

LASSEN COUNTY LOCAL AGENCY FORMATION COMMISSION
Board of Supervisors Chambers 707 Nevada Street Susanville, CA 96130

REGULAR MEETING
April 10, 2017 - 3:00 p.m.

Meeting was called to order at by Vice Chair Brian Wilson.

Members present: Joe Franco, David Teeter, Jeff Hemphill and Vice Chair Brian Wilson.
Absent: Todd Eid, Chairperson

Staff Present: John Benoit, Executive Officer and Ruth Ellis, Administrative Staff Assistant.

2. Approval of Agenda

Motion by Commissioner Franco to approve the agenda as submitted; Commissioner Hemphill provided a second and the motion carried unanimously. Ayes: Franco, Hemphill, Teeter and Wilson. Absent: Eid.

3. Correspondence None.

4. Minutes None.

5. Public Comment None.

6. Selection of Public Member and Public Member Alternate for a term ending in May 2021.

- a. Selection of Public Member*
- b. Selection of Public Member Alternate*

Mr. Benoit stated there were two applicants, Todd Eid applied for the Public Member At Large seat, and Jim Chapman applied for the Public Member alternate.

Motion by Commissioner Hemphill, second by Commissioner Franco to appoint Todd Eid as the Public Member and Jim Chapman as the Public Member Alternate for a four-year term. Motion carried unanimously. Ayes: Hemphill, Franco, Teeter and Wilson. Absent: Eid

Mr. Chapman was seated on the Commission.

7. Workshop regarding the City of Susanville Sphere of Influence

- a. Review and Discuss the Draft 2 Sphere of Influence report prepared for the City of Susanville including comments received to date.*
- b. Review Map of Sphere areas as reviewed by the City.*
- c. Set Public Hearing date for 3 p.m. June 12, 2016.*

Mr. Benoit shared that he prepared a new draft document, which included comments received from City Administrator Jared Hancock, the Commission and the City Council's map. He explained, however, that an issue has now come up regarding Williamson Act land contracts and some Farmland Security Zone. He wanted to get those exact locations because Farmland Security Zone land is absolutely forbidden from being in the Sphere of Influence, however, Williamson Act land can be in the Sphere under certain provisions. He added a lot of the

contracts may be under non-renewal status and if they are, the prohibitions are lifted. Before the Sphere of Influence is adopted, Mr. Benoit said he needs to overlay the map with the Williamson Act land and look at the status of all the contracts.

Vice Chair Wilson asked why it would matter if the properties were under Williamson Act contracts and how does it prevent the City from having them in its Sphere of Influence?

Mr. Benoit responded that Government Code 56426.6 has prohibitions for Williamson Act lands.

Vice Chair Wilson asked if the City could recognize the same restrictions as the County.

Mr. Benoit responded the City could do that, but the Commission would have to make some findings in the Resolution that would approve the Sphere of Influence. It is an issue the City needs to be aware of, but there are no prohibitions for the City to have open space land within its jurisdiction. For example, the City of San Luis Obispo has been doing it for years, but has the tools to restrict development. Mr. Benoit said he didn't think the City has tools in place at this time.

Commissioner Chapman asked what the definitions are for near-term and long-term spheres.

Mr. Benoit responded short-term is one to 10 years and long-term spheres are 10 to 20 years.

Commissioner Chapman pointed out most of the Williamson Act contracts are for 10 years and he didn't think there were a lot of 20 year contracts in the County. He explained the County began subsidizing the existing contracts when the State defunded the Williamson Act several years ago. About a dozen of the contracts fell below the minimum objectives for what qualifies as a Williamson Act contract and the Lassen County Board of Supervisors terminated them, which allowed the 10 year cycle to wind down to the point where once expired, those people would not have a Williamson Act contract.

At the same time, the Board of Supervisors determined to go ahead and cover for the State in hopes it would refund the Williamson Act contracts. The board drew a line in the sand, however, and said those contemplating entering into new contracts would probably not be looked upon with favor.

If it is incompatible to have a Williamson Act contract within a City environment, it becomes a moot point with the ability to phase out the contracts and eventually the two are going to reach a point where they can have that as part of the City.

Vice Chair Wilson stated that Mr. Benoit said the Williamson Act itself was not going to be a problem.

Mr. Benoit responded that it's not, but there are some requirements that would have to be met. The City will never be able to develop it or extend services or water to that area if the land is under contract. In addition, if the contracted area went from the County to the City, it would need the permission of the County and the land owner.

Commissioner Franco said he thought one of the priorities of LAFCo was to maintain Ag land and why would it condone the development of Ag land.

Mr. Benoit said it is and that is why there are prohibitions for Williamson Act land to go into a City. He continued that just because it's in the City doesn't mean it's going to be developed and if there are conservation easements on it, the City will have no choice but to keep it as open space, but there could be costs associated with having open space lands in the City.

Jared G. Hancock, City Administrator, said he believes there is only one Williamson Act property that is currently in the Sphere at the north end of town just below the hospital. He said the intent of the City would be to adopt some open space and agricultural policies. In the event some of that property were to be annexed in the future, it would remain in its current form and able to be farmed.

He continued that the discussion hasn't been so much on total land mass and availability of land for growth, but on the logistics of the services the City already provides. One service that is going to get a lot of attention is water because it is considered a growth-inducing service.

Mr. Hancock said the City wants to have a meaningful discussion with LAFCo about the current lands in the Sphere, such as the land to the north above the Susanville Indian Rancheria, and the ability to provide efficient services. The City would like to look at opportunities to bring the Sphere in to where the growth is really occurring and where there are demands for water, sewer and natural gas.

City staff is working on the water infrastructure going into the north and west of town and there's significant interest from those people to be able to tie into the water. Keeping those properties in the Sphere of Influence for a long-term scenario is dictating the overall boundary as significant annexations in the near-term are not expected.

There was general discussion about the map, which Mr. Benoit said is about five years old and that is why he wants a current one.

The map was able to be displayed on the screen in the boardroom and Mr. Hancock confirmed there is only one Williamson Act property in the Sphere of Influence.

Mr. Hancock talked about the existing Sphere of Influence and one of the issues that has been discussed is when the Sanitary District Sphere updated its Sphere of Influence, it came down into the Johnstonville area. It made sense that if sewer services were going to be made available, then the City's sphere should mirror the Sanitary District's because sewer and water go together hand in hand.

He added there are Williamson Act properties to the southeast on the revised Sphere of Influence and according to Mr. Benoit, they wouldn't create any issues in the long-term Sphere unless they were in the 20 year contracts. It also wouldn't mean they would automatically go into non-renewal it would be OK for them to be in a long-term Sphere if they were 10 years out.

Craig Sanders, City of Susanville Planner, explained the way he determined the Williamson Act contracts was looking at the assessor's code for the parcel and there is a letter that indicates Williamson Act inclusion.

Commissioner Chapman stated it was important to note some of the contracts have a split parcel with a larger piece and the contract would only pertain to that large portion.

Mr. Hancock said he was also aware there were a couple of Williamson Act contracts that were in the non-renewal process that were still marked on the map.

Commissioner Chapman asked what the City General Plan says about having agricultural land.

Mr. Hancock responded the City is currently updating its open space element, and one of the things staff would be doing is pre-zoning the properties. Currently, the City doesn't have any zoning for large property agriculture use, it is more for transitional agriculture.

Commissioner Chapman shared about a defacto policy the County put in place in the 1970s. He said the area that circles from Richmond Road, to Center Road and loops back into town has the prime agricultural soils in Lassen County. When it comes to the Sphere of Influence and talking about potential growth, creating that doughnut hole is something that should be considered as a policy if they are going to sustain the policy that has been in the community for the past 50 years. If the City has updated its policy to reflect something different than that, the Commission needs to know.

Mr. Hancock said Commissioner Chapman had come to a similar conclusion the City had about the soils and that they need to be preserved. It would entail pre-zoning them to keep them agricultural and developing in the rocky areas up on the bluff on Richmond Road makes more sense.

Commissioner Chapman stated knowing the pressure the County has experienced he is concerned about the pressure the City will have once it annexes some of that area. He said there is going to be a push to put housing in and even if it's a house here and there, that would be the east side of Richmond Road, opposite of Susan Hills, which would start impacting the ag operation.

Vice Chair Wilson asked about the area where the Skyline bypass will go through and the land behind the Veterans Hospital and Western Nevada Supply. He assumed there is a lot of good soil there and sees that as a place where there is going to be a lot of pressure for commercial development.

Commissioner Chapman said it has already been written off as ag land and they've already eliminated half of the class 2 soils in that area.

Commissioner Franco said he felt it boils down to how important it is to maintain the ranching legacy.

Commissioner Chapman asked where you would want to see the City grow. He said it could go south or east toward Johnstonville and going toward Center Road makes a lot more sense. The City could incorporate the Richmond Road area, but the question is, do they even want to be part of the City.

He added that 1,000 houses have been built to the south of Susanville in the last 30 years and they are all on septic systems. There is the Susanville Sanitary District to the north and it doesn't make sense for another entity to come into place. The Lahontan Water Board has looked at Johnstonville and Janesville and when there is that type of intense residential development and concentration, at some point, Lahontan is going to step in and say you will have to look at putting the system on a sewer. At that point, those communities are going to have to develop their own sewer or the Sanitary District is looking at that for their future. The

Johnstonville area especially, is in the most danger of having to have sewer services in their area.

Commissioner Teeter responded the map portrays that because the newest growth is toward Johnstonville.

Commissioner Franco said not only were they talking about the classification of soils, but the abundance of water because there are ditches that move a lot of water through the area and it's good for growing hay.

Chapman responded that even during the drought there seemed to be enough for at least two cuttings.

Commissioner Franco asked if there was a proposal to rezone the area east of the Skyline bypass.

Mr. Hancock stated the property is already in the Sphere of Influence.

Commissioner Franco asked if the property was zoned for development.

Commissioner Chapman said it was multiple zoned for some commercial, some high density and it was going to be like a planned community.

Mr. Hancock confirmed his statement.

Referring to the soil discussion, Mr. Benoit said there is not a National Resource Conservation Service soil survey in Lassen County. He would have to get that and go through the criteria to see what it would take to put it in the Sphere of Influence.

There was discussion about conservation easements and Mr. Benoit said it is another thing that will need to be looked at because if there is a conservation easement in place, nothing can be done with the property whether it's incorporated or not.

Vice Chair Wilson asked Mr. Benoit if he was suggesting they draw a line around the conservation easement.

Mr. Benoit responded no, he was suggesting they have knowledge about the conservation easement. In the Sacramento Valley there are agencies that require land and the conservation easements or fee title and he would like to get a feeling for what the status is for the easement.

Mr. Hancock said in his research of the LAFCo requirements, a lot of the information is based at the state level and he hasn't found anything specific about conservation easements. He believes most of the conservation easements are done through the federal agencies and locally, it's typically along the river corridors and part of the wetland areas coming off the river. LAFCo looks at if there are appropriate protections put in place to limit the premature conversion of Ag land. The document in itself is locking the property owner in so the premature conversion is addressed through the conservation easement and wouldn't necessarily have to be addressed through the Sphere of Influence.

Mr. Benoit said it's curious that the law doesn't really address conservation easements, it was either an oversight or the Legislature purposefully left it out.

Mr. Hancock responded that some communities, such as Butte County, have set up their own structure to do wetland banking and have a plan for habitat and species that they are doing at a county level and those mechanisms exist.

Mr. Benoit added there are private organizations as well.

Mr. Hancock stated that LAFCo seems to be on board for the text changes in the Sphere of Influence document as far as updating the population numbers and City services. He said the City is looking for feedback on how to define new development and there were some requirements put in that the new development would require a concurrent application with the Sanitary District.

Mr. Benoit said some development didn't necessarily require annexation to the district.

Mr. Hancock said the way the document currently reads is that any annexation to the City would require the Sanitary District to annex that property at the same time. In certain situations that makes sense such as if there is a new development or subdivision being built and as part of that process, capital infrastructure would have to be put in place.

However, he explained it doesn't make sense for areas that are already developed or partially developed. It seems like an unnecessary obstacle from the standpoint that people who are part of the annexation have a perfectly good septic system and there is no immediate need for them to hook up to the Sanitary District. In addition, the Sanitary District may not want to cover the costs and it would be passed over to the land owner.

Commissioner Franco asked if it would be realistic for the Sanitary District to create a sub-system.

Mr. Hancock responded that would be a question for them and in some cases it was a practice that was done more in the past. With all of the required permitting and the secondary and tertiary treating going on makes the process less feasible and more difficult.

Mr. Benoit said those changes have been added.

Commissioner Chapman asked if the City has a Right to Farm ordinance. He expressed concern about swallowing the doughnut hole and 20 years from now it is part of the City and they are allowing encroachments on ag land. He explained the County wound up adopting a Right to Farm ordinance about 25 to 30 years ago to settle domestic disputes. When people are living next door to ag land that is creating noise, dust and has pesticides, it became a critical document to those working in real estate and it was something that had to be disclosed.

Mr. Hancock stated the City does not have a Right to Farm Ordinance in place.

Commissioner Chapman said that is something that might need to be in the report because if there is an open space definitions and the ability for an existing farm operation to remain actively involved, there at least needs to be a buffer around that in which people are given that courtesy.

There was general discussion about the Right to Farm and Mr. Benoit said it just has to be enforceable.

Commissioner Chapman stated he wanted to have more discussion about the population data. He said that from the 2010 Census to 2016, the County population lost about 6,000 people. He noted the prison reform with Proposition 47, Proposition 57 and Assembly Bill 109 and stated that when you lose inmates, there is a collateral effect where you have less workers because there are less people to take care of.

He continued that when he looks at the population numbers for the City, he is puzzled because they seem to be different than the numbers he is used to seeing in the last two to three years at the County level.

Mr. Sanders stated he tries to consistently use the household population. The City does lose a few people who are living in group quarters such as Eagle Lake Village, but there is generally around 150 people in those types of quarters.

Commissioner Chapman stated it is startling that it shows there are 423 vacant units, 1,974 owner-occupied units and 1,859 renters. He said he knew people who came here for a job, but couldn't find a place to live. He said to have that kind of dwelling vacancy inside the City is startling and if the number was 150 to 200 that would sound more reasonable.

Mr. Sanders said there is a disconnect with the numbers from the Census, which was still 9.5 percent in 2010, but it has crept up with the State Department of Finance. However, listening to those in property management, realtors and people looking for places to rent, it's a different story.

Commissioner Chapman said when the State's numbers are embedded in our documents, it skews the policies in place. He told Mr. Benoit the population, demographics and sub division needs to be looked at to see if it's real or something that is skewed.

Mr. Benoit said he looked at the County CEDS report, but it was dated and the City's Housing Element had the most recent data.

Mr. Hancock explained the City had gotten to the bottom of the issue and that in 2010, the City released numbers it had received from the State, but those numbers were off. The State had taken the overall population, then called the prisons to see how many inmates they had and then subtracted that number out. CCC's numbers also include the inmates in the camps and even though they are on the books, when the census is taken and they are out in the camps, it results in a lower number. As a result, the City was getting a population around 6,800 to 6,900.

There was general discussion about County staff's work on the population information and getting a uniform demographic in the past year.

Vice Chair Wilson noted the Age Distribution breakdown on page 11 did not add up correctly. There was general discussion about the numbers and Vice Chair Wilson concluded that if the chart is not necessary it could be removed, rather than spending more time on it. He also added to remove the line in the next paragraph which said, "Since 2010 the City's total population decreased from 14,614, an 18 percent reduction in Population," as it includes the prison population and the following sentence clears it up.

Commissioner Chapman said recommended working with City and County staff and come up with realistic numbers that exist today because that is what we need to be basing our decisions on.

Commissioner Hemphill made a motion to set a public hearing date for 3 p.m. on June 12, 2017.

8. Public Hearing regarding the proposed 2017-2018 LAFCo Budget for Lassen LAFCo

Mr. Benoit stated the proposed budget is almost identical to last year with the exception that the Calafco dues have gone up from \$840 to \$899.

Motion by Commissioner Hemphill and second by Chapman to adopt the proposed budget.

9. Authorize payment of claims for February and March 2017

Motion made by Commissioner Teeter, second by Hemphill to authorize payment of claims for February and March 2017 in the amount of \$7,514.50. Ayes: Teeter, Hemphill, Franco and Wilson.

10. Executive Officer's Monthly report

Mr. Benoit stated the CSDA's magazine had a good article about LAFCo in it. He said he would email it to the Commissioners.

Mr. Benoit shared the Legislature is going to take up the health care districts again, which is a big problem throughout California in their eyes. Mr. Benoit explained they have an issue having a health care district that doesn't provide a hospital, but that's not necessarily the purpose of a health care district.

Mr. Benoit also addressed inactive districts, which he said every county in the State has. As a result of the Little Hoover Commission hearings held last summer, Calafco wrote a letter asking why more districts aren't being consolidated. Mr. Benoit said trying to consolidate two districts is not as easy as waving a magic wand and referenced the Herlong consolidation, which is almost near the end, and the Little Hoover Commission will probably hold another hearing.

Commissioner Chapman said when discussions are held it is important to note that County Service Area Number 2 was abolished. The process that took longer was transferring the Johnstonville water tank to the City and what happened with Herlong is an exception rather than the norm. There is also a health care district that was formed 20 years ago by the voters for the purpose of building the hospital. However, the assessment needed to pursue that never materialized and in the meantime, the private sector came in and that is when Banner eventually acquired the facility. If anything, it would be worth looking at abolishing that district because it never really functioned in the 20 years since it was created.

Mr. Benoit stated he did some research and he could not find it on the Board of Equalization roster. He did find information about it being dissolved, whether in fact it was, he couldn't find a recorded document. It would depend what the Health Care District wanted to do.

Another item addressed was the special districts, which would require every county to have a special districts advisory committee. The committee would make recommendations whether special districts should be seated on LAFCo. If seated on LAFCo, the special district would have to pay a third and the City and County would each pay a third.

Mr. Benoit stated there are several districts around the County that want to be seated on LAFCo, but not everyone does. He did share a concern that the special districts wouldn't have to pay a dime to get a service review done, but the City and County would have to pay for it.

11. Commission Reports There was no discussion

12. Adjournment

Meeting adjourned at 4:26 p.m.

Todd Eid, Chairperson

Approved _____
Ruth Ellis, Recording Secretary