

SHASTA LAFCO

Report to the Shasta Local Agency Formation Commission

From: Jan Lopez, Executive Officer

Meeting Date: April 2, 2015
Agenda Item #: 8. b. Scheduled Public Hearing
Subject: Executive Officer's Report
#2014-02 – Highmark Annexation/Burney Water District
100% Consent Petition of Landowner

Background:

Owners of 365-plus acres due east of the community of Burney, south of State Route 299E and adjacent to Mountain View Drive, submitted an application by petition to Shasta LAFCO for annexation into the Burney Water District on July 15, 2014. Engineer and representative for this project is Whitson Engineering of Redding, California. John P. Ochipinti, a member of Highmark Land Co. LLC of Yuba City, California, submitted a 100% landowner consent petition to initiate proceedings before LAFCO for this project.

In April 2014 Shasta LAFCO received a request for comments from the Shasta County Department of Resource Management, Planning Division regarding a proposed Parcel Map 14-005 for this territory which would result in the division of a 378.8 acre parcel into two parcels: Parcel 1 - 1.43 acres; Parcel 2 – 2.23 acres; and with a remainder parcel of 375.18 acres. Shasta LAFCO responded to the request, stating the project was located within the last adopted sphere of influence boundary for the Burney Water District, and therefore any to the parcels development should ultimate be served by the District. The territory was already found to be within the Burney Fire Protection District boundary. This annexation application comes to LAFCO in response to those comments, which were incorporated as conditions to the parcel map.

Shasta LAFCO was requested to act as Lead Agency for the CEQA review of this annexation proposal. (A separate CEQA review is being conducted by Shasta County Planning for the parcel map.) The Executive Officer conducted an initial study and concluded that a negative declaration would be proposed for this annexation, which was then circulated to County departments, affected agencies, and interested parties for comments on September 16, 2014.

A request was sent to the California Department of Fish and Wildlife (CDFW) for a CEQA Filing Fee No Effect Determination (NED), which averages \$2,200 per application. We included copies of the Field Delineation documents, an archaeological report, and the Biological Resource Assessment prepared for this territory. On October 8, 2014, CDFW program supervisor approved the request for the NED exemption.

The Shasta County Auditor notified affected agencies of initiation of the Property Tax Exchange (PTE) process, and the Shasta County CAO office conducted those negotiations with the special districts

After receipt of additional required data from the applicants and conclusion of the PTE negotiations between the affected agencies, a Certificate of Filing pursuant to Government Code 56020.6 was issued by the Executive Officer on March 6, 2015, setting a public hearing for the proposal at the next regular Commission meeting of April 2, 2015, to be held at the Anderson City Council Chambers, 1877 Howard Street, Anderson, California.

Discussion:

The purpose of this annexation is to obtain water services to the property. Because the Shasta CSD also provides fire protection services, approval of this territory involves concurrent detachment from CSA #1 – Shasta County Fire Department.

The territory is currently uninhabited and undeveloped. The site is adjacent to the Shasta CSD boundary where District services are currently provided. The community of Shasta is expected to have a slow rate of growth. The District has determined it has the facilities and capability to provide its services to this territory. This proposal is a positive move for the local community.

The sphere of influence boundary for the Burney Water District was updated in 2014. This 364+ acre territory is within the sphere of influence of Burney WD, and does not require a sphere amendment. The assessed value for this area is estimated at \$1,275,000, and the total estimated property tax revenue generated within the area based on 2014/2015 calculations is \$13,100.89 and represents secured, unsecured, and homeowner's taxes.

The Shasta County General Plan designates the area as Commercial (5 acres) and Suburban Residential (359.49 acres), with the zoning designations as C2-DR and Timberland, respectively. Pre-zoning is not required. When an associated parcel map is completed, the anticipated land use changes proposed for future development will conform to Shasta County land use and zoning regulations.

The following conditions are requested to be attached to approval of this Annexation:

1. The territory is within the Burney Fire Protection District Boundary and the District already provides services to the undeveloped area. Any future improvements on the land will be required to meet the current California Fire Code and applicable ordinances, and standards which have been adopted by the BFPD Board of Directors. The Fire Chief or his/her designee reserves the right to attach "conditions" where deemed necessary. Land improvements will be subject to any applicable fees (i.e., impact, Mello-Roos, Plan Review, etc.) as required by the BFPD.
2. Property Tax Exchange Resolution Conditions from Shasta County Resolution No. 2015-008: 100% of base year property tax and increment is allocated to Shasta County and to Shasta CSD 0% of said base or increment. The Burney Water District is an enterprise agency and does not receive tax monies.

Conclusions:

- The Highmark annexation has the consent of all affected landowners and the Burney Water District.
- The territory is considered uninhabited and has no registered voters.
- Property Tax Exchange negotiations were successfully concluded on behalf of all affected agencies.
- LAFCO did not receive any comments detailing a significant adverse impact on the environment that would require additional mitigation measures.
- All appropriate agencies, interested parties, and adjacent landowners were sent notification of the hearing for this proposal.
- The Department of Fish and Wildlife issued approval of a CEQA Filing Fee No Effect Determination (NED) waiving the need for this fee.
- The Burney Water District has sufficient water allocated for the project and is capable and willing to serve the territory being annexed. Said territory will be subject to the District's Drought Contingency Plan and other adopted plans and/or ordinances.
- The project is consistent with the sphere of influence boundaries for the Burney Water District, and is consistent with Shasta County General Plan and Zoning designations proposed for this territory.
- The factors of Government Code Sections 56375 and 56668 have been considered and the proposal is found to comply with those provisions.

Recommendations:

The Executive Officer respectfully recommends, based upon analysis and evidence submitted into the record for this proposal, that the Commission,

1. Approve a Negative Declaration prepared for this proposal;
2. Approve the proposed boundary changes as presented;
3. Waive a Conducting Authority protest hearing because 100% landowner consent makes a protest hearing unnecessary; and
4. Instruct the Executive Officer to proceed with finalization of this proposal, including but not limited to:
 - a. Recording a Certificate of Completion with the Shasta County Clerk, and
 - b. Submitting recorded documents along with the appropriate fees to the State Board of Equalization.

Exhibits:

- A. Map of affected territory
- B. Legal Description of affected territory
- C. Sphere of Influence maps for Shasta CSD and Centerville CSD
- D. Property Tax Exchange Resolutions from all affected agencies
- E. Department of Fish & Wildlife No Effect Determination
- F. CEQA Determination to use a Negative Declaration