

Item # 6

COLUSA LOCAL AGENCY FORMATION COMMISSION

MEETING DATE: November 4, 2021 3:00 PM

TO: Colusa Local Agency Formation Commission

FROM: John Benoit, Executive Officer

SUBJECT: LAFCO 2021-0001 – Cheney reorganization including 26.525 (26.5) acres more or less to the City of Colusa and removed from the Sacramento River FPD.

Attachments:

1. LAFCo Resolution 2021-0008 approving the Cheney Reorganization including an Annexation to the City of Colusa and Detachment from the Sacramento River Fire Protection District consisting of 26.5 acres more or less
2. City of Colusa Resolution 20-61 Initiating the Cheney City of Colusa
3. CEQA documents used to support the Cheney Reorganization are located on LAFCo Webpage www.colusalafco.org
4. Ordinance #546 Prezoning ordinance the Cheney Reorganization area LAFCo and zoning policy regarding prezoning located on LAFCo Webpage www.colusalafco.org
5. Plan for Services and Justification Located on LAFCo Webpage www.colusa.lafco.org
6. Comments received from the Sacramento River FPD (in EO report)

EXECUTIVE OFFICER'S RECOMMENDATION:

The City of Colusa is requesting a reorganization known as the Cheney Reorganization consisting of 26.5 acres of property more or less consisting of an annexation to the City of Colusa and detachment of 26.5 acres from the Sacramento River FPD.

This request from the City of Colusa is to annex into the City 26.5 acres of land more or less consisting of 7 assessor's parcels 015-200-049 & 050; 015-210-014 & 015; 015-200-029,033 and 036 together with adjacent public rights of way.

The original application consisted of the Cheney property, which includes 12.83-acres. The city had consent to annex forms from adjacent landowners

Staff Recommends approval of the Chaney Reorganization as included in Resolution 2021-0008 Attachment #1

1. INTRODUCTION

The project area originally involved approximately 12.83 acres of land located in the unincorporated area of the Sphere of Influence of the City of Colusa. The reorganization has been expanded to 26.5 acres more or less.

The proposal project involves an application for annexation to the City of Colusa and detachment from the Sacramento River Fire Protection District. The original 12.83- acre proposal involves a small-lot subdivision to create 35 parcels for future development with single-family homes. The average lot size is proposed to be 12,800 square feet, and typical lots would be 80 feet wide and 160 feet deep. Gross density for the project is proposed to be 2.7 units per acre. As part of the original proposal improvements the developer were only adjacent portions of 5th Street. With the additional 13.69 acres added the reorganization will the entire right of way fronting the reorganization proposal.

Prior to project implementation of the development proposal, annexation to the city is required (as well as detachment from the Sacramento River Fire Protection District)

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.

The City of Colusa prepared an initial study and adopted a Mitigated Negative Declaration for the original 12.83-acre subdivision. Environmental review for the remaining parcels is covered in the City's Master Environmental Impact report (MEIR) prepared for the City's General Plan since no development is proposed. Additional environmental review may later be required should additional development be proposed on the added 13.69 acres.

Colusa County certified the General Plan MEIR in July 2007 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. The territory around 5th street is designated low density residential as well as the rezoning for the City.

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 reorganization area. This area will nevertheless be detached from the Sacramento River Fire Protection District.

A portion of the 5th street area has been left unincorporated. This reorganization will bring a portion of the 5th street unincorporated area into the City. The area is developed with Large Lot Single Family residential at this time and is planned and zoned to remain single family residential. The fire district voiced concerns about access from the City to the lots south of this annexation, which it serves. According to the Tax Sharing agreement the City will provide road, law enforcement and all other municipal services in the annexation area.

Property Tax Exchange Agreement: A Joint Resolution of Tax Exchange was approved by the City of Colusa and the Board of Supervisors on October 21st and 26th respectively. City of Colusa Resolution 21-53 and County of Colusa Resolution _____. This joint resolution calls for the redistribution of a portion of the base and incremental tax revenues to the City from the County since the City will be providing services. Other taxing agencies will not be affected. This agreement also requires developers within the Annexation area to pay County of Colusa developer fees within the annexation area. The Property Tax Sharing agreement is included as Exhibit C-1 for LAFCo's adopting Resolution 2021-0006 (shown as Attachment #1). The detachment of territory from the Sacramento River FPD is addressed in Colusa County Resolution 00-47 calling for all base tax and increment tax revenues shall be distributed to the County and other taxing entities (see Exhibit C-2) The City and County approved a Regional Housing Needs Allocation Transfer Agreement specifying the number of housing units from the County to the concurrent with this Property Tax Transfer (Sharing) agreement.

Government Code Section 56662 allows the Commission to make determinations for uninhabited territory without notice and hearing provided there is 100 percent landowner consent. This proposal qualifies since all property owners in this reorganization have consented to this reorganization and LAFCo has not received any written demand for a public hearing. In addition the parcels are in the City of Colusa sphere of influence and infrastructure is readily available to the site.

2. PROPOSAL:

LAFCO File No. 2021-0001 – Cheney-Wilson Reorganization (City of Colusa Resolution 20-49 Initiating the reorganization)

3. ACREAGE AND LOCATION:

This reorganization consists of 26.5 acres more or less located on 5th street adjacent to the City of Colusa.

4. PURPOSE:

The purpose of this reorganization is to enable urbanized development within the Cheney property, in accordance with the City of Colusa General Plan and to more effectively serve those properties who have agreed to annex. (see Attachment #5 Plan for Services and Justification statement).

5. PRELIMINARY PROCEEDINGS INITIATED BY:

City of Colusa Resolution No. 20-461 adopted December 15, 2020 (See Attachment #2).

6. ACCEPTED FOR FILING: Oct 26, 2021 and the LAFCo hearing set for Nov 4, 2021.

7. PUBLICATION AND POSTING: Oct 26, 2021

8. COMPLIANCE WITH CEQA:

LEAD AGENCY:

City of Colusa

ENVIRONMENTAL FINDING:

Environmental Impact Report for the City General Plan and Negative Declaration for the Cheney Subdivision

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. (see Attachment 3)

City-Cheney Reorganization

Project Description

The Cheney Reorganization Project includes the annexation of 26.5 acres more or less on the southern boundary of the City of Colusa. The Project makes no changes to land uses or zoning. The Reorganization does not directly approve any further land development projects, structures, or infrastructure construction, so there are no new project specific impacts with the exception of the Cheney subdivision analyzed in an initial study dated August 20, 2020. The Project changes the jurisdiction of the land proposed to be reorganized from the County of Colusa to the City of Colusa and the 26.5 acres is to be removed from the Sacramento River Fire Protection District.

Project Environmental Analysis

The Project area has been subject to two environmental documents impact reports (EIR's). This area was analyzed for environmental impacts in the 2007 City of Colusa General Plan Update MEIR. And the subdivision was also subject to a more detailed analysis in an initial study and negative declaration prepared in August 2020. 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 MEIR 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 MEIR.

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.

Secton15183. 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 analysis was done, and no substantial changes have occurred in either the Project or circumstances and setting with the exception of the Cheney subdivision, which is the subject of a tiered initial study and negative declaration. Development occurring in the Cheney Subdivision Project has been of the type and character anticipated by the MEIR 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.

As a jurisdictional change only, with no changes in land use, utilities, circulation, or density, consistent with the MEIR, the City prepared a 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 MEIR 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 MEIR and subsequent Negative Declaration.

The land uses anticipated for development will be not be changed from the current land uses allowed under the City General Plan. 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 MEIR 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 reorganization, no further environmental review is necessary. (CEQA Guidelines Section 15183)

Because this Reorganization is simply a change in jurisdiction, 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, analyzing this reorganization as a responsible agency under the California Environmental Quality Act ("CEQA"), exercised its independent judgment and recommends the findings contained in the adopting resolution regarding this reorganization.

As a responsible agency LAFCo was afforded the opportunity to review the MEIR and the subsequent Negative Declaration for the Cheney subdivision 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 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 MEIR as certified by the City and County of Colusa adequately analyzes the impacts of the proposed reorganization 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 MEIR was certified as complete. All feasible mitigation for traffic, drainage and other identified impacts of the project have been incorporated into the FMEIR, and are enforceable by the City of Colusa and other agencies with regulatory authority. Staff reviewed the draft and final MEIR for this reorganization. The City prepared a final MEIR and certified the environmental impact report prepared 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 reorganization

9. COMPLIANCE WITH GENERAL PLAN:

The territory is designated in the Colusa County General Plan as Low Density Residential. Since the Cheney Reorganization is located within the City's Sphere of Influence, 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 Low Density Residential.

On February 2nd, 2021 the City of Colusa City Council adopted Ordinance 546 pre-zoning the 12.86 acres to Single Family Residential (R-1) (See Attachment # 4). The remaining territory is included in the City's Zoning ordinance as Single Family Residential. Lands not included within the boundaries of any districts on the zoning map shall constitute R-1 Districts, and lands hereafter annexed to the city shall constitute R-1 Districts unless or until classified otherwise by interim ordinance or by amendment of the Zoning Map.

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 MEIR 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 Cheney reorganization is within the Sphere of Influence for the City of Colusa.

The Sphere for the City of Colusa was approved by LAFCo in February 2012 and updated in 2021. Colusa LAFCo's policies were updated on June 4, 2020. This reorganization is consistent with LAFCo's adopted Sphere of Influence.

11. EXISTING LAND USE FOR AFFECTED TERRITORY:

The affected territory includes low density residential uses

Dwellings: 7
Population: 7
Registered voters: 7

Landowners:

Mary Lou Kittle – 015-200-050
Patty Totman - 015-200-029
Kathleen Schnyder – 015-200-053
Thomas and Ashley Indrieri - 015-200-049
Henry and Leticia Pegueros -015-200-036
Cheney and Wilson 015-210-005 & 015

12. EXISTING LAND USE FOR SURROUNDING TERRITORY:

CIP:

Existing land uses within Reorganization Territory:

Residential Low Density

Surrounding land uses:

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

North: Residential Low Density

South: Residential Low Density

West: Residential Low Density

East: Residential Low Density

13. PROPOSED DEVELOPMENT:

The proposed development at full buildout will allow further development of 26.5 - acres more or less reorganization consists of Low Density Residential (R-1-8 zoning) They Cheney-Wilson property shall consist of 27 subdivided lots

14. FISCAL DATA:

PROPERTY TAX AND SALES TAX REVENUE EXCHANGE:

Property Tax Exchange Agreement: A Joint Resolution of Tax Exchange was approved by the City of Colusa and the Board of Supervisors on October 21st and 26th respectively. City of Colusa Resolution _____ and County of Colusa Resolution _____. This joint resolution calls for the redistribution of a portion of the base and incremental 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-1 for LAFCo's adopting Resolution 2021-0006 (shown as Attachment #1).

In Summary, The city will 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, which will be apportioned per the City and County Property Tax exchange resolution.

Notwithstanding the adopted property tax resolutions other special districts within the annexation area, after the effective date of the reorganization, 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.

15. EXISTING SERVICE AGENCIES:

- FIRE PROTECTION: Sacramento River Fire
- SCHOOL DISTRICTS: Colusa Unified School District,
- POLICE PROTECTION: Colusa County Sheriff
- RECREATION: None
- WATER: None and City in a portion of the annex area
- SEWER: None
- DRAINAGE: None
- GENERAL GOVERNMENT: Colusa County

16. SERVICE AND IMPROVEMENT PLAN:

- FIRE PROTECTION: City of Colusa
- 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 area has a 0.2 Pct annual chance of a flood hazard and is therefore not in a flood hazard zone. The reorganization area is designated as Zone X (area of minimal flood risk) with a 0.2% annual chance of flood hazard per FEMA's FIRM #06011C0535F. The proposed project is not located within a 100-year floodplain per the aforementioned FIRM map. The reorganization area is not within an area of tsunami or seiche zones. The project would place residential housing in an area with a minimal flood risk; and the risk of release of pollutants due to project inundation are minimal,

- (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

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

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 reorganization territory. The city has prepared a Plan for Services for the Cheney Reorganization services to additional areas in the reorganization area will follow the Cheney Reorganization Plan for Services. 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. 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 reorganization 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 housing to accommodate growth of Colusa County.

The effect of the proposed reorganization on mutual social and economic interests will be beneficial because there will be a way to pay for the governmental services needed. 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 reorganization 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 reorganization should not result in an adverse financial impact upon the county. The city most likely will need to augment tax revenue to provide essential services.

- (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 reorganization 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

The adopted Commission policies are examined below. The City has prepared a General Plan, Rezoning, development agreement and MEIR for the future reorganizations. 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 Environmental Documents (see LAFCo's Policy Analysis below).

- (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 light agricultural production at this time albeit planned and zoned for low density residential.

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 MEIR, 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 reorganization territory is already developed or surrounded by developed uses, which compromise agricultural operations already. In addition, there is no non-prime agricultural lands in the vicinity of Colusa. The Soil type is Vina Loam, a prime agricultural soil. 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 reorganization 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 reorganization 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 low density residential 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 the reorganization territory has received all discretionary approvals from the city. It is appropriate to receive Tentative Map and Conditional approvals after reorganization. The City has rezoned all the territory for low density residential land uses. The development of lands contiguous with the city will promote orderly development and not leap frog development.

2. Territory within the reorganization territory 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 Chaney Reorganization, 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. Fifth Street is entirely within the reorganization territory

- (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 reorganization is consistent with the City of Colusa's General Plan. LAFCo policies designate the principal jurisdiction as the jurisdiction where the reorganization 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 reorganization territory as low density residential