

# Staff Report

for the Board of Directors Meeting of March 11, 2020

**TO:** Honorable Board of Directors

**FROM:** Greg Jones, Assistant General Manager

**DATE:** March 4, 2020

**SUBJECT:** Application for Annexation of Dewitt Center, Placer County

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## ***ADMINISTRATION***

### **RECOMMENDATION:**

Adopt Resolution 2020-07 - Making Application for Annexation of Land at the Dewitt Center area in Placer County.

### **BACKGROUND:**

On January 19, 2007, Nevada County Local Area Formation Commission (LAFCo) adopted Resolution No. 07-0 which adopted the Nevada Irrigation District Sphere of Influence (SOI) Plan 2006 Update. The major purpose of the SOI was to update the District's SOI in accordance with the requirement of the Cortese-Knox-Hertzberg Local Government Reorganization Act and identify horizons for annexation of "islands" within the District's service boundary.

Lands within the perimeter of the District's Sphere of Influence, but not included in the District's boundaries ("islands"), may be annexed into the District with rights to service if and when water is available. Islands are properties outside of the District service territory and must be annexed into the District in order to receive water service.

The Placer County Dewitt Center annexation of land consists of two (2) parcels in unincorporated Placer County totaling +/- 16.4 acres. Both parcels are owned by Placer County. One parcel (APN 051-120-065) is the potential site of a Mercy Housing multifamily housing development. Placer County has asked NID to explore water service options to the multifamily housing parcel, currently residing in an exclusion area of the District. NID Board Resolution 2017-05 requires parcels to be "in-District" for service and states, in part "...parcels requesting District water service require annexation to the District to be eligible to receive water". Due to parcel ownership, proximity and process efficiency, NID also requests annexation of the second County-owned parcel ending in APN -064.

The area to be annexed is currently within the District's place of use for its current water rights.

This annexation will allow for treated and/or raw water deliveries to the subject parcels in the future. Service to this area will require infrastructure upgrades in order for NID to service water. Upon completion of annexation, properties will be eligible to receive treated and/or raw water service for the Mercy Housing multifamily housing project from the Nevada Irrigation District. The developer will provide all infrastructure upgrades as detailed in the project proposal and environmental impact report.

The attached Resolution of Application, annexation map, and Plan for Providing Service is required by Placer LAFCo to initiate the application for the annexation.

This item supports Goal No. 3 of the District's Strategic Plan to develop and manage resources and provides for local control of the community's most valuable assets a fairly priced and available water supply.

**BUDGETARY IMPACT:**

Estimated cost of the annexation is \$15,000. NID will be reimbursed for the cost of the annexation from the project developer after annexation. NID does not anticipate receiving a percentage of property tax fees from the annexed properties as the underlying property is owned by Placer County.

	<b>Budget Acct</b>	<b>Budgeted Amount</b>	<b>Est. Cost</b>	<b>Est. Budget Remaining</b>
Annexation Fees	10114-52608	\$20,000	\$3,580	\$16,420
Annexation Consulting	10115-52603	\$30,000	\$9,000	\$21,000
Staff Time			\$2,420	

Estimated Cost Breakdown:

Placer County Fees

- Placer LAFCo\* \$2,500 (deposit applied to cost)
  - Map Check Fee: \$255
  - Clerk-Recorder: \$25
- \* Includes fees from Registrar of Voters and Assessor:

State Fees/charges

- Board of Equalization \$800 (est. based on acreage)

Outside Services

- Survey \$7,000 (estimate)
- Consulting Planner \$2,000 (estimate)

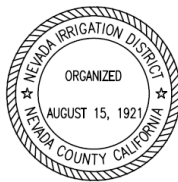
Administrative Fee

- Staff Time \$2,420 (estimate)

**Total Estimate \$15,000**

Attachments (4):

- Resolution 2020-07 - Making Application for Annexation of Land to NID - Dewitt Center Area, Placer County
- Exhibit A: Annexation Map
- Exhibit B: Nevada LAFCo Plan for Providing Services
- Resolution 2017-05 - Authorizing the General Manager to Execute a Property Tax Revenue Sharing Agreement with the County of Placer



## **RESOLUTION NO. 2020-07**

OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

### **Making Application for Annexation of Land to Nevada Irrigation District – Dewitt Center Area, Placer Co.**

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for the annexation of EXCLUSIONS WITHIN UNINCORPORATED PLACER COUNTY BOUNDARY; and

**WHEREAS**, notice of intent to adopt this Resolution of Application has not been given to each interested and subject agency; and

**WHEREAS**, a map depicting the boundaries of the territory is set forth in Exhibit A attached hereto and by this reference incorporated herein; and

**WHEREAS**, this proposal is consistent with the Sphere of Influence of the Nevada Irrigation District, as adopted by the Local Agency Formation Commission in 2006; and

**WHEREAS**, the final metes and bounds description of the proposed annexation may result in minor adjustments to the annexation boundaries. These minor adjustments may proceed forward as if fully contained herein; and,

**WHEREAS**, the territory proposed for annexation contains two (2) properties which currently receive no District water service. Annexation will result in the opportunity for the properties to establish treated and/or raw water service; and,

**WHEREAS**, the Board of the Nevada Irrigation District has considered the environmental impacts of the proposed annexation of the subject territories and concluded the annexation of territory already within the District's service area qualifies for Categorical Exemption to the provisions of the California Environmental Quality Act under Class 19, Annexation of Existing Facilities and Lots for Exempt Facilities; and,

**WHEREAS**, this Board hereby adopts the plan for providing services to the affected territory required by Government Code Section 56653 and attached hereto as Exhibit C; and,

**WHEREAS**, this Board certifies that, pursuant to Section 99 (b) of the Tax and Revenue Code, that it remains in agreement with the Master Agreement between the County of Nevada and the Nevada Irrigation District for Apportionment of Property Tax Revenues due to Jurisdictional Changes, approved on May 2017 (Board of Supervisor's Resolution No. 2017-080) and on April 2017 (District Board of Director's Resolution No. 2017-05).

**NOW, THEREFORE BE IT RESOLVED**, this Resolution of Application is hereby adopted and approved by the Board of Directors of the Nevada Irrigation District and the Local Agency Formation Commission of Nevada County is hereby requested to take proceedings for the annexation of the territory described in Exhibit A, according to the terms and conditions stated above, and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

\* \* \* \* \*

**PASSED AND ADOPTED** by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 11th day of March, 2020 by the following vote:

<b>AYES:</b>	Directors:
<b>NOES:</b>	Directors:
<b>ABSENT:</b>	Directors:
<b>ABSTAINS:</b>	Directors:

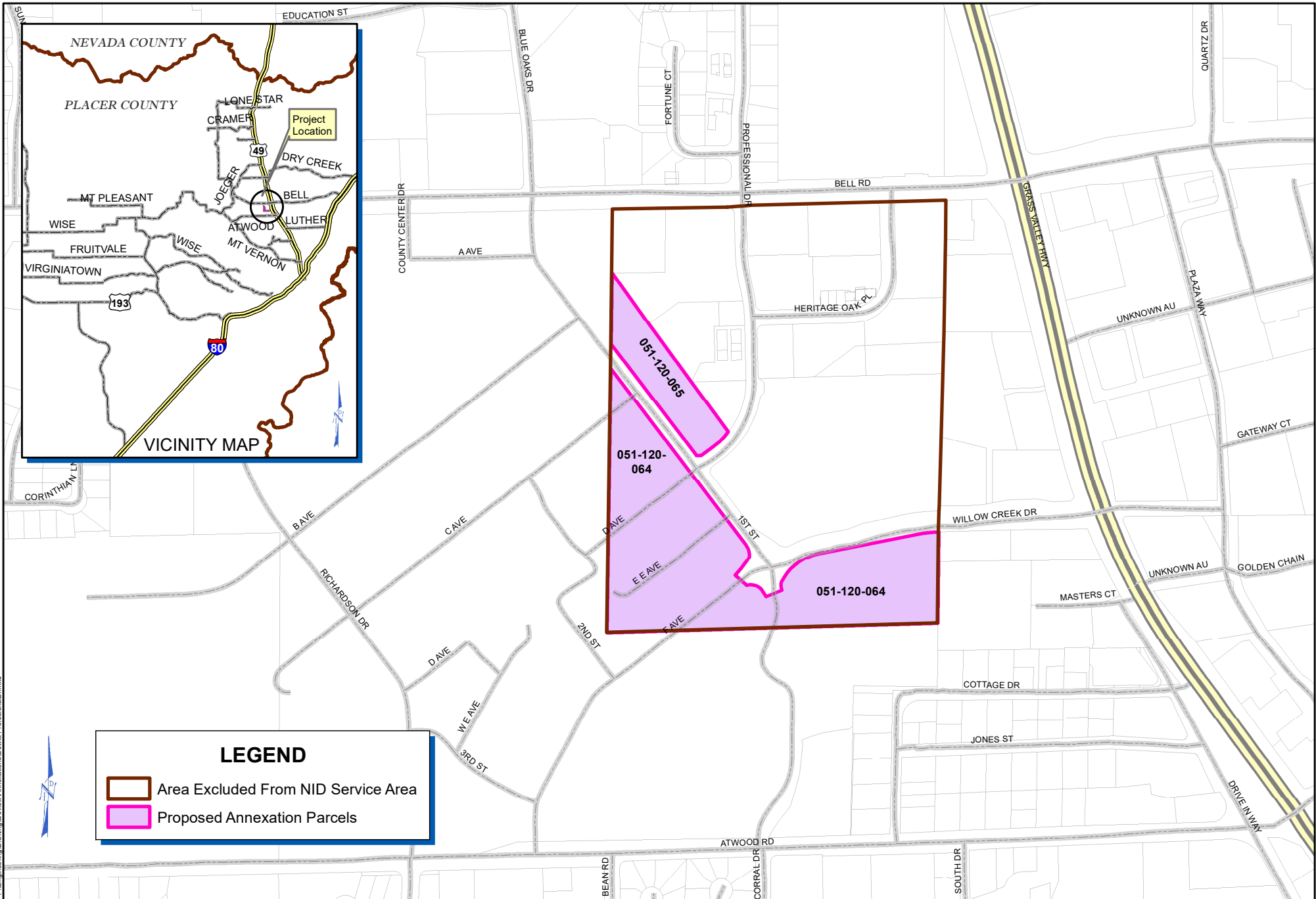
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President of the Board of Directors

**Attest:**

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Secretary to the Board of Directors



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**NEVADA IRRIGATION DISTRICT**

NEVADA COUNTY -- PLACER COUNTY  
GRASS VALLEY, CALIFORNIA

**DEWITT / PROFESIONAL DR. AREA, PLACER CO. ANNEXATION**

Drawn By: D. HUNT

Date: 3/5/2020

Scale: 1" = 500' @ 8-1/2x11

**EXHIBIT A**

**Attachment XX**

PLAN FOR PROVIDING SERVICES  
IN CONNECTION WITH THE  
Annexation of Two (2) Parcels at the Placer County Dewitt Center Area,  
Placer Co

Nevada Irrigation District will provide services to the subject territory as outlined below:

1. **Enumerate and describe the services to be extended to the affected territory.**

*Upon completion of annexation, properties will be eligible to receive treated and/or raw water service for the Mercy Housing multifamily housing project (project) from the Nevada Irrigation District (NID or District). The developer will provide all infrastructure upgrades as detailed in the project proposal and environmental impact report.*

2. **Specify the level and range of those services.**

*NID will provide treated water service to the project as indicated by the project proposal and associated EIR.*

3. **Indicate when those services can feasibly be extended to the affected territory.**

*After annexation into the District.*

4. **Indicate any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.**

*The project developer will be responsible for all upgrades to facilities as per the Mercy low income housing project documents.*

5. **Provide information about how each of those services will be financed.**

*The project applicant is responsible for all financing of the project and associated upgrades or utility improvements.*



**RESOLUTION No.** 2017-05

OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

**AUTHORIZING THE GENERAL MANAGER TO  
EXECUTE A PROPERTY TAX REVENUE SHARING  
AGREEMENT WITH THE COUNTY OF PLACER**

**WHEREAS**, the Nevada Irrigation District (District) expanded service into Placer County (County) in 1926 by a majority vote of landowners; and

**WHEREAS**, following the 1926 vote a number of parcels elected to abstain from inclusion thereby creating islands of exclusionary lands within the District's service area within the County; and

**WHEREAS**, a moratorium on water deliveries to parcels outside District boundaries was established in 2005 by the Board of Directors; and

**WHEREAS**, the County and private parcel owners located within the exclusionary lands have expressed a renewed interest in receiving District services; and

**WHEREAS**, parcels requesting District water service require annexation to the District to be eligible to receive water; and

**WHEREAS**, the Local Agency Formation Commission (LAFCO) requires a resolution authorizing the exchange of tax revenues between the County and the District for taxes generated in the annexation area, prior to consideration of the annexations; and

**WHEREAS**, the District and the County have negotiated a "Master Agreement for Apportionment of Property Tax Revenues Due to Jurisdictional Changes" (Tax Agreement) to support funding for potential future infrastructure in and services to the unincorporated areas of the County that are located within District boundaries; and

**WHEREAS**, the Tax Agreement is exempt from environmental review under the California Environmental Quality Act (CEQA) in that the activity does not constitute approval of a project under CEQA because execution of the Tax Agreement does not have the potential to cause a significant effect on the environment. The District will conduct separate environmental review, as required, under CEQA for any potential future infrastructure improvements or requests for annexation to the District.



**NOW, THEREFORE BE IT RESOLVED**, by the Board of Directors of the Nevada Irrigation District:

1. The Board of Directors approves the attached Tax Agreement.
2. The General Manager is authorized and directed to execute the Tax Agreement
3. This resolution shall become effective upon execution of the Tax Agreement by the District's General Manager and the County of Placer.

**PASSED AND ADOPTED** by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 8th day of February 2017, by the following vote:

AYES:	Directors: Weber, Drew, Miller, Morebeck, Wilcox
NOES:	None
ABSTAINING:	None
ABSENT:	None

  
\_\_\_\_\_  
President

ATTEST:

  
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Board Secretary