

Sutter
LOCAL AGENCY FORMATION
COMMISSION (LAFCo)

Adopted

***Yuba City Service Review and Sphere
of Influence Update***

Resolution 2020-0003 Municipal Service Review (MSR)
and
Resolution 2020-0004 - Sphere of Influence (SOI) Update

November 12, 2020

**CITY OF YUBA CITY SERVICE REVIEW
AND SPHERE OF INFLUENCE**

TABLE OF CONTENTS

1	INTRODUCTION	1
1.1	Local Agency Formation Commission (LAFCo) History	2
1.2	Preparation of the MSR	2
1.3	Role and Responsibility of LAFCo	2
1.4	Municipal Services Review Requirements	3
1.5	Municipal Services Review Process	3
1.6	Sphere Of Influence Update Process	4
1.7	Possible Approaches to the Sphere of Influence	5
1.8	Description of Public Participation Process	7
2	SETTING	8
2.1	Yuba City History and Location	8
2.2	City of Yuba City Population	8
2.3	Disadvantaged Unincorporated Communities	9
2.4	Infrastructure and Services	9
2.4.1	Water	10
2.4.2	Wastewater	16
2.4.3	Drainage	18
2.4.4	Circulation Systems	23
2.4.5	Police Protection	24
2.4.6	Fire Protection	25
2.4.7	Parks	27
2.4.8	Solid Waste	27
2.4.9	Financing Constraints and Opportunities	28
3	YUBA CITY MUNICIPAL SERVICE REVIEW (MSR) DETERMINATIONS	34
3.1	Growth and Population Projections for the City of Yuba City	35
3.1.1	Growth and Population Projections for the City of Yuba City	35
3.1.2	MSR Determinations on Growth and Population Projections for the City of Yuba City	35
3.2	Location and Characteristics of any Disadvantaged Unincorporated Communities (DUC) within or Contiguous to the City of Yuba City ..	36
3.2.1	Disadvantaged Unincorporated Community (DUC) Status	36
3.2.2	MSR Determinations on Disadvantaged Unincorporated Communities near the City of Yuba City	36
3.3	The City of Yuba City Infrastructure and Services	37
3.3.1	Capacity and Infrastructure	37
3.3.2	MSR Determinations on Capacity and Infrastructure for the City of Yuba City	37
3.4	Financial Ability to Provide Services	42
3.4.1	Financial Considerations for the City of Yuba City	42
3.4.2	MSR Determinations on Financing for the City of Yuba City	42
3.5	Status of and Opportunities for Shared Facilities	43
3.5.1	Cost Avoidance Opportunities including opportunities for Shared Facilities and Rate Restructuring Considerations for the City of Yuba City	43
3.5.2	MSR Determinations on Shared Facilities for the City of Yuba City ..	44
3.6	Accountability for Community Service Needs, Government Structure and Operational Efficiencies	45
3.6.1	Government Structure	45

3.6.2	MSR Determinations on Local Accountability and Governance	46
4	CITY OF YUBA CITY SPHERE OF INFLUENCE (SOI)	48
4.1	Introduction	48
4.1.1	Role and Responsibility of LAFCo	48
4.1.2	Purpose of the Sphere of Influence	48
4.1.3	LAFCo's Sphere of Influence Policies	49
4.1.4	Sphere of Influence Determinations	53
4.2	Present and Planned Land Uses in the the City of Yuba City. Including Agricultural and Open Space Lands	55
4.2.1	Background General Plan and Zoning and Land Use for the City of Yuba City	55
4.2.2	SOI Determinations on Present and Planned Land Use for the City of Yuba City.	57
4.3	Present and Probable Need for Public Facilities and Services in the City of Yuba City	58
4.3.1	Water	58
4.3.2	Wastewater Collection and Treatment	58
4.3.3	Storm Drainage	58
4.3.4	Police Protection.	58
4.3.5	Fire Protection	59
4.3.6	SOI Determinations on Facilities and Services Present and Probable Need for the City of Yuba City.	60
4.4	Present Capacity of Public Facilities Present and Adequacy of Public Services	60
4.4.1	Capacity Background	61
4.4.2	SOI Determinations on Public Facilities Present and Future Capacity for the City of Yuba City.	62
4.5	Social or Economic Communities of Interest for the City of Yuba City.	62
4.5.1	The City of Yuba City Community Background	62
4.5.2	SOI Determinations on Social or Economic Communities of Interest for the City of Yuba City	62
4.6	Disadvantaged Unincorporated Community Status	62
4.6.1	Disadvantaged Unincorporated Communities	62
4.6.2	the City of Yuba City Disadvantaged Unincorporated Community Status	62
5.	CITY OF YUBA CITY SPHERE OF INFLUENCE MAP	63

1 INTRODUCTION

1.1 Local Agency Formation Commission (LAFCo) History

This report is prepared pursuant to State legislation enacted in 2000 that requires Sutter LAFCo to complete a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCo's jurisdiction. This chapter provides an overview of LAFCo's history, powers and responsibilities. It discusses the origins and legal requirements for preparation of a Service Review commonly referred to as a Municipal Service Review (MSR). Finally, the chapter reviews the process for MSR review, MSR approval and SOI updates.

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures within a given region. A lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service area boundaries, many of which resulted in the premature conversion of California's agricultural and open-space lands and duplication of services.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963; resulting in the creation of a Local Agency Formation Commission, or "LAFCo," operating in every county.

LAFCo was formed as a countywide agency to discourage urban sprawl and to encourage the orderly formation and development of local government agencies within its jurisdiction. LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries; including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure.

The Commission's efforts are focused on ensuring services are provided efficiently and economically while agricultural and open-space lands are protected or conserved to the extent possible. To better inform itself and the in compliance with the State Law; LAFCo conducts MSR's to evaluate the provision of municipal services for service providers within its jurisdiction.

LAFCo regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individual voters and landowners. It also regulates the extension of public services by cities and special districts outside their boundaries. LAFCo is empowered to initiate updates to the SOIs and proposals involving the dissolution, consolidation or formation of special districts, establishment of subsidiary districts, and any reorganization including such actions. Where LAFCo is not given

specific authority, LAFCo actions must originate as petitions from affected voters or landowners, or by resolutions by affected cities or special districts.

A Plan for Services is required in Government Code Section 56653. A Plan for Services must include the following information: An enumeration and description of services to be provided, the level and range of those services, an indication of how those services are to be extended into the territory, an indication of any improvements or upgrading of structures, Information on how the services are to be financed.

1.2 Preparation of the MSR

Research for this Municipal Service Review (MSR) was conducted during the late fall of 2019. This MSR is intended to support preparation and update of Spheres of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objectives of this Municipal Service Review (MSR) are as follows:

- ✓ To develop recommendations that will promote more efficient and higher quality service options and patterns
- ✓ To identify areas for service improvement
- ✓ To assess the adequacy of service provision as it relates to determination of appropriate sphere boundaries

While LAFCo prepared the MSR document, given budgetary constraints, LAFCo did not engage the services of experts in engineering, hydrology, geology, water quality, fire protection, accounting or other specialists in related fields, but relied upon published reports and available information. Insofar there is conflicting or inconclusive information LAFCo staff may recommend the district retain a licensed professional or expert in a particular field for an opinion.

Therefore, this MSR reflects LAFCo's recommendations, based on available information during the research period and provided by District staff to assist in its determinations related to promoting more efficient and higher quality service patterns; identifying areas for service improvement; and assessing the adequacy of service provision by the City of Yuba City. Additional information on local government funding issues is found in Appendix A at the end of this report.

1.3 Role and Responsibility of LAFCo

Local Agency Formation Commissions (LAFCos) in California are independent agencies created by the California Legislature in 1963 for the purpose of encouraging the orderly formation of local government agencies and conserving and preserving natural resources. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) is the statutory authority for the preparation of an MSR, and periodic updates of the Sphere of Influence (SOI) of each local agency.

LAFCos are responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, preparing a review of services called a

MSR, and preparing a SOI thereby determining the future “probable” boundary for each city and special district within each county.

The Commission's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. Often citizens are confused as to what LAFCo’s role is. LAFCos do not have enforcement authority nor do they have the authority to initiate a city or district annexation or detachment proceeding. LAFCos may initiate consolidation or dissolution proceedings; however, these proceedings are subject to the voter approval or denial.

The Legislature has given LAFCos the authority to modify any proposal before it to ensure the protection of agricultural and open space resources, discourage urban sprawl and promote orderly boundaries and the provision of adequate services.

The Governor’s Office of Planning and Research (OPR) has issued Guidelines for the preparation of a MSR. This MSR adheres to the procedures set forth in OPR’s MSR Guidelines.

A SOI is a plan for the probable physical boundaries and service area of a local agency, as determined by the affected Local Agency Formation Commission (Government Code §56076). Government Code §56425(f) requires that each SOI be updated not less than every five years, and §56430 provides that a MSR shall be conducted in advance of the SOI update.

1.4 Municipal Services Review Requirements

Effective January 1, 2001 and subsequently amended, LAFCo is required to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following six topics (Government Code §56430):

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities (DUC) within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies
4. Financial ability of agencies to provide services
5. Status of, and opportunities for shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies

1.5 Municipal Services Review Process

For local agencies, the MSR process involves the following steps:

- Outreach: LAFCo outreach and explanation of the project
- Data Discovery: provide documents and respond to LAFCo questions
- Map Review: review and comment on LAFCo draft map of the agency's boundary and sphere of influence
- Profile Review: internal review and comment on LAFCo draft profile of the agency
- Public Review Draft MSR: review and comment on LAFCo draft MSR
- LAFCo Hearing: attend and provide public comments on MSR

MSRs are exempt from California Environmental Quality Act (CEQA) pursuant to Public Resources Code §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCo's actions to adopt MSR determinations are not considered "projects" subject to CEQA. The MSR process does not require LAFCo to initiate changes of organization based on service review findings, only that LAFCo identify potential government structure options.

However, LAFCo, other local agencies, and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend SOIs. Within its legal authorization, LAFCo may act with respect to a recommended change of organization or reorganization on its own initiative (e.g., certain types of consolidations), or in response to a proposal (i.e., initiated by resolution or petition by landowners or registered voters).

Once LAFCo has adopted the MSR determinations, it must update the SOI for each jurisdiction. The LAFCo Commission determines and adopts the spheres of influence for each agency. A CEQA determination is made by LAFCo on a case-by-case basis for each sphere of influence action and each change of organization, once the proposed project characteristics are sufficiently identified to assess environmental impacts.

1.6 Sphere Of Influence Update Process

The Commission is charged with developing and updating the Sphere of Influence (SOI) for each city and special district within the county.¹

An SOI is a LAFCo-approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. LAFCo cannot annex Territory to a city or district unless it is within that agency's sphere.

The purposes of the SOI include the following:

- to ensure the efficient provision of services
- to discourage urban sprawl and premature conversion of agricultural and open space lands
- to prevent overlapping jurisdictions and duplication of services

¹ The initial statutory mandate, in 1971, imposed for no deadline for completing sphere designations. When most LAFCos failed to act, 1984 legislation required all LAFCos to establish spheres of influence by 1985.

LAFCo may not directly regulate land use, dictate internal operations or administration of any local agency, or set rates. LAFCo is empowered to enact policies that indirectly affect land use decisions. On a regional level, LAFCo promotes logical and orderly development of communities as it considers and decides individual proposals. LAFCo has a role in reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of current and future area residents and property owners.

The Cortese-Knox-Hertzberg (CKH) Act requires LAFCos to develop and determine the SOI of each local governmental agency within its jurisdiction and to review and update the SOI every five years, as necessary. LAFCos are empowered to adopt, update and amend a SOI. They may do so with or without an application. Any interested person may submit an application proposing an SOI amendment.

While SOIs are required to be updated every five years, as necessary, this does not necessarily define the planning horizon of the SOI. The term or horizon of the SOI is determined by each LAFCo.

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. In determining the SOI, LAFCo is required to complete an MSR and adopt the six determinations previously discussed. In addition, in adopting or amending an SOI, LAFCo must make the following five determinations as required in Government Code section 56425(c):

1. Present and planned land uses in the area, including agricultural and open-space lands
2. Present and probable need for public facilities and services in the area
3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide
4. Existence of any social or economic communities of interest in the area if the Commission determines these are relevant to the agency
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.²

The CKH Act stipulates several procedural requirements in updating SOIs. It requires cities to file written statements on the class of services to be provided and LAFCo must clearly establish the location, nature and extent of services provided by special districts.

By statute, LAFCo must notify affected agencies 21 days before holding the public hearing to consider the SOI and may not update the SOI until after that hearing. The LAFCo Executive Officer must issue a report including recommendations on the SOI

² California Government Code Section 56425 (e)(5)

amendments and updates under consideration at least five days before the public hearing.

1.7 Possible Approaches to the Sphere of Influence

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines of Sutter LAFCo as well as other LAFCos in the State, various conceptual approaches have been identified from which to choose in designating an SOI. These seven approaches are explained below:

1) Coterminous Sphere:

A Coterminous Sphere means that the Sphere of Influence for a city or special district that is the same as its existing boundaries of the city or district.

2) Annexable Sphere:

A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside the district boundaries and inside the sphere of influence.

3) Detachable Sphere:

A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere of influence.

4) Zero Sphere:

A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.

5) Consolidated Sphere:

A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.

6) Limited Service Sphere:

A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the limited purpose agency without detachment from the multi-service provider.

This type of SOI is generally adopted when the following conditions exist:

- a) The limited service provider is providing adequate, cost effective and efficient services
- b) The multi-service agency is the most logical provider of the other services
- c) There is no feasible or logical SOI alternative

- d) Inclusion of the territory is in the best interests of local government organization and structure in the area

Government Code §56001 specifically recognizes that in rural areas it may be appropriate to establish limited purpose agencies to serve an area rather than a single service provider, if multiple limited purpose agencies are better able to provide efficient services to an area rather than one service district.

Moreover, Government Code Section §56425(i), governing sphere determinations, also authorizes a sphere for less than all of the services provided by a district by requiring a district affected by a sphere action to “establish the nature, location, and extent of any functions of classes of services provided by existing districts” recognizing that more than one district may serve an area and that a given district may provide less than its full range of services in an area.

1.8 Description of Public Participation Process

The LAFCo proceedings are subject to the provisions of California’s open meeting law, the Ralph M. Brown Act (Government Code Sections 54950 et seq.). The Brown Act requires advance posting of meeting agendas and contains various other provisions designed to ensure that the public has adequate access to information regarding the proceedings of public boards and commissions. Sutter LAFCo complies with the requirements of the Brown Act.

The State MSR Guidelines provide that all LAFCos should encourage and provide multiple public participation opportunities in the MSR process.

2. SETTING

2.1 City of Yuba City History and Location

Yuba City was founded in 1849 on land purchased by Samuel Brannan, a leader of a Mormon colony consisting of 238 followers attempting to escape religious persecution in the east. Mr. Brannon became one of the most prosperous and wealthy men in California. In 1856 Yuba City was established as the Sutter County seat and was incorporated as a California City on January 23, 1908.

Yuba City lies in the northern portion of California's flat, fertile Central Valley. It is situated in eastern Sutter County on the western bank of the Feather River. Primarily undeveloped agricultural land exists to the north, west, and south of the City. The Sutter Buttes are located to the northwest of the City. The primary transportation corridors are Routes 99 and Route 20. Route 99 leads due south to Sacramento and north to Gridley and Chico beyond; Route 20 links Yuba City to Colusa and I-5 to the west and Grass Valley and the Sierra Nevada range to the east. State Routes 70 and 65 lead south from Marysville, connecting the region to Sacramento and to Sacramento's northern suburbs – Roseville and Rocklin. Two of the State's major economic engines: the San Francisco Bay Area and Silicon Valley both are within a 2 to 3 hour drive from the City.

The area within the City limits is approximately 14.955 square miles, and the area in the unincorporated Urban Growth Boundary (UGB) is approximately 11 equaling a total urban growth boundary of 24 square miles. Much of the Yuba City UGB remains undeveloped, with almost half the land in the Yuba City UGB either agricultural or vacant. Notwithstanding constraints to development such as flooding all of this land is potentially available for development to accommodate population increases envisioned in the City's General Plan.

The City of Yuba City's SOI includes unincorporated areas within Sutter County adjacent to the northern, southern, and western sides of the City limits, and the Feather River, which is the Sutter/Yuba County line, marks the City boundary to the east. Generally, these areas are characterized as large parcel, agricultural/rural residential uses. These properties are anticipated to remain in unincorporated Sutter County until urban levels of development are pursued, if consistent with planned growth as identified in the Yuba City General Plan.

2.2 City of Yuba City Population

The present General Plan suggests uses for the previously un-planned areas. The City's January 1, 2020 population is estimated to be 70,458.³

The 2004 City General Plan uses the Sacramento Area Council of Governments (SACOG), estimate that the City's population could reach 68,150 by the year 2025 or later.⁴ However, Yuba City experienced nearly an 84 percent increase in population between the years 2000 and 2017. According to the U.S. Census, the City's population was 36,758 in 2000, 64,925 in 2010 and 70,458 in 2020. SACOG's growth forecast 2012-2036 growths of 811,000 in the SACOG plan area (36%)

³ State of California Department of Finance Table E-5 5/1/2020

⁴ City of Yuba City 2004 General Plan: Growth and Economic Development

The 2020 actual population figures have exceeded the 2025 population estimates in the 2004 City's General Plan. The city is growing faster than anticipated in 2004. However, this growth occurred mostly prior to 2010. According to the State Department of Finance the City's growth has increased by 5,533 persons in the past 10 years or 8.5% over that period. The vacancy rate as of 1.1.2020 was 5.5% and there were 3.11 persons per household compared to a vacancy rate of 7.0% and 2.99 persons per household in 2010.⁵

2.3 Disadvantaged Unincorporated Communities

With the passage of SB 244, which became effective January 1, 2012, LAFCOs are required to consider the location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI of cities or special districts. Disadvantaged unincorporated communities are defined by Section 79505.5 of the Water Code as a community with an annual median household income that is less than 80 percent of the statewide annual median household income. Government Code Section 56033.5 defines a "Disadvantaged unincorporated community as inhabited territory defined in G. C. 56046 (12 or more registered voters), or as determined by commission policy, that constitutes all or a portion of a disadvantaged community as defined by Section 79505.5 of the Water Code.

The 2017 statewide median household income (MHI) was \$67,169; 80 percent of the median is \$53,735. The median household income in Yuba City is \$51,037 signaling Yuba City is a disadvantaged community with a MHI of less than 80 percent statewide MHI of 67,169.⁶

In addition, the California Association of Local Agency Formation Commissions (CALAFCO) has a mapping tool that summarizes those census tracts considered disadvantaged based on the 2017 median household income. Based on the information provided from the CALAFCO mapping tool identifies "disadvantaged unincorporated communities", while there are no known areas of disadvantaged unincorporated communities within the Yuba City or its SOI, This is because Yuba City is an incorporated area and not categorized as being "unincorporated".

2.4 Infrastructure and Services

For each service area, an evaluation as to the adequacy of the City's major public services and infrastructure is provided below. This includes the evaluation regarding the ability of those public services and infrastructure to be expanded to meet future service demands for this proposed Sphere of Influence Area (SOIA).

Each service area is analyzed in terms of the current level of service and proposed future level of service. The current level of services examines the City's existing infrastructure and the services currently being provided. The future level of service

⁵ State of California Department of Finance Table E-5 5/1/2020

⁶ U.S. Census Bureau 2019 QuickFacts, California, Population Estimates 2013-2017 American Community Survey in 2017 inflation –adjusted dollars

reviews planned improvements and service expansions of the City relative to the proposed SOIA.

Future levels of service would be determined by City policies concerning standards acceptable to the residents of the City of Yuba City, while infrastructure improvements needed for specific projects would be based upon the development review process. This section describes the City's ability to provide services to the proposed Sphere Expansion Area.

2.4.1 Water

Current Level of Service and Infrastructure

The City of Yuba City Public Works Department is responsible for the City's water treatment and distribution system. The City primarily provides potable surface water to development within the City limits, whereas surrounding unincorporated regions typically rely on groundwater. The City's current water supplies that have historically provided water to the service area are derived from multiple surface water rights for Feather River water and contracts as listed in the table below, as well as the City's rights to groundwater. The main water supply source for the City is surface water from the Feather River with use of a backup groundwater well.

The City of Yuba City is a public water agency with approximately 19,200 connections as of November 2019. City policy only allows areas annexed into the city limits to be served by its surface water system.⁷

Table 1 shows the water supply sources for the City.

TABLE 1
YUBA CITY WATER SUPPLY SOURCES

SWRCB License 13855	6,500
SWRCB Permit 18558	9,000
North Yuba Water District Agreement	4,500
Subtotal for City Surface Water	20,000
State Water Project Contract	9,600
SWP Carryover Water	6,000
SWP Advanced Table A	5,000
Total	40,600
Groundwater	2,464

SOURCE: Tully & Young. 2017. Bogue Stewart Master Plan Project SB 610 Water Supply Assessment. August 2017.

⁷.City of Yuba City, 2019 Bogue-Stewart Master Plan (BSMP) DEIR, Chapter 3.15.2, Water Supply p. 3.15-9

The City currently operates its municipal water system and uses a surface water treatment plant (WTP) to treat water from the Feather River. The total permitted capacity of the WTP is 36 million gallons per day (mgd), or approximately 40,000 acre-feet per year (afy) permitted. All water supplies derived from these sources are managed in order to best meet the City's demands, delivery costs, water quality, and emergency management of water supplies. The City possesses entitlements to 20,960 afy (18.7 mgd) of surface water during normal water years. Water demands served by the City of Yuba City are primarily residential (single-family residential and multi-family residential), commercial/institutional, industrial, and landscape irrigation. As noted in the Yuba City 2015 Urban Water Management Plan, the total demand for water is 4,349 million gallons (MG) per year, or 11.91 mgd, which is below both the City's permitted capacity of 36 mgd of the WTP and the City's surface water entitlements of 18.7 mgd.⁸

Table 2 shows the level of service and infrastructure for water at the Yuba City Water Treatment Plant.

TABLE 2

LEVEL OF SERVICE AND
INFRASTRUCTURE - WATER

Area	Yuba City Water Treatment Plant –
Existing City Water Demand	11.9
Existing and Other Planned Future Uses (2040)	18.8
Proposed BSMP Water Demand (full build out)	1.5
Subtotal City Water Level of Service Needed	20.4
Existing Permitted Capacity for the City Water	36.0

SOURCE: City of Yuba City, 2015 and 2016. Urban Water Mgmt. Plan

Today private wells provide water to existing residences and other uses present within the unincorporated Sphere of Influence Area. Existing City-owned water infrastructure is located to the north of and adjacent to the Sphere of Influence Area to the east.⁹

⁸ City of Yuba City, 2016. City of Yuba City 2015 Urban Water Management Plan. Final July 2016. p. 18.

⁹ City of Yuba City, 2016. City of Yuba City 2015 Urban Water Management Plan. Final July 2016.

In 2001 Sutter LAFCo adopted Resolution 2001-1 approving a City of Yuba City request to provide water service to both the unincorporated area included in the Sphere of Influence served by the Hillcrest Water Company as well as areas served by the Hillcrest Water Company included in the Walton Avenue Reorganization totaling 4,600 water connections. The City subsequently acquired and negotiated a purchase and acquisition the assets of the Hillcrest water company and integrated the service into its regional water system.

Water Treatment and Delivery

The City's Water Treatment Plant (WTP) was placed into operation in 1969 and is located on approximately 25 acres in north Yuba City. Sufficient space remains to more than double the capacity of the existing plant. The WTP was originally designed with conventional coagulation, flocculation, sedimentation, and high-rate filtration processes. The permitted capacity of the conventional processes at the WTP is 24 mgd.

Prior to 1969, the City relied entirely on groundwater. However, surface supplies were substituted beginning in 1969 to address poor groundwater quality. Since that time, the City has maintained nominal groundwater infrastructure to provide drought and emergency supplies. The City maintains one well, located at its water treatment plant, which can produce 1.7 mgd.¹⁰ The groundwater is treated and blended with available surface water.

In 2007, the WTP was expanded with membrane treatment technology, with the permitted capacity of the membrane WTP at 12 mgd. Water produced from the conventional and membrane plants is blended for chlorine disinfection, and the City's water quality is in compliance with the California Safe Drinking Water Act. As mentioned previously, the total WTP capacity is 36 mgd with both conventional and membrane treatment systems online.

Water demands served by the City of Yuba are primarily residential (single-family residential and multi-family residential), commercial/institutional, industrial, and landscape irrigation. **Table 3** presents water use sectors and associated metered and unmetered deliveries that were reported in the City's 2015 Urban Water Management Plan (UWMP).

¹⁰ City of Yuba City , 2016 City of Yuba City 2015 Urban Water Management Plan, Final July2016. P 3-1, PDF p. 17.

TABLE 3
2018 WATER DELIVERIES

Water Use Sector	Metered		Unmetered		
	Number of accounts	Deliveries AFY	Number of accounts	Number of Deliveries ¹	Deliveries AFY ²
Single Family	16,153	7,193	0	0	7,193
Multi-Family	1,17	1,609	0	0	1,609
Commercial/Institution	1,30	1,678	0	0	1,678
Industrial	5	1,747	0	0	1,747
Landscape Irrigation	420	942	0	0	942
Agriculture	0	0	0	0	0
Other	45	5	0	0	5
Total	19,108	13,174	0	0	13,174

NOTE:

1 No unmetered deliveries in 2018.

2 13,174 AFY is equivalent to approximately 11.73 mgd

SOURCE: City of Yuba City. 2016. City of Yuba City 2015 Urban Water Management Plan. Final July 2016; DWR, 2019. City of Yuba City. Public Water System Statistics. Accessed December 9, 2019.

Planned Level of Service and Improvements

The City's planned water supplies that are projected to serve its existing and likely future water service area are also derived from multiple surface water rights and contracts, as well as the City's rights to groundwater. The main water supply source for the City would continue to be surface water from the Feather River with use of one backup groundwater well, which has a capacity of approximately 1.7 mgd.¹¹ The City of Yuba City would remain the public water agency, adding to the existing approximately 19,200 connections.

The proposed BSMP (Sphere Expansion Area) would include slightly over 2,500 residential units and accompanying infrastructure and improvements such as streetscapes, along with retail, office and technical center space, civic amenities, parks, and an elementary school. To estimate the water needs of the proposed BSMP, the method employed uses population projections in conjunction with the City's 2020 per-capita water use target identified in its 2015 (Urban Water Management Plan) UWMP. This method is often used to evaluate potential demand for an entire water purveyor's service area, such as the entire City, as it reflects a blend of existing and future residential and non-residential uses.

¹¹ City of Yuba City, 2016. City of Yuba City 2015 Urban Water Management Plan. Final July 2016. PDF p. 36.

As represented in the City’s 2015 UWMP, the 2020 per-capita target for total water consumption (residential and non-residential) is 192 gallons per capita per day (gpcd), and can be used as a conservative estimate of future demand specifically for the new customers anticipated with the proposed (Bogue Stewart Master Plan) BSMP. Total 2020 per-capita targets for residential water consumption (single and multi-family) is 129 gpcd, which means that per-capita targets for non-residential water consumption (commercial, industrial, landscape, and other) would be 63 gpcd.¹²

Water Storage

The City’s existing storage facilities are summarized below. The total required storage is equal to the sum of the storage components for operational, emergency and fire flow requirements. The operational storage requirement is 25 percent of the Maximum

Day demand. The emergency storage requirement is 75 percent of the Average Day demand. The fire flow storage is the largest fire flow storage value, which for the City is 1.2 million gallons (MG).

TABLE 4

Existing Storage Facilities:

Tank Site	Total Storage Capacity, MG
Water Treatment Plant	8.0
Harter Tanks	4.0
Sam Brannon Tank	1.0
Rowe Avenue Tank	1.0
Burns Tank	3.0
Sanborn Tank	3.2
Total	20.2

The current storage requirements for the existing system are displayed below which indicates that there is a current storage requirement of 19.2 MG, which means that there is currently a surplus of 1 MG of storage capacity. This amount of surplus storage would be sufficient to support 0.8 mgd of Average Day demand using the residential demand

¹² City of Yuba City, 2016. City of Yuba City 2015 Urban Water Management Plan. Final July 2016. PDF p. 27.

assumptions of 216 gpcd and 2.67 persons per dwelling unit, this translates to approximately 1,400 additional housing units that could be supported by the existing surplus storage in the City.

TABLE 5

Storage Requirements with Current Demand			
Scenario	Anticipated Demands	Storage Requirement	Storage Requirement,
MG	mgd		MG
Average Day	14.4	Emergency Storage is 75% of Average Day Demand	10.8
Maximum Day 7.2	28.8	Operational Storage is 25% of Maximum Day Demand	
Fire Flow		5,000 gpm for 4 hours	1.2
TOTAL			19.2

The proposed BSMP would include residential units representing a combination of single-family homes and multi-family homes (e.g. apartments). Based on the analysis presented in the Draft EIR for the BSMP, which used residential unit totals, and slightly higher population assumptions for a conservative estimate, the population of the proposed Sphere Expansion Area at BSMP build-out would be 7,320 additional people, with about 80 percent in single-family homes and 20 percent in multi-family housing. As shown in **Table 6**, using a conservative estimate, the proposed BSMP is forecast to result in a demand for 1,574 acre-feet annually for residential, non-residential, civic, and other consumption at full buildout in 2040 (1.4 mgd). The estimated City-wide demand for water supplies in 2040 is approximately 20,433 acre-feet (18.2 mgd), which is less than the City’s current surface water entitlements.

TABLE 6
PROJECTED BSMP WATER DEMAND AT FULL BUILDOUT (2040)

Sector	Demand (afy)
Residential	889
Non-Residential	160
Civic	206
Non-revenue water at 10 percent	139
Total BSMP Demand	1,394
	Conservative Estimate

Selected for BSMP Analysis
(using per capita based demand
forecast)

1,574

SOURCE: Tully & Young. 2017. Bogue Stewart Master Plan Project SB 610 Water Supply Assessment. August 2017.

Water Treatment and Delivery Improvements

Planned levels of service within the Sphere of Influence Area including the BSMP would increase the demand for water supplied by the City's WTP. The proposed BSMP would construct transmission mains and a supply grid to provide sufficient flow and pressure to meet the demand and required fire flows and pressure within the Sphere of Influence Area. The existing water system would require strategic upgrades to serve the BSMP to connect with the City's water supply mains. Extensions of the existing distribution main system and system wide storage improvements would provide adequate service to the future development within the Sphere of Influence Expansion Area.

2.4.2 Wastewater

Current Level of Service and Infrastructure

Yuba City owns, operates, and maintains the wastewater collection, treatment, and disposal system that provides sewer service to approximately 60,000 residents and businesses. The remainder of the residents and businesses in the Yuba City SOI are currently serviced by private septic systems.

The City's current Wastewater Treatment Facility (WWTF) was constructed in the early 1970s, and is located at 302 Burns Drive near the Garden Highway about three-quarters of a mile northeast of the corner of the City's Sphere of Influence. The WWTF has Waste Discharge Requirements and a National Pollutant Discharge Elimination System (NPDES) Permit that allow a maximum effluent discharge of 10.5 mgd¹³ to three discharge points to be used based upon water criteria within the Feather River and effluent limitations.

The system includes 17 lift stations throughout the City, built between 1949 and 2012 with pipe sizes that range in diameter from 6 to 42 inches.¹⁴

Table 7 provides an overview for the level of service and infrastructure provided by the WWTF, which treats an average dry weather flow of approximately 6.5 mgd and a peak-hour flow of approximately 12 mgd. The WWTF has the permitted capacity to treat a maximum flow of 10.5 mgd (average dry weather flow meaning "the highest allowable average of daily discharges over a calendar month, calculated as the

¹³ California Regional Water Quality Control Board – Central Valley Region Order R5-2019-0017-01 NPDES No. CA0079260

¹⁴ City of Yuba City, 2004. Yuba City General Plan. Adopted Resolution #04-049. April 8, 2004.

sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month).

After processing, the WWTF sends the treated wastewater through further filtration, disinfection and de-chlorination processes prior to being discharged into the Feather River to a discharge point depending upon criteria set forth in the Board Order. The treated wastewater can also be discharged to percolation ponds located on the east side of the Feather River in the floodplain. Sludge outputs from the various processes are dewatered and transported to a landfill.

Conveyance capacity needed for wastewater flows from other parts of Yuba City are separate from the interceptor that would serve the proposed additional Sphere of Influence Area. In unincorporated areas of the city SOI, with limited exceptions, municipal sewage treatment is typically not available to County residents due to needed infrastructure and City policies and regulations.

Table 7
Level of Service and Infrastructure - Wastewater

Area	Yuba City Wastewater Treatment Facility ADWF – dry weather flow (mgd)
Existing City Wastewater Level of Service	6.5
Proposed BSMP Wastewater Demand (SOI)	1.0
Subtotal for Planned City Wastewater Demand	7.5
Existing City Wastewater Permitted Capacity	10.5

SOURCE: MHM, Inc., 2016. Technical Report, Sanitary Sewer, Bogue Stewart Master Plan Area. October 2016

As the sphere of influence expansion area is not currently served by the Yuba City sewer system, wastewater generated by existing uses is typically disposed of through on-site private septic systems. Connection to the Yuba City sewer system will be required for new development in the SOI expansion area upon annexation.

Planned Level of Service and Improvements

The operation of the City's wastewater collection system was analyzed with the estimated flows for the proposed BSMP to determine the effect that these flows would have on the operation of the existing collection system, and to determine if the system improvements that have been proposed are adequate. Ultimately, the Sphere Expansion Area would need to connect to the City's existing system upon annexation.

Based on the Technical Report on the Sanitary Sewer for the BSMP (SOI Expansion Area) the total sewer demand rates for all 741.5 acres within the Sphere Expansion

Area would be approximately 1,005,500 gallons per day (1.0 mgd), average dry weather flows (ADWF) and 2.28 mgd peak wet weather flow. The land use acreage and other conversion factors were used to calculate the ADWF from the proposed BSMP. The sewer flow requirements would be a combination of demand rate for each land use type, and the design of the sewer conveyance system was based on a flow rate of 330 gpd ADWF, per dwelling unit. ¹⁵The current daily flow to Yuba City WWTF is 6.5 mgd of ADWF. With the addition of approximately 1 mgd ADWF, the Sphere Expansion Area would be well below the city WWTF permitted treatment capacity of 10.5 mgd maximum flow (dry weather flow), shown in **Table 7** above.

2.4.3 Drainage

Current Level of Service and Infrastructure

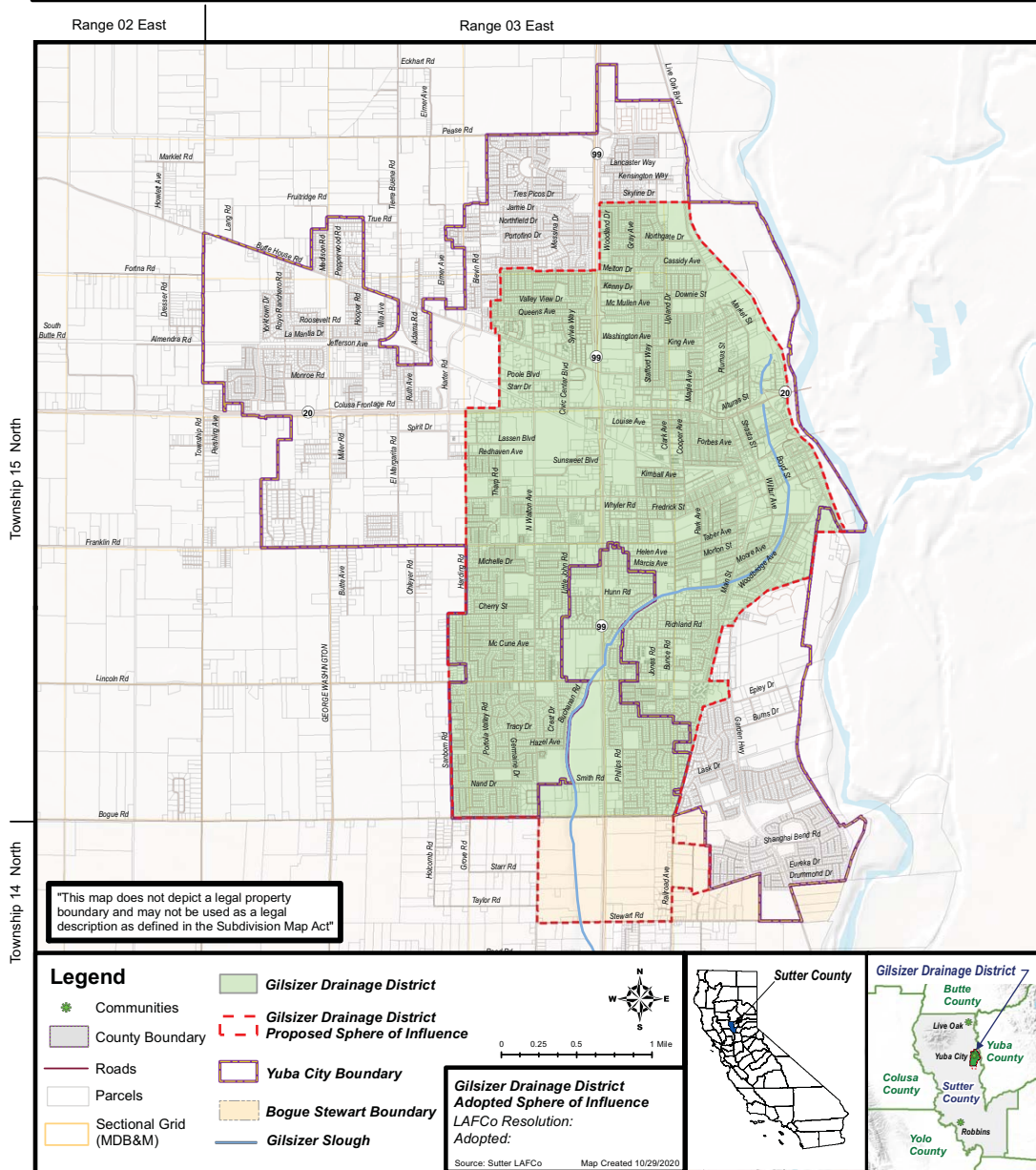
The Feather River is the main surface hydrologic feature in the Yuba City Area. It forms the eastern boundary of the City of Yuba City, along with the confluence with the Yuba River, and eventually joins the Sacramento River approximately 30 miles south of the City.

Existing drainage facilities in Yuba City include the Gilsizer Slough, Live Oak Canal, and various City facilities. Territory within these districts drain south and ultimately deliver their contents into the Sutter Bypass. See the map below.

Storm water in the eastern expansion area of the BSMP that flows easterly will end up in the Feather River and storm water in the western expansion area drain into the Gilsizer Slough. See map below.

¹⁵ MHM Inc., 2016. Technical Report Sanitary Sewer. Bogue Stewart Master Plan Area. October 2016.

LOCAL AGENCY FORMATION COMMISSION GILSIZER DRAINAGE DISTRICT PROPOSED SPHERE OF INFLUENCE



Other Drainage districts are within the Sphere of Influence area of the City including the El Cerrito Drainage District, the El Margarita Drainage District and the Walton Area.

The El Cerrito Drainage District was created in 1969 and was reviewed by LAFCo in 2007. All land within the El Cerrito County Drainage District is zoned residential, with the exception of parcels fronting Butte House Road and the retention basin area, which

are zoned commercial. Land within the El Cerrito County Drainage District has been built out; therefore, no further development is anticipated and the population will remain relatively constant. This district has been dissolved

The El Margarita Drainage District was created in 1972 and also reviewed by LAFCo in 2007. This drainage district serves subdivisions off of El Margarita Road. Land uses within the El Margarita Drainage District are entirely residential and fully developed. This district has been dissolved.

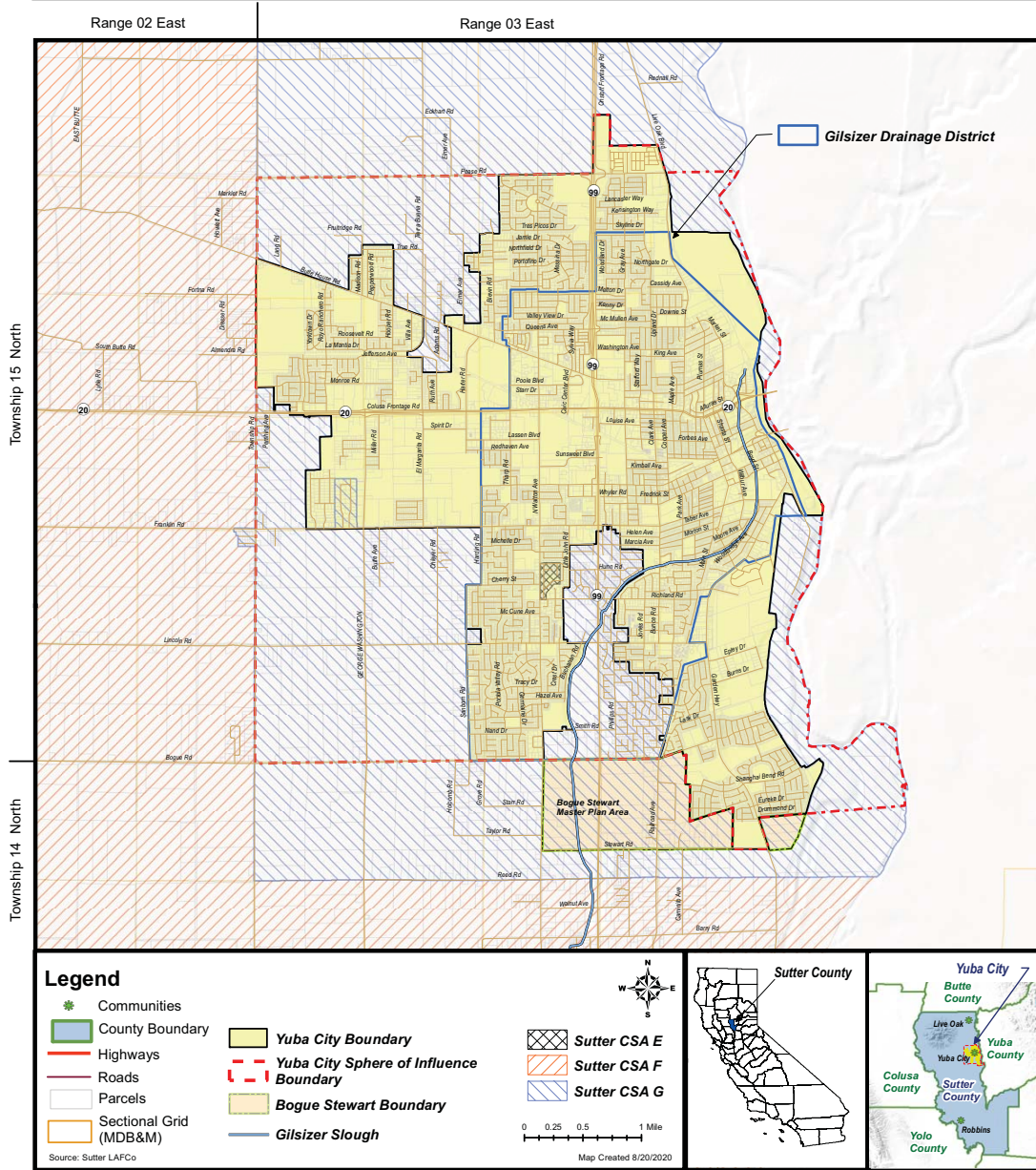
The functions of these districts are operated by the Sutter County Water Agency, acting as a successor agency.

Gilsizer Slough. At one time, this natural drainage channel drained Yuba City and areas to the south of the urban area. The Slough discharges to the State Drain, which flows north to State Pumping Plant No. 2, and then into the Sutter Bypass. Tributaries to the Gilsizer Slough are included in the Gilsizer County Drainage District, except for a small area north of Colusa Highway, which is pumped into the Feather River.

Live Oak Canal. This facility once drained runoff from areas north of Pease Road including an area that is now part of the Tierra Buena County Drainage District. The State East Interceptor Canal now drains the area north of Pease Road. This canal drains to the Sutter Bypass through the Wadsworth Canal.

City Facilities. Portions of north and south Yuba City are drained to holding ponds. This water is then pumped over the levee into the Feather River. The Garden Highway/Bogue Road area is also pumped into the Feather River. The City's Capital Improvement Program (CIP) for 2001-2006 includes nine planned drainage improvements.

LOCAL AGENCY FORMATION COMMISSION SUTTER COUNTY YUBA CITY VICINITY



The city is continuously improving the storm drainage system and has identified improvements in its Capital Improvement Program.

The main drainage feature within the sphere of influence area is Gilsizer Slough that runs north to south. This slough drains south into the State Drain and then into the Sutter Bypass. The Gilsizer Drainage District primarily serves the Sphere of Influence Area and is comprised of an approximately 5,700-acre area that drains into Gilsizer Slough. The District is guided by a Board of Directors comprised of three County supervisors and two City Council members, with Sutter County managing the District. The City will maintain the drainage collection system that will serve the Gilsizer Slough.

Planned Level of Service and Improvements in the Sphere Expansion Area

The largest percentage of the Sphere Expansion Area is currently used for farming and of that predominantly orchards. The existing ground within the Gilsizer Area is mostly graded smooth with even slopes that direct flow either to roadside swales and ultimately Gilsizer Slough (as is the case for the lands east of State Route 99), or directly to Gilsizer Slough (as is the case with the lands west of State Route 99). The proposed residential and commercial development will result in quicker and more intense runoff to the storm drain system. To mitigate the developed runoff, a distributed system of detention ponds are planned. The series of ponds will allow all of the Gilsizer Area drainage to be directed into a nearby system of detention ponds.

Construction of the proposed BSMP, within the Sphere Expansion Area, would employ a site-specific Storm Water Pollution and Prevention Plan (SWPPP) for erosion and sediment control to prevent flooding on- or off-site during construction activities in compliance with the NPDES Construction General Permit and Yuba City ordinances. Development within the Sphere Expansion Area would include construction of a stormwater drainage system designed to maintain stormwater flows below current levels during all storms and would not exacerbate on- or off-site drainage or flooding problems. Design of the system is required to meet all City stormwater and flood prevention ordinances prior to approval of the project and building permits.

After development in the SOI expansion area, two ponds located on either side of State Route 99 will retain the majority of the storm runoff from the development. The ponds will drain into Gilsizer Slough through a low flow channel after water has subsided, or as otherwise determined by the District. The peak flows will be reduced from historic data due to the smaller area that directly contributes to the Gilsizer Slough.

The distributed detention ponds also allow for water quality issues to be addressed prior to entering the downstream system in accordance with State and Federal requirements. In addition, throughout the Sphere Expansion Area, the proposed drainage from development may utilize streetscapes, bioswales, or vegetated swales along some of the streets, parks, parking lots, and parkways. These could address water quality issues upstream even before entering the storm drain system. The City does not presently collect impact fees for storm drainage, however the Gilsizer Drainage District does collect fees. Further, the City will collect flood and levee fees for control capacity, and the City will require a fee be paid for any infrastructure requirements for drainage to the Feather River. Current funding mechanisms may include grants, bonds, and tax revenues.

Prior to development of the BSMP Sphere Expansion Area, an annexation and Sphere of Influence amendment to the Gilsizer Drainage District will be required.

2.4.4 Circulation Systems

Current Level of Service and Infrastructure

The City of Yuba City has a roadway system to serve its residents, based on a traditional grid pattern, defined by major roadways such as State Route 99, State Route 20, Bridge Street, Live Oak Boulevard and Franklin Road as the major roadways that transect Yuba City. Generally speaking, these roadways feature considerably higher traffic volumes, while the remainder of the City's road network features relatively low traffic volumes.

State Route 20 provides east-west access through Yuba City, with connection with the Cities of Marysville, Nevada City and Grass Valley to the east up to the intersection of Interstate 80 and the Cities of Colusa and Williams to the west up to a connection with Highway 101. Within the Yuba City SOI, SR 20 is an east-west facility that provides one of the two routes across the Feather River directly (the other being fifth (bridge) street) from the City of Marysville to the City of Yuba City. State Route 99 provides north-south access through Yuba City, connecting to Chico to the north and Interstate 5 and Sacramento to the south.

As such, State Route 99 and State Route 20 comprise the foundation for regional transportation within Yuba City, providing considerable commute traffic within Yuba City and regional traffic linking cities and counties in the Sacramento Valley.

Specific planned improvements to the roadway network in the City of Yuba City's General Plan have either already occurred or will include major street improvements, specifically with enhancements to State Route 99 and State Route 20. The General Plan states that State Route 99 is anticipated to be widened between Bogue Road and Lincoln Road to six lanes. Other key improvements included in the Transportation Element of the General Plan are two new north-south parkways to provide better connections throughout the city; a new bridge as an extension of Lincoln Road; and numerous new collector and local streets, to provide a well-connected circulation system.

The proposed Sphere Expansion Area (the BSMP) provides for a variety of roadway types and cross-sections as part of the circulation system and includes arterial roadways to deliver traffic to State Route 99 including limited driveway access along them. Center turn lanes or medians are provided on the majority of proposed BSMP roadways, and it is assumed that the proposed BSMP would not cause an inconsistency with the City's planned roadway network, as right-of-way would be dedicated to widen roadways as necessary. The BSMP tentative maps for the Sphere Expansion Area show streets connecting into adjacent residential areas. The proposed BSMP circulation system includes several roundabouts on collector streets to 'calm traffic'. The proposed BSMP project in the SOI Expansion area will expand the City's roadway network, which requires a General Plan Amendment to show modified roadways in the Yuba City General Plan. A list of the specific roadway improvements

that are proposed to be constructed can be found in the Bogue-Stewart Master Plan Land Use Plan.¹⁶

2.4.5 Police Protection

Current Level of Service and Infrastructure

The Yuba City Police Department (YCPD) provides police services in the City limits of Yuba City, while areas that are located outside of the city limits but within the Sphere Expansion Area are serviced by the Sutter County Sheriff's Office (SCSO), or as determined per the City/County Master Tax Exchange Agreement, and MOU. The Police Division's current staffing ratio is 1.05 police officers per 1,000 residents. The Yuba City General Plan, conducted by the City, indicated a desired nationally accepted standard of 1.25 officers per 1,000 residents.

The central command for the YCPD is located at its main station, 1545 Poole Boulevard, approximately three miles north of the Sphere Expansion Area. The YCPD is staffed by 64 sworn officers, seven reserve officers, and 29 civilian staff. In 2017 YCPD received 126,462 calls for service, of which 29,775 were 911 calls.¹⁷ ¹⁸The Police Department's achieved performance standard for emergency response times, as stated in the General Plan is three minutes for all priority one calls. There is no official standard for non-emergency responses, though 20 minutes is the accepted norm.¹⁹ YCPD currently provides crime prevention services, along with a Special Weapons and Tactics (SWAT) unit, canine unit, and participation in a Yuba-Sutter Area Net-5 narcotics and Gang Task Force unit. The YCPD has mutual aid agreements with the California Highway Patrol (CHP), SCSO, Marysville Police Department (MPD), and Yuba County Sheriff's Office (YCSO).

The patrol area for the YCPD covers roughly 14.955 square miles and is comprised of five beats. Overall, the patrol area consists of the entire City except for portions of Yuba City located south of Franklin Road and generally west of Gilsizer Slough, as this area is serviced by the SCSO under contract. Beat 5 is located closest to the Sphere Expansion Area, covering all land within Yuba City to the east of State Route 99 and south of Franklin Avenue.

The SCSO is responsible for managing Sutter County jail, which is located at SCSO Headquarters, at 1077 Civic Center Boulevard in Yuba City, and currently provides police protection services in unincorporated areas of Sutter County, and the City of Live Oak. In total, the SCSO is responsible for providing these services to

¹⁶ MHM Inc. 2018. Bogue-Stewart Master Plan, Land Use Plan.

¹⁷ Yuba City Police Department. 2017. 2016 Annual Report. pp. 62.

¹⁸ Yuba City, 2018. Adopted Annual Operating Budget. Fiscal Year 2018-2019. Available: https://www.yubacity.net/city_hall/departments/finance/budgets___reports/budgets___c_a_f_rs. Accessed September 5, 2019.

¹⁹ Yuba City General Plan, 2004. Chapter 9, Noise and Safety Element. Available: https://www.yubacity.net/UserFiles/Servers/Server_239174/File/Development%20Services/Planning/Plans/General/YC-GPAC-Apr-04-Ch-9-FINAL.pdf. Accessed September 5, 2019.

approximately 608 square miles, including 187 miles of navigable waterways within Sutter County.²⁰

Planned Level of Service and Improvements

Within the Sphere of Influence Expansion area and upon annexation, law enforcement for the Sphere Expansion Area would become the responsibility of the YCPD; the SCSO would remain responsible for providing police protection to areas adjacent to the south and west of the Sphere Expansion Area as well as Jail and Coroner Functions. The SCSO holds mutual aid agreements with the CHP, and local police departments including the YCPD, the MPD, and the YCSO.

The planned level of service for police protection throughout the Sphere Expansion Area will be provided by YCPD, as the responsible agency. As the proposed BSMP would generate a total of approximately 2,500 housing units and approximately 6,700 residents the increase in housing units and population would create an additional demand for police protection services within the Sphere Expansion Area. Based on this projected growth, it is anticipated that the proposed BSMP would require eight new officers, three new vehicles, one new dispatcher, and one community service officer (CSO).²¹

Development with Sphere Expansion Area would be required to pay the appropriate taxes and fees that would contribute to the City's General Fund as determined in a property tax sharing agreement to be approved by both the County and the City. As proposed, the City will require establishment of a community finance district (CFD) and subsequent development impact fees, for the BSMP development in the area that would provide the funding necessary to provide for the additional staff and equipment. Together, these funds would adequately fund the sworn and non-sworn police staffing increases described above.

2.4.6 Fire Protection

Current Level of Service and Infrastructure

Yuba City Fire Department (YCFD) currently provides fire protection and emergency medical services in the City and Sphere Expansion Area, and will continue to serve the Sphere Expansion Area with implementation of the proposed BSMP project. The YCFD has 58 personnel, which includes chief officers, fire officers, firefighters and administrative support staff to support fire suppression as the primary duty. Other key roles include fire prevention and education services, an Advanced Technical Rescue team, a Hazardous Materials (Hazmat) Team, a Tactical Emergency Medical Services Team, a Fire Investigation Team, and a Public Education Team.²²

YCFD operates from five fire stations in the City with Station 3 at 795 Lincoln Road (at the northeast corner of Railroad Avenue and Lincoln Road) serving the Sphere

²⁰ Sutter County Sheriff's Office, 2019. Patrol Section. Available: <https://www.suttersheriff.org/div/patrol/PatrolSection.aspx>. Accessed September 5, 2019.

²¹ City of Yuba City, 2019. Bogue-Stewart Master Plan (BSMP) Draft EIR. Chapter 3.15.2, Water Supply. p. 3.15-

²² Yuba City Fire Department, 2018. About Us. Available:

Expansion Area. The nearest Sutter County Fire Department (SCFD) station is the Oswald-Tudor Fire Station, which serves county service area-F (CSA) (located to the south, west, and north of CSA-G) and could assist the Sphere Expansion Area as well. This station is located at 1280 Barry Road (at the southeast corner of State Route 99 and Barry Road). No new fire stations are proposed or under construction at this time.

YCFD currently serves the Sphere Expansion Area under a contract with SCFD. SCFD operates throughout Sutter County in four CSAs and two fire protection districts. The Sphere Expansion Area (and all of Yuba City) is within CSA-G. To augment services and maintain shorter emergency response times, YCFD maintains reciprocal mutual aid agreements with the Marysville Fire Department and Sutter County Fire Department.

Planned Levels of Service and Improvements

As mentioned above, the YCFD currently provides fire protection and emergency medical services in the City and at the Sphere Expansion Area, and this will continue to occur in the future. Annexation of the proposed Sphere Expansion Area (BSMP) will result in increased employees, residents, and visitors within the Area, and this increased activity would increase demand for fire protection and emergency services. These increased activities and new uses may result in an incremental increase in calls for fire and emergency medical services beyond the amount currently experienced in the Sphere Expansion Area. However, the proposed BSMP has been designed to allow for residential and non-residential growth that would be consistent with the growth anticipated in the Yuba City General Plan. This growth does not exceed the demand of the fire stations already anticipated within the 2025 General Plan.

The Yuba City General Plan states that the internal response time standard has been for the Department to provide service within six minutes of the 911 call being received, 90 percent of the time. The City expects to be able to maintain this standard. The first performance measures stated by the YCFD includes first unit arrival times being within five minutes from Fire Department notification, for pre-hospital emergency medical service calls, 85 percent of the time. The actual performance for this response goal was 74 percent of the time. The second performance measures stated by the YCFD include first unit arrival times being within ten-minute arrival times from Fire Department notification, for structural fire responses, 85 percent of the time. The actual performance for this response goal was 82 percent of the time.

The YCFD station closest to the Sphere Expansion (BSMP) Area is Station 3, which is approximately 1.4 miles to the north. It is anticipated that additional calls would occur at this station as a result of development pursuant to the proposed BSMP and, as such, additional staff and equipment would be needed to work towards maintaining the General Plan response time standard, and Fire Department performance measures. Despite the increased population and development anticipated under the proposed BSMP, the YCFD has indicated that implementation

of the BSMP would not require a new fire station.²³ No new fire stations are proposed or under construction at this time.

2.4.7 Parks

Current Levels of Service and Infrastructure

Currently, Yuba City has 24 City-owned parks and recreational areas, managed by the City's Parks and Recreation Department, (Figure 5). The City currently has four community parks, 17 neighborhood parks, and three passive or mini parks that serve the entire population of the City.

In addition, the City has a full service recreation program including classes and activities for youth sports, classes and activities, senior services, special events, swimming activities and classes, and city day trips, tours and activities.

The Feather River serves as the eastern boundary for Yuba City, with the waterfront area of the Feather River being a major attraction for open space, and having a large amount of undeveloped open space that is located within a floodplain and is visually inaccessible due to the existing levee. The approximately 70-acre Feather River Parkway Park has been in development along the Feather River in the Willow Island area, and includes trails, and picnic benches. Phase one of the project has been completed, with Phase two under development has been recently completed.

Planned Levels of Service and Improvements

The proposed Sphere Expansion Area (BSMP) will facilitate up to approximately 2,500 new housing units and yield approximately 6,700 new residents. Using the parkland demand standard of 5 acres of parkland (plus 1 acre of on-site neighborhood park) per 1,000 residents, the proposed BSMP would generate a demand for a total of 40.97 acres of parklands.

Development within the Sphere Expansion Area is expected to generate additional residents, which would increase the use of existing community parks, neighborhood parks, and regional parks. However, the proposed BSMP identifies approximately 84.56 acres of eligible parks and open space, of which the City has given credit for 20.89 acres of on-site parkland, and the remaining, is open space, including passive recreation areas along Gilsizer Slough. See **Table 8** showing the acreages dedicated for parks, open space and a total of 65.39 acres of park and open space credit granted.

²³ Daley, Pete, Interim Fire Chief, Yuba City Fire Department. Pers Comm with Matthew Pruter 7.21.17

TABLE 8
PARKS AND OPEN SPACE DEDICATION AND CREDITS BY PARK TYPE

Type	Acreage Required	Acreage Provided	City Credited	Standard Met	Shortage/ Surplus
Community Park	10.24	11.2	9.74	N	-
City Park	10.24	0.00	0.00	N	-10.24
Passive/Open	13.66	61.9	44.5	Y	+30.85
Neighborhood Park	6.83	11.3	11.1	Y	+4.55
TOTAL	40.97	84.5	65.3		+24.66

NOTE:

¹ Community Park: 1.70 acres given 100 percent credit, 3.83 acres given 90 percent credit, and 5.74 acres given 80 percent credit Passive/Open Space: 27.09 acres given 100 percent credit; 34.82 acres given 50 percent credit Neighborhood Park: 9.04 acres given 100 percent credit, 2.34 acres given 90 percent credit

Further, the Feather River Parkway Strategic Plan (2002) acts as a comprehensive plan to establish a framework for improvements for lands and uses on the western bank of the Feather River. Proposed uses include a trail system, beaches, river viewing pavilions, boating facilities, and active recreational facilities to address waterfront accessibility, park space creation, and connections between the waterfront and the City.

2.4.8 Solid Waste

Current Levels of Service

Solid waste generated in Yuba City is collected by Recology Yuba-Sutter. Recology offers residential, commercial, industrial, electronic, and hazardous waste collection, processing, recycling and disposal, as well as construction and demolition waste processing, diversion, and transfer to a disposal facility. The City’s municipal solid waste is delivered to the Ostrom Road Landfill; a State-permitted solid waste facility that provides a full range of transfer and diversion services. This landfill has a remaining capacity of 36,631,000 cubic yards (approximately 84 percent remaining capacity reported in 2016).³²²⁴

Planned Levels of Service

The proposed Sphere Expansion Area (BSMP) would result in the generation of a substantial increase in solid wastes as a result of the proposed development of new

²⁴ CalRecycle. 2017. Facility/Site Summary Details: Recology Ostrom Road LF Inc. (58-AA-0011). Available: <http://www.calrecycle.ca.gov/SWFacilities/Directory/58-AA-0011/Detail/>. Accessed August 15, 2017.

residential, commercial, and industrial land uses. With the existing land uses within the Sphere Expansion Area being mostly agricultural and including few rural residences or other urban uses, current solid waste generation from the planning area is minimal. The estimated solid waste disposal demand for the proposed BSMP would be 50-percent of the total solid waste of 5,284 tons. Upon buildout, the proposed BSMP would generate a total of approximately 2,643 tons of solid waste per year with the other half being recycled. The Ostrom Road Landfill has an expected life span to the year 2096.²⁵

Waste generated from developed uses under the proposed BSMP would be removed by the City through contract with private hauler Recology, and either recycled in accordance with City and State programs and requirements, or landfilled at the Ostrom Road Landfill. As noted previously, the facility currently has approximately 37 million cubic yards of available capacity. Solid waste from the proposed BSMP would represent approximately 0.03 percent of total annual solid waste served at the Ostrom Road Landfill.²⁶ Sufficient landfill capacity would be available to serve the proposed BSMP, and would not require new or expanded solid waste management or disposal facilities. There are no plans for expansion of existing solid waste facilities or for any new solid waste facilities to serve the Sphere Expansion Area

2.4.9 Financing Constraints and Opportunities

The purpose of this section is to evaluate the City's fiscal status with regard to its provision of services. The City and project applicants may execute development agreements to implement the development of a proposed project within the Sphere Expansion Area such as the BSMP. Development agreements allow developers to complete long-term development projects as approved, regardless of future intervening changes in local regulations as a way to further address issues of fiscal responsibilities for both parties. The proposed development agreements would include commitments to project entitlements and development standards consistent with the BSMP, as well as other administrative and/or financial aspects of developing the plan area. Initial draft development agreements would be negotiated prior to project approval and included in all other BSMP entitlements presented to the City for approval.

The City's rate structure, funding sources, long-term debts, risk management, and expenditures are addressed in this section to determine the City's fiscal viability and potential impacts that would result from the proposed SOIA. Specific constraints may include the following:

²⁵ CalRecycle. 2017. Facility/Site Summary Details: Recology Ostrom Road LF Inc. (58-AA-0011). Available: <http://www.calrecycle.ca.gov/SWFacilities/Directory/58-AA-0011/Document?SITESCH=58-AA-0011>. Accessed August 15, 2017.

²⁶ One cubic yard is equivalent to approximately one ton of compacted municipal solid waste at a large landfill facility.

- Municipal service providers are limited in their capacity to finance services by the inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of voter approval for parcel taxes and assessments used to finance services. Municipalities must obtain majority voter approval to increase or impose new general taxes and two-thirds voter approval for special taxes. Assessments require preparation of an engineer's report and will fail should a majority landowner value succeed.
- Limitations on property tax rates and increases in taxable property values are financing constraints. Property tax revenues are subject to a formulaic allocation and are vulnerable to State budget needs. Agencies formed since the adoption of Proposition 13 in 1978 often lacks adequate property tax financing.
- Financing opportunities that require voter approval include special taxes such as parcel taxes, increases in general taxes such as utility taxes, sales and use taxes, business license taxes, and transient occupancy taxes. Communities may elect to form business improvement districts to finance supplemental services, or Mello-Roos districts to finance development-related infrastructure extension. Agencies may finance facilities with voter- approved (general obligation) bonded indebtedness.
- Financing opportunities that do not require voter approval include imposition of or increases in fees to more fully recover the costs of providing services, including user fees and development impact fees to recover the actual cost of services provided and infrastructure. Development impact fees and user fees must be based on reasonable costs, and may be imposed and increased without voter approval. Development impact fees may not be used to subsidize operating costs. Agencies may also finance many types of facility improvements through bond instruments that do not require voter approval.
- Water and wastewater rates and rate structures are not subject to regulation by other agencies albeit must comply with the requirements of Proposition 218. Utility providers may increase rates annually, and often do so. Generally, there is generally no voter approval requirement for rate increases, although notification of utility users is required. Water and wastewater providers must maintain an enterprise fund for the respective utility separate from other funds, and may not use revenues to finance unrelated governmental activities or exceed the actual cost of providing the service.

Current Financing

The City's Comprehensive Annual Financial Report, for the year ending on June 30, 2019 (for the 2018-2019 fiscal year), provides an overview of the City's current financial position. Specific financial highlights for the year ending June 30, 2019 are provided below:

- The assets of the City exceeded its liabilities at the close of fiscal year 2018-19 by \$597.8 million. Of this amount, \$11.4 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$23.6 million. This included an increase in governmental net activities of \$19.7 million and an increase in business-

type activities of \$3.9 million. The increase in net position is attributable to many things, but the most significant is an increase of \$21.1 million and \$0.7 million in investment for new assets. These increases were partially offset by increases in liabilities.

- At the close of the 2018-2019 fiscal year, the City's governmental funds reported a combined ending fund balance of \$34.2 million, a decrease of \$2.2 million from the prior fiscal year. The decrease was a combination of an increase of \$0.7 million in the general fund, an increase of \$0.9 million in the Streets and Roads fund, and a decrease of \$4.6 million in the Streets and Roads Capital Improvement Project (CIP) fund (included this fiscal year as a major fund), a decrease of \$4.6 million in the Impact Fees CIP fund, and a decrease of \$0.89 million in other non-major governmental funds.

- The General Fund reported revenues (and other financing sources) in excess of expenditures (and other financing uses) of \$0.7 million.

- The total deferred outflows decreased by \$3.9 million due to a \$3.1 million decrease in governmental activities made up mostly of a decrease in pension outflows (\$4.5 million) offset by an increase in pension contributions outflows (\$1.4 million). Deferred inflows of resources-pensions increased by \$3.3 million, with a \$2.4 million increase in governmental activities and a \$0.9 million increase in business-type activities.

Financing Plans and Revenue Sources

There is an existing Financing Plan for Backbone Infrastructure and Public Facilities required by the City to serve the Sphere Expansion Area (BSMP). The purpose of the Financing Plan is to describe how a variety of major capital improvements needed to serve the BSMP will be funded as the proposed BSMP is developed. Further, the Financing Plan synthesizes the estimated cost and timing of major capital improvements needed to serve new development in the BSMP and documents the funding sources available to fund these improvements. It is designed to provide the City with critical information regarding the cost of needed improvements, the ability to fund these items with existing and/or new sources of funding, and the availability and timing of revenues to fund each improvement.

Title 8, Chapter 10 of the Yuba City Municipal Code identifies development fees required to finance public improvements. These fees are used to fund public services, including police protection, fire protection, and parks and recreational facilities. The City adopted CFD NO. 2017-1, which provides additional funding for services provided to residential units for police protection, fire protection, and parks and recreational facility protection. In addition, maintenance of streets, storm drainage, and flood protection would be provided.²⁷ It should be noted that a separate CFD will be established for the BSMP.²⁸

The major sources of revenue for the City that have been treated as susceptible to accrual includes primarily property taxes, taxpayer-assessed tax revenues (sales taxes, transient occupancy taxes, franchise taxes, etc.), grant revenues and earnings on investments. Taxes account for the City's largest single revenue source. Most of the taxes received are not restricted and are used for general city purposes in the general fund. These taxes include sales tax, property tax, utility user's tax, and business license tax. It is the general operating fund of the City.

Most City services are supported by the General Fund; the General Fund provides support to the Mayor and City Council Office, Support Services, Police, Fire, Transportation, Drainage, Parks and Recreation, Planning, Code Enforcement and General Services for operations and capital improvements.

The Streets and Roads Special Revenue Fund accounts for monies to be used on transportation, road, and street programs. The main sources of revenue of this fund are local transportation funds, gas tax funds, Proposition 42 funds, and road maintenance franchise fees. The Streets and Roads CIP Projects Fund accounts for funds budgeted for capital expenditures, which are funded from gas tax revenue and street and road fund sources, and the Impact Fees CIP Projects Capital Project Fund accounts for budgeted capital expenditures, which are funded from development impact fees.

²⁷ Rodriguez, Arnoldo, Director, Development Services Department. Personal communication to Matthew Pruter and Harriet Ross. July 27, 2017.

²⁸ Rodriguez, Arnoldo, Director, Development Services Department. Personal communication to Matthew Pruter and Harriet Ross. July 27, 2017.

Planned Expenditures, Debts, and Risk Management

Yuba City prepares a budget for each fiscal year and maintains budgetary controls to ensure compliance with legal provisions from the annual appropriated budget. Activities of the general fund and special revenue funds are included in the annual appropriated budget. This budget is approved by the City Council with budget control occurring through the process of not allowing expenditures to legally exceed the amount set appropriated.

The City remains committed to reviewing, planning, and updating its long range fiscal model which looks out five to ten years, with an increased emphasis placed on evaluating shorter term sustainability of the general fund budget. Shorter term projections indicate that the anticipated growth in revenues, particularly in both property and sales taxes will occur. However, expenditures are also expected to grow for employee benefits costs including healthcare and worker's compensation, but especially for retirement costs.

Specifically, for the proposed BSMP, and in most cases, the Project developer will be responsible for financing and construction of improvements, while in other cases a public agency may be responsible for financing and construction of improvements. Financing refers only to the advanced funding needed to pay for the construction of an improvement; in all cases, there is an existing, proposed, and/ or planned fee program or other funding source to ultimately pay for these facilities. The BSMP Project developer is expected to finance/construct all Backbone Improvements within these categories: Roads, Sewer, Water, Drainage, and Neighborhood Parks.

The BSMP Fee is a proposed new fee program, which would fund Project Backbone Infrastructure. The BSMP Fee costs would apply to roadway, sewer, water, drainage, neighborhood parks, and fee formation/updates that would be funded by the project at buildout. Costs were allocated to BSMP developable land uses based on usage, utilizing various allocation factors specific to each infrastructure type, using specific factors.

Future Growth Impacts

The City's General Plan policies require that future growth pay its fair share to upgrade and expand municipal utilities to adequately serve new development, resulting in no negative financial impacts to current residents. Although future growth areas will require municipal services, they will also contribute to the City's revenues, offsetting costs. Based on the City's policies, future growth is not expected to have a significant negative impact on the City's future financial status.

For the proposed BSMP, the total project cost for onsite Backbone Infrastructure and Public Facilities for all phases and through project buildout would be approximately \$26.2 million. However, only \$23.8 million from new fee revenue will be available to fund these items at the end of the phase, since the pace of development in Phase 1 will not occur quickly enough to generate all of the funding needed. The remaining

“oversizing” amount of \$4.7 million must be advance funded by the Phase 1 developer or funded through the use of an approved funding mechanism, to be repaid from fees generated from future development. However, as discussed below, the revenues generated by a CFD are not anticipated to be sufficient to fund this oversizing amount, and a net shortfall will still exist. By the time the Project builds out in its entirety, sufficient fee revenues will have been generated to fund all needed infrastructure improvements.

Rate Restructuring

The purpose of this section is to identify opportunities to positively impact rates without decreasing service levels.

The City has a master fee schedule listing various fees, rates and charges for services. Departmental programs on the schedule include Community Planning, Public Works, Public Safety, Recreation and Cultural programs, Finance and Administrative services and miscellaneous charges. Full cost recovery from user fees is attained unless noted as “no charge” on the fee schedule. The fees that are collected are used to offset any burden on the General Fund.

The City Council has adopted a policy of regular annual rate increases in water and sewer. Annual increases are computed to balance the growth in operational and service costs. The City charges both flat rates and metered rates for water service.

Current Rate

The Finance Department provides utility billing and collections administration for customers using City water and sewer (with the billing for solid waste provided by Recology). This includes billing and payment services, and maintenance of customer accounts, including opening new accounts and closing existing accounts. These rates and fees can be found via the City's Finance Department website (https://www.yubacity.net/city_hall/departments/finance) and at City offices.

Current rates and fees are reviewed and updated regularly to accurately reflect the true costs of providing services. The metered rates vary based on the type of service provided. Development impact fees and connection fees will fund future service upgrades and expansions to serve new developments.

Rate Updates

The City's General Plan policies require that future growth pay its fair share to upgrade and expand municipal utilities to adequately serve new development, resulting in no negative financial impacts to current residents. The BSMP Financing Plan includes the proposed establishment of a new special funding district to be developed and administered as a public funding program for the project's new backbone infrastructure. This would be funded through initial fee rates by land use and total cost burdens that have been calculated in the Financing Plan. In addition, a CFD, or multiple CFDs, may be formed to finance the construction of necessary backbone infrastructure.

3. Municipal Service Review Determinations

The State Law requires the Municipal Service Review Findings. The findings serve the purpose of helping LAFCO to understand the special district or city involved in an annexation, detachment or reorganization proposal. The determinations are not binding proposals for the special district or city. The determinations are subject to change because the jurisdiction involved is constantly changing, improving or growing. The State requires the MSR to be reviewed every five years as part of the SOI update process.

Sutter LAFCO is responsible for determining if an agency is reasonably capable of providing needed resources and basic infrastructure to serve areas within its boundaries and, later, within the Sphere of Influence. LAFCO will do the following:

- 1) Evaluate the present and long-term infrastructure demands and resources available to the District.
- 2) Analyze whether resources and services are, or will be, available at needed levels.
- 3) Determine whether orderly maintenance and expansion of such resources and services are planned to occur in-line with increasing demands.

The Final Municipal Service Review Guidelines prepared by the Governor's Office of Planning and Research recommend issues relevant to the jurisdiction be addressed through written determinations called for in the Cortese-Knox Hertzberg Act. Determinations are provided for each of the five factors, based on the information provided in this Municipal Service Review.

Pursuant to the CKH Act, the Commission must make determinations for each of the seven factors defined below. Determinations are based on analysis of information provided in this report by surveys completed by agency staff, consultants, agency documents, meetings with agency staff, and Internet research.

The City of Yuba City's MSR was last prepared in 2006 in accordance with the applicable statutes of the time. Since 2006 there has not been a project in the City requiring a revision of the MSR LAFCo policy 2.18 requires an update of the applicable MSR when significant changes in the MSR baseline result. The BSMP project includes the need for a Sphere of Influence Expansion requiring a Sphere Amendment to add the BSMP area to the City's Sphere of Influence.

The City will be preparing an updated City General Plan within the next five years. It is anticipated this MSR will be updated and a Sphere of Influence Update will be prepared after adoption of a new City General Plan.

The following provides an overview of the Municipal Service Review Determinations for the seven factors required by Government Code Section 56430 for an MSR.

3.1 Growth and Population Projections of the Affected Area

Purpose: To evaluate service needs based on existing and anticipated growth patterns and population projections.

3.1.1 Growth and Population Projections for the City of Yuba City

The population projection in the City's General Plan estimate that its population could reach 68,150 by the year 2025 or later. As of January 1, 2020 the city has exceeded the 2004 General Plan population estimate. Including the proposed BSMP in the City's Sphere of Influence would result in a significant increase in population in Yuba City. Such infrastructure as roadways and utilities piping would be oversized to accommodate development for the proposed BSMP, as well as any further growth contemplated in the City's water and sewer plans. Although the implementation of the proposed BSMP would result in the development of approximately 2,500 dwelling units and approximately 1.3 million square feet of non-residential space, this growth reflects values consistent with the City of Yuba City General Plan and its water and sewer plans. Annexations will continue to contribute to growth in Yuba City. To ensure new growth pays its own way for the cost of infrastructure and services, the City has adopted a resolution requiring pre-annexation of specific plans with development agreements for developers wanting to annex projects into the City.

3.1.2 MSR Determinations on Growth and Population Projections for the City of Yuba City Area

1.1) The City's population as of 2010 was 64,825 and as of January 1, 2020 was 70,458. According to the State Department of Finance the City's growth has increased by 5,533 persons in the past 10 years or 8.5% over that period. However the city's growth rate was much higher between 2000 and 2010. SACOG's growth projections also stated a higher growth rate.

1.2) The City of Yuba City needs to continue economic development and to ensure balanced job and population growth.

1.3) The City has established requirements for future annexations and developments to ensure that developers pay for growth induced infrastructure costs.

1.4) The City of Yuba has substantial undeveloped land within the current City limits albeit in limited sized parcels as compared to the BSMP planning area and include many vacant and underdeveloped parcels do not have the full range of urban services or are owned by those who do not wish to develop due to the relatively high cost of providing urban services, the lack of adequate roads, and relatively high construction costs. The Sphere Expansion area is intended to be used to meet a significant portion of the growth and development needs of the City.

1.5) The City of Yuba City should continuously work with the County of Sutter to achieve consistent land use and zoning designations and development standards within the City's sphere of influence.

3.2 MSR Determinations regarding the Location and Population Projections of Disadvantaged Unincorporated Communities (DUCs) within or Contiguous to the City of Yuba City

Purpose: To evaluate the presence of Disadvantaged Unincorporated Communities within the City and its Sphere of Influence.

3.2.1 Disadvantaged Unincorporated Community (DUC) Status

In addition to a consideration of population growth, the State Law requires LAFCO to consider whether or not an area is a Disadvantaged Unincorporated Community (DUC). A DUC is an area where the Median Household Income is less than 80% of the State of California Median Household Income, which is \$67,169 in 2017.

Using the latest available data, the 2017 statewide median household income (MHI) was \$67,169; 80 percent of the median is \$53,735. The median household income in Yuba City is \$51,037 signaling Yuba City is a disadvantaged community with a MHI of less than 80 percent statewide MHI of 67,169.²⁹

As described under Section 2.3, Disadvantaged Unincorporated Communities, while Yuba City is considered disadvantaged, there are no specific identified areas where disadvantaged unincorporated communities exist within the Yuba City SOI, and within the Sphere Expansion Area identified at this time since no income survey has been conducted to specifically identify the existence of a disadvantaged unincorporated community.

The purpose of the DUC determination is to learn if there are any small areas, which could benefit from being annexed to the City. In the case of the City of Yuba City this is not an important consideration because fire, water services and wastewater services are supplied outside the City to contiguous unincorporated areas.

3.2.2 MSR Determinations on Disadvantaged Unincorporated Communities near the City of Yuba City

2-1) The City of Yuba City is a disadvantaged Community

2-2) Prior to future annexations the City should provide LAFCo with an analysis of any contiguous Disadvantaged Unincorporated Communities, as defined in the LAFCo Act.

²⁹ U.S. Census Bureau 2019 QuickFacts, California, Population Estimates 2013-2017 American Community Survey in 2017 inflation –adjusted dollars
Yuba City MSR and SOI
Adopted November 12, 2020

3.3 City of Yuba City Infrastructure and Services

3.3.1 Capacity and Infrastructure

This section evaluates the adequacy of the City's major public services and infrastructure and the ability of those public services and infrastructure to be expanded to meet future service demands for this proposed SOIA. Within this section, each service area is evaluated relative to the availability of public services and facilities to meet existing and future service demands. Specifically, for the existing and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, fire, and police protection in any disadvantaged unincorporated community within or contiguous to the SOI.

3.3.2 MSR Determinations on Capacity and Infrastructure for the City of Yuba City

Water

Determinations Water Service

- 3-1) The Water Master Plan provides a guideline for water system improvements.
- 3-2) There is sufficient source water available to serve the expected population growth in the Sphere Expansion Area (BSMP)
- 3-3) Water conservation measures should be continuously maintained and improved.
- 3-4) The City has a permitted capacity of its Water Treatment Plan of 40,000 afy (36 mgd) of surface water during normal water years. The city possesses entitlements of 20,969 afy (18.7 mgd). Total demand is 11.91 mgd based on the 2015 urban Water Management Plan and 13,174 afy in 2018 water deliveries. Adding the Sphere expansion area will result in an additional demand of 1.574 afy at full buildout.
- 3-5) The City's water production capacity is reliant on water from the Feather River that may be subject to reductions due to drought conditions. As the City approaches its permitted water capacity, it will need to obtain an entitlement for more water.
- 3-6) The City provides an adequate level of water utility service, based on the City's compliance with EPA regulations and the State's most recent inspection report as well as the City's Urban Water Management Plan.

Wastewater

The City uses different funding sources to maintain and upgrade the WWTF. The primary sources of funding include user fees and connection fees. The City maintains revenues from these fees in a sewer enterprise fund. Other funding mechanisms

include grants and bonds. Recent improvements to the WWTF were funded through bonds and retained earnings.

The operation of the City's wastewater collection system was analyzed with the estimated flows for the proposed BSMP to determine the effect that these flows would have on the operation of the existing collection system, and to determine if the system improvements that have been proposed are adequate. Ultimately, the SOIA Area would need to connect to the City's existing system.

For the prior MSR the most significant infrastructure need for the City was in addressing wastewater treatment levels, capacity, and necessary permits. However, for this MSR (Introduction section for Infrastructure and Services), the addition of approximately 1 mgd ADWF to the SOIA Area would be below the WWTP permitted treatment capacity of 10.5 mgd maximum flow (dry weather flow).

Determinations for Wastewater Collection and Treatment

3-7) Sewer services are provided by the City of Yuba City. The City of Yuba City operates and maintains 17 sewer lift stations throughout the City with pipe sizes that range in diameter from 6 to 42 inches.

3-8) The sewer system serves approximately 70,000 residents and businesses. The WWTF (Wastewater Treatment Facility) treats an average dry weather flow of approximately 6.5 mgd and a peak-hour flow of approximately 12 mgd.

3-9) The WWTF has a National Pollutant Discharge Elimination System (NPDES) Permit that allows maximum effluent (average dry weather flow) discharge of 10.5 mgd (average dry weather flow meaning "the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month").

3-10) Based on the Technical Report on the Sanitary Sewer for the BSMP (SOI Expansion Area) the total sewer demand rates for all 741.5 acres within the Sphere Expansion Area would be approximately 1,005,500 gallons per day (1.0 mgd), average dry weather flows (ADWF) and 2.28 mgd peak wet weather flow therefore under the maximum permitted capacity of the City's NPDES permit.

Drainage

The City, and Gilsizer District, maintains the capacity to provide adequate storm drainage service to the existing and projected population. As described above in the Introduction section for Infrastructure and Services, and identified in the General Plan EIR, the City understands where storm drainage improvements are necessary to meet the needs of the existing population. New storm drainage demands are driven primarily by new development. The City maintains policies that require new developments to install storm drainage infrastructure where necessary. As a result, the City is able to meet the existing and projected population needs for storm drainage infrastructure.

For the Sphere Expansion Area, applicable areas with an westerly flow drain into the Gilsizer Drainage District. This area will need to be annexed into the Gilsizer Drainage District. Areas in the easterly portion of the Sphere Expansion Area drain into the Feather River.

Determinations for Drainage

3-11) The City's Public Works Department provides for adequate drainage system maintenance.

3-12) The City maintains policies that require new developments to install storm drainage infrastructure where necessary.

3-13) The westerly portion of the Sphere Expansion Area will require a Sphere Amendment and annexation into the Gilsizer Drainage District.

Roadways

The proposed SOIA Area would not cause an inconsistency with the City's planned roadway network, as right-of-way would be dedicated to widen roadways as necessary. However, the proposed BSMP project would expand the City's roadway network, which would require a General Plan Amendment to show modified roadways in the Yuba City General Plan.

Determinations for Streets and Roads

3-14) The City of Yuba City has a sufficient roadway system to serve its residents.

3-15) The City is encouraged to work closely with Caltrans to be sure that the State Routes within the City are properly maintained.

3-16) The City has acceptable Levels of Service (LOS) at this time; however, several necessary improvements were identified and a General Plan amendment will be required to show modified roadways in the Sphere Expansion Area.

3-17) Congestion on the City's arterial and collector street systems, including the downtown area, is expected to become exacerbated as the City grows. New development should be required to complete traffic studies, as appropriate, to address possible declines in Levels of Service.

Police

The YCPD's current staffing ratio and response time standard provided in the City's General Plan are not anticipated to be impacted by additional development or annexation. Existing development fees and taxes are expected to finance the majority of costs associated with new development. New development within Yuba City's SOI would be annexed into the City, and would generate new fiscal revenues through payment into the City's General Fund, and BSMP Fee program in the Sphere Expansion Area, to fund additional police staffing and resources. In addition, the City's General Plan policies require new development to develop or fund police protection facilities, personnel, operations, and maintenance that maintain service level standards.

Determinations for Police Protection

3-18) The Police Department should continue to work with the Sutter County Sheriff Department and the California Highway Patrol to coordinate efforts as much as possible in order to keep costs down.

3-19) The Police Department's current staffing ratio is 1.05 police officers per 1,000 residents. The Yuba City General Plan indicated a desired nationally accepted standard of 1.25 officers per 1,000 residents.

3-20) The Yuba City Police Department provides adequate police protection for the residents and visitors to Yuba City, based on achieving performance standards in the City's General Plan.

3-120) The Yuba City Police Department appears to maintain adequate staffing levels and equipment to provide protection of persons and property in Yuba City.

3-21) Traffic-related law enforcement activity has increased substantially in recent years relative to other police activities and requires an increasing police presence on City streets.

3-22) Development pursuant to the proposed BSMP (in the Sphere Expansion Area) would be required to pay the appropriate taxes and fees that would contribute to the City's General Fund. In addition, as previously noted the City would require establishment of a community finance district (CFD) and subsequent development impact fees, for the BSMP development that would provide the funding necessary to provide for the additional staff and equipment required to serve this area.

Fire

The proposed BSMP has been designed to allow for residential and non-residential growth that would be consistent with the growth anticipated in the Yuba City General Plan. This growth would not exceed the demand of the fire stations already anticipated within the 2025 General Plan. In addition, the response time standard provided in the City's General Plan is not anticipated to be impacted by additional development or annexation. New development within Yuba City's SOI would be annexed into the City, and would generate new fiscal revenues through payment into the City's General Fund, and BSMP Fee program, to fund additional fire protection staffing and resources. The City's General Plan policies require new development to develop or fund fire protection facilities, personnel, operations, and maintenance that maintain service level standards.

Determinations for Fire Protection

3-23) The City provides fire protection and emergency medical services in both the City and the Sphere Expansion Area, which is within CSA "G" with an agreement between Sutter County Fire and the City of Yuba City.

3-24) The Yuba City General Plan states that the internal response time standard has been for the Department to provide service within six minutes of the 911 call being received, 90 percent of the time.

3-25) Additional staff and equipment will be needed to work towards maintaining the General Plan response time standard, and Fire Department performance measures for the Sphere Expansion Area to be paid for by new fiscal revenues.

3-26) A Sphere of Influence amendment and annexation from CSA G to the City of Yuba City will be required for development within the Sphere Expansion Area.

Parks

Development within the SOIA Area would generate additional residents, which would increase the use of existing community parks, neighborhood parks, and regional parks. However, the proposed BSMP identifies approximately 84 acres of eligible parks and open space, of which the City has given credit for 21 acres of on-site parkland, and the remaining, is open space, including passive recreation areas along Gilsizer Slough. A total of 65.39 acres of park and open space credit is granted.

Determinations for Park and Recreation Services

3-27) The City's parkland standard is set at five acres of developed parkland per 1,000 residents.

3-28) Yuba City has 24 City-owned parks and recreational areas, managed by the City's Parks and Recreation Department, (Figure 5). The City currently has four community parks, 17 neighborhood parks, and three passive or mini parks that serve the entire

3-29) Using the parkland demand standard of 5-acres of parkland (plus 1 acre of on-site neighborhood park) per 1,000 residents, the proposed BSMP (Sphere Expansion Area) would generate a demand for a total of 40.97 acres of parklands.

Solid Waste

Waste generated from developed uses under the proposed BSMP would be removed from the site by the City and/or private haulers, and either recycled in accordance with City programs and requirements, or landfilled at the Ostrom Road Landfill, and solid waste customers pay for the cost of providing solid waste services. These facilities together currently have sufficient landfill capacity available to serve the City and the proposed BSMP, and would not require new or expanded solid waste management or disposal facilities.

Determinations for Solid Waste

3-30) The City uses Recology, a private solid waste hauler.

3-31) After recycling efforts, Solid waste generated is landfilled at the Ostrom Road Landfill, which has enough remaining capacity to serve the city until 2096.

3.4 Financial Ability to Provide Services

Purpose: To evaluate factors that affect the financing ability of the City.

3.4.1 Financial Considerations for the City of Yuba City

Financing of City services are supported by a variety of funds, which are affected by economic conditions and strategies at the county, state and federal level. LAFCO should consider the ability of the community to pay for improvements or services associated with annexed sites. This planning can begin at the Municipal Service Review stage by identifying available opportunities to address infrastructure and maintenance needs associated with future annexation and development, and identifying limitations on financing such improvements, as well as the opportunities that exist to construct and maintain those improvements.

The City's Comprehensive Annual Financial Report, last published in December 2019 for the 2018-2019 fiscal year, provides an overview of the City's current financial position. Based on the report, Yuba City has a balanced general fund budget for the fiscal year 2018-19, and the revenues for both property taxes and sales tax are increasing year-over-year. Further, the City has been monitoring and controlling labor costs, and the City's reserves also appear to be adequate to respond to new development and growth. The City's adopted investment policies and debt policies are consistent with state law, and work to maintain its good credit rating. In accordance with state law, the City completes an annual independent audit as part of the Annual Financial Report, and the City's finances were found to be consistent with accepted accounting principles and standards.

3.4.2 MSR Determinations on Financing for the City of Yuba City

- 4-1) The City should review and update development impact fees to ensure that all new development pays its fair share of the cost of development.
- 4-2) The City should continuously maintain its fee structure, developer fees and impact fees to pay for infrastructure and operation necessitated by new development
- 4-3) The City uses community facilities districts, Mello-Roos Bonds and other financial mechanisms as a means to require new development to pay for infrastructure and operational costs.
- 4-4) The City makes available financial information, such as the budget and audits, on its website.

3.5 Status of and Opportunities for Shared Facilities

3.5.1 Cost Avoidance Opportunities including opportunities for Shared Facilities and Rate Restructuring Considerations for the City of Yuba City.

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs and to identify opportunities to positively impact rates without decreasing service levels.

There are no duplicative or overlapping services provided by other agencies. The City employs a budget review process and competitive bidding to avoid unnecessary costs associated with obtaining outside services and capital improvements construction. The City's budget and CIP are reviewed and adopted annually by the City Council as part of the public process. The City also updates its rates annually to ensure it is recovering cost necessary to pay for services. Such cost recovery includes enterprise funds for services, such as water and sewer.

The City has also enacted policy that requires developers to complete pre-annexation specific plans and development agreements to ensure newly annexed development projects pay for infrastructure and services. To minimize costs, where possible the City pursues grant funds for infrastructure and services. The City is continuously working on major restructuring of its departments involved in development services leading increased efficiency and decreased costs.

As described in the BSMP Financing Plan, an outline for funding Project infrastructure, and public facilities is provided in the Sphere Expansion Area (BSMP). This includes specific cost avoidance opportunities for the City with specific arrangements between the Project developer(s) (and/or future property owners) and affected public service providers. In addition, the Financing Plan provides numerous steps identified in mitigation measures and conditions of approval that would need to be taken to formalize these arrangements, and to set the various funding mechanisms in place. A discussion of some of the highest-priority items that should be considered is provided below.

Current Practices

The creation of a new fee program through the formation of a new special financing district, which may include a publicly administered fee program for the BSMP, and would assist in minimizing costs on the City. The proposed new BSMP Fee program would include the backbone infrastructure items described in this report, including backbone Roadways, Sewer, Water, Drainage, and Neighborhood Park improvements. Should this fee program be desired, a formal Fee Nexus Study for such a fee program would need to be prepared and adopted by the City.

Another cost avoidance opportunity could be through the establishment of a new CFD to provide special tax revenue for public services and maintenance and bond financing. Bond financing could provide funding for Backbone Infrastructure and/or Public Facility improvements needed during early phases development, before sufficient fees have been collected or other sources of revenue obtained. The bonds would be repaid through special taxes levied on property within the CFD boundaries.

The parameters of the CFD, including special tax rates, the list of eligible improvements, bond debt authorization, and the amount and type of property included in the district would be established and approved by the City prior to creation of the district.

Updates to the existing Development Impact Fee (DIF) programs could also help minimize costs if the City works in updating its existing DIF program. This might allow for certain facilities serving the BSMP that have regional benefit to also be added to the City's DIF. This would have the effect of reducing the fee burden on the BSMP and could help facilitate the development of future projects.

Finally, fee credits and reimbursements could be updated and applied to developers. Those developers who control significant land holdings in a project (or subsequent developers/builders) may need to advance fund and/or construct some offsite and/or regional Backbone Infrastructure and/or Public Facility improvement projects in the early phases of development. If a developer/builder is required to advance fund or provide shortfall funding for offsite and/or regional projects, the developer/builder will also likely be entitled to future reimbursements from those development areas generating fees for those facilities. Fee credit/reimbursement programs for existing and proposed development fee programs require agreement between the developers, the City, and any other applicable agencies who will administer the fee programs.

Identifying cost avoidance opportunities requires financial reporting and planning, creativity, cooperation and the will to propose and support changes that may be difficult for city officials and residents to accept. Local observers might consider proposals for cost avoidance through cooperation as an abandonment of local control. Rate restructuring may be forced by shortfalls in funding, but the process may also reflect changing goals and views of economic justice and fairness within the community.

The City utilizes a sufficient range of cost avoidance opportunities; including facilities sharing, utilizing technologies to improve workflow, use of volunteers, and cooperative coordination with other service providers. This includes an agreement with Sutter County for animal shelter services. Through its contract with SCFPD, the City has informal agreements with various fire departments. The City also has a mutual aid agreement established with the Sutter County Sheriff's Department. These arrangements shall be articulated in the required Plans For Service, as part of the annexation proposals for the SOIA.

3.5.2 MSR Determinations on Shared Facilities for City of Yuba City

5-1) The City shares facilities to the extent possible for police, fire protection, drainage, and emergency medical services.

5-2) The City requires developers to provide a variety of on-site and off-site improvements including streets, curbs, gutters, sidewalks, street trees, storm drainage, water, sewer, power and communications utilities.

3.6 Government Structure and Accountability

Purpose: To consider the advantages and disadvantages of various government structures and to consider local accountability, governance and management

3.6.1 City of Yuba City Government Structure

The City of Yuba City was incorporated on January 23, 1908. As a legally separate and fiscally independent agency, it can issue debt, set and modify budgets and fees, and sue and be sued.

The City of Yuba City operates under the general law statutes defined under the California Government Codes, which enumerates their powers and specifies their structure. This form of government allows the City to provide the following services: public safety, streets, solid waste/recycling, sanitation, culture, parks and recreation, public improvements, land use planning and zoning, and general administrative services. Services provided by others include: gas, electricity, telecommunications, and other general governmental services contract, such as a portion of street lighting.

Yuba City operates under the Council-Manager form of government, a system that combines the policy leadership of elected officials in the form of a city council, with the managerial expertise of an appointed city manager. This Council-Manager form of government operates with the City Council serving as the legislative body for the City. Council members are directly elected by Yuba City residents for four-year overlapping terms. From among its members, the Council selects the City's Mayor and Vice Mayor every year, whereby the Mayor and two Council Members are elected at one election, and the remaining two Council Members, City Treasurer, and City Clerk are elected in the next election.

The City of Yuba City has a City Council and a City Manager to oversee the various City functions and departments. The City Manager, appointed by the City Council, is responsible for all other personnel appointments within the City. General Municipal elections are held on the first Tuesday of November every two years. The City Council has a broad range of municipal powers including the review and approval of an annual budget, establishing community goals and objectives, approving the City's general plan, reviewing and approving certain development applications, and hearing community problems and concerns. Current City Council members are as follows:

- Shon Harris, Mayor
- Marc Boomgaarden, Vice Mayor

- Dave Shaw, Council Member
- Grace Espindola, Council Member
- Manny Cardoza Council Member
- Diana Langley, Interim City Manager
- Shannon L. Chaffin, City Attorney

Yuba City works to meet its goals for each service provided. The City continually evaluates its organizational structure, position allocations, and classifications with positions rearranged, departments reorganized, which can result in General Fund savings.

Public meetings are held in compliance with Brown Act requirements. Information regarding the City, including meeting agendas and reports, is readily available to members of the public via the City's website (<https://www.yubacity.net/>) and at its offices.

The Council's business meetings are scheduled for the first and third Tuesday of each month in the Council Chambers at City Hall. City Hall is located at 1201 Civic Center Boulevard.

3.6.2 MSR Determinations on Local Accountability and Governance for the City of Yuba City

6-1) Accountability is best ensured when contested elections are held for governing body seats, constituent outreach is conducted to promote accountability and ensure that constituents are informed and not disenfranchised, and public agency operations and management are transparent to the public. The City of Yuba City demonstrated accountability with respect to all of these factors.

6-2) The City appears to provide transparent and accountable services to the public; the City has a website to communicate with tax-payers, residents, and the public, adopts budgets and rate changes at hearings where the public is notified and invited, information is placed in the local newspaper, when required, and meeting agendas and minutes are made available as required.

6-3) There are several areas of mutual interest for the City of Yuba City and Sutter County, where development and planning in these unincorporated areas lie outside the City limits and proposed SOI, yet impact the City and City services, particularly related to fire, safety, traffic, aesthetics, and the environment.

6-4) The City should continue to use the budget and long-range planning processes to ensure that it is able to provide for adequate levels of service in a cost-effective manner within its service area.

6-5) Restructuring governmental services with other agencies is not a feasible option for the City of Yuba City. Continued examination of service delivery and cost, may, from time to time, reveal opportunities for such change.

6-6) Yuba City operates under the Council-Manager form of government, a system that combines the policy leadership of elected officials in the form of a city council, with the managerial expertise of an appointed city manager.

6-7) The City budget is typically an indicator of management efficiency. As considered in this MSR, the City is financially stable and complies with all accounting requirements for a municipality. The mission of each department, the goals for that fiscal year, and the specific accomplishments are included in the City's budget.

4. SPHERE OF INFLUENCE

4.1 INTRODUCTION

4.1.1 Role and Responsibility of LAFCo

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (“CKH Act”) (California Government Code §§56000 et seq.), is LAFCo’s governing law and outlines the requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of “discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances” (§56301).

CKH Act Section 56301 further establishes that

“one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

Based on that legislative charge, LAFCo serves as an arm of the State; preparing and reviewing studies and analyzing independent data to make informed, quasi-legislative decisions that guide the physical and economic development of the state (including agricultural uses) and the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses.

While SOIs are required to be updated every five years, they are not time-bound as planning tools by the statute, but are meant to address the “probable physical boundaries and service area of a local agency” (§56076). SOIs therefore guide both the near-term and long-term physical and economic development of local agencies their broader county area, and MSRs provide the near-term and long- term time-relevant data to inform LAFCo’s SOI determinations.

4.1.2 Purpose of a Sphere Of Influence

In 1972, LAFCos were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by the CKH Act, “‘sphere of influence’ means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission” (§56076). SOIs are designed to both proactively guide and respond to the need for the extension of infrastructure and delivery of municipal services to areas of emerging growth and development. Likewise, they are also designed to discourage urban sprawl and the premature conversion of agricultural and open space resources to urbanized uses.

The role of SOIs in guiding the State’s growth and development was validated and strengthened in 2000 when the Legislature passed Assembly Bill (“AB”) 2838 (Chapter 761, Statutes of 2000), which was the result of two years of labor by the Commission on

Local Governance for the 21st Century, which traveled up and down the State taking testimony from a variety of local government stakeholders and assembled an extensive set of recommendations to the Legislature to strengthen the powers and tools of LAFCos to promote logical and orderly growth and development, and the efficient, cost-effective, and reliable delivery of public services to California’s residents, businesses, landowners, and visitors.

The requirement for LAFCos to conduct MSR’s was established by AB 2838 as an acknowledgment of the importance of SOI’s and recognition that regular periodic updates of SOI’s should be conducted on a five-year basis (§56425(g)) with the benefit of better information and data through MSR’s (§56430(a)). A MSR is conducted prior to, or in conjunction with, the update of a SOI and provides the foundation for updating it.

LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that address the following (§56425(c)):

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

4.1.3 SPHERE OF INFLUENCE POLICIES

3.1 General Policies

- a. LAFCO must adopt a sphere of influence for each city and each district in its jurisdiction, and must review and, if necessary, update each sphere of influence at least every five years. All LAFCO actions must be consistent with a sphere plan. A Sphere of Influence is defined in Section **56076** of the Government Code as “a plan for the probable physical boundary and service area of a local agency or municipality as determined by the commission.”

The establishment of Sphere of Influence Plans is perhaps the most important planning function given to LAFCOs by the state legislature. Spheres of Influence are described by the Cortese Knox Hertzberg Act as an important tool for “planning and shaping

the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities.” Spheres serve a similar function in LAFCO determinations as general plans do for cities and counties. Consistency with the adopted sphere plan is mandatory, and changes to the plan require careful review.

While LAFCO encourages the participation and cooperation of the subject agency, the sphere of influence plan is a LAFCO responsibility, and the Commission is the sole authority as to the sufficiency of the documentation and the plan’s consistency with law and LAFCO policy. Staff of LAFCO will work closely with agencies in developing sphere of influence plans. In determining the sphere of influence of each agency, LAFCO must consider and prepare a written statement of its determinations with respect to the following five factors as stated in Government Code Section 56425 (e):

1. The present and planned land use in the area, including agricultural and open-space lands.
 2. The present and probable need for public facilities and services in the area.
 3. The present capacity of public facilities and adequacy of public services provided by the agency.
 4. Any social or economic communities of interest in the area that the Commission determines is relevant to the agency.
 5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.
- b) In order to prepare and update spheres of influence, LAFCO is required to conduct a review of the municipal services provided in the county, region, sub-region, or other appropriate designated area. The policies, standards and procedures of Sutter LAFCO applying to Municipal Service Reviews are set forth in Section 3.3 below.
- i) Consistency Requirement. Every sphere of influence plan must be consistent with LAFCO’s Policies and Procedures, the state legislature’s policy direction to LAFCO, the sphere plans of all other agencies in the area, the Commission’s statement of written determinations with respect to its review of municipal

services in the applicable area, and with the long range planning goals for the area.

ii) Sphere Boundaries. In establishing the boundaries of a sphere of influence plan for an agency, LAFCO will consider the factors listed in Section 56425 (e) of the Government Code as noted above.

- c) With respect to Factor 3.1(b) above, LAFCO will not include lands that are unlikely to require the services provided by the agency, for example, lands not designated for development by the applicable General Plan, territory where development is constrained by topographical factors, or areas where the projected and historical growth rates do not indicate a need for service within the timeframe of the sphere plan.
- d) With respect to Factor 3.1(c) above, LAFCO will not include areas in an agency's sphere of influence, which cannot feasibly be served by the agency within a time frame consistent with both the sphere plan and applicable General Plan
- e) Time Factor. Sphere of Influence amendments will ordinarily take longer to process than applications for a change of organization or reorganization and will generally require more detailed information.
- f) Updated Plans Encouraged. Agencies are encouraged to keep the supporting documentation for their Sphere of Influence plans up to date so that individual applications for changes of organization or reorganization are not burdened with time delays.
- g) Areas of Concern. LAFCO may, at its discretion, designate a geographic area beyond the Sphere of Influence as an area of Concern to any local agency.
 - i) An Area of Concern is a geographic area beyond the Sphere of Influence in which land use decisions or other governmental actions of one local agency (the "Acting Agency") impact directly or indirectly upon another local agency ("the Concerned Agency"). For example, approval of a housing project developed to urban densities on septic tanks outside the city limits of a city and its sphere of influence may result in the city being forced subsequently to extend sewer services to the area to deal with septic failures and improve city roads that provide access to the development. The city in such situation would be the Concerned Agency with appropriate reason to request special consideration from the Acting Agency in considering projects adjacent to the City.
 - ii) LAFCO will notify any Concerned Agency when LAFCO receives notice of a proposal of another agency in the Area of Concern to the Concerned Agency, and will give great weight to its comments.

iii) If requested, LAFCO will seek to obtain a Joint Powers Agreement or other commitment between the agencies so that the Acting Agency provides advance notice to the Concerned Agency of any actions, or projects being considered within the area of concern, and commits to considering any comments made by the Concerned Agency.

- h) Zero and Minus Spheres. The Commission may adopt a “zero” sphere of influence (encompassing no territory) for an agency when the Commission has determined that the public service functions of the agency are either non-existent, no longer needed, or should be reallocated to some other agency of government. Adoption of a “zero” sphere indicates the agency should ultimately be dissolved. The Commission may initiate dissolution of an agency when it deems such action appropriate. The Commission may adopt a “minus” sphere (excluding territory currently within that agency’s boundaries) when it has determined that territory within the agency’s boundaries is not in need of the agency’s services, or when the agency has no feasible plans to provide efficient and adequate service to the territory in question.

3.2. Contents of the Sphere of Influence Plan

- a) General Requirements. The Sphere of Influence Plans for all governmental agencies within LAFCO’s jurisdiction shall contain the following:

i) A sphere map and plan for annexation of the depicted territory defining the probable boundary of the agency’s service area defining the agency’s logical boundary for lands likely to be annexed prior to the next sphere review or update. The sphere map and annexation plan may include specific conditions for particular areas that must be satisfied before annexations may occur.

ii) Documentation to support the Commission’s determinations regarding the factors stated in §56425(e). Generally this information will be provided in the applicable Municipal Service Review(s), supplemented and updated as necessary to assure the information and analysis satisfy LAFCO policy requirements and are complete, current, and accurate.

- b) Specific Requirements for City Sphere Plans

i) City/County Agreement. When required by Government Code §56425(b), a city and the county shall meet and confer regarding the boundaries of the city’s sphere prior to the Commission’s final determination. If a city and the county have reached agreement regarding the boundaries,

development standards, and zoning requirements within a proposed city sphere, the Commission shall give great weight to the agreement in the Commission's final determination of the city's sphere.

ii) Parcel Inventory Analysis The Commission must be able to make a positive determination that the city's sphere is consistent with its historical and expected growth rates, and that the territory within the sphere is likely to be annexed within the timeframe specified within the applicable jurisdiction's General Plan. The Commission's determination will be based on information provided by the city, including a review of the jurisdiction's most recently adopted and HCD certified housing element and specific information required by LAFCo at the time of the change of organization or Sphere update. If the city is unable to supply such information, or such information not available LAFCO will make a sphere determination after considering the city's historical growth rates for each land use designation, pertinent city land use and zoning regulations, and the physical characteristics of the property intended to be included in the sphere.

iii) Spheres for New Cities. The Commission will adopt a Sphere of Influence Plan for a newly incorporated city within a year of the date of incorporation.

4.1.4 Sphere of Influence Determinations

The SOI determinations analyze the appropriateness of the City's SOI boundaries, based on the capabilities of the service provider and future growth specifically for the SOIA Area (which includes the entirety of the BSMP Area). The SOI contains the probable physical boundaries and probable service area of the City. As part of a sphere of influence review and as outlined in Government Code Section 56425, LAFCO is required to make its determinations based on review of five topics. The SOI plan for the City of Yuba City, as described in Section 1.0, Introduction and in this section, addresses the five topics that, pursuant to California Government Code Section 56425, LAFCO must consider in order to act upon an SOI plan. LAFCO is required to make written determinations with respect to the following five topics as follows:

- a. The present and probable land uses within the area, including agricultural and open space lands;
- b. The present and probable need for public facilities and services in the study area;
- c. The present capacity of public facilities and the adequacy of public services that the agency provides or is authorized to provide; and
- d. The existence of any social or economic communities of interest in the study area.

e. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Sites Included

The areas proposed to be included within the City of Yuba City's SOI, include the following sites:

- The Newkom Ranch property would be Phase 1 of the BSMP. This phase would include development of property that is presently in agricultural use.
- The Kells East Ranch development (Phase 2) would be anticipated to start one year following the initiation of Newkom Ranch construction, and would also include development of property that is presently in agricultural use.
- The Final Phase would involve buildout of remaining SOIA area and would be anticipated to occur in response to market trends and demand, independent of the Newkom Ranch or Kells East Ranch developments.

4.2 Present and Planned Land Uses in the Area Including

Agricultural and Open-space Lands

4.2.1 Background

The Sphere of Influence expansion (BSMP) area encompasses 114 parcels of approximately 741.5 acres immediately to the south of the City of Yuba City, in unincorporated Sutter County. The BSMP area is located adjacent to but outside the incorporated boundaries of the City of Yuba City and its SOI. As such, the BSMP area currently has no land use designations under the Yuba City General Plan. However, the Sutter County General Plan recognizes the BSMP area as comprising a portion of a possible future expanded SOI or annexation area for Yuba City, also acknowledged as the SOIA Area, and designated as low density residential (Estate Residential). The Yuba City General Plan includes policies designed to minimize land use incompatibilities, including incompatibilities between urban and rural uses.

Present land uses within the proposed SOIA Area are primarily in agricultural use, with some rural residential land uses. Also included are a gas station at the southwest corner of SR 99 and Bogue Road and a Pacific Gas and Electric (PG&E) substation located near the corner of Railroad Avenue and Tuscan Road. The majority of agricultural lands located within the SOIA Area contain orchards.

The planned land uses within the proposed SOIA Area would include a mix of residential, commercial, office/business, park and recreational sites, and public facilities on the 741.5-acre site that is currently occupied primarily by agricultural and rural residential uses. The predominant land use within the SOIA Area would be residential. The SOIA Area would also include neighborhood commercial, community commercial, Office/office Park, business/ technology/light industry, parks and open space, school, and public facilities uses. Of the 741.5-acre SOIA Area, a total of 581 acres are classified as Important Farmland. Compared to the County total (281,109 acres), the SOIA Area contains 0.2 percent of the total Important Farmland within the County. Within the SOIA Area, there is a total of 617.4 acres of agricultural land, with 581 acres classified as Important Farmland. Upon approval of an SOIA, the agricultural land would continue to be used for agricultural uses until a development application is approved.

Adherence to existing Yuba City General Plan policies and proposed BSMP Development Standards and Guidelines designed to minimize or eliminate land use conflicts would ensure that proposed development within the SOIA Area would be compatible with internal and adjacent land uses.

Development within the SOIA Area is in line with the goals and policies included within the Yuba City General Plan, which recognizes the importance of cooperating with Sutter County in developing resource-based employment centers to areas outside of the Yuba City SOI, but adjacent to the urban area and along key transportation corridors (i.e., SR 99), as identified in Implementing Policy 3.9-I-9. Furthermore, the

City would support the County's efforts to maintain viable agricultural uses surrounding the City in areas outside the proposed urban growth boundary, in accordance with Implementing Policy 3.4-I-4. In addition, per Implementing Policy 3.4-I-2, the requirements for urban edges would be satisfied, ensuring that the designated intensities and uses provide an appropriate transition to rural land at these edges. These actions would be made possible through a comprehensive master plan that focuses on strategic growth, as required in Implementing Policy 3.4-I-3. Table 9 summarizes the land use acreages to be included within the SOIA Area, in addition to a summary of existing and future uses within the City.

TABLE 9
LAND USE SUMMARY TABLE

Proposed BSMP Land Use Designation Allocation	SOIA Land Area (Acres)	Percent Land	Existing Land Use Designations within	Percent Land City	Future Land Use Designatio ns within City Limits	Percent Land Allocatio
Residential Neighborhoods						
Low density residential	368.9 50		4,157.4	44	4,526.3	44
Low-Medium density residential	62.6	8	434.7	5	497.30	5
Medium/High density residential	32.0	4	403.0	4	435.00	4
Commercial and Employment						
Neighborhood Commercial	7.2	1	45.5	1	52.70	1
Community Commercial	36.7	5	230.4	2	267.10	3
Office & Office Park	8.6	1	280.0	3	288.60	3
Business, Technology & Light Industrial	55.8	8	564.3	6	620.10	6
Public and Quasi-Public						
Parks, Recreation & Open Space	84.2	11	509.9	5	594.10	6
Public Facilities	27.5	4	408.3	4	435.80	4
Roads and Circulation	58	8	1721.8	18	1,779.80	17
TOTAL	741.5	100	9,545.40 ¹	100 ¹	10,286.90 ¹	100 ¹

NOTE:

¹ This total includes the acreages and percentages for: agricultural/rural land, manufacturing, processing, and warehousing; and regional commercial land uses. These uses are not shown in the table for the purposes of clarity, in order to show what is

proposed in comparison to what is existing. As these uses are not proposed, they are not shown for comparison in the table here.

SOURCE: ESA, 2019. BSMP Table 3-1 and GIS calculations based on City Land Use.

4.2.2 SOI Determinations for the Present and Planned Land Use

- 2-1) It is recommended that significant development take place within the City of Yuba City where urban service levels, including sewer and water service, can be provided as well as other services.
- 2-2) The proposed SOI shown includes lands in the BSMP and land currently in the City's SOI.
- 2-3) The City of Yuba City is the lead agency in the preparation of all environmental documents relating to changes of organization (annexations) for the BSMP Sphere Expansion Area.
- 2-4) The Yuba City General Plan provides for the preservation and enhancement of existing neighborhoods. It also provides for development of new residential areas through the use of the Specific Plans that reflect the best qualities of Yuba City's existing neighborhoods, with a mix of housing types and sizes, integrated with community facilities including parks, schools, child care facilities and other institutional uses.
- 2-5) The City's population as of 2010 was 64,825 and as of January 1, 2020 was 70,458. According to the State Department of Finance the City's growth has increased by 5,533 persons in the past 10 years or 8.5% over that period. However the city's growth rate was much higher between 2000 and 2010. SACOG's growth projections also stated a higher growth rate for the City.

4.3 Present and Probable Need for Public Facilities and Services in the City of Yuba City

4.3.1 Water

There is currently available supply capacity to meet peak summer demands and future development envisioned under the 2025 General Plan, which includes the City's SOI. The City would not require additional sources of water over the next 10 to 20 years in order to meet increased demands. The City will continue to pursue associated infrastructure improvements and agreements to allow for the addition of treated surface water to its water system. As development occurs in the City's SOI and proposed SOI areas, those areas would be annexed into Yuba City. The City would provide water service to those new developments. The City requires that all future development to fund and install the necessary infrastructure and improvements.

4.3.2 Wastewater Collection and Treatment

New development within the SOI and proposed SOIA Area would be annexed to the City and the City would provide wastewater services. The City requires that all future development to fund and install the necessary infrastructure and improvements.

The City's current WWTF has a treatment capacity of 10.5 mgd, and provides up to 4 mgd ADWF current excess capacity. There would be adequate capacity to serve the proposed Sphere Expansion Area (BSMP) demand for wastewater treatment in addition to existing flow.

4.3.3 Storm Drainage

Individual components of the City's storm drainage system vary with each development project, as storm water is handled on an area-by-area basis. The current storm water facilities have been designed to adequately handle most storm events. All future development is required to fund and install the necessary storm drainage infrastructure, designed to City standards, in the City's SOI and proposed SOI.

4.3.4 Police Protection

The Police Department's current staffing ratio is 1.05 police officers per 1,000 residents. The Yuba City General Plan, conducted by the City, indicated a desired nationally accepted standard of 1.25 officers per 1,000 residents.

Existing development fees and taxes are expected to finance the majority of costs associated with new development. In addition, the City's BSMP Fee is designed to ensure that future project applicants would contribute a fair share fee for any required law enforcement infrastructure improvement, and the General Use CFD would also provide funding.

4.3.5 Fire Protection

The City's Fire Department is currently staffed at a level of 0.80 firefighters per 1,000 residents. The City has not expressed a specific ratio for its fire protection staffing.

Increased development in Yuba City would heighten the demand for fire protection services. The City's General Plan policies require new development to develop or fund fire protection facilities, personnel, and operations and maintenance that, at a minimum, would maintain the desired service level standards. In addition, the City's BSMP Fee is designed to ensure that future project applicants would contribute a fair share fee for any required fire protection infrastructure improvement, and the General Use CFD would also provide funding.

4.3.6 SOI Determinations—Facilities and Services Present and Probable Need

Police Protection

4-1] The City will continue to need police protection and the police department can be increased to serve additional area as needed.

Fire Protection

4-2] The City Fire Department provides the fire protection and EMS services so any land within the SOI would continue to be served upon annexation.

Water Service

4-3] Water service can be provided to the sphere of influence expansion area, but water supply is subject to drought limitations. Water service will increasingly depend on water conservation.

Wastewater Collection and Treatment

4-4] It would be beneficial for the Sphere Expansion Area currently outside of the City Limits be served with City Sewer.

Solid Waste Collection and Disposal

4-5] Solid waste collection and disposal service will be expanded to serve the area within the proposed SOI amendment area.

4-6] Street services will be expanded to serve the area within the proposed SOI area.

Drainage

4-7] On-site drainage will be developed as the areas within the SOI are developed.

Park and Recreation Services

4-8] Park and recreation services can be provided to an expanded area.

4.4 The Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or Is Authorized to Provide

4.4.1 Capacity Background

Present needs for public municipal facilities and services within the City of Yuba City are currently being met. The MSR provides a detailed discussion of the services provided by the City and their present capacities.

The City will define future capacities necessary to accommodate urbanization and build out of the City's SOI when specific developments are proposed. As noted above, for the proposed SOIA Area, the MSR and BSMP document the requirements for municipal services and the way in which these services will be provided, and ensures that adequate services in all categories will be provided with development. The Existence of any Social or Economic Communities of Interest in the Area if the Commission Determines that They Are Relevant to the Agency

There are no social or economic communities of interest in the proposed SOIA Area. Nearby communities of interest include the City of Marysville and the unincorporated community of South Yuba City.

For an Update of a Sphere of Influence of a City or Special District that Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, that Occurs Pursuant to Section 56425 (g) on or after July, 1, 2012, The Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence

The City of Yuba City's SOI includes unincorporated areas adjacent to the northern, southern and western sides of the city limits. Generally, these areas are characterized as large parcel, agricultural/rural residential uses. These properties are anticipated to remain in unincorporated Sutter County until urban levels of development are pursued (if ever), at which point they would be annexed into the City of Yuba City. Under Government Code Section 56033.5, "disadvantaged unincorporated community" is defined as an inhabited community with an annual median household income that is less than 80 percent of the statewide annual median household income. Upon review of available Census data and the identified communities, no disadvantaged unincorporated communities were identified within or contiguous to the City's SOI.

4.4.2 SOI Determinations--Public Facilities Present and Future Capacity for the City of Yuba City

- 4-1] Implementation of the City's General Plan, as amended by the BSMP will result in the expansion and improvement of public facilities and services, including police, fire, water, wastewater collection and treatment, streets, drainage, waste collection and disposal and parks.
- 4-2] The City is continuously upgrading many of its public facilities including roads, wastewater treatment and collection, the water delivery system and other services. With adequate revenues for expansion a full complement of City services will be provided to accommodate growth in the Sphere Expansion Area.
- 4-3] The Master Service Plans provide the blueprint for upgrading many of these facilities. Funding is set aside each year during the budget process to further these projects. State and Federal grants, developer's fees and property and sales taxes are used to fund these projects. The source of funding for street improvements is the gas tax and developer infrastructure and development fees.
- 4-4] Taking into consideration the City's revenue and operating constraints, and the fact that upgrades and improvements are ongoing, the condition of the public facilities is defensible and adequate.
- 4-5] Additional infrastructure and resources to accommodate future development will include expanded drainage, water and wastewater facilities, increased personnel, equipment and facilities for fire and police protection, and increased road capacity.

4.5 Social or Economic Communities of Interest for the City of Yuba City

4.5.1 Community Background

The City of Yuba City Community Background is described in the MSR. The City is the County Seat for Sutter County and has a substantial share of the jobs and economic activity in Sutter County.

4.5.2 *SOI Determinations – Social or Economic Communities of Interest*

- 5-1] The City of Yuba City is clearly both a social and economic community and new development within the area should occur within the City limits and be served by City services.
- 5-2] Areas of concern for future utility and public service expansion of City services should be reflected in the next update of the City and County General Plan updates by mutual agreement between the City of Yuba City and the County of Sutter.

4.6 Disadvantaged Unincorporated Communities

4.6.1 Community Background

For an update of a sphere of influence of a city or special district which provides public facilities or services related to sewers, municipal or industrial water, or structural fire protection the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. Territory surrounding the City of Yuba City shares the same Fire EMS services as with the City. The City provides Sewer and Domestic Water services.

4.6.2 *SOI Determinations – Disadvantaged Unincorporated Communities*

- 6-1] The City of Yuba City has the ability to serve new development with Domestic Water, Fire Protection and Sewer services within its Sphere of Influence area including the BSMP Sphere Expansion Area.
- 6-2] Based on the most recent available data, the 2017 statewide median household income (MHI) was \$67,169; 80 percent of the state median is \$53,735. The median household income in Yuba City is \$51,037 signaling Yuba City is a disadvantaged community with a MHI of less than 80 percent of the statewide MHI of 67,169
- 6-3] Future Annexations to the City of Yuba City must include an analysis of Disadvantaged Unincorporated Communities per the requirements of LAFCo's Policies, Standards and Procedures. Including the preparation of income surveys, as needed.

5.0 City of Yuba City Sphere of Influence Map

