Sutter County Resource Conservation District; Levee District No. 1. The cost and adequacy of the services provided by these agencies, and the agencies themselves, will not be affected by the approval of this proposal.

As urbanization of the Yuba City area continues, Yuba City is better equipped to provide urban services than the County as a result of the County not operating and maintaining municipal water or sewer systems that are necessary for urban development.

Probable Effects of the Reorganization and Alternative Courses of Action on the Cost and Adequacy of Services and Controls in the Area and Adjacent Areas and ability of the city to provide service to the area: Staff believes your Commission has the following options with respect to this proposal: (1) Approve the reorganization as originally submitted with whatever conditions you determine to impose; (2) Approve the reorganization having the boundaries as recommended by staff. (3) Approve the reorganization but modify the boundaries of the proposal; (4) Deny the proposal.

If the reorganization is approved, the impact on the cost and adequacy of services and controls in the area would be as follows:

- Police and Traffic Enforcement: In the immediate future, law enforcement services will continue to be provided by the Sheriff's Department, consistent with the Master Property Tax Exchange Agreement between the City and County, which was approved July 6, 2000. In that agreement the City and County agreed that law enforcement responsibilities for the area generally located south of State Highway 20 will be handled as follows:

“For the South Beat Area, this transfer of law enforcement services to the City shall occur when the City has annexed eighty-two percent (82%) of the dwelling units within that beat.”

Since a large number of residences continue to be within the unincorporated area, it is anticipated the County will continue to provide law enforcement services for the foreseeable future and there will be no impact on the cost and adequacy of services provided.

If the reorganization is approved, residents within the newly annexed territory will likely see their police patrol coverage improve because city police beats are significantly smaller than County Sheriff Department patrol beats.

- Domestic Water: The City has stated that as long as a property owner's private individual well continues functioning, the City does not require property owners abandon their systems and connect to the City's water system. If well problems arise in the future and a property owner is located within 200-feet of the City's water main, a connection to the City system is required by the Uniform Plumbing Code. Annexation will not result in increased costs by itself to property owners with regard to domestic water.

Development of the northern 30 acres will require that the city's water infrastructure be extended to serve the new development and the developer will be required to pay the costs of extending water to the area.

- Sewer Service: The City has stated that as long as a property owner's private individual septic system continues functioning; the City does not require property owners to abandon their system and connect to the City's municipal sewer system. If septic problems arise in the future, it may become necessary to connect with the City's municipal system. The City has stated that their wastewater treatment facility and collection system is adequately sized to handle the increased flows from development within the reorganization area, however; it was noted that the City's recent request to the Regional Water Quality Control Board to allow the City to increase its treated wastewater discharge to the Feather River was denied as of June 6, 2003. The city has stated they are appealing the decision.
- Parks. There will be no changes that will affect community park facilities. Park facilities exist today within the city and they will continue to be available for persons to enjoy if the reorganization is approved. Residents will see no changes in the service provided as a result of annexation.
- Street Lighting. If approved, Yuba City will be responsible for street lighting services within the reorganization area if the undeveloped lands are developed with a subdivision as proposed.
- Emergency Medical Services. There will be no change in the service provided. Service will continue to be provided by the Bi-County Ambulance Company and the Yuba City Fire Department. Residents will see no changes in the service provided as a result of annexation.
- Streets and Roads. Yuba City will become responsible for the maintenance of the full width of Cherry Street, Sanborn Road and Lincoln Road that adjoin the expanded reorganization area.
- Drainage. The reorganization area is within the Tierra Buena County Drainage District. Runoff from proposed development will drain to the Live Oak Canal, as does all runoff in the area. Yuba City will review and approve a grading plan for the property as part of the development process as well as collect impact fees for the Tierra Buena District to support necessary maintenance and system upgrades. Residents will see no changes in the service provided due to this reorganization.
- Fire Protection. Yuba City currently provides fire protection services by contract to the reorganization area. Annexation will result in the area being detached from County Service Area G; however, fire and emergency medical services will continue to be provided by the City as it is today. Residents will see no changes in the service provided as a result of annexation.

Conclusions:

Approval of the proposal will not significantly affect services provided to the project area.

**d. Mutual Social and Economic Interests and Governmental Structure:**

1. Relevant Factors:

Effect of the Proposed Action and Alternative Actions On Adjacent Areas: Annexation will be growth inducing as municipal services will become available to the 39.1 acre expanded reorganization area. This will allow for development of the property to occur at densities typical of the city, i.e. up to 8-units per acre.

An alternate action available to the Commission includes denying the proposal. This action would result in the territory remaining unincorporated and city services would not be made available to the property. In addition, vacant land currently used agriculturally would not be able to develop at any significant density beyond what exists today.

Mutual Social and Economic Interests: It is staff's believe that all of the residents within the Yuba City sphere of influence and Sutter County, have a mutual interest in orderly and logical urban growth, the provision of adequate public facilities, and the efficient expenditure of public funds. It appears the proposal would further these mutual economic and social interests. This proposal is consistent with both the Yuba City General Plan, its pre-annexation zoning designations and is within the city's sphere of influence. This proposal will result in a logical expansion of the city's boundary that will be easily identifiable to agencies and residents alike.

Effect of the Proposed Action and Alternative Actions On Local Governmental Structure of the County: The proposed reorganization will not have any significant change in the structure of government in Sutter County or the city of Yuba City; i.e. the reorganization would neither create or eliminate any governmental agencies.

**e. Consistency with Growth and Agricultural Land Preservation Policies**

1. Relevant Policies:

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 specified in Section 56377: Government Code Section 56377(a) states that development or use of land for other than open space uses shall be guided away from existing prime agricultural lands in open space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

The southern 9.1 acres of the expanded reorganization area is developed residentially; however, the northern 30 acres is proposed for development. The Department of Conservation, Division of Land Resource Protection, designates the property as Unique Farmland which is not considered Prime soils. In addition, the reorganization area is located within the sphere of influence and the recognized growth area for Yuba City.

Effect of the Proposal on Maintaining the Physical and Economic Integrity of Agricultural Lands as Defined by Section 56016.<sup>2</sup> : The County General Plan recognizes agricultural lands in Sutter County. The northern 30 acres of the reorganization area is designated as Agriculture, 20-acre minimums. The City of Yuba City has completed pre-annexation zoning on the property establishing zoning designations of R-1 (One Family Residence District).

LAFCO has adopted a Sphere of Influence for Yuba City which identifies the future growth areas for the City. The expanded reorganization area will occur within the adopted sphere of influence on land that is pre-zoned for urban development. The sphere of influence boundary was established to limit urban growth and to protect agricultural lands to the north and south of Yuba City as stated in the County General Plan. This proposal is not attempting to annex lands that have not already been committed to development, therefore; the proposal will not affect the physical and economic integrity of agricultural land as defined by Section 56016.

2. Conclusion:

The reorganization is consistent with agricultural preservation policies specified in the Government Code and in the General Plan for the County of Sutter.

f. **Boundary Characteristics:**

1. Relevant Factors:

Definiteness and Certainty of the Boundaries of the Territory: The boundaries of the expanded reorganization area are definitive and certain as shown on Exhibit "A".

Nonconformance of Proposed Boundaries with Lines of Assessment: The boundaries of the subject territory conform to the boundaries of all locally assessed parcels.

Creation of Islands or Corridors of Unincorporated Territory: The expanded reorganization area will not create any islands or corridors of unincorporated islands. Staff believes the proposal will result in a logical governmental boundary.

Conformance with the Policies of the Commission or the County of Sutter: This proposal is within the sphere of influence of Yuba City which is the designated growth area for the City and this proposal does not conflict with any policy adopted by LAFCO.

County General Plan Policy 1.B-2 states that the Yuba City sphere of influence shall serve as the boundary for urban development, particularly for residential urban development. This proposal is consistent with that policy and will allow urban development of vacant land to

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2 Government Code section 56016 defines "Agricultural Lands" as follows:  
"Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

occur consistent with the City's pre-annexation zoning and does not conflict with any policy of Sutter County.

2. Conclusion: The boundaries of the reorganization area are clearly defined and easily recognizable and would not conflict with any policies of the Commission or the County of Sutter.

**g. Consistency with Plans and Spheres of Influence:**

1. Relevant Factors:

Consistency with the County and City General Plans: Yuba City adopted a General Plan and pre-annexation zoning for the reorganization area in 1988. At that time the City made the public aware of its intention to ultimately annex this land. The County's General Plan adopted November 25, 1996, assigned agricultural urban land use designations to the northern 30 acres and urban designations to the southern 9.1 acres that are already developed. Due to the property being within the recognized growth area for Yuba City by both the County and City, this proposal is consistent with the County and City General Plans.

Sphere of Influence of Any Local Agency Which May Be Applicable: The expanded reorganization area is within the sphere of influence of Yuba City and will not result in any conflicts. The expanded reorganization will directly affect the boundaries of Yuba City and County Service Area G. The property is also located within the Tierra Buena County Drainage District which handles drainage from the affected territory. This proposal will not conflict with any Sphere of Influence of any local agency.

2. Conclusion:

The proposed reorganization will not conflict with the County General Plan and will not conflict with any sphere of influence of any local agency.

**h. Ability of the City of Yuba City to Provide Services, Including Sufficiency of Revenues.**

The environmental document prepared by Yuba City states that the City has adequate capacity in its municipal water and sewer systems to serve existing and proposed development in the area.

In addition, the Master Property Tax Exchange Agreement between Sutter County and Yuba City, approved by both governments in July of 2000, ensures that sufficient revenues will be available to serve the area as a result of annexations.

Conclusion:

Yuba City will have the ability and sufficient revenues to provide services to the residents in the reorganization area.

**i. Timely Availability of Water Supplies**

Yuba City stated as part of their environmental document for pre-annexation zoning that the City has adequate water capacity in its municipal system to serve the existing and proposed development should those services be needed.

Conclusion:

The reorganization will have timely availability of water.

**j. Effects Upon Meeting Regional Housing Needs**

State Law requires that jurisdictions (City and County) designate enough land through zoning for housing for residents. This is addressed in the County's Housing Element of its General Plan.

Approval of the reorganization will assist Yuba City in meeting its regional housing needs for the community since additional vacant lands will become available for residential development.

Conclusion:

The reorganization proposed will not adversely affect the area in its goal to meet its fair share regional housing needs for the community.

**k. Other:**

**1. Comments of Any Affected Local Agency:**

The reorganization was circulated to the following agencies for review and comment:

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| Board Clerk, Sutter Co. Board of Supervisors | Sutter-Yuba Mosquito Abatement District             |
| Sutter County Sheriff's Department           | Sutter Cemetery District                            |
| Sutter County Community Services Dept.       | Yuba City Community Development Department          |
| Sutter County Elections Office               | City Clerk, Yuba City                               |
| Sutter County Auditor's Office               | Yuba City Fire Department                           |
| Sutter County Assessor's Office              | Yuba City Police Department                         |
| Sutter County Fire Services                  | Yuba City Public Works Department                   |
| Sutter County Public Works Department        | Feather River Air Quality Management District       |
| County Service Area "G"                      | Sutter Co. Flood Control & Water Conservation Dist. |
| Tierra Buena County Drainage District        | Sutter County Resource Conservation District        |
| Yuba City Unified School Dist.               | Sutter County Water Agency                          |
| Levee District No. 1                         | California Highway Patrol                           |
| Yuba Community College District              |   |

There were no agencies that provided comments or voiced concern relating to this reorganization.

2. Conclusion:

The reorganization proposed will not have any substantial impact upon any agency.

**VI. PROPOSED CONDITIONS**

1. The Chief Petitioners shall prepare the necessary legal description and map for the reorganization area, acceptable to the State Board of Equalization, and pay all fees of the State Board of Equalization.
2. The Chief Petitioners shall pay any outstanding balance owed to LAFCO for the processing of the proposal prior to the recording of the Certificate of Completion.
3. The effective date of the reorganization shall be 30 days following the recording of the Certificate of Completion.

Respectfully submitted,

LARRY T. COMBS  
EXECUTIVE OFFICER

Doug Libby, AICP  
Senior Planner

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Attachments: Exhibit A – Map of the Reorganization Area  
Exhibit B – Initial Study and Proposed Negative Declaration  
Exhibit C – Proposed Resolution of Approval

**EXHIBIT A**  
**Map of the Reorganization Area**

**EXHIBIT B**  
**Initial Study and Proposed Negative Declaration**

**EXHIBIT C**  
**Proposed Resolution of Approval**