

**Executive Officer's Report  
SUTTER LAFCo  
NEWKOM RANCH ANNEXATION TO CITY OF YUBA CITY**

**Sutter LAFCo No. 2021-0001 Newkom Ranch Annexation  
The City of Yuba City  
July 8, 2021**

**TO:** Sutter Local Agency Formation Commission

**FROM:** John Benoit, Sutter LAFCo Executive Officer

**SUBJECT:** Newkom Ranch Annexation to the City of Yuba City and Sphere of Influence Amendment for the Gilsizer Drainage District

**EXECUTIVE OFFICER'S RECOMMENDATION:**

Adopt the proposed Sutter LAFCo Resolution 2021-04 (see Attachment #1) approving an annexation consisting of a 221.82-acre more or less to the City of Yuba City (fire and EMS services will remain with County Service Area "G") hereinafter referred to as the Newkom Ranch Annexation to provide a full compliment of City of Yuba City services to the annexation area with the exception of CSA "G" fire and EMS services, which shall remain under contract with the City of Yuba City as opposed to the City directly providing fire and EMS services for territory located south of Bogue Road, north of Stewart Road, east of State Route 99, and west of Railroad Avenue within in Sutter County This territory is boarded by the City of Yuba City to the west, north and east (Sutter LAFCo Project 2021-0001) and entirely within the Bogue Stewart Master Plan area and in the City's recently updated Sphere of Influence.

The following APN's comprise our property.

APN	Acres	Ownership
23-040-001	26.7	Newkom Ranch LLC
23-040-004	28.0	Newkom Ranch LLC
23-040-005	56.0	Newkom Ranch LLC
23-040-062	27.3	Newkom Ranch LLC
23-040-064	18.3	Newkom Ranch LLC
23-380-007	4.9	Newkom Ranch LLC

In addition to the Newkom Ranch property, the reorganization consists of 48.6 more or less acres plus Railroad Avenue and Bogue Road rights-of-way. The properties are located south of Bogue Road adjacent to the current city The following APN's comprise the additional properties.

APN	Acres	Ownership
23-350-013	1.00	Hamidreza Kourdoni
23-350-015	4.75	Junior S Thiara
23-350-016	3.28	Jodhani Rev Living 13 Tr ETAL
23-350-017	3.45	Luis Betancourt

23-040-075	2.89	Pacific Gas and Electric
23-040-083	7.73	Doug Petersen ETAL
23-040-084	17.84	Department of Transportation
22-080-025	5.00	Doug Petersen ETAL
23-310-011	2.66	Pacific Gas and Electric

**SUGGESTED MOTION:**

Adopt proposed Sutter LAFCo Resolution 2021-0004 approving a Reorganization consisting of 221.82 acres (more or less) into the City of Yuba City.

This proposal includes the following components:

- Annexation of the affected territory to Yuba City (this annexation does not include a change to CSA G).
- Approval of a Sphere Amendment for the Gilsizer Drainage District to include a portion of the Bogue Stewart Master Plan.
- Approval of an amendment to the Gilsizer Drainage District Boundary (to be considered later upon completion of the property tax agreement for this purpose)

The City adopted a plan for services shown as Attachment #2.

Government Code Section 56653 (Cortese-Knox-Herzberg Government Reorganization Act) requires that whenever a local agency submits an application to LAFCo for a change of organization the local agency shall submit a plan for providing services within the affected territory.

A summary included in the Plan for Services is shown below:

**Water:** The City is permitted to draw 30 mgd from the Feather River. The Water Treatment Plant capacity is 36 mgd. The current max day use is 26 mgd. The City estimates the annexation area to increase the daily use by approximately 0.3 mgd. Which is within the City's permitted water use *and* in accordance with the Water Master Plan. Infrastructure will be sized in accordance with the Water Master Plan and to meet necessary fire flows within the subdivisions.

**Wastewater Collection and Treatment:** As the area develops; the property owners/developers will be responsible to coordinate the design and installation of a sanitary sewer system that connects to the City's existing wastewater system. The Waste Water Treatment Facility's (WWTF) current permitted capacity is 10.5 mgd (annual average dry weather flow). The existing average influent flow to the WWTF is approximately 6 mgd. The City's Wastewater System Master Plan a plan has been established *and* adopted to provide the means to provide wastewater collection and treatment for the full build-out of the City's Sphere of Influence.

**Stormwater Drainage:** The City is served primarily by two drainage systems the Gilsizer Slough and the Live Oak Canal. The Live Oak Canal predominantly services west Yuba City and the proposed annexation area. The Live Oak Canal

service area is broken up into Zones of Benefit (ZOB). The annexation area falls within the existing ZOBs 7 and 8. The ZOBs assess fees to cover the initial construction of the required capital improvements and fees for the annual cost of operating and maintaining the constructed storm drainage facilities. A portion of the Newkom Ranch project including 183.07 acres more or less will need to be annexed into the Gilsizer Drainage District.

**Utilities:** Utilities include gas and electric service provided by PG&E, phone and cable. These services are provided by the individual companies that provide that service. Owners of the areas that are to be developed will be responsible to coordinate their utility installation as part of the development projects. City code requires that new utilities be undergrounded.

**Streets:** New subdivisions and other types of development are required to provide completed internal streets and sidewalks throughout the project to current City standards. Depending on the size of the project and its location, off-site street and sidewalk improvements may also be required in order to provide good access to the site. The City charges development impact fees that go towards improving the larger collector and arterial streets that will connect roadways within the City. Expansion of the major road network in the annexed area is expected to be primarily paid for through the collection of traffic impact fees and conditions of development.

**Police Protection:** The Yuba City Police Department currently has a staff 64 sworn peace officers and 27 civilian staff members, augmented by 7 Reserve Peace Officers. The Department concluded that while the proposed annexation could potentially impact current Police Operations, it would be manageable in this circumstance. Furthermore, in consideration of the additional population and geographical area, the YCPD would likely revisit restoring additional police services that have been lost in the recent years, based on the potential increase of property taxes resulting from the proposed annexation.

**Fire Protection:** The annexation area is located in and remain in CSA "G". CSA G will receive tax revenue for the Newkom Ranch area to be passed through to the Yuba City Fire Department. The Yuba City Fire Department (YCFD) provides fire protection and suppression and life safety services for the City. The Department responds to structural and wildland fires, emergency medical service, and hazardous/toxic material spills in the Planning Area.

**Parks and Recreation:** In order for the City to keep pace with population growth, the City requires payment of park impact fees on all new residential development. The park impact fees are used to purchase and develop new park improvements throughout the City.

The city also adopted a development agreement with the Newkom Ranch partners. The purpose of the Development Agreement is to implement a plan for subdividing and development of Newkom Ranch as set forth in the agreement and in the Bogue Stewart Master Plan, and Development Approvals and a plan for mitigating the environmental impacts of such development as identified in the EIR (Attachment 3 shows the Development Agreement).

I. BACKGROUND:

A. Bogue-Stewart Master Plan:

In 2019 the City adopted the Bogue-Stewart Master Plan. After holding a Public Hearing, adopt a Resolution certifying the Environmental Impact Report (EIR) (SCH #2017012009) on December 17, 2019 prepared for the master plan, a Resolution approving a General Plan Amendment (GPA 14-05), a Resolution approving Specific Plan Amendment (SPA 16-05 including the Public Facilities Finance Plan) were adopted, and an Ordinance approving Pre-annexation Zoning (RZ) 14-04 for land inside the BSMP.

The BSMP consists of approximately 741-acre mixed-use community that includes a mix of land uses, including low, medium-low, and medium-high-density residential uses, along with community commercial, neighborhood commercial, office, business, park, and public uses. Approximately 2,500 dwelling units and approximately 1,300,000 square feet of non-residential uses. The EIR addresses a sphere of influence amendment, annexation, General Plan amendment, and pre-zoning in the BSMP area.

The intent of the Bogue-Stewart Master Plan is to provide for the orderly and systematic development of the 741-acre Bogue Road – Stewart Road area. The Plan, was adopted as a specific plan, combining elements from the City's General Plan and Zoning Regulations to establish a regulatory structure to guide development. The Plan provides for the development of a planned community of residential, commercial, Office/business Park and recreational sites and other public facilities.

B. LAFCo's Adopted MSR and SOI

On November 12, 2020 Sutter LAFCo Adopted a Service Review and Sphere of influence and added the 741-acre BSMP area to the City's Sphere of Influence.

In adopting a Sphere of Influence update to include the BSMP area in the City of Yuba City's Sphere of Influence, the Commission considered relevant factors determined by the Commission, including but not limited to, Sphere of Influence and General Plan Consistency, and other factors described in Government Code Sections 56425, and 56428, in that:

- a. The Commission has considered the present and planned land uses in the area including agricultural and open space lands as described in the Sutter County General Plan, and the City of Yuba City General Plan.
- b. The Commission has considered the present and probable need for public facilities and services in the area as described in the adopted Municipal Service Review, the City of Yuba City General Plan and the Executive Officer's report dated November 12, 2020.
- c. The Commission has considered the present capacity of public facilities and adequacy of public services, which the agency provides or is authorized to provide as described in the adopted City of Yuba City Municipal Service Review.

- d. The Commission has considered the existence of any social or economic communities of interest in the area and received as testimony in public hearings.
- e. The Commission has considered the conversion of prime agricultural lands meeting LAFCO's criteria in Government Code Section 56064. The Commission has considered the Statement of Overriding Considerations in this Sphere of Influence as adopted by Yuba City.

Sutter LAFCO received a petition of Application, Plan for Providing Service and Development Agreement from the City of Yuba City proposing the Newkom Ranch annexation of territory including 221± acres more or less. A 183.07 acres more or less annexation of to the Gilsizer Drainage District will occur later upon finalization of a Tax Sharing agreement between the Gilsizer Drainage District and the County. There will be no change of organization involving County Service Area G.

LAFCo received a petition of application with support of 100% of the landowners (excepting the California Department of Transportation and PG&E, who do not necessarily object to this annexation) for annexation to the City. Nevertheless, LAFCo published a notice and is holding a public hearing on this annexation.

This proposed reorganization is within the adopted Sphere of Influence for the City and considered uninhabited having less than 12 registered voters within the territory.

The purpose of the annexation is to allow development of a portion of the Bogue Stewart Master Plan Area consisting of 221.85 acres more or less. The annexation shall consist of annexation to City of Yuba City and a future annexation to Gilsizer County Drainage District. City of Yuba City will provide municipal services consisting of sewer, water, storm water, police, roadways, and other municipal services. The Gilsizer County Drainage District will handle storm drainage through the Yuba City Fire Department.

This annexation is a condition of the Bogue Stewart Master Plan (BSMP) and the Newkom Ranch tentative map conditions of approval. The environmental document for the project addressed the sphere of influence modification, municipal service review, and annexation. The City of Yuba City sphere of influence was modified to cover this area in November 2020. Attachment 4 shows the Environmental Documentation including the EIR and Notice of Determination for this annexation which is included on LAFCo's Website [www.sutterlafco.org](http://www.sutterlafco.org) .

Staff recommends the Local Agency Formation Commission approve the reorganization of the 52 acres (more or less) territory including a detachment from CSA G and the Consolidating Lighting District and annexation to the City of Yuba City subject to the terms and conditions stated in proposed Sutter LAFCo Resolution 2019-06.

Since this territory is inhabited California Government Code Section 56662 does not apply and a public hearing is required albeit this territory is within the City's Sphere of Influence and there is 100 percent landowner consent with all of the 48 lot owners consenting to annex.

B. Proposal and Justification:

The boundaries were determined by lands owned by Newkom Ranch LLC, Doug Peterson, Thiara, Caltrans, and Pacific Gas and Electric. Then working with City of Yuba City added a few additional parcels to avoid any islands. The boundary also was selected so there was over 1,500 feet of lands adjacent to City of Yuba City current City limits. Access to the area is from Bogue Road, Railroad, and Stewart Road. The Newkom Ranch Reorganization is proposed as a landowner request with less than 12 registered voters. The City of Yuba City did a very detailed outreach process as part of the initial development of the Bogue Stewart Master Plan boundary.

C. Environmental Review

In 2020 LAFCo acted a responsible agency for the Sphere of Influence for the BSMP, which differs from being a 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.

The California Environmental Quality Act (CEQA) Guidelines, Section 15096 state that a responsible agency complies with CEQA by considering the EIR prepared by the lead agency. An EIR was adopted by the City of Yuba City as part of establishing the BSMP for its 741-acres, pre-annexation zoning for the BSMP area, the sphere of influence amendments and the subsequent annexations. The environmental review was previously affirmed by LAFCo in 2020 when the Commission adopted a Sphere of Influence amendment adding the 741-acre BSMP area into the City's Sphere of Influence.

There have been no changes or unusual circumstances that exist or could have exist after the initial City certification of the EIR and LAFCo affirmation of the EIR.

II. ANALYSIS

A. Accepted for filing:	June 15, 2021
B. Publication and Posting:	June 15, 2021
C. Compliance with CEQA:	EIR Prepared per CEQA guidelines
Lead Agency:	City of Yuba City
Responsible Agency:	LAFCo
Environmental Finding:	EIR
Date of Finding:	Dec 17, 2019

D. Compliance with applicable Plans:

The proposed annexation is within the BSMP planning area and conforms to the Yuba City General Plan and the Yuba City Zoning Ordinance.

E. Compliance with applicable Spheres of Influence:

The proposed annexation conforms to the City of Yuba City's adopted Sphere of Influence, which includes the BSMP.

F. Existing Land Use and Zoning:

LAND USE DESIGNATIONS:

Low density residential (LDR), low-medium density residential (LMDR), medium-high density residential (MHDR), park, open space, community commercial (CC), neighborhood commercial (NC), Office and Office Park (O/OP), and public facilities.

ZONING:

Community Commercial Zoning District (C-2/SP-BSMP), Neighborhood Convenience Commercial Zoning District (C-1/SP-BSMP), Office Commercial Zoning District (C-/SP-BSMP), Single Family Residential Zoning District (R-1/SP-BSMP), Low-Medium Density Residential Zoning District (R-2/SP-BSMP), Multi-Family Residential Zoning District (R-3/SP-BSMP), and Public Facilities (PF/SP-BSMP).

DWELLINGS:

two

POPULATION:

Uninhabited (more than 12 registered

voters).

REGISTERED VOTERS:

Less than 12.

G. Landowner(s): 10 landowners

H. Existing Land Use and Zoning for Surrounding Territory:

The property is currently used for agriculture orchards and row crops. There are two (2) residential home site within the proposed annexation.

North: Single Family Residential

South: Single Family Residential

East: Single Family Residential

West: State Rt. 99

I. Proposed Development:

The annexation area is currently developed with 48 single-family residences.

J. General Plan designation: The General plan designation of the proposed property is Bogue Stewart Master Plan. The lands General Plan designation include low density residential (LDR), low-medium density residential (LMDR),

medium-high density residential (MHDR), park, open space, community commercial (CC), neighborhood commercial (NC), Office and Office Park (O/OP), and public facilities.

K. What are the General Plan Designations surrounding the subject property?

North: Neighborhood commercial, medium/low density residential, and low density residential

South: Low density residential

East: Low density and medium-high density residential

West: Open Space, community commercial, low density and medium-high density residential

L. Fiscal Data:

The Master Tax Agreement was adopted on May 19, 2021 between Sutter County and the City of Yuba City. This agreement applies to annexations within the BSMP area including annexations of territory of approximately 740-acres more or less. This agreement includes allocation of property tax and sales tax revenues including various provision for the property tax and sales tax transfers. (Resolution 21-052 "Tax Exchange Agreement between the County of Sutter and the City of Yuba City Relating to the Bogue Stewart Master Plan" is shown as Exhibit C of LAFCo Resolution 2021-0004).



M. Existing and Proposed Service Agencies:

Service	Existing Provider	Proposed Provider
School Districts	Yuba City Unified	Same
Fire Protection	Yuba CSA G	YUBA CSA G
General Government	Sutter County	Yuba City
Police Protection	Sutter County	Yuba City
Off-site Drainage and Flood Control		Gilsizer Drainage
Water and Wastewater	Wells and Onsite septic	Yuba City
Street Lighting	None	Yuba City
Roads	Sutter County	Yuba City
Emergency Services	Yuba CSA G	Yuba CSA G

III. POLICY ANALYSIS - Annexation

1. GOVERNING LAW

LAFCO is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Act to its decisions regarding annexations, incorporations, reorganizations, and other changes of government. Section 56668 of the Government Code states the following:

*Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:*

- (a) *Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.*
- (b) *Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.*

- (c) *The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.*
- (d) *The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns, of urban development, and the policies and priorities set forth in Section 56377.*
- (e) *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.*
- (f) *The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.*
- (g) *A regional transportation plan adopted pursuant to Sections 65080.*
- (h) *Consistency with city or county general and specific plans.*
- (i) *The sphere of influence of any local agency which may be applicable to the proposal being reviewed.*
- (j) *The comments of any affected local agency.*
- (k) *The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.*
- (l) *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5*
- (m) *The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.*
- (n) *Any information or comments from the landowners, voters or owners.*
- (o) *Any information relating to existing land use designations.*
- (p) *The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.*
- (q) *Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.*

These factors will be reviewed with regard to the Newkom Ranch Annexation to the City of Yuba City.

- (a) *Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.*

According to the State Dept of Finance the January 1, 2021 population estimate for the City of Yuba City is 70,776. The population of the annexation at full build out of the 222-acre territory assuming an average of 4 units to the acre and a population of 2.93 per equivalent dwelling unit would be approximately 2,602 (based on the 2000 census and a household size factor of 2.93 persons).

- (b) *Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.*

*“Services,” as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.*

The need for safe and reliable water service meeting state water quality standards. All the other services in the annexation area will be as described in the Plan for Services. The annexation does not include a dissolution of CSA G, which is a passthrough funding mechanism for the Yuba City Fire Department. The Gilsizer Drainage District will provide drainage in most areas of the BSMP.

- (c) *The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.*

This annexation will bring the 222-acre Newkom Ranch into the City.

- (d) *The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in (Government Code) Section 56377.*

The proposed annexation is within the Yuba City sphere of influence, as amended in 2020. The proposed development conforms to the City’s Zoning and General Plan and will be controlled by a Development Agreement.

- (e) *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.*

This development is not in an agricultural area and is located in the Sphere of Influence for the City. This area is located adjacent to the existing previously developed city limits and unincorporated developed area.

- (f) *The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.*

The boundaries are definite and certain and follow assessment boundaries

- (g) *A regional transportation plan adopted pursuant to Sections 65080.*

The land uses in the annexation area and BSMP are consistent with the Regional Transportation Plan

- (h) *Consistency with city or county general and specific plans for Mixed-use development*

The proposed annexation is located within the BSMP, which is a master plan for the 222-acre annexation area as well as the entire 741-acre BSMP consistent with the Yuba City General Plan and Zoning Ordinance.

- (i) *The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.*

The annexation does not conflict with the Sphere of Influence of any other agency.

- (j) *The comments of any affected local agency.*

No comments have been received.

- (k) *The ability of the newly formed or receiving entity to provide the services which area the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.*

The City of Yuba City has the ability to provide the annexation area with safe and reliable municipal water service as well as a full compliment of city services.

- (l) *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5*

Yuba City is able to provide domestic water service as well as other services this area as development occurs.

- (m) *The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.*

The Newkom Ranch, the remaining BSMP area and the City's General Plan (Housing Element) consider regional housing needs for the City as a whole.

(n) Any information or comments from the landowner, voters or owners.

The landowners are in favor of the annexation and have petitioned LAFCo for Annexation with unanimous consent notwithstanding PG&E and the State of California.

(o) Any information relating to existing land use designations.

The proposed project conforms to the City General Plan and Zoning Ordinance as amended by the BSMP. Land use designations are for mixed-use development as enumerated above.

(p) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no issues associated with environmental justice with this proposal.

(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

The 222-acre territory will be placed into the Local Responsibility Area, as is the surrounding area albeit the CSA G will continue to provide services as a pass through funding agency. This existing development is not located in a high fire intensity zone. The City currently provides fire and EMS services to the area and will continue to do so after developed.

2. Sutter LAFCo General Policies

Policy		Comment
Communication between local agencies is encouraged.	Communication has occurred throughout the process on a regular basis. Consistent	N/A
Urban development proposals shall include annexation to a city where possible.	Consistent The City is applying for annexation	
LAFCo will normally deny proposals that result in urban sprawl.	This application is part of the	

	BSMP approved as part of the City's General Plan.	
Environmental consequences (CEQA) shall be considered.	Consistent	EIR prepared and previously certified by the City and LAFCo for the SOI
LAFCO will consider the impact of a proposal on the regional supply of housing for all income levels.	Consistent	
LAFCO will favor proposals that promote compact urban form and infill development.	Consistent as the BSMP is part of the City's GP	LAFCo has included the BSMP in its SOI
Government structure should be simple, accessible, and accountable.	Consistent	There is no indication of unnecessary complexity or lack of accessibility or accountability.
Agencies must provide documentation that they can provide service within a reasonable period of time.	Consistent	An EIR, MSR and SOI document Yuba City is able to provide services within a reasonable period of time, Newkom ranch has a plan for services and a development agreement
Efficient services are obtained when proposals: Utilize existing public agencies. Consolidate activities and services. Restructure agency boundaries to provide more logical, effective, and efficient services.	Consistent	Yuba City will be the provider of services for this annexation including services provided by CSA G
Adverse impacts on adjacent areas, social and economic interests and the local government structure must be mitigated.	N/A	
Conformance with general and specific plans required.	Consistent	Yuba City General Plan is the controlling document. Newkom Ranch is consistent.
Boundaries: Definite boundaries are required. Boundaries that are favored: Create logical boundaries & eliminate islands or illogical boundaries.	Consistent	

<p>Follow natural or man-made features and include logical service areas.</p> <p>Boundaries that are disfavored:  Split neighborhoods or communities.  Result in islands, corridors, or peninsulas.  Drawn for the primary purpose of encompassing revenue-producing territories.  Create areas where it is difficult to provide services.</p>		
<p>Agricultural and Open Space Land Conservation Standards:  Must lead to planned, orderly &amp; efficient development.  Approved Sphere of Influence Plan required.  Findings with respect to alternative sites required.  Impact on adjacent agricultural/open space lands assessed.</p> <p>Agricultural Buffers</p>	<p>Consistent, adjacent agricultural impacts have been addressed in the EIR. This area is planned and in the SOI for the City.</p>	
<p>Need for services exists when:  Public health and safety threat exists.  The residents have requested extension of non-growth-inducing community services.  Subject area is likely to be developed for urban use within 5 years.</p>	<p>Consistent</p>	<p>The area is likely to be developed within 5 years</p>
<p>Exceptions are justified on the following grounds:  Unique.  Standards Conflicts.  Quality/Cost.  No Alternative.</p>	<p>Consistent</p>	<p>No policy exceptions are needed</p>

**Annexation and Detachment Policies—Sutter LAFCO General**

Policy		Comment
Proposals must be consistent with LAFCO general policies.	Consistent	This annexation consistent
A proposal must be consistent with the agency's Sphere Plan.	Consistent	The proposal is consistent.
Plan for Services required.	Consistent	See plan for services
Subject territory must be contiguous to the agency's boundaries if required by law, or if necessary for efficient service delivery.	Yes	This territory is contiguous with the City.
The detachment is necessary to ensure delivery of services essential to Health and Safety.	N/A	Albeit the fire district is also managed by the City of Yuba City

The Successor provider will be the most efficient service provider	Consistent	Yuba City can provide a full compliment of City services
The service plans for districts, which lie within a City's Sphere of Influence should provide for orderly development as area is annexed to the City.	Consistent	
Detachment from a City or Special District shall not relieve the landowners within the detaching territory from existing obligations for bonded indebtedness or other indebtedness previously incurred.	N/A, The City will continue to Fire services	
Adverse impact of detachment on other agencies or service recipients is cause for denial.	N/A	
Disadvantaged Unincorporated Communities	N/A	There are no DUCS adjacent or near this proposal
Action options include: Approval. Conditional approval to require only a portion of the area to be detached. Denial.		



#### IV. COMMENTS FROM THE PUBLIC AND PUBLIC AGENCIES

Sutter LAFCo submitted the proposal to various local agencies for review and no comments were received.

#### V. STAFF RECOMMENDATIONS

Staff recommends the Commission approve the Annexation to the City of Yuba City by adopting Sutter LAFCo Resolution 2021-04 including terms and conditions.

Respectfully Submitted,

John Benoit,  
Executive Officer

#### Attachments:

Attachment #1 LAFCo Resolution 2021-0004

Attachment #2 Plan for Services

Attachment #3 Development Agreement

Attachment #4 Environmental Documents included on LAFCo's Website  
[www.sutterlafco.org](http://www.sutterlafco.org)

Resolution 21-052 "Tax Exchange Agreement between the County of Sutter and the City of Yuba City Relating to the Bogue Stewart Master Plan" is shown as Exhibit C of Resolution 2021-0004.

**SUTTER LAFCO  
RESOLUTION NO. 2021-0004**

**Attachment #1**

*A RESOLUTION OF THE SUTTER LOCAL AGENCY FORMATION  
COMMISSION APPROVING THE ANNEXATION OF NEWKOM RANCH  
ANNEXATION TO THE CITY OF YUBA CITY*

**Recitals**

**WHEREAS**, On March 12, 2021, a application by petition was submitted to the Sutter Local Agency Formation Commission (LAFCO) by the Newkom Ranch Partners requesting a annexation of territory to the City of Yuba City including 221.82± acres more or less; and

**WHEREAS**, on July 8, 2021 Sutter LAFCo adopted Resolution 2021-04 approving the City's request to annex the 221.82-acre more or less to the City of Yuba City; and

**WHEREAS**, On June 15, 2021, LAFCO issued a Certificate of Filing in accordance with Government Code Section 56658(g) for the Newkom Ranch Annex to Yuba City; and

**WHEREAS**, At the time and in the form and manner provided by law, the Executive Officer gave notice of a public hearing to be held by the Commission regarding this proposal; and

**WHEREAS**, The Executive Officer has reviewed the application and prepared a report, including his recommendations. The petition and report have been presented to and considered by the Commission; and

**WHEREAS**, The Executive Officer's Report sets forth and discusses the factors to be considered in the review of a proposal required by Government Code section 56668 (a part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000) and LAFCo's adopted Policies, Standards and Procedures. Those items, are discussed in the Executive Officer's Report; and

**WHEREAS**, The Commission has reviewed and considered the Executive Officer's Report including those factors required by Government Code section 56668 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 an rules and procedures for the Sutter Local Agency Formation Commission, as amended on May 9<sup>th</sup>, 2019, The Bogue Stewart Master Plan (BSMP) the Development Agreement and Plan for Services and the EIR prepared for the BSMP. The Commission conducted a public hearing at which it heard and received oral and written comments, other evidence submitted, and objections presented or filed regarding the proposed reorganization. All persons present were given an opportunity to hear and be heard.

The **SUTTER LOCAL AGENCY FORMATION COMMISSION** resolves, determines, orders, and finds as follows:

## **SECTION 1. Environmental Findings**

1. On December 17, 2019, the City of Yuba City, as Lead Agency, prepared and certified the Final Environmental Impact Report for the BSMP and adopted Findings of Fact and a Statement of Overriding Considerations and adopted a Mitigation Monitoring and Reporting Program.
2. The Commission has reviewed and considered the Final Environmental Impact Report for the BSMP, which includes an analysis of the City's Sphere of Influence and Annexations within the 741 BSMP planning area. The Final Environmental Impact Report consists of the following:
  - a. The Draft Environmental Impact Report prepared by the City of Yuba City as Lead Agency
  - b. Comments and recommendations received by the City of Yuba City Draft Environmental Impact Report.
  - c. A list of persons, organizations and public agencies commenting on the Draft Environmental Impact Report.
  - d. The responses of the Lead Agency to significant environmental points raised both during and after the review and consultation process.
  - e. A Mitigation Monitoring Reporting Plan.
  - f. A Statement of Overriding Considerations
3. The Commission certifies that it has held a duly noticed public hearing and heard testimony and received written comments from affected agencies at a noticed public hearing and has responded to those comments.
4. The Commission makes a specific finding that there has been no changes in physical circumstances nor could have been no changes in physical circumstances since the City certified the Environmental Impact Report for its General Plan on December 17, 2019. The Commission hereby affirms in accordance with CEQA Guidelines Section 15090 the City's adopted certified Environmental Impact Report as well as its adopted findings, Mitigation Monitoring Program, and Statement of Overriding Considerations for The BSMP.
5. In accordance with CEQA Guidelines Section 15090, the Final Environmental Impact Report reflects the Lead Agency's independent judgment and analysis.

## **SECTION 2: Terms and Conditions:**

1. The foregoing recitals are true and correct.
2. In reviewing this application, the Commission finds that all property owners and registered voters in said territory have been given notice regarding this reorganization.

3. In reviewing this application, the Commission finds that services to be provided by the City of Yuba City are necessary and that there will not be a duplication of other powers provided by any other special district or service provider.
4. In reviewing this application, this Commission has considered each of the factors required by Government Code Section 56668 and LAFCO's adopted policies.
5. The LAFCO Executive Officer's Staff Report including attachments and recommendation for approval of the proposal is hereby incorporated by reference and hereby adopted.
6. The boundaries, as set forth in the proposal or as amended by action of the Commission, are hereby approved as submitted and are as described in Exhibits "A" Boundary Description and "B" Map attached hereto and by this reference incorporated herein subject to the terms and conditions included.
7. As stated in the LAFCO Staff Report of July 8, 2021, the amount of sales tax and the amount of base property tax and tax increment transferred shall be in accordance with Sutter County and Yuba City Joint Resolution 21-074 adopted on May 18, 2021 attached hereto as Exhibit "C".
8. Said annexation territory is found to be uninhabited.
9. The annexation of territory is assigned the following short form designation:  
  
**" Newkom Ranch Annexation to the City of Yuba City (LAFCo file 2021-0001)"**
10. The boundaries of the affected territory are found to be definite and certain.
11. The application for the annexation to the City of Yuba City (LAFCO 2021-0001) is hereby approved to provide city services within the territory. The following Assessor Parcels are included in the Newkom Ranch Annexation: APN 23-040-001, 004, 005, 062, 064; 23-380-07; 23-350-013, 015,016,017; 23-040-075, 083, 084; 22-080-025; and 23-310-011.
12. Further protest proceedings are waived and the Commission orders the 221.82-acre annexation to the City of Yuba City pursuant to Part 4 of Division 3 of the California Government Code commencing with Section 57000. Satisfactory proof has been given that the subject territory is uninhabited, that all landowners within the affected territory have given their written consent to the proposal and all affected agencies have not objected in writing to the waiver of conducting authority proceedings (Section 56663 of Government Code). Therefore, The Commission does hereby approve and authorize the conducting authority to annex the territory described in Exhibits "A" and "B" to the City of Yuba City without notice and election.
13. All City of Yuba City previously authorized assessments; taxes, fees and charges shall apply to this annexed territory upon recordation of the Certificate of Completion.

14. All LAFCO, Sutter County and State of California fees must be paid in full prior to filing the Certificate of Completion. LAFCO will forward invoices and (or) a list of estimated required fees or deposits to the annexation applicant(s) prior to filing the Certificate of Completion.
15. One electronic copy (PDF), four large copies (18 by 24 minimum) and two 8 1/2 x 11 reductions of all maps along with an electronic copy (PDF) and two copies of the final boundary description shall be submitted to LAFCO prior to recordation of the Certificate of Completion. All Maps and Descriptions shall be wet stamped. The applicant shall supply maps and Geographic Descriptions suitable for recording (smaller than eight inches by fourteen inches, clearly legible) prior to recordation of the Certificate of Completion.

16. The final map and geographic description shall include the following:  
"Sutter LAFCo"

**"Newkom Ranch Annexation – LAFCo File 2021-0001"**

16. The City of Yuba City shall submit two copies of a "map of limiting addresses" per State Board of Equalization standards and requirements.
17. The map and boundary description shall comply with the State Board of Equalization requirements. The boundary description and map, if rejected by the State Board of Equalization or amended by LAFCO, will be revised at the expense of the applicant. The applicant shall be responsible for all associated costs.
18. Approval of this annexation is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Sutter Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. The Sutter Local Agency Formation Commission shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
19. The Commission has reviewed and considered the information contained in the Environmental Impact Report prepared for BSMP and the Newkom Ranch project, and makes a specific determination that the issues and mitigation measures and (or) policies as adopted by the City of Yuba City adequately address this annexation.
20. The Executive Officer of this Commission is instructed to mail or email a certified copy of this resolution to those persons so indicated on the application and as required by Government Code Section 56882
21. The effective date shall be the date the Certificate of Completion is recorded.

22. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings and compliance with the terms and conditions.
23. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless and until an extension is approved by the LAFCo Commission prior to the termination date.

**PASSED AND ADOPTED** at a regular meeting of the Sutter Local Agency Formation Commission, State of California, on the 8th day of July 2021 by the following vote:

AYES:  
NOES:  
ABSTAINS:  
ABSENT:

\_\_\_\_\_  
Don Cochran, Chair or Rupinder Jawanda,  
Vice-Chair, Sutter Local Agency Formation  
Commission

ATTEST:

\_\_\_\_\_  
JOHN BENOIT  
Executive Officer

**NEWKOM RANCH  
ANNEXATION TO THE CITY OF YUBA CITY**

**SUTTER LAFCO FILE 2019-0002**

**GEOGRAPHIC DESCRIPTION**

All that certain real property, situate in portion of Lot 4 of the New Helvetia Rancho and Section 3, Township 14 North, Range 3 East and Section 34, Township 15 North, Range 3 East, Mount Diablo Base and Meridian, in the County of Sutter, State of California, described as follows:

**Beginning** at the intersection of the centerline of Bogue Road, 60 feet wide, and the northerly prolongation of the original west line of Railroad Avenue, 40 feet wide, from which point the North Quarter Corner of said Section 3 bears North 89°24'28" East 90.04 feet distant;

Thence, (1) North 89°24'28" East a distance of 6.60 feet along the centerline of Bogue Road

Thence, (2) North 71°11'28" East a distance of 16.10 feet to the southwest corner of the Cheim Annexation No. 254 to the City of Yuba City;

Thence, (3) North 71°11'28" East a distance of 1118.84 feet along the southerly line of said Cheim Annexation, also being the original centerline of Bogue Road, to the northwest corner of the Pegany Annexation No. 248 to the City of Yuba City;

Thence, (4) South 18°55'03" East a distance of 241.83 feet along the westerly line of said Pegany Annexation;

Thence, (5) North 73°35'57" East a distance of 122.22 feet;

Thence, (6) South 01°25'57" West a distance of 1319.03 feet;

Thence, leaving the existing City Limits, (7) North 84°54'31" West a distance of 1280.33 feet along the easterly and westerly extensions of the northerly line of Tuscan Road, 40 feet wide, to the westerly line of Railroad Avenue, 52 feet wide;

Thence, (8) North 01°05'27" East a distance of 20.57 feet along the westerly line of Railroad Avenue to a point on the southerly line of Parcel 3 of Parcel Map No. 1011;

Thence, (9) South 89°09'55" West a distance of 648.29 feet along the aforesaid line to the southwest corner of said Parcel 3;

Thence, (10) South 01°05'27" West a distance of 993.65 feet to the southwest corner of Parcel 1 of Parcel Map No. 735;

Thence, (11) North 89°09'55" East a distance of 660.30 feet to the west line of Railroad Avenue, 40 feet wide;

Thence, (12) South 01°05'27" West a distance of 327.67 feet along the west line of Railroad Avenue;

Thence, leaving said westerly line of Railroad Avenue (13) South 89°09'55" West a distance of 660.30 feet;

Thence, (14) South 01°05'27" West a distance of 1742.26 feet to the southerly line of Stewart Road, originally 40 feet wide;

Thence, (15) South 89°09'33" West a distance of 548.04 feet along said southerly line;

Thence, (16) South 00°02'55" West a distance of 9.80 feet;

Thence, (17) South 89°10'39" West a distance of 240.75 feet;

Thence, (18) North 88°44'36" West a distance of 89.97 feet;

Thence, (19) South 89°19'03" West a distance of 335.56 feet;

Thence, (20) North 01°41'20" East a distance of 5.50 feet;

Thence, (21) South 89°09'33" West a distance of 18.16 feet;

Thence, leaving the southerly line of Stewart Road, (22) North 01°05'04" East a distance of 750.02 feet;

Thence, (23) South 89°09'33" West a distance of 645.00 feet to the east right-of-way line of State Highway 99;

Thence, (24) North 01°05'04" East a distance of 609.75 feet along said east right-of-way line to the West Quarter Corner of said Section 3;

Thence, (25) North 00°42'47" East a distance of 2554.29 feet;

Thence, (26) North 06°47'25" East a distance of 112.57 feet;

Thence, (27) North 51°33'46" East a distance of 50.53 feet;

Thence, (28) North 00°03'06" East a distance of 30.00 feet to the north line of said Section 3;

Thence, (29) South 89°24'28" West a distance of 9.22 feet;

Thence, (30) North 00°03'06" East a distance of 27.71 feet;

Thence, (31) North 45°57'32" West a distance of 20.34 feet to the northerly line of Bogue Road, from 60 to 72 feet wide;

Thence, (32) North 89°24'28" East a distance of 987.19 feet along the northerly line of Bogue Road;

Thence, (33) South 00°56'00" East a distance of 12.00 feet;



Thence, (34) North 89°24'28" East a distance of 100.00 feet;

Thence, (35) North 00°56'00" West a distance of 12.00 feet;

Thence, (36) North 89°24'28" East a distance of 150.00 feet;

Thence, (37) South 00°56'00" East a distance of 12.00 feet;

Thence, (38) North 89°24'28" East a distance of 215.03 feet;

Thence, (39) North 00°56'05" West a distance of 12.00 feet;

Thence, (40) North 89°24'28" East a distance of 416.83 feet;

Thence, leaving the north line of Bogue Road, (41) South 01°05'27" West a distance of 222.07 feet to the northwest corner of Parcel 1 of said Parcel Map No. 1011;

Thence, (42) North 89°24'28" East a distance of 660.21 feet along the northerly line of said Parcel 1 to the original west line of Railroad Avenue;

Thence, (43) North 01°05'27" East a distance of 180.05 feet to the **Point of Beginning** and containing **221.82** acres of land more or less.

*For assessment purposes only. This description of land is not a legal property description as defined by the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.*



12-02-2019



**TAX EXCHANGE  
AGREEMENT BETWEEN  
COUNTY OF SUTTER AND THE CITY OF YUBA CITY  
RELATING TO THE BOGUE STEWART MASTER PLAN  
ANNEXATION**

This TAX EXCHANGE AGREEMENT ("Agreement") is made and executed in duplicate this 18 day of MAY 2021 by and between the COUNTY OF SUTTER, a political subdivision of the State of California ("COUNTY"), and the CITY OF YUBA CITY, a California municipal corporation ("CITY").

**RECITALS**

A. By adoption of Resolution No. 21-052 on MAY 18, 2021, the CITY has applied to the Sutter County Local Agency Formation Commission ("LAFCO") for a sphere of influence amendment and reorganization, which includes the annexation of approximately 700 acres to the CITY, [or will file an application with LAFCO requesting its approval of the annexation of approximately 740 acres of real property] known as the Bogue Stewart Master Plan to CITY ("BSMP").

B. On June 6, 1978, the voters of the State of California amended the California Constitution by adding Article XIII A thereto which limited the total amount of property taxes that could be levied on property by local taxing agencies having such property within their territorial jurisdiction to one percent (1%) of full cash value.

C. Subsequently, the California Legislature added Section 99 to the California Revenue and Taxation Code, which requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes derived from such property and available to the county and city following annexation of the property to the incorporated territory of the city.

D. COUNTY and CITY wish to work together to develop a fair and equitable approach to the sharing of revenues from the statewide one percent (1%) ad valorem tax imposed and collected as authorized by the Revenue and Taxation Code in order to encourage sound urban development and economic growth.

E. COUNTY and CITY find it necessary to cooperate with each other to maintain and improve the quality of life throughout Sutter County, including within the CITY, and deliver needed or desirable services in the most timely and cost-efficient manner to all COUNTY and CITY residents.

F. COUNTY recognizes the need for orderly growth within and adjacent to the CITY, and for supporting appropriate annexations by CITY.

G. Section 99 of the California Revenue and Taxation Code authorizes a county and city to execute a property tax transfer agreement for the exchange of property tax revenues between a county and city in connection with the annexations of property located in the unincorporated territory of a county to the incorporated territory of a city.