

COLUSA LOCAL AGENCY FORMATION COMMISSION

MEETING DATE: April 1, 2021 3:00 PM

TO: Colusa Local Agency Formation Commission
FROM: John Benoit, Executive Officer
SUBJECT: LAFCO 2019-0001 – Colusa Industrial Park (CIP) Annexation including 611 acres more or less to the City of Colusa

Attachments:

1. LAFCo Resolution 2021-0004 approving the CIP Annexation to the City of Colusa consisting of 611 acres more or less
2. City of Colusa CEQA documents used to support the CIP annexation located on LAFCo Webpage www.colusalafco.org
3. City of Colusa Resolution 20-49 Initiating the CIP annexation and Resolution 20-48 City Sphere of Influence Amendment located on LAFCo Webpage www.colusalafco.org
4. Ordinance #533 Rezoning ordinance the CIP Annexation area Located on LAFCo webpage at www.colusalafco.org
5. Plan for Services and Justification Located on LAFCo Webpage www.colusa.lafco.org
6. City Resolution 20-48 amending its General Plan for the CIP annexation located on LAFCo webpage at www.colusalafco.org
7. Comment letter received from the Planning and Building and Public Works Departments
8. Parcels to be deleted from the annexation

EXECUTIVE OFFICER'S RECOMMENDATION:

The City of Colusa is requesting a reorganization known as the Colusa Industrial Park Reorganization consisting of 611 acres of property more or less consisting of an annexation to the City of Colusa. No detachment from the Sacramento River Fire Protection District is included in this application as has been the case with all other annexations approved by Colusa LAFCo. This request from the City of Colusa is to annex into the City 611 acres of land more or less consisting of 48 assessor's parcels 017-030-050, -054, -055, -078, -082 thru -084, -094 thru -096, and -099; 017-130-005 thru -009, -011, -012, -025, -028, -029, -031, -035, -038, -040, -043, -056, -057, -075, -077, -084, -085, -094, -095, -099, -100, -101, & -102; 017-140-001 thru -011 together with adjacent public rights of way.

This recommendation includes the following deletion and addition:

Deletion of Parcel #'s 017-020-009,010 & 027; 017-070-027& 032; 017-030-097 & Parcel 13 of APN 017-030-099 need to be removed from the annexation and the annexation shall continue to include the entire Enterprise Blvd in the annexation shown herein as attachment #8

Addition of the entire Westcott Road to the annexation as requested by County Planning and Public Works for the reasons stated in their letter dated January 14, 2021 shown herein as attachment #7

It is recommended that the Commission deliberate on these items, review the policy analysis included in this report as well as the Sphere of Influence update report, and consider adoption of the attached resolution approving the proposed reorganization of the CIP territory into the City of Colusa, subject to the recommended terms and conditions stated in the attached resolution (See Attachment #1 including a map and geographic description, CEQA findings and the City-County Property Tax Exchange Resolutions as exhibits.

Government Code Section 56666 states a hearing may be continued from time to time but not to exceed 70 days from the date specified in the original notice.

LAFCo's Role:

The Cortese-Knox-Hertzberg Act directs LAFCos to achieve two main purposes:

1. Discourage sprawl.
2. Encourage orderly government.

LAFCo's regulate by reviewing and acting on proposals to change boundaries.

State law forbids LAFCos from making *direct land use decisions*. See Government Code Section 56886. LAFCo's cannot regulate the use of land, property development, or subdivisions design. For instance, Colusa LAFCo cannot force the Colusa County Board of Supervisors to zone land in unincorporated areas for agricultural use nor can the LAFCo overturn a subdivision decision made by the City of Colusa city council. LAFCos may control the timing and location of land use because LAFCo controls the boundaries of those local governments that make land use decisions and provide services for development.

1. INTRODUCTION:

LAFCo File # 2014-0001 Colusa Industrial Properties: The City of Colusa is requesting an Annexation consisting of 611 acres of property more or less to the City of Colusa and no concurrent detachment from the Sacramento River Fire Protection District is proposed. This request from the City of Colusa is to annex into the City 611 acres of land more or less consisting of 48 assessor's parcels 017-030-050, -054, -055, -078, -082 thru -084, -094 thru -096, and -099; 017-130-005 thru -009, -011, -012, -025, -028, -029, -031, -035, -038, -040, -043, -056, -057, -075,-077, -084, -085, -094, -095,-099, -100, -101, & -102 ; 017-140-001 thru -011 together with adjacent public rights of way.

The City of Colusa approved Resolution 7-29 certifying the Environmental Impact Report with a statement of overriding considerations and mitigation monitoring program for the MEIR prepared for the City's General Plan including the CIP Project and approving Resolution 7-29 certifying the MEIR and City of Colusa Resolution 20-49 Initiating the CIP annexation and Resolution 20-48 City Sphere of Influence Amendment (See Attachments #2 and #3).

Colusa County certified its General Plan EIR in July 2012 and adopted findings of fact and a statement of overriding considerations. Since the General Plan was self-mitigating to the extent feasible, no feasible mitigation measures were determined available. The Statement of Overriding Considerations included Conversion of Farmland, Stationary source emissions, airport related issues, visual character, Flooding, Noise, Transportation, Demand for Water Supply, Wastewater Treatment, Agriculture, Air Quality, Biological Resources, Noise Sensitive land uses, cumulative impacts on the transportation network, Utilities, and irreversible significant and unavoidable effects.

Furthermore, the Board of Supervisors approved Resolution 08-014 certifying an Environmental Impact Report for the Colusa Industrial Properties on March 18, 2008 and adopted a Mitigation Monitoring and Reporting program and Statement of Overriding Considerations including 151 acres part of which is included in this annexation.

The following issues have been identified in staff's review of LAFCo's adopted policies:

The Sacramento River Fire Protection District and the City have entered into an Auto Aid Agreement to ensure EMS and Fire Protection in the annexation area.

Timely annexation. Due to the recession and pandemic, there has been substantially reduced development throughout the County for the past 10 years. The City of Colusa currently does not have a large area within its city limits for the development of industrial and heavy commercial development. Vacant and in the City largely consists of smaller parcels not suitable for larger industrial or commercial development. It should be noted the planning process in California is lengthy, expensive and unpredictable. Should the Commission not approve the annexation at this time, the City would need to re-evaluate its services plans, economic development strategy and future plans and possibly begin a second planning process in the future. It should be noted this project before LAFCo was in part contemplated prior to the recession and pandemic and the City of Colusa has the ability to provide a full compliment of services as Industrial or Commercial lands are developed.

Agricultural Lands. It is anticipated agricultural lands will be converted (albeit, a significant portion of the area is already developed or compromised from nearby development as well as previously planned for industrial development) as a result of proposed development around the City of Colusa and throughout the County. The CKH Act recognizes agricultural lands will be converted to non-agricultural uses. Under the County General Plan, this property is designated as Industrial (including the CIP area and expansion area) and urban residential in the northern most portion of the annexation area.

General Agriculture is in the area, which includes the City of Colusa's Wastewater Treatment Plant expansion area and Public/Semi Public services (including the City of Colusa Wastewater Treatment Plant itself. This area is designated as "prime agricultural land" under the Farmland Mapping and Monitoring Program (FMMP) of the California Dept. of Conservation as well as meeting the LAFCO definition of prime agricultural lands. Among LAFCo's core purposes is preservation of open space and prime agricultural lands.

It is true that the imposition of a conservation easement on other agricultural lands does not reduce the direct impact of conversion since the land converted is permanently removed from agricultural production. What it does is to provide some protection for other agricultural lands that might otherwise face increased pressure for conversion as a result of each incremental project converting agricultural lands. This is not necessary in the case of this annexation.

EMS and Fire Protection: Each annexation to the city in the past has resulted in a detachment from the Sacramento River Fire Protection District. As a result, the district incrementally loses revenue and residents of the district experience a small decline in services. Both the City and the Fire District have adopted an agreement for fire and EMS.

Property Tax Exchange Agreement: A Joint Resolution of Tax Exchange was approved by the Board of Supervisors on August 18th 2020, County of Colusa Resolution 20-031) and by the City of Colusa on June 6, 2000, City of Colusa Resolution 20-35 on the same date. This joint resolution also rescinded a previous City (00-16) and County (00-42) joint resolution. This Resolution calls for the redistribution of tax revenues to the City from the County since the City will be providing services. Other taxing agencies will not be affected. The Property Tax Sharing agreement is included as Exhibit C for LAFCo's adopting Resolution 2021-0004 (shown as Attachment #1).

2. PROPOSAL:

LAFCO File No. 2019-0001 – CIP (City of Colusa Resolution 20-49 Initiating the CIP annexation and Resolution 20-48 City Sphere of Influence Amendment)

3. ACREAGE AND LOCATION:

CIP consists of 611 acres located south of the City of Colusa west of Highway 20 and south of the existing city limits.

4. PURPOSE:

The purpose of this annexation is to enable urbanized development within the subject property, in accordance with the City of Colusa General Plan and to more effectively serve the subject property (see Attachment #5 Plan for Services and Justification statement).

5. PRELIMINARY PROCEEDINGS INITIATED BY:

City of Colusa Resolution No. 20-49 adopted November 4, 2020 (See Attachment #3).

6. ACCEPTED FOR FILING: March 4, 2021 and the LAFCo hearing set for April 1, 2021.

7. PUBLICATION AND POSTING: March 4, 2021

8. COMPLIANCE WITH CEQA:

LEAD AGENCY:

City of Colusa

ENVIRONMENTAL FINDING:

Environmental Impact Report for CIP, the City General Plan and the County General Plan

DATE OF FINDING: Notice of Determination filed November 9, 2020

The environmental documents are posted on LAFCo's Website www.colusalafco.org and hereby incorporated into this report. An analysis was prepared by the city regarding the use of previous environmental documents to support this annexation (and Sphere of Influence update) as follows:

City-CIP Annexation CEQA Staff Report

Project Description

The City-CIP Annexation Project is the annexation of 684 acres of land on the south boundary of the City of Colusa. The Project makes no substantive changes to land uses or zoning. The Project does not directly approve any further land development projects, structures, or infrastructure construction, so there are no new project specific impacts. The Project changes the jurisdiction of the land proposed to be annexed from the County of Colusa to the City of Colusa.

Prior Environmental Analysis

The Project area has been subject to three prior environmental impact reports (EIR's). The northern area of the annexation area included in the City's current Sphere of Influence was analyzed for environmental impacts in the 2007 City of Colusa General Plan Update EIR. This area was also subject to more detailed analysis in the General Plan Amendment and Zoning Amendment for Colusa Industrial Properties Final Environmental Impact Report SCH No. 2006052113 approved and certified by the County of Colusa in 2008. The balance of the annexation area was subject to environmental review in the County of Colusa 2030 General Plan Update Environmental Impact Report certified by Colusa County in 2012.

Project Environmental Analysis

Staff reviewed the proposed City-CIP Annexation project potential environmental impacts against the three prior EIR's done for the Project area. This review was consistent with the mandates of CEQA Guidelines Sections 15152, 15162 and 15183, which are sections dealing with streamlining environmental review. The streamlining of environmental review is exemplified by the concept of tiering set forth in Guidelines Section 15152.

15152. TIERING

(a) "Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later project.

Based on the concept of tiering, the environmental review for this Project was focused on substantial changes in the Project, circumstances or setting, any change in the severity of impacts previously analyzed, any environmental impacts not previously analyzed, any new material information regarding the project's impacts, and the ability to impose all prior mitigation measures identified in the prior EIR's which included the Project site. This comparison was done by analysis of the project General Plan Land Use designations, Zoning designations, and all

other sections of environmental impact analysis set forth in the three applicable EIR's relevant to the Project site.

Following the concept of Tiering, Section 15162, Subsequent EIRs and Negative Declarations, subsection (a) states:

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Section 15183. Projects Consistent with A Community Plan or Zoning provides a similar limitation on further environmental review.

(a) CEQA mandates that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site. This streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.

(b) In approving a project meeting the requirements of this section, a public agency shall limit its examination of environmental effects to those, which the agency determines, in an initial study or other analysis:

(1) Are peculiar to the project or the parcel on which the project would be located,

(2) Were not analyzed as significant effects in a prior EIR on the zoning action, general plan, or community plan, with which the project is consistent,

- (3) Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action, or
- (4) Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.

(c) If an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.

(d) This section shall apply only to projects, which meet the following conditions:

(1) The project is consistent with:

- (A) A community plan adopted as part of a general plan,
- (B) A zoning action which zoned or designated the parcel on which the project would be located to accommodate a particular density of development, or

(C) A general plan of a local agency, and

(2) An EIR was certified by the lead agency for the zoning action, the community plan, or the general plan.

(e) This section shall limit the analysis of only those significant environmental effects for which:

(1) Each public agency with authority to mitigate any of the significant effects on the environment identified in the EIR on the planning or zoning action undertakes or requires others to undertake mitigation measures specified in the EIR which the lead agency found to be feasible, and

(2) The lead agency makes a finding at a public hearing as to whether the feasible mitigation measures will be undertaken.

(f) An effect of a project on the environment shall not be considered peculiar to the project or the parcel for the purposes of this section if uniformly applied development policies or standards have been previously adopted by the city or county with a finding that the development policies or standards will substantially mitigate that environmental effect when applied to future projects, unless substantial new information shows that the policies or standards will not substantially mitigate the environmental effect. The finding shall be based on substantial evidence, which need not include an EIR. Such development policies or standards need not apply throughout the entire city or county, but can apply only within the zoning district in which the project is located, or within the area subject to the community plan on which the lead agency is relying. Moreover, such policies or standards need not be part of the general plan or any community plan, but can be found within another pertinent planning document such as a zoning ordinance. Where a city or county, in previously adopting uniformly applied development policies or standards for imposition on future projects, failed to make a finding as to whether such policies or standards would substantially mitigate the effects of future projects, the decision-making body of the city or county, prior to approving such a future project

pursuant to this section, may hold a public hearing for the purpose of considering whether, as applied to the project, such standards or policies would substantially mitigate the effects of the project. Such a public hearing need only be held if the city or county decides to apply the standards or policies as permitted in this section.

(g) Examples of uniformly applied development policies or standards include, but are not limited to:

- (1) Parking ordinances.
- (2) Public access requirements.
- (3) Grading ordinances.
- (4) Hillside development ordinances.
- (5) Flood plain ordinances.
- (6) Habitat protection or conservation ordinances.
- (7) View protection ordinances.
- (8) Requirements for reducing greenhouse gas emissions, as set forth in adopted land use plans, policies, or regulations.

(h) An environmental effect shall not be considered peculiar to the project or parcel solely because no uniformly applied development policy or standard is applicable to it.

(i) Where the prior EIR relied upon by the lead agency was prepared for a general plan or community plan that meets the requirements of this section, any rezoning action consistent with the general plan or community plan shall be treated as a project subject to this section.

(1) "Community plan" is defined as a part of the general plan of a city or county which applies to a defined geographic portion of the total area included in the general plan, includes or references each of the mandatory elements specified in Section 65302 of the Government Code, and contains specific development policies and implementation measures which will apply those policies to each involved parcel.

(2) For purposes of this section, "consistent" means that the density of the proposed project is the same or less than the standard expressed for the involved parcel in the general plan, community plan or zoning action for which an EIR has been certified, and that the project complies with the density-related standards contained in that plan or zoning. Where the zoning ordinance refers to the general plan or community plan for its density standard, the project shall be consistent with the applicable plan.

(j) This section does not affect any requirement to analyze potentially significant offsite or cumulative impacts if those impacts were not adequately discussed in the prior EIR. If a significant offsite or cumulative impact was adequately discussed in the prior EIR, then this section may be used as a basis for excluding further analysis of that offsite or cumulative impact.

Discussion

The Project area and the City of Colusa generally have developed at a slow pace since the prior environmental analyses were done, and no substantial changes have occurred in either the Project or circumstances and setting. Development that has occurred has been of the type and character anticipated by the prior EIR's and is consistent with the prior impact analyses for traffic, air quality, biological impacts, public services, and provision of utilities, as well as the other impact analysis sections of the EIR's.

Three important actions and mitigation measures have been completed which were specifically called out in the prior EIR's. First, the CIP Wastewater treatment plant has been constructed and is functioning as planned. This was a major requirement of the CIP project generally. Two mitigation measures called out in the City of Colusa General Plan Update addressed the impacts of additional service area on the Colusa Police and Fire Departments. The mitigation measures called for Police and Fire Service Plans to be prepared prior to annexation and those plans have been done. All other mitigation measures from the prior EIR's will be required of applicants for future development projects. Subsequent development projects will also be required to comply with all citywide uniformly applied development policies and standards. The environmental analyses the City relies on for this Project are the prior EIR's, which are incorporated herein by this reference, and because there are no new project specific impacts, no further environmental analysis is required. (CEQA Guidelines Sec. 15152)

As a jurisdictional change only, with no changes in land use, utilities, circulation, or density, the City has no substantial evidence to require a subsequent EIR or Negative Declaration. (Guidelines Section 15162) No substantial changes in the Project are proposed, nor are there substantial changes in respect to the circumstances under which the Project will be undertaken. There is no new information of substantial importance, which was not known at the time the previous EIR's were certified. There is no evidence that the project will have one or more significant effects not discussed in the prior EIR's. There is no substantial evidence that the significant effects previously examined will be substantially more severe than shown in the prior EIR's. The mitigation measures previously found to be not feasible, remain not feasible, nor are there new feasible mitigation measures available to substantially reduce the significant effects previously identified in the prior EIR's.

The land uses anticipated for development will be not be materially changed from the current land uses allowed under the City and County General Plans and the CIP project land use designations and zoning. Because the Project does not contemplate any new development not previously anticipated, nor does the City's environmental analysis of the Project support a specific new development project not previously considered in the prior EIR's, the project is consistent with the adopted community plans and zoning. Because there is no new project specific impacts associated with the jurisdictional change resulting from the annexation, no further environmental review is necessary. (CEQA Guidelines Section 15183)

Because this Annexation Project is simply a change in jurisdiction of the Annexation Project site, with no material changes in land uses or zoning, and the fact that this change in jurisdiction does not allow for any new type of development project not previously considered to be approved, thereby necessitating a development project level CEQA review, staff recommends a finding of no new impacts, and that the project is exempt from further environmental review. This finding is based on the general rule stated at CEQA Guidelines Sec. 15061 (b) (3) in that it can be seen with certainty that there is no possibility that this Project will have an impact on the environment, not previously evaluated in the prior EIR's.

LAFCo Review

Staff examined the Environmental Impact Report process as stated in Section 15096 of the State CEQA Guidelines, prepared for the City of Colusa General Plan, the County of Colusa General Plan and the EIR prepared for an Earlier 214-acre CIP reorganization as a responsible agency under the California Environmental Quality Act ("CEQA"), exercised its independent judgment and recommends the findings contained in the adopting resolutions regarding this Annexation.

CEQA Guidelines Sections 15162 and 15163 provide that a subsequent or supplemental environmental impact report (EIR) shall be prepared if certain conditions or circumstances exist. In general, a subsequent or supplemental EIR must be prepared if there are changes in the project, changes in the circumstances, or new information that require substantial changes to the previous environmental document because of new significant or more severe impacts. Having reviewed and considered all of the public comments, testimony and documentation submitted to the Commission in regard to this project staff believes that none of the factors or considerations requiring preparation of a subsequent or supplemental EIR has been identified.

CEQA Guidelines Section 15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of the draft EIR but before certification. New information includes: (i) changes to the project; (ii) changes in the environmental setting; or (iii) additional data or other information. Section 15088.5 further provides that "[n]ew information added to an EIR is not 'significant' unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement." Having reviewed the information contained in the EIRs and in the City's administrative record as well as the requirements under CEQA Guidelines §15088.5, staff believes no new significant information was added to the EIR (or was required to have been added) following public review and thus recirculation of the EIR is not required by CEQA.

As a responsible agency LAFCo was afforded the opportunity to review the Draft EIRs and provided comments, which the City addressed. If LAFCo believed the EIR was deficient or inadequate for its use, LAFCo was required by CEQA to have taken the issue to court within 30 days after the filing of the Notice of Determination in 2007 or 2008 and prepare a subsequent EIR if permissible under CEQA Guideline 15162, assume the Lead Agency Role or be deemed to have waived any objection to the adequacy of the EIR. As indicated above, staff believes that the Final EIRs as certified by the City and County of Colusa adequately analyzes the impacts of the proposed annexation and LAFCo's comments, and should be relied upon by LAFCo as a responsible agency under CEQA.

LAFCo's purview is narrow. Comments received must constitute substantial changes and provide significant information that was not known or could not have not been known at the time the EIR was certified as complete. All feasible mitigation for traffic, drainage and other identified impacts of the project have been incorporated into the FEIR, and are enforceable by the City of Colusa and other agencies with regulatory authority. Staff reviewed the draft and final EIRs for this CIP annexation. The City prepared a final EIR and certified the environmental impact report prepared for the projects in October 2007 as well as prepared an initial study for the CIP project, which concluded no further environmental review is needed. LAFCo staff sees no changes warranting additional review as described in CEQA Guidelines sections 15162 and 15163 for the Commission to consider this annexation.

9. COMPLIANCE WITH GENERAL PLAN:

The territory is designated in the Colusa County General Plan as Industrial, Commercial, and Urban Residential. Since the CIP project is located within the City's Sphere of Influence, as amended the City of Colusa is the principal jurisdiction and the City's General Plan will be the

controlling general plan. It should be noted development standards between the City and County are substantially similar.

On October 30, 2007, the City of Colusa City Council adopted an updated General Plan designated the CIP territory as Industrial, Commercial and Low Density Residential. These designations were modified on November 4, 2020 to Low Density Residential, Commercial/Industrial, Public Facilities and Urban Reserve (See City Resolution 20-48 shown as attachment 6).

On November 17, 2020 the City of Colusa City Council adopted Ordinance 533 pre-zoning the 611 acres to Planned Development (M-1-PD, M-2-PD and AV-PD and Single Family Residential (R-1, and Public Facilities (P-F-PD (See Attachment # 4).

10. COMPLIANCE WITH SPHERE OF INFLUENCE:

A sphere of influence is a planning document adopted by LAFCo that shows a city or special district's future boundary and service area. In effect, a sphere of influence tells landowners, residents, and public officials where the LAFCo believes a city or district will annex in the future. The City's sphere of influence anticipates both agricultural land and urban land within its boundaries, as well as the extension of municipal services once the area is annexed and developed. The sphere includes provisions for the city to either contract for services or expand city staffing levels. The EIR prepared for this project anticipates future growth consistent with the determinations contained within the adopted sphere of influence.

All boundary changes must be consistent with spheres of influence. Only cities and counties can designate land uses. The proposed CIP reorganization is within the Sphere of Influence for the City of Colusa. As long as the land is under County jurisdiction, the County will designate the land use. When the land becomes part of the City, the City of Colusa will designate the land use. In accordance with LAFCo policies, for the purposes of reviewing a LAFCo proposal, the City is the principal jurisdiction and the proposed land uses within the City need to be considered. Land Use issues were addressed in the EIRs prepared for the CIP project and City and County General Plans.

The Sphere for the City of Colusa was approved by LAFCo in February 2012. In 2000 the Legislature amended state law to require spheres of influence to be adopted as deemed necessary every 5 years with the first update to be completed in 2008. See Government Code § 56425 (g). Colusa LAFCo's policies were updated on June 4, 2020.

The Sphere of Influence needs to be adopted prior to approval of this annexation. A report and resolution has been prepared. The annexation area is included within the LAFCo approved Sphere of Influence for the City of Colusa as adopted by LAFCo on April 1, 2021 (LAFCo Resolution 2021-0002). The Sphere of Influence for the city overlaps the Sacramento River Fire Protection District. During the Sphere of Influence adoption process Colusa LAFCo found no duplication of services provided by other agencies excepting the Sacramento River Fire Protection District, which is not being considered at this time.

11. EXISTING LAND USE FOR AFFECTED TERRITORY:

The affected territory includes Commercial and governmental offices, commercial/industrial park, 9-hole golf course including a clubhouse and driving range, single family dwellings, the

Colusa County Visitor's Center, agricultural chemical supply/storage yard, local storm water basin, fields/range land.

Dwellings: 1
Population: 1
Registered voters: 1

Landowners:

- 1) Colusa Industrial Properties
- 2) Farmers Fresh Mushrooms
- 3) Colusa Rice Company
- 4) Chavez Real Estate
- 5) DNH Farms
- 6) County of Colusa
- 7) Bradley Hulbert
- 8) Simplot Company
- 9) John Murphy
- 10) Colusa Specialties
- 11) Westcott Ranch
- 12) Dekellis Tommie Sue
- 13) Van Pelt Industrial Properties

12. EXISTING LAND USE FOR SURROUNDING TERRITORY:

CIP:

Existing land uses within CIP:

Industrial and Agricultural

Surrounding land uses:

The land uses surrounding the CIP area can be summarized as follows:

North: Residential Low Density

South: Agricultural

West: Agricultural

East: Agricultural

13. PROPOSED DEVELOPMENT:

The proposed development at full buildout will allow further development of 611- acres more or less of Industrial, Commercial and Residential uses within the City limits.

14. FISCAL DATA:

PROPERTY TAX AND SALES TAX REVENUE EXCHANGE:

Property Tax Exchange Agreement: A Joint Resolution of Tax Exchange was approved by the Board of Supervisors on August 18th 2020, County of Colusa Resolution 20-031) and by the City of Colusa on June 6, 20 0, City of Colusa Resolution 20-35 was adopted on the same date. This joint resolution also rescinded a previous City (00-16) and County (00-42) joint resolution. This Resolution calls for the redistribution of tax revenues to the City from the County since the City will be providing services. Other taxing agencies will not be affected. The Property Tax Sharing agreement is included as Exhibit C for LAFCo's adopting Resolution 2021-0004 (shown as Attachment #1). The City and County also adopted Resolutions: City Resolution 14-51 and County Resolution 14-034.

The total assessed value in the annexation territory is \$22,758,986.

In Summary, The city will not assume responsibility for fire protection services. The city will assume responsibility for Police and Road maintenance. Subsequently, the entire share of the property tax revenue, including both the base year revenues and the annual tax increment attributable to the Sacramento River Fire District of Colusa County, the Colusa County Sheriff, and the Colusa County Road District shall be distributed to the City of Colusa excepting for two assessor's parcel areas including 017-130-054 and 017-130-065 which will be apportioned per City Resolution 14-51 and County Resolution 14-034.

Notwithstanding the adopted property tax resolutions other special districts within the annexation area (excepting the Sacramento River FPD), after the effective date of the annexation, they shall continue to receive their share of the property tax revenue, as established by AB 8 in 1978 as adjusted for growth, including both the base year revenue and the annual tax increment.

Assessed Values within the annexation territory total \$6,332,564. In summary, the County will retain 100% of Base Year Property Tax Revenues for FY 2020-2021. In all subsequent years, the County shall retain 40% and the City 60%. One hundred percent of property tax increment will go to County for FY 2020-2021 and in subsequent years the County shall retain 40% and the City shall retain 60% of the Base Year Tax Increment Revenues.

In subsequent years, the City shall receive 100% of the Property Tax Development Increment. Airport Aircraft unsecured tax revenues shall be split between the Colusa Unified School District and the County of Colusa at 50% each. The County shall receive sales and use tax revenue of 100% for the first year to be reduced by the sixth year to 0% and then the City shall receive 100%

15. EXISTING SERVICE AGENCIES:

<u>FIRE PROTECTION:</u>	Sacramento River Fire Protection District
<u>SCHOOL DISTRICTS:</u>	Colusa Unified School District,
<u>POLICE PROTECTION:</u>	Colusa County Sheriff
<u>RECREATION:</u>	None

WATER: None
SEWER: None
DRAINAGE: None
GENERAL GOVERNMENT: Colusa County

16. SERVICE AND IMPROVEMENT PLAN:

FIRE PROTECTION: Sacramento River Fire Protection District
SCHOOL DISTRICT: Colusa Unified School District,

POLICE PROTECTION: City of Colusa
RECREATION: City of Colusa
WATER: City of Colusa
SEWER: City of Colusa
DRAINAGE: City of Colusa
GENERAL GOVERNMENT: City of Colusa and Colusa County

17. POLICY ANALYSIS: Governing Law and LAFCO Policy

17.1 Governing Law

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

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

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

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

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

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

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

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

Between 2010 and 2015, the City's single-family housing stock grew by 5.0 percent from 1,613 to 1,710. At its peak, the City's housing stock grew by 3.9 percent in 2009, due to the construction of a large multi-family development. The City's average growth rate is considered to be a reasonable barometer of likely growth in the coming years for the purposes of considering the SOI; however, consideration must be given to the potential for significant growth once prospective developments are approved and constructed. During the development of the City's General Plan, the housing market was peaking and projections were made in anticipation of continued significant growth. Since then, several developers have had continued interest in projects within and around the City; however, timelines have been delayed and expectations of related growth curtailed. The tenuous nature of the demand for housing makes it challenging to project the City's land needs over the next five to 20 years for the purposes of the SOI update. Should the City continue to experience growth patterns similar to those over the last 10 years, then housing growth would average around one percent. However, the City's General Plan assumes that, based on land proposed for annexation and development, growth rates through 2025 will be substantially greater than historical rates with growth rates of between three to four percent.¹

There were 2,074 housing units in the City in 2016. The City's General Plan provided an analysis of vacant parcels within the City limits and concluded that there was remaining development capacity for 721 housing units. The California Department of Housing and Community Development has allocated the region's housing needs and determined the number of new dwelling units that the City of Colusa must accommodate during the period 2007 to 2014. According to the Regional Housing Needs Allocation Plan, 523 new housing units are allocated to the City of Colusa during that time period, which equates to 73 percent of the development capacity of the vacant parcels within the City's existing limits. The 2018-2028 objectives include 402 total units to meet the city's housing objective. Given the housing market crash and economic recession and pandemic, these projections appear to be overestimated. It is assumed that housing unit growth will likely continue to mirror historical growth of 1.1 percent annually, until the proposed developments are approved and begin construction.

Drainage

Chapter 4.7.1 of the Environmental Impact Report describes drainage and hydrology.

The City of Colusa is located in the lower Sacramento River Valley and is bordered on the north and east by the Sacramento River. To the west of the City is the Colusa Basin, served by the Colusa Drain.

FEMA maps indicate the southwestern portion of the proposed Planning Area is in Zone AE, which means this area is potentially vulnerable to flooding.

¹ City of Colusa, General Plan Land Use Element, 2007, p. 2-12.

However, the CIP Annexation area is located in Flood Zone X, which is within the 100-500 year flood zone. Measures to mitigate the impacts to drainage are included in the Environmental Impact Reports prepared for the City's General Plan.

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

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

There is a need for organized community services to serve the growth that will come to Colusa County in the next several decades. As development occurs, the City of Colusa will need to provide a full complement of services to serve development in the annexation territory. The city has prepared a Plan for Services for the CIP Project. In summary, the City Plan for Services includes an enumeration of the services to be provided by the City including: Water distribution and source of water provided by the City, wastewater collection and treatment, drainage are provided by the City, Police and Roads through the City and Fire and EMS provided by the Sacramento River Fire Protection District. The Plan for Service and Justification Statement are included as Attachment #5.

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

The effect of the proposed annexation on adjacent areas would be that the City of Colusa would provide urban services, and the County would not. The County has no capability to provide water and wastewater in this area. Development in a City would be an effective way to provide urban services for future population and industrial and commercial growth of Colusa County.

The effect of the proposed annexation on mutual social and economic interests will be beneficial because there will be a way to pay for the governmental services needed. The economic trend is that it takes a greater number of people to support commercial or governmental services. The larger population will allow the City of Colusa to continue to provide urban services and effectively plan for these services in an orderly manner.

The effect of the proposed annexation on the local governmental structure of Colusa County will be beneficial because there will be a way to pay for the services required for residential and commercial and industrial development without the creation of additional small special districts that are chronically bound to have financial and management difficulties.

This annexation should not result in an adverse financial impact upon the county at full build out. The city most likely will need to augment tax revenue to provide essential services. As required, revenue may be generated within the annexation areas by a Community Facilities District or other funding mechanism as determined by the City.

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

The annexation proposal and its anticipated effects conform to both the adopted Commission Policies on providing planned, orderly, efficient patterns, of urban development, and with the policies and priorities set forth in California Government Code Section 56377. Section 56377 states that land within the existing sphere of influence of a jurisdiction should be developed before lands outside the sphere of influence should be developed. There is no vacant land within the existing city limits to accommodate expansion of the CIP project.

The adopted Commission policies are examined below. The City has prepared a General Plan, Rezoning, development agreement and EIR for the CIP Project. Table 2.0.1 on page 2.0-6 through page 2.0.67 provides a discussion of mitigation measures and General Plan Policies and Implementing actions. Likewise, LAFCo is discussed in the regulatory setting of the EIR. (see LAFCo's Policy Analysis below)

The addition of Westcott Road into the annexation territory and deletion of the area in the southern area known as Parcel #'s 017-020-009,010 & 027; 017-070-027& 032; 017-030-097 & Parcel 13 of APN 017-030-099 need to be removed from the annexation and the annexation shall continue to include the entire Enterprise Blvd. (see attachments #'s 7 & 8. These are being removed as they conflict LAFCo's goal of orderly development and LAFCo's Policy 4.3.a.i.to ensure the city reasonably assumes the burden of providing adequate roads.

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

A portion of the territory is in agricultural production at this time. Ultimately, the land may be converted to non-agricultural uses as the annexation area develops. LAFCo requested an analysis of Government Code Section 56064 in the EIR, Gov. Code Section 56064 is LAFCo's definition of prime farmland.

Section 56064 contains a broad definition of prime agricultural land—far broader than that used in many other such characterizations. Basically under Section 56064, land is considered prime agricultural land if it meets any of the following definitions:

- (a) *Land that, if irrigated, qualifies for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not the land is actually irrigated, provided that irrigation is feasible.*
- (b) *Land that qualifies for rating 80 through 100 Storie Index Rating.*
- (c) *Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.*
- (d) *Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.*

As concluded in the EIR, a substantial portion of the project site contains important agricultural land meeting LAFCo's definition and remains a significant and unavoidable impact. However,

much of the CIP annexation territory is already developed or surrounded by developed uses, which compromise agricultural operations already. A Mitigation Measure was added in the FEIR calling for agricultural conservation easements to mitigate the loss of Prime Agricultural Land (MM 4.1.5)

“MM 4.1.5 As part of the Development Review process associated with Implementing Action LU-2.1.a, the City shall review development projects to mitigate for loss of Prime Farmland, Farmland of Statewide Importance, ~~or~~ and Farmland of Local Importance, as defined by the Farmland Mapping and Monitoring Program and “prime agricultural land”, as defined by Government Code Section 56064 by: (1) granting a farmland conservation easement to or for the benefit of the City and/or a qualifying entity approved by the City, at a 1:1 ratio for each acre developed, (2) if the City adopts a farmland conservation program, by payment of an in lieu fee as established by the farmland conservation program, which shall be reviewed and adjusted periodically to ensure that the fee is adequate to offset the cost of purchasing farmland conservation easements at a 1:1 ratio, or (3) other form of compensation at a 1:1 ratio, such as improvements to existing agricultural land, that is acceptable to the City and conserves the farmland in perpetuity. The City shall prepare guidelines identifying requirements for conservation easements, including timing of conservation easements, location of land to be preserved, land mitigation ratio and quality, and minimum standards for conservation easements.”

Since some of the territory within the proposed annexation territory falls within LAFCo's “prime agricultural land” definition, it triggers a “heightened scrutiny” under CKH and Colusa LAFCo's adopted policies, especially where, as here, the annexation will result in permanent removal of the land from agricultural production. Under CKH, Section 56377, LAFCo is required to do the following:

56377. Open Space Land Conversion. *In reviewing and approving or disapproving proposals, which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:*

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

(b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

Colusa LAFCo's Policies Section 2-P implements the above statutory direction by imposing a number of requirements in consideration of any change of organization that proposes to convert prime agricultural land. Chief among these is a determination that “insufficient vacant non-prime or open space land exists within the existing agency boundaries or applicable sphere of influence that is planned and developable for the same general type of use”. (Section 2-14) In this case, However, the land is currently planned and zoned for Industrial uses in the county.

Colusa LAFCo Policy Section 2-14

Among LAFCO's core purposes is preservation of open space and prime agricultural lands. The Commission will exercise its powers to conserve prime agricultural ("ag") land as defined in Government Code Section 56064, and open space land as defined in Government Code Section 65560 pursuant to the following standards. In order to more effectively carry out this mandate, the Commission may develop local standards to define and identify prime agricultural and open space lands.

2.14 a) Conditions for Approval of Prime Ag/Open Space Land Conversion. LAFCO will approve proposals for changes of organization or reorganization which are likely to result in the conversion of prime ag/open space land use to other uses only when the Commission finds that the proposal will lead to planned, orderly, and efficient development

For proposals that are not associated with implementation of an approved Specific Plan or Community Plan, a proposal leads to planned, orderly, and efficient development only if all of the following criteria are met:

- i) The land subject to the change of organization or reorganization is contiguous to either lands developed with an urban use or lands which have received all discretionary approvals for urban development.
- ii) The proposed development of the subject lands is consistent with the Sphere of Influence Plan, including the Service Review of the affected agency or agencies.
- iii) The land subject to the change of organization is likely to be developed. In the case of very large developments, annexation should be phased wherever feasible or provisions made to insure that the undeveloped portion of the project remains in productive agriculture until developed.
- iv) Insufficient vacant non-prime or open space land exists within the existing agency boundaries or applicable Sphere of Influence that is planned and developable for the same general type of use.
- v) The proposal will have no significant adverse effects upon the physical and economic integrity of ag/open space lands outside the boundaries of the proposed reorganization territory.
- vi. As applicable, LAFCO will encourage development that is consistent with Habitat Conservation Plans adopted by the applicable planning and wildlife agencies to promote a regional conservation strategy to accommodate growth in a manner that protects agricultural lands, open space, and habitat values.
- vii. LAFCo shall require agricultural conservation easements for conversions of prime farmland land meeting LAFCo's definition of Prime Agricultural Land (GC Sec 56064). Mitigation shall consist of conservation easements having equal value of land being converted and be located within Colusa County. The Commission may require

in lieu conservation fees or a one-acre of prime farmland for each acre to be converted.

1. Territory within CIP has received all discretionary approvals from the city with the exception of tentative subdivision maps and any conditional use permits, if required. It is appropriate to receive Tentative Map and Conditional approvals after annexation. The City has rezoned all the territory for a mixture of land uses. The development of lands contiguous with the city will promote orderly development and not leap frog development.
2. Territory within CIP is within the LAFCo Established Sphere of Influence, as amended and consistent with the Service Review for the City of Colusa.
3. Due to the recession and pandemic, land may not be developed in the immediate future. Phasing annexations of this area could result in higher development costs including numerous CEQA updates and additional processing costs. The Commission has the authority to approve a portion of the annexation territory should it choose.
4. The City recently annexed the Walnut Ranch subdivision, the Colusa Crossings Property and the Wastewater Treatment Plant property. The Colusa Crossings Annexation at 325 acres is significantly larger than CIP annexation of 214 acres. Lands all around the City have various development constraints and are located on prime agricultural lands. The Walnut Ranch, Colusa Crossings and Wastewater Treatment plant annexations do not contain mixed-use residential development, an existing golf course and adjacent industrial area was annexed in 2015
5. No adverse effects on the physical or economic integrity of adjacent agricultural lands are anticipated. However, potential incompatibilities may occur. In the case of the CIP annexation, these incompatibilities would be temporary.

2.14(b) *Approved Sphere of Influence Plan Required. Colusa LAFCo will not make the affirmative findings that the proposed development of the subject lands is consistent with the Spheres of Influence in the absence of an approved Spheres of Influence Plan, containing all of the elements required by Section III.B, below.*

Colusa LAFCo adopted a Sphere of Influence Plan on February 2, 2012 containing the required elements and updated this Sphere of Influence plan on April 1, 2021.

3. 2.14(c) Findings with Respect to Alternative Sites.

For proposals that are not associated with implementation of an approved Specific Plan or Community Plan, The Commission will make a finding that insufficient vacant nonprime agricultural or open space land exists within the city (county) of its Sphere when it determines:

- i. The Agency has accurately identified (a) all vacant

economically developable land within its boundaries and (b) all vacant developable non-prime and non-open space land within its Sphere.

ii. Has prepared an objective absorption analysis that demonstrates that insufficient developable non-prime land exists within the existing boundaries or sphere to meet the City's (County's) needs for the type of development proposed.

iii. In making this determination, the commission may take into consideration city (county) planning goals, policies and objectives and zoning regulations that (a) Encourage preservation of prime Ag/Open space land identified in the City and Sphere until needed for orderly growth and (b) Encourage and facilitate in-fill development as an alternative to development of prime Ag/open space lands.

The City adopted a General Plan and enacted policy measures for efficient and orderly development and has certified an EIR including mitigation for the loss of Agricultural Lands. Development of non-prime territory within the City's Sphere of Influence does not exist and therefore would result in leap frog, non-contiguous development and inefficient delivery of services should non-prime agricultural land be developed prior to development of prime agricultural lands.

4. 2.14(d) Determining Impact on Adjacent Ag/Open Space Lands. As practicable, LAFCo will encourage agricultural uses to remain within the interior of an adopted Sphere of Influence until development occurs while not prohibiting the efficient extension of public services within these areas. LAFCo's focus in determining impact upon adjacent Ag/Open Space lands will be lands outside LAFCo's adopted Sphere of Influence and adjacent to a proposal for a change of organization.

In making a determination for lands outside a Sphere of Influence boundary that are adjacent to a change of organization proposal, LAFCO will consider the following factors:

- i) The prime ag/open space significance of adjacent areas outside the Sphere of Influence relative to other ag/open space lands in the region.
- ii) The use of the subject and adjacent area outside LAFCo's adopted Sphere of Influence.
- iii) Whether natural or human-created barriers serve to buffer adjacent or nearby prime ag/open space land, which is outside the Sphere of Influence from the effects of the proposal.
- iv) Applicable provisions of the General Plan open space and land use elements, applicable growth-management policies, or other statutory provisions designed to protect agriculture or open space.
- v) Whether the proposal is associated with an approved Specific Plan, Community Plan, or Habitat Conservation Plan that was subject

to environmental review which analyzed impacts to agricultural and open space lands and if LAFCo's comments were adequately addressed.

vi) Notwithstanding the above factors LAFCo will work with the principal jurisdiction to ensure sound planning is in place for the extension of public services within an existing Sphere of Influence boundary so as to promote good and efficient planning.

2.14(e) Comments On Prime Ag/Open Space Projects. Whenever feasible LAFCO will review and comment upon, Notices of Preparation for Environmental Impact Reports or other environmental documents for projects, which involve the development of, open space or agricultural land. LAFCO shall address any concerns regarding consistency with LAFCO policy at the earliest opportunity in order to encourage communication between governmental agencies and facilitate planned, orderly, and efficient development.

Colusa LAFCo provided comments at the Notice of Preparation Stages and on the Draft Environmental Impact Report stages for this project.

2.14(h) Agricultural Buffer Policy for territory adjacent and outside the exterior boundary of an agency's Sphere of Influence. LAFCO will normally disapprove an annexation of territory to a City or District or the formation of a district that will facilitate urban development where the territory to be annexed or formed is adjacent to agricultural lands lying outside the jurisdictions applicable adopted Sphere of Influence unless adequate protections are included in the proposal to protect agricultural activities on nearby agricultural lands using the criteria in Section 2.14 (d) above. Adequate protection shall normally be provided for an open space buffer of adequate width along the exterior boundary of a Sphere of Influence so as to protect adjacent agricultural lands and activities. The Commission will consider other methods after making a finding, based on thorough environmental analysis and substantial evidence in the record, or that a buffer of reduced width and (or) an alternative are equally effective in protecting adjacent agricultural land and activities. Any protections shall be in the form of long-term legally enforceable restrictions such as a restrictive covenant or open space easement enforceable by the public as well as the annexing or forming agency. In the event a City adopts Edge Buffer Design Guidelines or Agricultural Preservation Strategies shall be also be considered by LAFCO.

The City has adopted policies in its General Plan to lessen the impact upon adjacent agriculture. To comply with polices in its General Plan, the City may establish specific buffers on a case-by-case basis at the Tentative Subdivision Map stage for residential development.

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

The boundaries are definite and certain. Westcott Road needs to be entirely within the annexation area and the area located in the southern portion of the Annexation Area needs to be removed from the proposed annexation.

- (g) A regional transportation plan adopted pursuant to Section 65080, and consistency with city or county general and specific plans.

This proposal is consistent with the regional transportation plan

- (h) Consistency with city or county general and specific plans.

The proposed annexation is consistent with the City of Colusa's General Plan, as amended. LAFCo policies designate the principal jurisdiction as the jurisdiction where the annexation territory is within its Sphere of Influence. In this case the principal jurisdiction is the City of Colusa.

The Colusa County general plan identifies the annexation territory as Industrial and Urban Residential

Note: CEQA requires that EIRs "discuss" any inconsistencies with applicable land use plans, but does not explicitly require that an EIR reach a conclusion that a conflict exists. See CEQA Guidelines §15125(d). CEQA does not set forth any standard for determining consistency with the General Plan, as the final determination of consistency is made by the agency responsible for approving the project. Courts will defer to an agency's decision on consistency with its own plans unless, based upon the evidence before the decision-making body, a "reasonable person" could not have found the project to be consistent. See *No Oil, Inc. v. City of Los Angeles*, 196 Cal.App.3d 223 (1987). In this case, no conflicts appear based on land use designations adopted by the City and County.

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

The proposal is consistent with the Sphere of Influence adopted for the City of Colusa, which was adopted by LAFCo on February 2, 2012 and updated on April 1, 2021. Detachment from the Sacramento River Fire Protection District is not proposed for this annexation.

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

Comments from all agencies were reviewed, considered and responded to during the City's Environmental Impact Report review process.

A joint comment letter was received by the Planning, Building and Public Works Departments. This letter addresses policy conflicts with respect to Westcott Road. The proposal shall be amended to include the entire Westcott Road to be annexed (see attachment #7).

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

The City of Colusa has prepared a plan for services for the CIP Project (See Attachment #5). In addition the City has prepared Utility Master Plans, prepared for the City's 2007 General Plan. These master plans identify the backbone infrastructure needed. The City will eventually take over the CIP wastewater and water systems.

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

While a Water Supply Analysis is not required for this annexation, the City has provided a Water Supply Assessment (WSA) for the Brookins Ranch, Colusa Crossings and the Riverbend projects meeting the requirements of SB 610 (10910-10915 of the California Water Code) in 2007. Briefly, the WSA concludes the city has enough water available to meet water demands. Source water is available based on DWR projections and existing agricultural water use in the area.

City of Colusa General Plan policies include measures to ensure there is adequate water supply and delivery for new residents. Implementation of the General Plan policies and implementing actions and mitigation measure MM 4.7.5b would reduce potential water demand from levels that would occur without these actions, thereby reducing demand on the City's water supply and decreasing the need to find additional water supplies.

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

California Planning law requires each city and county to have land zoned to accommodate a fair share of the regional housing need. The share is known as the Regional Housing Needs Allocation (RHNA) and is based on a Regional Housing Needs Plan (RHNP) developed by councils of government. Colusa County is the lead agency for developing the RHNP for Colusa County including the City of Colusa. The jurisdiction is not required to make development occur; however, the jurisdiction must facilitate housing production by ensuring that land is available and that unnecessary development constraints have been removed.

The City of Colusa Housing Element and other portions of the General Plan was updated and adopted in 2014 and 2020. The County's Housing Element was adopted in 2020. As the territory is planned for Industrial, there is little possibility this reorganization will affect the county in achieving its fair share of regional housing.

The proposed projects will help the City of Colusa meet its fair share of the regional housing needs as determined by the State Department of Housing and Community Development.

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

The landowners are in favor of this district formation because they want to develop the property with a full compliment of services. The City has canvassed the landowners. LAFCo received no comments from others have been received.

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

The proposed project conforms to the City of Colusa’s General Plan, as amended. The land use designations are as follows:

Colusa General Plan Designation and Zoning: A variety of land uses included low density residential, commercial and industrial. Zoning includes General Commercial, Single Family and Industrial.

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

There appears to be no environmental justice issues associated with this annexation.

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

Not applicable

17.2 COLUSA LAFCO POLICY

LAFCo is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Act to its decisions regarding annexations, incorporations, reorganizations, and other changes of government. LAFCo’s review of projects must be consistent with the policy directives of the LAFCo Act. Specifically, LAFCo’s policies are designed to:

- a) Provide Information. Give applicants for changes of organization guidance as to the information LAFCo needs to make appropriate determinations concerning their applications and provide information and notice to elected officials, governmental staff, and members of the general public as to the standards and procedures that LAFCo will use in evaluating applications.
- b) Set Criteria. Provide applicants for changes of organization with explicit guidance as to the criteria LAFCo will use in approving, disapproving, amending, or conditionally approving applications for changes of organization.
- c) Ensure Greater Consistency in LAFCo's decision-making process.
- d) Facilitate Communication among local agencies in the region.
- e) Minimize Adverse Impacts of the social, economic, and environmental results of growth.
- f) Provide for Planned, Well-Ordered Efficient Urban Development Patterns with appropriate consideration of preserving open space lands within those patterns.

Colusa LAFCO General Policies

Policy		Comment
Communication between local agencies is	Consistent	City staff was very

encouraged.		cooperative during this process
Urban development proposals shall include annexation to a city where possible.	Consistent	
LAFCO will normally deny proposals that result in urban sprawl.	N/A	This project does not induce growth into areas not planned for urban development
Environmental consequences (CEQA) shall be considered.	Consistent	County and City GPEIR & CIP EIR
LAFCO will consider the impact of a proposal on the regional supply of housing for all income levels.	N/A	
LAFCO will favor proposals that promote compact urban form and infill development.	N/A	This is an industrial project proposal
Government structure should be simple, accessible, and accountable.	Consistent	There is no indication of unnecessary complexity or lack of accessibility or accountability.
Agencies must provide documentation that they can provide service within a reasonable period of time.	consistent	The City supports this annexation and has the capacity to continue to serve. The City adopted a Plan for Services and has completed water and wastewater master plans
Efficient services are obtained when proposals: Utilize existing public agencies. Consolidate activities and services. Restructure agency boundaries to provide more logical, effective, and efficient services.	consistent	
Adverse impacts on adjacent areas, social and economic interests and the local government structure must be mitigated.	consistent	
Conformance with general & specific plans required.	Yes	Development must comply with the provisions of the Airport Land Use Plan
Boundaries: Definite boundaries are required. Boundaries that are favored:	Consistent as amended	The area in the southernmost area of the annexation should

<p>Create logical boundaries & eliminate islands or illogical boundaries. Follow natural or man-made features and include logical service areas.</p> <p>Boundaries that are disfavored: Split neighborhoods or communities. Result in islands, corridors, or peninsulas. Drawn for the primary purpose of encompassing revenue-producing territories. Create areas where it is difficult to provide services.</p>		<p>be deleted so consistency shall be achieved. Westcott Road shall be entirely within the annexation area.</p>
<p>Revenue neutrality required for all proposals.</p>	<p>Consistent</p>	<p>The City and County have adopted a joint tax sharing agreement</p>
<p>Agricultural and Open Space Land Conservation Standards: Must lead to planned, orderly & efficient development. Approved Sphere of Influence Plan required. Findings with respect to alternative sites required. Impact on adjacent agricultural/open space lands assessed.</p> <p>Agricultural Buffers</p>	<p>Consistent</p>	<p>This annexation is consistent with the City General Plan and Sphere of Influence plan, as amended.</p>
<p>Need for services exists when: Public health and safety threat exists. The residents have requested extension of non-growth-inducing community services. Subject area is likely to be developed for urban use within 5 years.</p>	<p>Consistent</p>	<p>Much of the area is already developed</p>
<p>Exceptions are justified on the following grounds: Unique. Standards Conflicts. Quality/Cost. No Alternative.</p>	<p>Consistent</p>	<p>No policy exceptions are needed or requested.</p>

Annexation and Detachment Policies—Colusa LAFCO General

Policy		Comment
<p>Proposals must be consistent with LAFCO general policies.</p>	<p>Consistent</p>	
<p>A proposal must be consistent with the agency's Sphere Plan</p>	<p>Consistent</p>	<p>The proposal is within the City's sphere of influence, as amended</p>
<p>Plan for Services required.</p>	<p>Consistent</p>	
<p>Subject territory must be contiguous to the agency's boundaries if required by law, or if necessary for efficient service delivery.</p>	<p>Consistent</p>	

The detachment is necessary to ensure delivery of services essential to Health and Safety.	N/A	
The Successor provider will be the most efficient service provider	Consistent	The City is able to provide water and wastewater services
The service plans for districts, which lie within a City's Sphere of Influence should provide for orderly detachment of territory from the district or merger of the district as district territory is annexed to the City.	N/A	
Detachment from a City or Special District shall not relieve the landowners within the detaching territory from existing obligations for bonded indebtedness or other indebtedness previously incurred.	N/A	
Adverse impact of detachment on other agencies or service recipients is cause for denial.	N/A	
Updated Municipal Service Review Required	Consistent	The Municipal Service Review has been updated
Disadvantaged Unincorporated Communities that are located contiguous to areas proposed for annexation Action options include: Approval. Conditional approval to require only a portion of the area to be detached. Denial.	Consistent	There are no contiguous disadvantaged communities for this annexation

18. COMMENTS FROM THE PUBLIC AND PUBLIC AGENCIES:

County Public works and Planning (see attachment #7)

19. ENVIRONMENTAL REVIEW:

In accordance with the requirements of the California Environmental Quality Act (CEQA), an Environmental Impact Report and Statement of Overriding Considerations was adopted for the City of Colusa's General Plan, the County of Colusa's General Plan and for the Colusa Industrial Park.

20. PROCEDURE

The Commission has the following alternatives for action at this hearing, after receiving public testimony:

- **Approval as recommended:** If the Commission concurs with the recommended terms and conditions as proposed, it may approve this reorganization by adopting the proposed LAFCo Resolution (see attached).
- **Approval:** The Commission may modify the proposed terms and conditions and conditionally approve the proposal. Your Commission may wish to adopt a motion of intent and provide specific direction for staff to include in an amended resolution.
- **Refer the proposal back to the City.** The Commission may refer this back to the City to explore alternatives to comply with LAFCo policies as so determined.
- **Denial.** Commission may deny this proposal. No similar proposal may be submitted within a year; unless the Commission makes a finding that the year-long prohibition period is detrimental to the interests of the public.
- **Continuation** Your Commission may also continue the hearing to resolve concerns about any portion of the proposal. A decision is required within 70 days of April 1, 2021.

21. STAFF RECOMMENDATION:

Staff recommends approval of the annexation subject to the terms and conditions included in LAFCo Resolution 2021-0004 along with the following deletion and addition:

Deletion of Parcel #'s 017-020-009,010 & 027; 017-070-027& 032; 017-030-097 & Parcel 13 of APN 017-030-099 need to be removed from the annexation and the annexation shall continue to include the entire Enterprise Blvd in the annexation shown herein as attachment #8

Addition of Westcott Road to the annexation as requested by County Planning and Public Works for the reasons stated in their letter dated January 14, 2021 shown herein as attachment #7



Attachment #7
COUNTY OF COLUSA

COMMUNITY DEVELOPMENT DEPARTMENT

220 12TH Street
Colusa, California 95932

Telephone (530) 458-0480 FAX (530) 458-0482

January 14, 2021

John Benoit
LAFCo Executive Officer
Colusa LAFCo
P.O. Box 2694
Granite Bay, CA 95746

RE: NOTICE OF ANNEXATION REQUEST
LAFCo File 2019-0001
Colusa Industrial Park Annexation to the City of Colusa

Dear John:

Thank you for the above notice regarding the CIP annexation application to the City of Colusa. I have reviewed the proposed annexation application packet. I have also discussed the proposed annexation and its proposed boundaries with Michael Azevedo, Colusa County's Public Works Director. The purpose of this letter is to detail our comments.

The CIP annexation has included the 106.85± acre Wescott Ranch property located adjacent to and just east of the County's Wescott Road right-of-way. This property is adjacent to the current City limits along its northern boundary and partially along its eastern and western boundaries. Based on the review of the annexation map and legal description, the proposed annexation has excluded the County's Wescott Road right-of-way. Wescott Road would serve as a main access for the future residential development on the property. In addition, the City has existing infrastructure in the County's Wescott Road right-of-way and has recently constructed additional infrastructure within this right-of-way to serve the City's Sunrise Landing residential development.

As you are aware, Colusa County LAFCo Policy 4.3.a.i calls for the annexation of property to "assure that the city reasonably assumes the burden of providing adequate roads to the property to be annexed". In addition, this policy also states that "Where adjacent lands that are in the City will generate significant additional traffic, LAFCO will normally require the city to annex the streets that serve those lands". Colusa County LAFCo Policy 4.3.a.iii also states that "...boundary lines located so that all streets and rights-of-ways will be placed within the same jurisdiction as the properties which either abut thereon or use the streets and rights-of-way for access"

and "...cities shall annex an entire roadway portion when 50% or more of the frontage will be within the city after completion of the annexation".

Based on LAFCo's existing policies, the unincorporated land that comprises the Wescott Road right-of-way should be included in the proposed annexation area. From a practical standpoint, excluding this area will mean that a rural County roadway, which does meet either County or City design standards, would serve the City's future residential development. This would create a situation that would prevent the orderly development of the Wescott property. The County would not issue an encroachment permit to permit a residential development from accessing Wescott Road until the necessary environmental review has been conducted. It is anticipated that the County would have to undertake this review to consider the environmental consequences of such a residential development which would include the design of the road and a long-term funding mechanism that the County would require. This would complicate the orderly development of a residential project on the Wescott property which would be much simplified with the inclusion of the County's Wescott Road right-of-way in the proposed annexation.

Thank you for the opportunity to provide comments on the proposed annexation. Based on Colusa LAFCo's policies and the complications that would be created by not including the County's Wescott Road right-of-way in the annexation area, we trust that Colusa LAFCo will condition the annexation approval to include the County's Wescott Road right-of-way along the Wescott property.

Should you have any questions, please do not hesitate to contact me directly at (530) 458-0483 or gplucker@countyofcolusa.com.

Sincerely,



Greg Plucker
Community Development Director
Colusa County

Cc: Michael Azevedo, Colusa County Public Works Director
Wendy Tyler, County Administrative Officer
Jesse Cain, Colusa City Manager
Ed Hulbert, Colusa Industrial Properties

017-030-09
AXEL FARMS

MATCH LINE PAGE

INDUSTRIAL WAY

S0° 29' 08"W~241

177.95' +/-

243.04' +/-

275.50' +/-

N89° 56' 42"W~1008.00'+/-

N89° 56' 42"W~244.67'+/-

S0° 03' 18"W~243.03'+/-

PARCEL 11
14.75 ACRES +/-



N89° 56' 42"W~246.50'+/-

696.49'+/-

N89° 56' 42"W~1008.00'+/-

PARCEL 12
9.53 ACRES +/-

411.78'+/-

N89° 56' 42"W~1008.00'+/-

ENTERPRISE BLVD.

10' PUE
60'

N89° 56' 42"W~1108.00'+/-

PARCEL A
7.77 ACRES +/-
ACCESS ROAD

017-030-100
KALFSBEEK

MATCH LINE PAGE 3

N0° 29' 08"E~550.35'+/-



N0° 29' 08"E~550.35'+/-

N89° 56' 42"W~313.64'+/-

N0° 29' 08"E~2

017-030-097
ROGERS

MATCH LINE PAGE 3

ATT #8



Resolution 2021-0004 of the

Colusa Local Agency Formation Commission
Colusa County, California

A Resolution Making Determinations and Approving the Annexation of 611 acres more or less to the City of Colusa

WHEREAS, a Resolution of Application for Annexation of 611 acres more or less to the City of Colusa has been filed with the Executive Officer of the Colusa Local Agency Formation Commission: Colusa County, California; and said application complied with all the requirements of law and the Commission; and,

WHEREAS, the proceedings for this annexation are governed by the Cortese-Knox-Hertzberg Local Government Annexation Act, Section 56000 et seq. of the Government Code; and

WHEREAS, at the time and in the manner provided by law, the Executive Officer gave notice of the date, time, and place of a public hearing by the Commission upon said application; and

WHEREAS, the Executive Officer has reviewed the application and has prepared a report including staff recommendations thereon within the time required by law and has furnished copies of said report to the Commission and to all other persons required by law to receive it; and

WHEREAS, at a hearing on April 1, 2021, the Commission considered the proposal and the report of the Executive Officer; the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668 and LAFCo Policy; and all other relevant evidence and information presented at said hearing, including the comments of all interested parties desiring to be heard;

NOW THEREFORE, the Colusa Local Agency Formation Commission does hereby resolve and order the following:

1. The foregoing recitals are true and correct.
2. The territory comprises approximately 611 acres more or less to be annexed to the City of Colusa for the Colusa Industrial Park subdivision.
3. The change of organization is assigned the following distinctive short-term designation:
LAFCO 2019-0001– Colusa Industrial Park (CIP) Annex
4. The proposal is consistent with the sphere of influence of the City of Colusa, as amended. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and General Plan consistency, and other factors specified in Government Code Section 56668 and as described in the staff report dated April 1, 2021.

5. The Commission adopts the determinations regarding consistency with LAFCO Policies contained in the staff report for this project and incorporates them by reference herein.
6. The purpose of this annexation is to provide services to unincorporated industrial territory into the City of Colusa.
7. In reviewing this application, the Commission finds that all property owners and agencies in said territory have been given notice regarding this change of organization.
8. In reviewing this application, the Commission finds that there will not be a duplication of other powers provided by any other special district since this territory will not be detached from the Sacramento River Fire Protection District and will continue to provide EMS and Fire Suppression Services.
9. In reviewing this application, this Commission has considered each of the factors required by Government Code Section 56668 and LAFCO's adopted policies.
10. The LAFCO Executive Officer's Staff Report including attachments and recommendation for approval of the proposal are hereby incorporated by reference and hereby adopted. Any agricultural land mitigation for this project shall involve agricultural mitigation for lands at risk of conversion within Colusa County.
11. As authorized by Section 56886 (t) of the Government Code, all previously authorized charges, fees, assessments, or taxes currently levied by the City shall be extended to the subject territory upon completion of this annexation.
12. The map and boundary description shall comply with the State Board of Equalization requirements. The boundary description and map, if rejected by the State Board of Equalization or amended by LAFCO, will be revised at the expense of the applicant. The applicant shall be responsible for all associated costs. The boundary description and map as amended by action of the Commission or to meet the requirements of the Subdivision Map Act, as applicable will be revised and checked by the Colusa County Surveyor at the expense of the applicant, prior to filing of the Certificate of Completion. The Boundary Description and Map must contain the following corrected information: **'COLUSA LAFCO File 2019-0001 Colusa Industrial Park (CIP) Annexation to the City of Colusa'**
13. The boundaries of the affected territory are found to be definite and certain provided the following changes to the map and geographic description as shown in the Executive Officer's report as Attachments 7 and 8 are completed:
 - A. Parcel #'s 017-020-009,010 & 027; 017-070-027& 032; 017-030-097 & Parcel 13 of APN 017-030-099 are removed from this annexation
 - B. Addition of the entire Westcott Road is included in this annexation

14. The boundaries, as set forth in the proposal as amended by action of the Commission, are hereby approved subject to the terms and conditions of this resolution and shall include a revised Exhibit "A" Geographic Description and "B" Map approved by the County Surveyor to be attached hereto and by this reference incorporated herein subject to the terms and conditions and corrections included.
15. As stated in the LAFCO Staff Report dated April 1, 2021, the amount of base property tax and tax increment transferred shall be in accordance with Joint Resolution of Tax Exchange was approved by the Board of Supervisors on August 18th 2020, County of Colusa Resolution 20-031 and City of Colusa Resolution 20-35 adopted on August 18, 2020, is attached as Exhibit "C".
16. Said annexation territory is found to be uninhabited (less than 12 registered voters).
17. All Colusa County, LAFCO processing costs and State of California fees must be paid in full prior to recording (filing) the Certificate of Completion. LAFCO will forward invoices and (or) a list of required fees prior to filing the Certificate of Completion for direct payment to the agency by project proponent.
18. Further protest proceedings are waived and the Commission orders the annexation of 611 acres more or less to the City of Colusa, pursuant to Part 4 commencing with Section 57000 notwithstanding the reduced territory and annexation of Westcott Road. Satisfactory proof has been given that the subject territory is uninhabited, that all landowners within the affected territory have been given notice and have not objected in writing to the waiver of conducting authority proceedings by the conclusion of the LAFCo hearing (Section 56663 of Government Code). Therefore, the Commission does hereby approve and authorize the conducting authority to annex the territory described in Exhibits "A" and "B" without notice and election.
18. Pursuant to Section 15096 of the State CEQA Guidelines, the Commission has considered the City of Colusa General Plan Master Environmental Impact Report, the Environmental Impact Report prepared for the Colusa County General Plan, and the Environmental Impact Report prepared for the Colusa Industrial properties including the environmental documentation for the Colusa Industrial Park project as a responsible agency under the California Environmental Quality Act ("CEQA"), exercised its independent judgment and reached its own conclusions in considering the project, and the Commission hereby adopts the following findings regarding the Environmental Impact Reports. As a responsible agency, the Commission considers only the effects of those activities involved in a project over which it has jurisdiction, i.e., those associated with the annexation action of this project. The Commission certifies that its findings are based on an assessment of all viewpoints, including all comments received up to the date of adoption of these findings, concerning the environmental impacts identified and analyzed in the Environmental Impact Reports.

(A) On October 30, 2007 the City of Colusa, acting as lead agency under CEQA, certified the Environmental Impact Report (“EIR”) for the city’s general plan including the proposed annexation. The EIR for the CIP and County General Plans were later certified by Colusa County. The EIRs consider and evaluate all the potentially significant environmental effects of the proposed annexation that is the subject of this action (see section 8 of the Executive Officer’s report for the analysis. Environmental review included analysis of impacts related to this annexation to include the affected territory. The EIRs analyzed impacts associated with the physical characteristics of the affected territory (including topography and drainage), short term and long-term growth in the City of Colusa and surrounding unincorporated areas, provision of public services, and impacts on the protection and management of open space and agricultural lands. The City of Colusa adopted mitigation measures to avoid or lessen potential impacts where feasible. The County’s GPEIR is self-mitigating. However, the City of Colusa found that implementation of the General Plan including annexation of the affected territory could result in certain significant and unavoidable project and/or cumulative impacts on the environment, including:

1. Inconsistency with the Comprehensive (Airport) Land Use Plan
2. Conversion of prime agricultural land to Urban Uses and loss of agricultural land
3. An increase in population and the number of housing units
4. Transportation, Increased Traffic volumes and circulation
5. Noise
6. Air Quality - Increase in operational impacts on air and regional air quality
7. Visual Resources/Light and Glare
8. Greenhouse Gas Emissions
9. Loss of Biological Resources and the effects of Ongoing Urbanization

As described in the EIRs, no mitigation measures exist to reduce these impacts to a less than significant level.

(B) The EIRs set forth numerous mitigation measures to reduce potentially significant impacts and concludes that such impacts can be reduced to a level of insignificance if all mitigation measures proposed in the EIRs are adopted. The City of Colusa adopted all the mitigation measures in the EIRs. In addition, the City of Colusa adopted, pursuant to CEQA Section 21081.6 and CEQA Guidelines Section 15091, the Mitigation Monitoring and Reporting Program to require all reasonably feasible mitigation measures to be implemented by means of Project conditions, agreements, or other measures, as set forth in the Mitigation Monitoring and Reporting Program. The Commission has reviewed and hereby incorporates by reference the City of Colusa’s Findings (included in the Executive Officer’s Report dated 4.1.21) documenting adoption by the City of Colusa of all mitigation measures proposed to reduce potentially significant impacts. The Commission hereby finds and determines that because the project under review by the Commission includes all feasible mitigation measures, the project does not require imposition of additional mitigation measures by this Commission. The mitigation measures adopted in the

environmental process are the responsibility of the City of Colusa, which will have land use regulatory authority over the site. All mitigation measures can and should be implemented by the City of Colusa when it authorizes development approvals Colusa Industrial Park site. See CEQA Guidelines §15091(a)(2).

(C) Notwithstanding the remaining significant adverse impacts, the Commission, pursuant to Section 15093 of the CEQA Guidelines, determines that the benefits of the project outweigh the adverse environmental impacts and that the project should be approved. The Commission finds that the benefits of *****annexation outweigh the significant and unavoidable impacts of the project for each of the reasons identified in the Statement of Overriding Considerations adopted by the City of Colusa on October 30th 2007 as well as the Statement of Overriding Considerations adopted by the County in 2012 (also included in the Executive Officer's Report Dated April 1, 2021)

(D) CEQA Guidelines Section 15162 provides that a subsequent or supplemental environmental impact report (EIR) shall be prepared if certain conditions or circumstances exist. In general, a subsequent or supplemental EIR must be prepared if there are changes in the project, changes in the circumstances, or new information that require substantial changes to the previous environmental document because of new significant or more severe impacts. The Commission has reviewed and considered all of the public comments, testimony and documentation submitted to the Commission in regard to the project, and hereby finds that none of the factors or considerations requiring preparation of a subsequent or supplemental EIR have been identified.

(E) CEQA Guidelines Section 15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of the draft EIR but before certification. New information includes: (i) changes to the project; (ii) changes in the environmental documents i.e. "[n]ew information added to an EIR is not 'significant' unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement." Having reviewed the information contained in the EIRs and in the administrative record as well as the requirements under CEQA Guidelines Section 15088.5 and interpretive judicial authority regarding recirculation of draft EIRs, the Commission hereby finds that no new significant information was added to the EIR (or was required to have been added) following public review and thus, recirculation of the EIR is not required by CEQA.

19. The Commission has reviewed and considered the information contained in the Environmental Impact Reports prepared for the CIP project and the City and County General Plans, and makes a specific determination that the issues and mitigation measures and (or) policies as adopted by the City and County of Colusa adequately address this annexation.
20. The Commission directs the Executive Officer to file a Notice of Determination as provided under Section 15094 of the California Code of Regulations.
21. One reproducible electronic copy of the Final Metes and Bounds (Geographic) Description and Map in PDF format, five large copies (18" by 24") and two 8 ½" x 11"

- reductions of all maps along with ten copies of the final LAFCO approved boundary description shall be submitted to LAFCO prior to recordation of the Certificate of Completion.
22. The City of Colusa shall provide LAFCo three maps of limited addresses for all territory within the annexation/detachment territory in accordance with State Board of Equalization requirements prior to recordation of the Certificate of Completion. The applicant shall supply maps and Geographic Descriptions suitable for recording (smaller than eight inches by fourteen inches, clearly legible) prior to recordation of the Certificate of Completion.
 23. The City of Colusa shall provide LAFCo with a listing of the assessor's parcels within the annexation territory prior to recordation of the Certificate of Completion.
 24. Approval of this change of organization is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Colusa Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. The Colusa Local Agency Formation Commission shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
 25. The Executive Officer of this Commission is instructed to mail a certified copy of this resolution to those persons so indicated on the application and as required by Government Code Section 56882.
 26. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all terms and conditions and LAFCo proceedings.
 28. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Colusa, on the 1st day of April 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

Signed and approved by me after its passage this first day of April 2021.

Sajit Singh, Chair – Colusa Local Agency
Formation Commission

Attest:

John Benoit, Executive Officer
Colusa Local Agency Formation Commission

EXHIBIT A

LAFCO FILE 2019-0001

**Annexation
to the
City of Colusa
of
Colusa Industrial Properties et al**

All that certain real property situate in the County of Colusa, State of California, described as follows:

A portion of the Jimeno Rancho and Sections 6, 7, 8 and 18, Township 15 North, Range 1 West, Mount Diablo Meridian, being more particularly described as follows:

Commencing at the northwest corner of Section 6, Township 15 North, Range 1 West, Mount Diablo Meridian, as shown on that certain map on file in Book 3 of Parcel Maps at Page 131, thence **Course 1**, South 89°50'41" East, along the northerly line of said section, a distance of 3212.35 feet, to a point on the centerline of Wescott Road and the true point of beginning of this description, said point also being on the boundary of the City of Colusa; ; thence **Course 2**, South 88°50'41" East, along said boundary, a distance of 31.19 feet; thence **Course 3**, North 15°34'10" East, along said boundary, a distance of 519.64 feet; thence **Course 4**, South 83°30'17" East, along said boundary, a distance of 1402.23 feet; thence **Course 5**, South 00°03'51" West, along said boundary, a distance of 2033.11 feet; thence **Course 6**, South 89°32'53" East, along said boundary, a distance of 1347.62 feet; thence **Course 7**, North 16°22'31" East, along said boundary, a distance of 412.15 feet; thence **Course 8**, South 73°37'33" East, along said boundary, a distance of 746.47 feet; thence **Course 9**, North 60°44'43" East, along said boundary, a distance of 473.08 feet; thence **Course 10**, South 29°13'39" East, along said boundary, a distance of 485.57 feet; thence **Course 11**, South 73°09'15" East, along said boundary, a distance of 436.35 feet; thence **Course 12**, North 66°27'29" East, along said boundary, a distance of 163.10 feet to the westerly line of State Highway 20 as shown on that certain map on file in Book 7 of Record of Surveys at Page 18, Colusa County Records; thence **Course 13**, South 24°22'52" East, along said westerly line and leaving the boundary of the City of Colusa, a distance of 38.99 feet; thence **Course 14**, South 23°44'12" East, along said westerly line a distance of 967.15 feet; thence **Course 15**, South 24°14'52" East, along said westerly line a distance of 1200.13 feet; thence **Course 16**, South 24°14'19" East, along said westerly line a distance of 89.92 feet; thence **Course 17**, South 65°45'41" West, along said westerly line, a distance of 25.50 feet; thence **Course 18**, South 23°55'41" East, along said westerly line, a distance of 630.43 feet; thence **Course 19**, South 36°33'49" East, along said westerly line, a distance of 837.41 feet; thence **Course 20**, North 53°26'11" East, along said westerly line, a distance of 22.39 feet; thence **Course 21**, South 36°33'49" East, along said westerly line, a distance of 278.56 feet to the beginning of a 50.00 foot radius tangent curve, concave to the West; thence **Course 22**, Southerly, along said westerly

CITY OF COLUSA

18-109

December 29, 2020

Sheet 1 of 3

EXHIBIT A (Continued)

LAFCO FILE 2019-0001

**Annexation
to the**

City of Colusa

of

Colusa Industrial Properties et al

line and along said curve, through a central angle of $90^{\circ}00'00''$ an arc distance of 78.54 feet; thence **Course 23**, non-tangent to said curve, South $36^{\circ}33'49''$ East, along said westerly line a distance of 70.17 feet; thence **Course 24**, North $53^{\circ}26'11''$ East, along said westerly line, a distance of 8.00 feet to the beginning of a 50.00 foot radius tangent curve, concave to the South; thence **Course 25**, Easterly, along said westerly line and along said curve, through a central angle of $90^{\circ}24'03''$ an arc distance of 78.89 feet; thence **Course 26**, tangent to said curve, South $36^{\circ}09'46''$ East, along said westerly line, a distance of 579.95 feet; thence **Course 27**, North $53^{\circ}36'55''$ East, along said westerly line, a distance of 7.99 feet; thence **Course 28** South $36^{\circ}03'05''$ East, along said westerly line, a distance of 826.18 feet the northerly line of Parcel 3 of Lot Line Adjustment No. 2007-11-4; thence **Course 29**, North $89^{\circ}42'21''$ West, along said northerly line, a distance of 3539.65 feet to the easterly line of Fractional Section 8, Township 15 North, Range 1 West, Mount Diablo Meridian, said point also being on the easterly boundary of Parcel 1 per Lot Line Adjustment Number 2009-9-4; thence **Course 30**, South $00^{\circ}21'58''$ West, along said boundary line, a distance of 3881.37 feet; thence **Course 31**, North $89^{\circ}40'06''$ West, along said boundary, a distance of 7384.31 feet to the easterly line of Section 13, Township 15 North, Range 2 West, Mount Diablo Meridian; thence **Course 32**, North $00^{\circ}04'55''$ West, along said boundary, a distance of 177.13 feet to the southeast corner of Section 12 said township and range; thence **Course 33**, North $00^{\circ}05'49''$ West, along said boundary, a distance of 5390.34 feet to the northwest corner of said Section 7; thence **Course 34**, South $85^{\circ}11'28''$ East, along said boundary, a distance of 2132.21 feet to a northeasterly corner of said Parcel 1; thence **Course 35**, South $00^{\circ}20'04''$ West, along said boundary, a distance of 242.00 feet to a corner of said Parcel, thence **Course 36**, North $86^{\circ}09'33''$ West, along said boundary, a distance of 1602.94 feet to the beginning of a 100.00 foot radius tangent curve, concave to the Southeast; thence **Course 37**, Southwesterly, along said curve and along said boundary, through a central angle of $62^{\circ}01'00''$ an arc distance of 108.24 feet; thence **Course 38**, tangent to said curve, South $31^{\circ}49'27''$ West, along said boundary, a distance of 274.80 feet to the beginning of a 250.00 foot radius tangent curve, concave to the East; thence **Course 39**, Southerly, along said curve and along said boundary, through a central angle of $32^{\circ}05'00''$ an arc distance of 139.99 feet; thence **Course 40**, tangent to said curve, South $00^{\circ}15'33''$ East, along said boundary, a distance of 1987.96 feet; thence **Course 41**, South $00^{\circ}00'33''$ East, along said boundary, a distance of 2588.16 feet to the

CITY OF COLUSA

18-109

December 29, 2020

Sheet 2 of 3

EXHIBIT A (Continued)

LAFCO FILE 2019-0001

**Annexation
to the
City of Colusa
of
Colusa Industrial Properties et al**

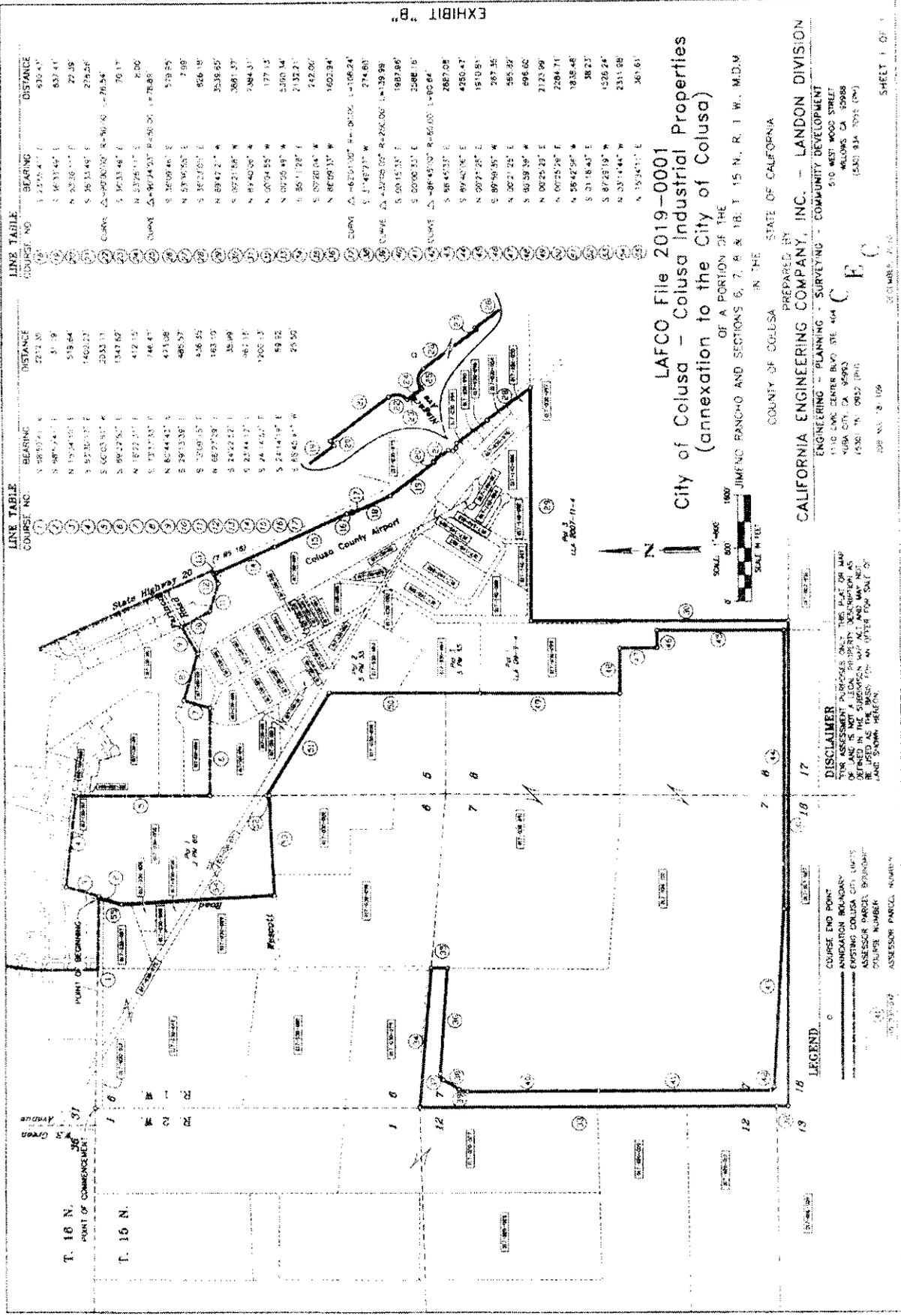
beginning of a 60.00 foot radius tangent curve, concave to the Northeast; thence **Course 42**, Southeasterly, along said curve and along said boundary, through a central angle of $86^{\circ}45'00''$ an arc distance of 90.84 feet; thence **Course 43**, tangent to said curve, South $86^{\circ}45'33''$ East, along said boundary, a distance of 2687.08 feet; thence **Course 44**, South $89^{\circ}40'06''$ East, along said boundary, a distance of 4250.47 feet; thence **Course 45**, North $00^{\circ}21'25''$ East, along said boundary, a distance of 1910.81 feet; thence **Course 46**, South $89^{\circ}59'39''$ West, along said boundary, a distance of 267.35 feet; thence **Course 47**, North $00^{\circ}21'25''$ East, along said boundary, a distance of 565.82 feet; thence **Course 48**, South $89^{\circ}59'39''$ West, along said boundary a distance of 696.60 feet; thence **Course 49**, North $00^{\circ}25'29''$ East, along said boundary, a distance of 2123.99 feet; thence **Course 50**, North $00^{\circ}25'29''$ East, leaving said boundary and along the westerly boundary of Parcels 2 and 3 as shown on that certain map on file in Book 5 of Parcel Maps at Page 55, a distance of 2284.71 feet; thence **Course 51**, North $58^{\circ}42'56''$ West, along the boundary of said Parcel 2, a distance of 1838.48 feet to the easterly line of Parcel 1 as shown on that certain map on file in Book 2 of Parcel Maps at Page 60; thence **Course 52**, South $01^{\circ}16'43''$ East, along said easterly line, a distance of 38.23 feet to the southeast corner of said Parcel 1; thence **Course 53**, South $87^{\circ}29'19''$ West, along the southerly line of said Parcel 1, a distance of 1528.24 feet to the southwest corner of said Parcel 1, said point also being in the centerline of Wescott Road; thence **Course 54**, North $03^{\circ}14'44''$ West, along the westerly line of said Parcel 1 and along said centerline, a distance of 2311.98 feet; thence **Course 55**, North $15^{\circ}34'11''$ East, along said westerly line and said centerline, a distance of 361.61 feet to the point of beginning and containing an area of 611 acres, more or less

The basis of bearings for this description is the west line of Section 6, Township 15 North, Range 1 West, Mount Diablo Meridian, shown as being "South $00^{\circ}06'37''$ East" on that certain map on file in Book 3 of Parcel Maps at Page 131, Colusa County Records.

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

CITY OF COLUSA
18-109
December 29, 2020
Sheet 3 of 3





COURSE NO.	BEARING	DISTANCE	COURSE NO.	BEARING	DISTANCE
1	S 89°57'47" E	223.35	1	S 25°01'47" E	639.47
2	S 90°24'11" E	31.19	2	S 16°31'47" E	533.41
3	N 15°04'10" E	519.64	3	N 28°38'11" E	27.95
4	S 92°35'37" E	1469.23	4	S 36°33'48" E	279.26
5	S 60°03'51" E	2043.31	5	S 16°33'48" E	76.17
6	S 89°27'52" E	1347.67	6	N 23°26'11" E	8.00
7	N 10°22'37" E	432.15	7	N 23°26'11" E	8.00
8	S 73°17'35" E	746.47	8	N 80°04'21" E	178.88
9	N 80°44'42" E	473.08	9	S 32°09'46" E	579.85
10	S 29°13'38" E	486.57	10	S 57°04'55" E	7.89
11	S 73°08'37" E	436.25	11	S 35°21'07" E	868.18
12	N 68°27'28" E	163.10	12	N 89°42'21" E	3538.65
13	S 20°22'52" E	38.49	13	S 87°21'56" E	3061.37
14	S 23°44'12" E	987.15	14	S 89°40'26" E	2084.37
15	S 24°14'27" E	1200.17	15	N 10°04'55" W	177.13
16	S 24°14'27" E	59.22	16	S 80°11'28" E	5390.34
17	S 83°45'31" E	25.92	17	S 20°26'04" W	2132.71
18			18	S 20°26'04" W	242.06
19			19	N 86°09'37" W	1602.94
20			20	S 21°48'27" E	1166.24
21			21	S 21°48'27" E	274.60
22			22	S 20°00'33" E	3286.15
23			23	S 00°15'33" E	1987.86
24			24	S 00°15'33" E	1987.86
25			25	N 86°45'00" E	1400.64
26			26	S 98°45'37" E	2087.08
27			27	S 89°42'06" E	4356.47
28			28	N 20°27'28" E	1519.81
29			29	S 89°50'35" W	267.35
30			30	S 80°21'25" E	455.37
31			31	S 80°59'39" W	696.02
32			32	N 00°25'27" E	2123.99
33			33	N 00°25'28" E	2284.71
34			34	N 45°42'58" E	1838.48
35			35	S 21°18'47" E	38.23
36			36	S 87°28'39" W	1526.24
37			37	N 23°14'44" W	2311.98
38			38	N 13°24'11" E	361.61

LAFCO File 2019-0001
 City of Colusa - Colusa Industrial Properties
 (annexation to the City of Colusa)

OF A PORTION OF THE
 JIMMING RANCHO AND SECTIONS 6, 7, 8 & 18, T. 15 N., R. 1 W., M.D.M.
 IN THE STATE OF CALIFORNIA
 COUNTY OF COLUSA
 PREPARED BY
 CALIFORNIA ENGINEERING COMPANY, INC. - LONDON DIVISION
 ENGINEERING - PLANNING - SURVEYING - COMMUNITY DEVELOPMENT
 1110 LMC CENTER BLVD STE 404
 YUBA CITY, CA 95993
 (530) 741-0912 (PH)
 (530) 934-7034 (FM)
 DISP. NO. 18-109
 SHEET 1 OF 1

DISCLAIMER
 THIS ASSESSMENT AND REPORTS ARE FOR THE CITY OF COLUSA
 AND ARE NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE
 WRITTEN PERMISSION OF CALIFORNIA ENGINEERING COMPANY, INC.
 BE USED AS THE BASIS FOR ANY OTHER TOP SURVEY OR
 LAND SURVEY HEREON.

LEGEND
 0 COURSE END POINT
 --- ANTI-CLOCKWISE BOUNDARY
 --- EXISTING COLUSA CITY LIMITS
 --- ASSESSOR PARCEL BOUNDARY
 --- COURSE NUMBER
 --- ASSESSOR PARCEL NUMBER

EXHIBIT "B"

COLUSA OF COUNTY RESOLUTION NO. 20-031

CITY OF COLUSA RESOLUTION NO. 20-35

**A JOINT RESOLUTION OF THE COLUSA COUNTY BOARD OF SUPERVISORS
AND THE COLUSA CITY COUNCIL RESCINDING A PREVIOUS
CITY (00-16) AND COUNTY (00-42) JOINT RESOLUTION AND ENTERING
INTO A TAX SHARING AGREEMENT FOR THE PROPOSED
ANNEXATION TO THE CITY OF CERTAIN TERRITORY
COMMONLY KNOWN AS THE COLUSA INDUSTRIAL PARK**

WHEREAS, in June of 2000, the City of Colusa and the County of Colusa ("the Parties"), pursuant to California Revenue and Taxation Code section 99, adopted resolutions (City Resolution No. 00-16, and County Resolution No. 00-42) entering into a tax sharing agreement in "Uninhabited Territory Annexations" ("2000 Joint Resolution");

WHEREAS, the 2000 Joint Resolution superseded and voided previous City and County joint resolutions governing Uninhabited Territory Annexations;

WHEREAS, in October 2014 the Parties adopted resolutions (County 14-034, City 14-51) agreeing to the exchange of certain tax revenues following the annexation to the City of Colusa of certain territory, in what is commonly known as Colusa Industrial Properties, in response to a reorganization application submitted to the Colusa Local Agency Formation Commission ("LAFCO") Project No. 2014-0001.

WHEREAS, a reorganization application has been submitted to the Colusa Local Agency Formation Commission ("LAFCO") for an annexation to the City of Colusa LAFCO File 19-0001, involving an annexation of the remaining unincorporated Colusa Industrial Properties land and adjacent territory consisting of approximately 684± acres ("CIP Reorganization");

WHEREAS, Section 99(b) of the Revenue and Taxation Code provides that upon the filing of an application of a jurisdictional change, prior to the issuance of a certificate of filing by the Local Agency Formation Commission, the Parties must first agree to a mutually acceptable exchange of real property ad valorem and sales and use taxes imposed and collected as authorized by the Revenue and Taxation Code; and

WHEREAS, the Parties want to enter into a tax sharing Agreement providing for the apportionment and exchange of real property ad valorem and sales and use tax revenues with regard to the CIP Reorganization.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF COLUSA AND THE BOARD OF SUPERVISORS FOR THE COUNTY OF COLUSA that the 2000 Joint Resolution (County Resolution No. 00-42 and City Resolution No. 00-16) and any prior joint resolutions superseded or voided by the 2000 Joint Resolution, are rescinded.

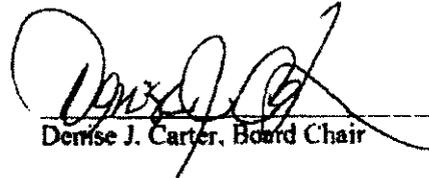
BE IT FURTHER RESOLVED that the County of Colusa and the City of Colusa enter into the Tax Sharing Agreement attached to this Resolution.

PASSED AND ADOPTED BY THE COUNTY OF COLUSA this 18th day of August 2020, by the following vote:

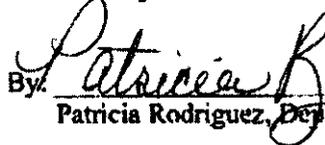
AYES: Supervisors Kent S. Boes, John D. Loudon, Gary J. Evans, J. Merced Corona and Denise J. Carter.

NOES: None.

ABSENT: None.


Denise J. Carter, Board Chair

ATTEST: Wendy G. Tyler, Clerk of the Board of Supervisors

By: 
Patricia Rodriguez, Deputy Clerk

APPROVED AS TO FORM:


Marcos Kropf, County Counsel

PASSED AND ADOPTED BY THE CITY OF COLUSA this 18th day of August 2020, by the following vote:

AYES: Ponciano, Reische, Markss, Nobles and Hill.

NOES: None.

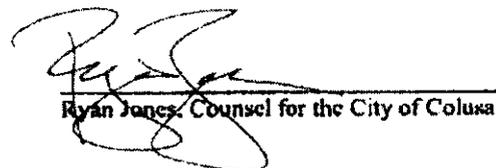
ABSENT: None.


JOSH HILL, MAYOR

ATTEST:

By: 
Shelly Kittle, City Clerk

APPROVED AS TO FORM:


Ryan Jones, Counsel for the City of Colusa

**TAX REVENUE SHARING AGREEMENT
BETWEEN THE CITY OF COLUSA AND THE COUNTY OF COLUSA
FOR THE COLUSA INDUSTRIAL PARK PROPERTY ANNEXATION**

This Tax and Revenue Sharing Agreement is made and executed in duplicate by and between the County of Colusa, a political subdivision of the State of California ("County") and the City of Colusa, a municipal corporation ("City"). The County and City are collectively referred to as the "Parties".

RECITALS

The City filed an application (#2015-04) with the Colusa County Local Agency Formation Commission ("Colusa LAFCo"), pursuant to the Cortese-Knox Local Reorganization Act of 1985 (Gov. Code, §§ 56000, et seq.), requesting approval of the annexation into the City of that real property described in Exhibit A to this Agreement ("Annexation Area"). A portion of the Annexation Area lies within the Colusa Industrial Park.

Revenue and Taxation Code section 99 requires a city seeking to annex property and the county affected by such annexation to agree upon a property tax revenue exchange agreement in order for Colusa LAFCO to issue a Certificate of Completion.

The City and the County wish to work together to develop a fair and equitable approach to the sharing of tax revenue within the Annexation Area. The City and the County recognize the importance of the City's and the County's services and the need to maintain adequate service levels to the Annexation Area for the health, safety and welfare of the citizens of the City and the County. The City and the County wish to cooperate as provided in this Agreement in an effort to address the City's and the County's fiscal considerations in providing such services, as well as their respective present and future economic and planning needs.

It is the intent of the Parties to increase the number of acres available for development by the City for industrial purposes, outside of the core of the city to prevent additional industrial uses within the city core. As such, this agreement is predicated on there currently being limited parcels zoned Light Industrial (M-1), General Industrial (M-2), or Limited Manufacturing (M-L) within the city core area identified on Exhibit B.1 to this agreement.

1. Incorporation of Recitals. The Parties agree that the Recitals, above, constitute the factual basis upon which the City and the County have entered into this Agreement. The City and the County each acknowledge the accuracy of the Recitals and agree that the Recitals are incorporated into this Agreement as though fully set forth at length.
2. Definitions. For purposes of this Agreement, the following words, phrases, and terms are defined as follows:
 - A. "Affected Tax Rate Areas" (or "TRA" or "TRAs") shall mean as to this Agreement those base property tax levies and/or incremental property tax levies available from the

Annexation Area including the following: TRA: TRA 058-016 and TRA 058-041. These TRAs are to be re-numbered during the annexation process.

The County Auditor has notified the City and County pursuant to Revenue and Taxation Code section 99(b)(2), that, of the 1% Ad Valorem Property Tax imposed pursuant to Article 13A, section 1 of the State Constitution, the Property Tax Revenue which is subject to negotiated exchange consists of the following elements. Amounts are estimates and are subject to correction.

Secured:

TRA 058-016: General Fund \$27,936 (0.265808%), Sheriff Department \$5,503 (0.052361%), Bridge Fund \$595 (.005666%), Road District \$4,241 (0.040352%), Sacramento River Fire \$2,105 (0.020032%) and Other Remaining Entities \$64,717 (0.615781%).

TRA 058-041: General Fund \$17,367 (0.265808%), Sheriff Department \$3,421 (0.052361%), Bridge Fund \$370 (.005666%), Road District \$2,636 (0.040352%), Sacramento River Fire \$1,309 (0.020032%) and Other Remaining Entities \$40,233 (0.615781%).

Unsecured:

TRA 058-016: General Fund \$3,034 (0.265808%), Sheriff Department \$598 (0.052361%), Bridge Fund \$65 (.005666%), Road District \$461 (0.040352%), Sacramento River Fire \$229 (0.020032%) and Other Remaining Entities \$7,030 (0.615781%).

- B. "Annexation Area" means all parcels located within the proposed CIP Reorganization area shown on Exhibit "A" to this Agreement for which an application or resolution pursuant to the Cortese- Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §§ 56000 *et seq.*) (the "Act") is filed with LAFCo during the term of this Agreement.
- C. "Annexation Date" means the date specified by the Act as the effective date of the annexation covered by this Agreement.
- D. "Base Year" shall mean the 2020-2021 fiscal year.
- E. "Base Year Property Tax Revenues" shall mean the tax revenue portion of the one percent (1%) property tax authorized by Article 13A, section 1 of the California Constitution, and more particularly described in subsection (c) of Section 95 of the California Revenue and Taxation Code, and includes both the Base (total amount of property tax revenue based upon the AB-8 gross levy for the fiscal year) and supplemental property tax revenues as more particularly defined in Section 75 of the California Revenue and Taxation Code, accruing to the County, excluding property tax revenues allocated to the Sacramento River Fire District, Colusa Cemetery District, the Colusa Mosquito Abatement District, the Yuba Community College, the Colusa Unified School District, and the Colusa County of Education Superintendent

of Schools in the Base Year.

F. "Base Year Sales and Use Tax Revenues" means the revenue from the Bradley-Burns sales, transactions and use taxes levied and received that are generated at a point of sale within the Annexation Area in the Base Year.

G. "Industrial Development" means:

A. Light Industrial (M-1). Uses permitted in C-G; General Commercial districts, as set forth in Article X of the City of Colusa Zoning Code, , except that dwellings, as defined in Article IV of the City of Colusa Zoning Code, and hotels may be permitted only upon the approval of a use permit.

(a) The following uses, provided that the use and storage of flammable and explosive materials shall be subject to appropriate safety regulations, and provided further that smoke, dust, noxious odors and fumes, and noise above the ambient level in the vicinity, be confined within the premises:

1. Wholesale and storage warehouse.

2. Feed and fuel yards.

3. Manufacturing, processing, fabricating, repairing, packaging, and other such treatment of goods and materials, but not including operations involving fish fats and oils, bones and meat products, or similar substances commonly recognized as creating offensive conditions in the handling thereof, and so classified by the planning commission.

4. Dyeing, dry-cleaning, and rug cleaning plants, laundries, veterinary hospitals, cabinet shops, and construction and building materials yards, but not including rock, sand, and gravel or concrete mixing operations, or open lumber yards.

5. The following when conducted within a building or enclosed within a solid wall or fence not less than six feet in height, and of a type approved by the planning commission: welding and sheet metal shops, cooperage and bottling works, truck terminals, and lumber yards.

2. General Industrial (M-2). Uses permitted in M-1 districts, except that dwellings, as defined herein, and hotels may be permitted only upon the securing of a use permit.

(a) The following specific uses which shall be permitted only in M-2 districts.

1. Wholesale lumberyards, lumber mills, grain elevators and storage.

2. Pottery kilns and ceramic works of heavy industrial types.

3. Concrete batch plants.

4. Blacksmith shops, casting foundries.

5. The following when enclosed within a solid wall or fence not less than

six feet in height, and of a type approved by the planning commission:

- a. Building material storage yard, contractor's storage yard.
- b. Junkyard, auto wrecking yard.

3. Limited Manufacturing (M-L). This district is designed to accommodate a limited group of business, professional, research and technical manufacturing uses that may have unusual requirements for space, light and air, and operations that are clean and quiet.

(a) The following specific uses which shall be permitted in M-L districts.

1. Commercial and professional offices.

(b) The following and similar uses in which noise, smoke, dust, odors, and other such offensive features are confined to the premises of such use:

1. Research institutes and laboratories.

2. Electrical, small electronic and plastics and instrument manufacture.

3. Bookbinding, printing, editorial, designing, lithography and cartography.

4. Garment manufacture, paper products manufacture.

(c) Underground utility installations and aboveground utility installations for local service, except that substations, generating plants, and gas holders must be approved by the planning commission prior to construction and the route of any proposed transmission line shall be discussed with the planning commission prior to acquisition.

- H. "Colusa Industrial Park" means those properties in aggregate generally associated with or developed by Colusa Industrial Properties for industrial and other development west of Highway 20 generally surrounding the Colusa County Airport including the unincorporated Annexation Area and the property previously annexed into the City of Colusa under LAFCO File 2014-001 consisting of approximately 212 acres.
- I. "Property Tax Revenue" means all revenue from "ad valorem real property taxes on real property," as that term is used in Section 1 of Article XIII.A of the California Constitution and as more particularly defined in Revenue and Taxation Code §95(c), that is collected from within the Annexation Area and available for allocation to the City and County.
- J. "Property Tax Base Year Increment" means the amount of one percent (1%) ad valorem property tax revenues in excess of the Base Year Tax Revenues accruing to

each agency (by the applicable Tax Rate Area) in the Annexation Area resulting from the increase in assessed valuation of the property, buildings, and all other improvements from which property taxes are derived in existence in the Base Year. For the purposes of this Agreement, Property Base Year Tax Increment shall be cumulative.

K. "Property Tax Development Increment" means the amount of one percent (1%) ad valorem property tax revenues in excess of the Base Year Tax Revenues and the Property Tax Base Year Increment accruing to each agency (by the applicable Tax Rate Area) in the Annexation Area resulting from the increase in assessed valuation from one year to the next caused by property and building improvements and new construction. For the purposes of this Agreement, the Property Tax Development Increment shall be cumulative.

L. "Sales and Use Tax Revenue" means the revenue from the Bradley- Burns sales, transactions and use taxes levied and received that are generated at a point of sale within the Annexation Area.

3. General Purpose of Agreement. The general purpose of this Agreement is to devise an equitable exchange of Tax Revenue between the City and the County on and after the Annexation Date as required by Government Code section 56815(b) and Revenue and Taxation Code section 99.
4. Assumption of Services After Annexation: The parties understand and acknowledge that following completion of the Annexation, the City will assume full responsibility for providing road, law enforcement, and all other municipal services to the Annexation Area.
5. Establishment of Separate Tax Rate Area. County and County Auditor will work with the State Board of Equalization to establish separate Tax Rate Areas ("new TRAs") for the Annexation Area prior to allocation and distribution of Property Tax Revenue under this Agreement. For purposes of establishing new TRAs and setting the AB 8 calculation. County Auditor will report to City and County the actual amount of the Ad Valorem Property Tax Revenue levied from the new TRAs pursuant to this Agreement.
6. Property Tax Revenue Distribution Methodology. The Parties agree that, as to the Annexation Area only, and with the exception of parcels listed on Exhibit C, Secured and Unsecured Property Tax Revenue will be distributed as follows beginning the first fiscal year after the Base Year:
 - A. Base Year Property Tax Revenues. The County will retain one hundred percent (100%) of the Base Year Tax Revenues for Fiscal Year 2020-2021. In all subsequent years, the County shall retain forty percent (40%) and the City shall retain sixty percent (60%) of the Base Year Tax Revenues.
 - B. Property Tax Base Year Increment. The County will retain one hundred percent

(100%) of the Property Tax Base Year Increment for Fiscal Year 2020-2021. In all subsequent years, the County shall retain forty percent (40%) and the City shall retain sixty percent (60%) of the Base Year Tax Increment Revenues.

C. Property Tax Development Increment. In all subsequent years, the City shall receive one hundred percent (100%) of the Property Tax Development Increment

D. Airport Aircraft Unsecured Property Tax Revenues. The County will retain fifty percent (50%) of the Unsecured Tax Revenues for those parcels listed on Exhibit C as may from time to time be revised, and the Colusa Unified School District shall retain the other fifty percent (50%).

7. Sales and Use Tax Distribution Methodology. The Parties agree that, as to the Annexation Area only, Sales and Use Tax Revenue shall be distributed as follows:

A. Base Year Sales and Use Tax Revenue. The County will retain one-hundred percent (100%) of the Sales and Use Tax Revenue.

B. Second and Third Year Sales and Use Tax Revenue. In fiscal years 2021/2022 and 2022/2023 (years two and three) the County shall retain ninety percent (90%) of Sales and Use Tax Revenue and the City of Colusa shall receive ten percent (10%).

C. Fourth Year Sales and Use Tax Revenue. In fiscal year 2023/2024 the County shall retain seventy percent (70%) of Sales and Use Tax Revenue and the City of Colusa shall receive thirty percent (30%).

D. Fifth Year Sales and Use Tax Revenue. In fiscal year 2024/2025 the County shall retain thirty percent (30%) of Sales and Use Tax Revenue and the City of Colusa shall receive seventy percent (70%).

E. Subsequent Years Sales and Use Tax Revenue. Beginning in fiscal year 2025/2026 and henceforth, the City of Colusa shall retain one hundred percent (100%) of all Sales and Use Tax Revenue.

8. Industrial Development. As of the approval of this agreement there are seven County of Colusa Assessor numbered parcels, totaling some 1.862 acres designated with an Industrial General Plan and/or Zoning designation as shown as Exhibit "B.1" attached to this agreement. For each percentage, or fraction thereof, increase in the acreage of said Industrial General Plan and/or Zoning designated parcels within the city core area, the percentage of the Base Year Tax Revenue and Tax Base Year Increment owed to the County shall be increased by the same percentage, or fraction thereof, and the percentage of Base Year Tax Revenue and Tax Base Year Increment owed to the City shall be decreased by the same percentage, or fraction thereof. Should the total number of acres increase by more than 25%, this Tax Share Agreement shall be reopened for further negotiation.

9. Allocation to Other Public Entities. All Property Tax Revenue allocated to other Special Districts and entities shall remain unchanged unless otherwise agreed between City and said entity.
10. Development Impact Fees. The City of Colusa will require each developer within the Annexation Area to pay the County of Colusa's Development Impact Fees adopted pursuant to Ordinance No. 705 and/or Chapter 38 of the Colusa County Code for Sheriff Facilities, Health & Human Services Facilities, Behavioral Health Facilities, Library Facilities, District Attorney Facilities, and Probation Facilities as the fees exist or may be amended from time to time for any project approved within the Annexation Area. If the County's current impact fees increase by 25% or more, the County agrees that they will reopen this tax share agreement. The City will fulfill this obligation by including this requirement in any development agreement or condition of approval adopted in connection with the approval of any development project proposed within the Annexation Area. Prior to issuance of a building permit for construction of any development, the City will require the developer to confirm payment of the County Development Impact Fees identified in this Section to the County, all in accordance with the County's Service Impact Fee Ordinance. County agrees to consider reduction or waiver of Development Impact Fees on a project by project basis.
11. Exchange by County Auditor. The Parties agree that all of the exchanges of Property Tax Revenues required by this Agreement shall be performed by the County Auditor in the customary time and manner for such exchanges based on other similar agreements with local jurisdictions.

The City of Colusa will pay the County of Colusa the Sales and Use Tax Revenues required by this Agreement by April 30th. For audit purposes, the remittance of the payment shall also include documentation evidencing the sales tax revenue collected by the City of Colusa. Acceptable documentation will be sufficient to the County Auditor-Controller and shall include the State Board of Equalization sales tax reports.
12. Effect of Agreement. This Agreement applies solely to the Annexation Area, Property Tax Revenues, Sales and Use Tax Revenues, and development impact fees. It is not a master tax sharing agreement or an agreement on property tax exchanges that may be required for any other annexation to the City, nor does it alter or enlarge any other revenue sharing obligations of the Parties.
13. Utility Bills. Within 60 days of the Annexation Date the City shall have completed the transfer process with Pacific Gas and Electric and take full responsibility for the utility bills for streetlights in the new TRAs.
14. Administrative Charges. Administrative charges for preparation of property tax calculations and tracking shall be charged to the City annually. The County will charge the City the Property Tax Administration Fee per R&T Code 95.3 and 97.75 and the Colusa County Board of Supervisors Ordinance No. 529.
15. Effective Date of Agreement. This Agreement shall become effective on the last date of

execution set forth below ("Effective Date").

16. Mutual Defense; Waiver of Retroactive Recovery. If the validity of this Agreement is challenged in a legal action by a party other than City or County, then the Parties agree to jointly defend the legal action and share equally all related costs, fees, and expenses arising from the action. Further, the Parties waive any right to the retroactive recovery of any City or County tax revenues exchanged under this Agreement prior to the date on which such legal action is filed in a court of competent jurisdiction. The remedy available in any such legal action shall be limited to a prospective invalidation of the Agreement.
17. Amendment. This Agreement may only be modified or amended by a writing duly authorized and executed by the Parties.
18. Entire Agreement. With respect to the Annexation Area only, this Agreement supersedes any and all previous negotiations, proposals, commitments, writings, and understandings between the City and the County with respect to the sharing of Property Tax Revenue for the Annexation Area.
19. Agreement or Consent. Wherever this Agreement requires a party's agreement or consent, the party shall make its decision to give or withhold such agreement or consent in good faith and shall not withhold such agreement unreasonably or without good cause.
20. Construction of Captions. Captions of the sections of this Agreement are for convenience and reference only. The words in the captions in no way explain, modify, amplify, or interpret this Agreement.
21. Authority to Execute Agreement. City has authorized the execution of this Agreement by its City Manager through adoption of Resolution No. 20-035 by its Council. County has authorized the execution of this Agreement by the County Administrator through adoption of Resolution No. 20-031 by the Board of Supervisors.
22. Venue. This Agreement is made in the County of Colusa in the State of California. Any action to enforce or interpret its terms shall be brought in Colusa County Superior Court.
23. Severability. Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.
24. Notices. Notices may be delivered or mailed to the respective representatives of the Parties at the following addresses:
City: City of Colusa
 ATTN: City Manager
 425 Webster St.
 Colusa, Ca. 95932
 (530) 458-4740

County: County of Colusa
ATTN: County Administrative Officer
547 Market Street, Room 102
Colusa, CA 95932
(530) 458-0508

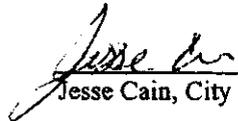
Any party may change the contact information to which such communications are to be given by providing the other parties with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change.

All notices shall be effective upon receipt and shall be deemed received through delivery if personally served, or on the fifth (5th) day following deposit in the mail if sent by first class mail.

25. Exhibits. The following Exhibits are part of this Agreement:

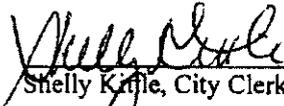
- A. Map of Annexation Area
- B. Map of Area subject to limited industrial zoning
- B-1 Downtown Area Industrial Designated Parcels
- C. List of Unsecured Parcels on Airport Property.

CITY OF COLUSA, a municipal corporation



Jesse Cain, City Manager

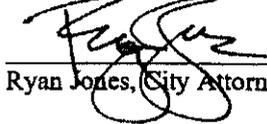
ATTEST:



Shelly Kittle, City Clerk

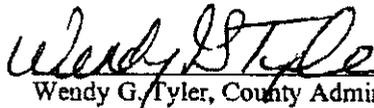
Date approved by City Council: 8-18-2020
Resolution No. 20-35

APPROVED AS TO FORM:



Ryan Jones, City Attorney

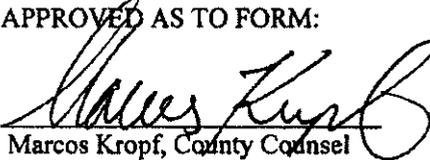
COUNTY OF COLUSA



Wendy G. Tyler, County Administrative Officer

ATTEST:

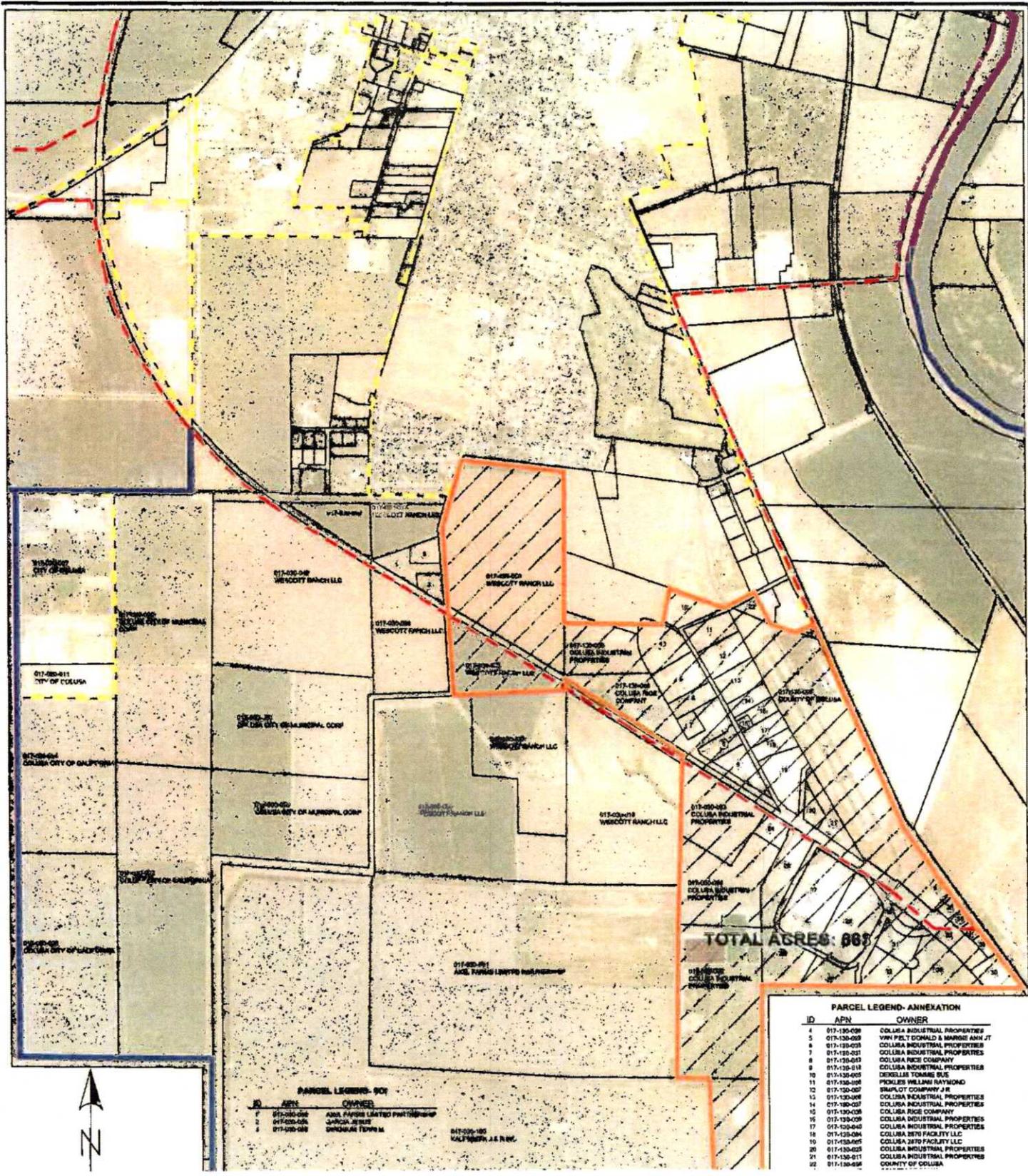
APPROVED AS TO FORM:



Marcos Kropf, County Counsel

Date approved by Board of Supervisors: 8/18/2020
Resolution No. 20-031

EXHIBIT A



TOTAL ACRES: 665

PARCEL LEGENDS- 901

ID	APN	OWNER
1	017-130-008	ANAL PARTNERS LIMITED PARTNERSHIP
2	017-130-008	JACKSON SERVICE
3	017-130-008	DIAMOND TOWER M

PARCEL LEGEND- ANNEXATION

ID	APN	OWNER
1	017-130-008	COLLIER INDUSTRIAL PROPERTIES
2	017-130-008	VAN PELT DONALD & MARGIE ANN JT
3	017-130-008	COLLIER INDUSTRIAL PROPERTIES
4	017-130-008	COLLIER INDUSTRIAL PROPERTIES
5	017-130-008	COLLIER INDUSTRIAL PROPERTIES
6	017-130-008	COLLIER RICE COMPANY
7	017-130-008	COLLIER RICE COMPANY
8	017-130-008	COLLIER RICE COMPANY
9	017-130-008	COLLIER INDUSTRIAL PROPERTIES
10	017-130-008	DEWELLE TOMASIE BLS
11	017-130-008	PICKLES WILLIAM RAYMOND
12	017-130-008	SMUGGOT COMPANY JR
13	017-130-008	COLLIER INDUSTRIAL PROPERTIES
14	017-130-008	COLLIER INDUSTRIAL PROPERTIES
15	017-130-008	COLLIER RICE COMPANY
16	017-130-008	COLLIER INDUSTRIAL PROPERTIES
17	017-130-008	COLLIER INDUSTRIAL PROPERTIES
18	017-130-008	COLLIER RICE COMPANY
19	017-130-008	COLLIER 2870 FACILITY LLC
20	017-130-008	COLLIER INDUSTRIAL PROPERTIES
21	017-130-008	COLLIER INDUSTRIAL PROPERTIES
22	017-130-008	COUNTY OF COLLIER

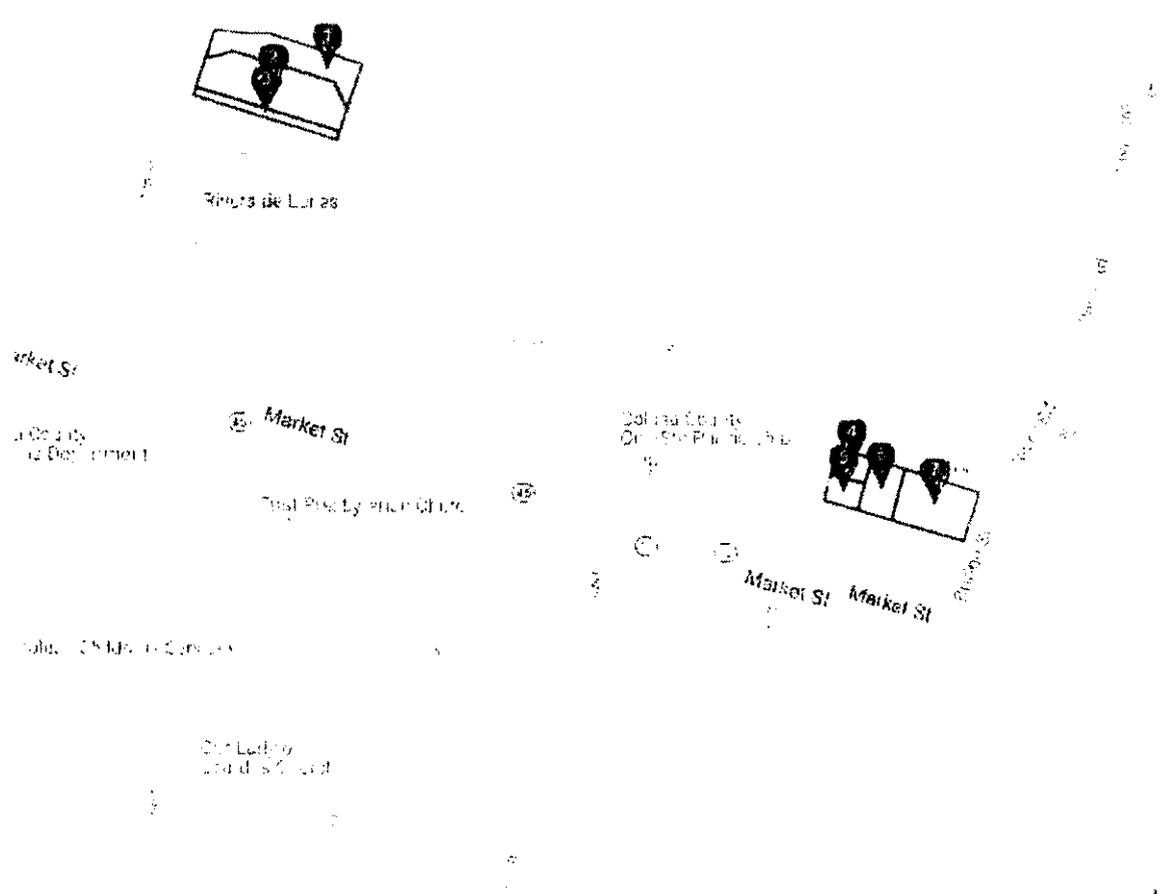




Incentive Area
Tax Agreement for CIP Annexation
EXHIBIT B

030-157

Exhibit "B.1" Downtown Area Industrial Designated Parcels



Map No.	APN No.	Parcel Size	Street Address
1	001-042-006-000	0.442	N/A
2	001-042-007-000	0.390	N/A
3	001-042-001-000	0.150	N/A
4	001-056-001-000	0.110	101 First St
5	001-056-002-000	0.110	109 First St
6	001-056-003-000	0.220	N/A
7	001-056-004-000	0.440	N/A
Total Acreage:		1.862	

EXHIBIT C
UNSECURED PROPERTY PARCELS LOCATED
ON THE COLUSA COUNTY AIRPORT (APN 17-130-009)

800-000-110	860-000-063
830-002-271	860-000-064
860-000-016	860-000-065
860-000-042	860-000-066
860-000-043	860-000-067
860-000-044	860-000-068
860-000-045	860-000-070
860-000-046	860-000-073
860-000-047	860-000-073
860-000-048	860-000-074
860-000-049	860-000-075
860-000-050	860-000-076
860-000-050	860-000-077
860-000-051	860-000-077
860-000-052	860-000-078
860-000-053	860-000-080
860-000-054	860-000-086
860-000-055	860-000-087
860-000-056	