

SHASTA LAFCO

Report to the Shasta Local Agency Formation Commission

From: Jan Lopez, Executive Officer

Meeting Date: April 2, 2015
Agenda Item #: 8. a. Scheduled Public Hearing
Subject: Executive Officer's Report
#2014-01 – Foxwood 2 Reorganization, annexing territory into Shasta Community Service District (SCSD) and concurrent detachment of said territory from the Centerville Community Services District (CCSD) and CSA #1; Resolution of Application/SCSD: 100% Consent Petition of Landowner

Background:

The owners of 47.84 acres of land due south of the community of Shasta, south of State Route 299W and in the vicinity of Lower Springs Road/Brickwood Drive, petitioned Shasta CSD to request initiation of proceedings before Shasta LAFCO for annexation of this territory. The engineer/representative for this project is Whitson Engineering of Redding, California. Paul Edgren and Fred Bergstrom (partners of Signature-Northwest), submitted a 100% landowner consent request dated July 1, 2014. Shasta CSD approved Resolution No. 03-14 on May 21, 2014, requesting LAFCO to initiate proceedings to annex.

This territory is part of a larger 104.94 acre area which was annexed into the Centerville CSD a number of years ago. However, when the owners prepared to develop the property, it was learned that the acreage involved in this annexation, due to geological and infrastructure issues, could be more economically served by the Shasta CSD.

Shasta LAFCO was requested to act as Lead Agency for the CEQA review of this annexation proposal. The Executive Officer conducted an initial study and concluded that a negative declaration would be proposed for this annexation proposal, which was then circulated to County departments, affected agencies, and interested parties for comments on September 16, 2014, and did not receive any comments identifying any potentially adverse environmental impact as a result of approval of this proposal.

A request was also sent to the California Department of Fish and Wildlife (CDFW) for a CEQA Filing Fee No Effect Determination (NED), which averages \$2,210 per project. We included copies of the Field Delineation documents, an archaeological report, and the Biological Resource Assessment prepared for this territory. On October 8, 2014, CDFW program supervisor approved the request for the NED fee exemption.

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

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

Discussion:

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

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

Because the sphere of influence boundaries for both Shasta CSD and Centerville CSD were updated in 2014, this 47.84 acre territory is currently within the sphere of influence of Shasta CSD, and this project does not require an additional sphere amendment. The assessed value for this area is estimated at \$62,058, and the total estimated property tax revenue generated within the area based on 2014/2015 calculations is \$1738.35 represents secured, unsecured, and homeowner's taxes.

At the present time the Shasta County General Plan designates the area as Public Land & Open Space, with the zoning designation as Unclassified; pre-zoning is only required for city annexations. Planned land use designation for the area being annexed is Residential. Only the 47.84 acre territory is proposed for land use and zoning changes. Primarily due to geographical and access issues, the remainder of 57.1 acres is expected to continue in Public Land & Open Space. When the associated parcel map is completed, this the anticipated land use changes proposed for future development will conform to Shasta County land use and zoning regulations.

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

1. Shasta Community Services Districts:
 - a. Subject to the terms and conditions of Shasta CSD Ordinance 01-05
 - b. Subject to the terms and conditions of the Shasta CSA Drought Contingency Plan
 - c. Subject to the requirements of the Shasta CSD Fire Department

2. Centerville Community Services District:
 - a. Pursuant to District policy regarding detachment from the Centerville CSD, the applicant shall submit a deposit of \$1,500 payable to Centerville CSD for District processing fees.
3. Property Tax Exchange Resolution Conditions from Shasta County Resolution No. 2015-009: 100% of base year property tax and increment is allocated to Shasta County and to Shasta CSD 0% of said base or increment; except as otherwise expressly agreed between the Shasta Community Services District and the Centerville Community Services District.
4. Property Tax Exchange Resolution Conditions from Centerville CSD Resolution No. 2015-01:
 - a. De-annexation and Reorganization: The Centerville Community Services District hereby adopts this resolution approving the de-annexation of the 47.84 acres of Foxwood land and their subsequent reorganization to the jurisdictional sphere of influence of the Shasta Community Services District as reflected in LAFCO File. No. 2014-01, after which the Centerville Community Services District shall have no further jurisdiction, right, interest, duty or obligation over or in the de-annexed property.
 - b. Transfer of Allocated Property Tax Revenues: The Centerville Community services District shall transfer to the Shasta Community Services District 45.6% of the base property tax revenue derived from the 47.84 acres subject to the contemplated de-annexation and reorganization. The monetary sum of base property tax revenues to be transferred from Centerville CSD to Shasta CSD is presently calculated to be \$8.3904.
 - c. Transfer of Allocated Tax Increment: The Centerville Community Services District shall transfer to the Shasta Community Services District 45.6% of the tax increment derived from the 47.84 acres subject to the contemplated de-annexation and reorganization. The monetary sum of the tax increment to be transferred from Centerville CSD to Shasta CSD is presently calculated to be \$.03648.
 - d. Subsequent Years: The reallocation and transfer of the annual base property tax and tax increment resulting from the de-annexation and subsequent reorganization of the 47.84 acres of Foxwood land into the jurisdictional sphere of influence of the Shasta Community Services District shall occur in fiscal year 2015-2016 and each fiscal year thereafter.
 - e. Writing: The Centerville Community Services District shall enter into a written agreement with the Shasta Community Services District to effect the terms of this resolution as soon as is practicable.
 - f. The District Secretary of the Centerville Community Services District is authorized and directed to transmit a certified copy of this Resolution to the Executive Officer

5. Property Tax Exchange Resolution regarding Conditions from Shasta CSD Resolution No. 01-15:
 - a. Annexation and Reorganization: The SCSD here by adopts this resolution approving the annexation of the 47.84 acres of Foxwood land and their subsequent reorganization to the jurisdictional sphere of influence as reflected in LAFCO File' No. 2014-01, after which the CCSD shall have no further jurisdiction, right, interest, duty or obligation over or in the de-annexed property. .
 - b. Transfer of Allocated Property Tax Revenues: The CCSD shall transfer to the SCSD 45.6% of the base property tax revenue derived from the 47.84 acres subject to the contemplated de-annexation and reorganization. The monetary sum of base property tax revenues to be transferred from CCSD to SCSD is presently calculated to be \$8.3904.
 - c. Transfer of Allocated Tax Increment: The CCSD shall transfer to the SCSD 45.6% of the tax increment derived from the 47.84 acres subject to the contemplated annexation and reorganization. The monetary sum of the tax increment to be transferred from CCSD to SCSD is presently calculated to be \$.03648.
 - d. Subsequent Years: The reallocation and transfer of the annual base property tax and tax increment resulting from the annexation and subsequent reorganization of the 47.84 acres of Foxwood land into the jurisdictional sphere of influence of the SCSD shall occur in fiscal year 2015-2016 and each fiscal year thereafter.
 - e. The District Secretary of the SCSD is authorized and directed to transmit a certified copy of this Resolution to the Executive Officer of the Shasta LAFCO, who shall then distribute copies in the manner prescribed by law.

Conclusions:

- The Foxwood 2 Reorganization has the consent of all affected landowners, Shasta CSD, and Centerville CSD.
- The territory is considered uninhabited and has no registered voters.
- Property Tax Exchange negotiations were successfully concluded on behalf of all affected agencies.
- LAFCO did not receive any comments detailing a significant adverse impact on the environment that would require additional mitigation measures.
- All appropriate agencies, interested parties, and adjacent landowners were sent notification of the hearing for this proposal.
- The Department of Fish and Wildlife issued approval of a CEQA Filing Fee No Effect Determination (NED) waiving the need for this fee.
- The Shasta Community Services District has sufficient water allocated for the project and is capable and willing to serve the territory being annexed. Said territory will be subject to the District's Drought Contingency Plan.
- The project is consistent with the sphere of influence boundaries for both Shasta CSD and Centerville CSD, and is consistent with Shasta County General Plan and Zoning designations proposed for this territory.

- The factors of Government Code Sections 56375 and 56668 have been considered and the proposal is found to comply with those provisions.

Recommendations:

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

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

Exhibits:

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