

14 STUDY AREA 14: NANCE CANYON/HIGHWAY 99

Study Area 14, Nance Canyon/Highway 99, consists of 5,405 acres located southeast of the City of Chico along Highway 99 and adjacent to the Neal Road Landfill. This study area is currently undeveloped, and is characterized by open grazing land.

- ◆ Alternative 1 follows the existing General Plan, designating the entire study area for agriculture.
- ◆ Alternative 2 designates about 1,000 acres for industrial purposes, as well as some Medium and High Density Residential, allowing 1,700 new homes, and about 100 acres for retail uses. This alternative also includes a significant area for Resource Conservation.
- ◆ Alternative 3 designates about 1,900 acres for industrial purposes. The remainder of the study area would be left as Resource Conservation.

Study Area 14 includes several significant environmental constraints. The entire western and northern portions of the study area are within a Vernal Pool Core Recovery Area. The eastern area is deer herd Winter Range, as well as an area with severe erosion potential. The southern part of the study area includes a floodplain and an area of highly expansive soils. An unnamed fault traverses the study area from north to south at its narrowest point. The Skyway is an area of scenic importance. The County currently designates this corridor as a scenic highway through zoning. In addition, almost all of the study area is recognized as Grazing Land in the California Farmland Mapping and Mitigation Program. Given these various constraints in almost all corners of the study area, it would be difficult to accommodate the amount of development allowed under Alternatives 2 or 3 without encountering some environmental constraint.

A. Economics

1. Market Viability

a. Alternative 1

Since this alternative does not propose significant new residential or commercial development, market viability is not a concern.

b. Alternative 2

Due to its proximity to the historically strong Chico area residential market, the residential component of Alternative 2 should enjoy solid market viability.

The retail component of Alternative 2 would no doubt face strong competition from existing and planned retail development in the City of Chico, which is more conveniently located for residents who live to the north of the study area, who form the largest base of shoppers within the county. For this reason, the absorption potential of the retail component of this alternative is questionable, although the 1,700 new homes allowed under Alternative 2 would likely support a limited amount of small convenience stores or fast-food restaurants to serve new residents.

With 17.4 million square feet of new industrial development potential, Alternative 2 allows 21,000 new industrial jobs, or approximately double the total number of new jobs that are projected within the unincorporated Butte County area, in all employment categories, through 2030. Although this is a solid location for industrial development, due to its location on Highway 99, it would be extremely optimistic to assume that more than 1 to 2 million square feet the full quantity of industrial development could be absorbed within the General Plan time horizon. Since there are significant questions about the absorption potential of both the retail and industrial components of Alternative 2, it receives a D.

It should be noted that if the county is considering a large-scale industrial strategy, it should not move forward with both Study Area 14 and Study

Area 15, since the two areas would likely compete with each other, undermining market viability.

c. Alternative 3

As discussed under Alternative 2, above, market viability for the industrial development foreseen under Alternative 3 is very questionable. Its viability is even more questionable than Alternative 2 because it proposes about twice the amount of industrial development. Alternative 3 receives a D.

2. Fiscal Impacts

a. Alternative 1

Alternative 1 does not propose significant new residential or commercial development; therefore, it would not have significant fiscal impacts and receives a C.

b. Alternative 2

Alternative 2 has potential to generate positive fiscal impacts. This study area extends into TRAs where Butte County receives between 17.2 and 20.5 percent of the property tax revenues. With a mix of residential, retail, and industrial land uses, this alternative would generate a diverse revenue base. Overall, the intensity of development of this area would likely lead to some economies of scale in service provision, which would tend to improve fiscal outcomes. At the same time, the intensity of development in this area would require full urban services, meaning that substantial investments in service level upgrades would be necessary in this area. On balance, this area may have potential to generate fiscal benefits for the County, so it receives a B.

c. Alternative 3

Alternative 3 has potential to generate positive fiscal impacts, given the typically low service requirements of industrial development combined with potential service efficiency due to easy accessibility, the favorable tax rate area, and the generally higher real estate values in the Chico area. Over the long-term the intensity of development proposed in this alternative could lead to economies of scale in service provision. At the same time, the intensity of

development in this area would require full urban services, meaning that substantial investments in service level upgrades would be necessary. This area may have potential to generate fiscal benefits for the county in the long-term. Since its potential for fiscal benefits is less certain than Alternative 2, Alternative 3 receives a C.

3. Jobs/Housing Balance

a. Alternative 1

Since this alternative does not propose significant new residential or commercial development in this study area, it would not affect jobs/housing balance.

b. Alternative 2

The estimated jobs/housing balance associated with new development under this alternative is 12 jobs for every one employed resident, meaning that it would require exponentially more new employees to fill available jobs than it provides through on-site housing development. Although it is highly unlikely that Alternative 2 would reach buildout, Alternative 2 would likely provide more jobs than housing and would need to draw from a large portion of employed residents countywide to fill available jobs. Since the county currently has an overall deficit of jobs to employed residents, Alternative 2 would have a positive jobs/housing balance and receives a B.

c. Alternative 3

As discussed under Alternative 2, this alternative would involve a major surplus of new jobs compared to the new housing that it would support. If fully built out, this alternative would provide approximately 40,000 new jobs, and no new housing; however, this outcome is extremely unlikely. Although it is not expected to reach full market absorption, Alternative 3 would provide significant new jobs, but no new housing. It would need to draw from a large portion of employed residents countywide to fill available jobs. Since the county currently has an overall deficit of jobs to employed residents, Alternative 2 would have a positive jobs/housing balance and receives a B. However, it should be noted that since Alternative 3 does not

include any new housing, these new jobs could lead to other unwanted effects, such as workers commuting longer distances.

B. Public Services

1. Fire and Emergency Services

The Butte County Fire Department and CALFIRE provide fire protection and emergency services to Study Area 14. In general, there is not adequate staffing to handle more than two serious fire events or several less-serious emergencies at once in Butte County. Any new development in the county would impact the level of fire protection and emergency services.

There are no fire stations within the boundaries of Study Area 14. The City of Chico Fire Station 4, the closest fire station, is 1.5 miles away from the northwest corner of the site and approximately five miles away from the easternmost extent of the study area.

The majority of Study Area 14 does not have adequate fire and emergency service levels for any type of development; however, the roadway frontages do have adequate service levels for rural and very low density residential development. Specifically, the roadway frontages on the Skyway and Highway 99 are within eight minutes of a first-due unit, and the roadway frontage along the Neal Road is primarily within ten minutes of a first-due unit. None of the study area has adequate service levels for suburban residential, retail or industrial development.

a. Alternative 1

There would be no new development in this study area under Alternative 1, so fire and emergency services are not an issue.

b. Alternatives 2 and 3

Alternatives 2 and 3 call for significant industrial development, covering 1,000 and 1,900 acres, respectively. Alternative 2 also calls for some residential and

retail development. These alternatives have enough development that they could support a new fire station in the study area. Therefore, they receive a B.

2. Sheriff Services

Study Area 14 is served by the Northern Division of the Butte County Sheriff's Office (BCSO). The BCSO is currently understaffed and has limited capacity for expansion of its services. The Northern Division typically has about two deputies on duty in the Chico area. Because Study Area 14 is located relatively close to the Chico area via Highway 99, response times to this location are relatively quick.

There is no police station located within the boundaries of Study Area 14; however, the Butte County Sheriff station in the City of Chico is located less than 2 miles away from northwest corner of Study Area 14 and approximately five miles from the southeast corner.

a. Alternative 1

There would be no new development in this study area under Alternative 1, so sheriff services are not an issue.

b. Alternatives 2 and 3

Alternative 2 allows approximately 1,700 new homes, as well as significant industrial development. Alternative 3 calls for significant industrial development. Alternatives 2 and 3 would generate the need for more than five new officers in an area with quick response times. Therefore, these alternatives receive a C.

3. Capacity of School Districts

Study Area 14 is served by the Chico Unified School District (CUSD). The CUSD's total current enrollment is approximately 12,930 students, of which 8,440 students are in grades K-8, and 4,490 students are in grades 9-12. The District currently has capacity for a total of approximately 15,040 students,

including 1,390 more K-8 students and 720 more 9-12 students. The CUSD's enrollment has been declining for the last ten years.

Although the CUSD is currently operating below capacity, it is important to note that there is significant growth expected within the city limits of Chico. Two major projects that were recently approved in the City of Chico include the Meriam Park and Mountain Vista-Sycamore Glen projects. These two projects are expected to generate approximately 1,280 K-8 students and 630 9-12 students. These projects do not include construction of new school facilities, so they will absorb most of the remaining capacity of the CUSD. Taking into account these projects, the CUSD has the capacity for 110 more K-8 students and 90 more 9-12 students.

The District has already purchased a 50-acre site for a new high school that would likely accommodate approximately 2,000 students, and has purchased a 12-acre site and conducted environmental review under the California Environmental Quality Act for a new elementary school that could serve up to 550 students. These projects could be built if enrollment begins to outstrip capacity.

a. Alternatives 1 and 3

Under Alternatives 1 and 3, Study Area 14 would not generate any new students, so schools are not an issue.

b. Alternative 2

Under Alternative 2, Study Area 14 could generate approximately 560 new K-8 students and 280 new 9-12 students, which would exceed the current capacity. However, these additional students could be accommodated by the expected capacities of the planned new high school and elementary school. The total amount of development foreseen under Alternative 2 in all of the study areas within the CUSD could generate approximately 4,520 new K-8 students, about 4,410 students beyond current capacity, as well as approximately 2,210 new 9-12 students, about 2,120 students beyond current

capacity. These additional students would create a need for the planned new elementary and high schools described above.

Because the number of new students generated by this study area could be accommodated by the planned capacity, this alternative receives a B.

C. Water

1. Water Supply

The majority of Study Area 14 is located within the Sacramento Valley Inventory Unit where groundwater is stored in the Tuscan, Laguna, Riverbank and Modesto Formations. Groundwater in these formations primarily exists within the spaces between sand and gravel deposits, which generally allow greater recharge and access to groundwater than aquifers relying on the fractures and joints of rocks. The Tuscan and Laguna Formations provide water for deep irrigation and municipal wells, while the Riverbank and Modesto Formations provide water for shallower domestic wells.

Study Area 14 is located within the Pentz Inventory Sub-Unit. The primary source of water is groundwater. There is little farming in this area and the population is low, leading to low water demands.

a. Alternative 1

There would be no new development in this study area under Alternative 1, so water supply is not an issue.

b. Alternatives 2 and 3

Alternatives 2 and 3 allow significant industrial development, and Alternative 2 also allows residential and retail development. Because these alternatives allow significant development without an identified water supply, they receive a D.

2. Groundwater Recharge Potential

Study Area 14 is located within the Valley Inventory Unit. It may serve as a moderate or high potential recharge area.

a. Alternative 1

There would be no new development in this study area under Alternative 1. Therefore, this alternative receives an A.

b. Alternatives 2 and 3

Alternatives 2 and 3 allow significant industrial development, and Alternative 2 also allows residential and retail development. Because these alternatives allow significant development in a region that may serve as a moderate or high potential recharge area, they receive a D.

D. Wastewater

There is currently no publicly managed sewer service in Study Area 14. The current wastewater treatment method is individual septic systems.

a. Alternative 1

There would be no new development in this study area under Alternative 1, so wastewater is not an issue.

b. Alternatives 2 and 3

Alternatives 2 and 3 call for significant industrial development. Alternative 2 also calls for approximately 1,700 new homes at medium and high densities. This development can effectively be served by sewers due to the density and amount of development. Furthermore, it appears likely that this development would create the ability to form a new sewer system because it would all be part of one development proposal. Therefore, these alternatives receive a B.

E. Circulation

Study Area 14 is served by two major regional roadways, Highway 99 and Skyway.

1. Proximity to Freeways and Major Roadways

Two major regional roadways travel through or adjacent to Study Area 14. Highway 99 runs along the southwest boundary of the study area and Skyway runs along the northern boundary to the study area. Neal Road runs along a portion of the southeastern boundary of the study area. Improvements are planned at the Highway 99/Neal Road intersection including realignment of Neal Road and construction of an interchange. This study area receives an A for access proximity to major roadways. Since Alternative 1 does not include any new development, proximity to roadways is not an issue.

2. Bicycle Circulation

Adjacent to Study Area 14, planned bicycle facilities are located along Skyway and Neal Road. Due to the study area's high level of access to planned bicycle facilities and location more than 1 mile from existing urban areas, the study area receives a C. Since Alternative 1 does not include any new development, bicycle circulation is not an issue.

3. Transit Service

Transit service is currently provided along Highway 99 and Skyway in the study area. This receives an A. Since Alternative 1 does not include any new development, transit service is not an issue.

F. Airport Compatibility Zone Conflicts

Study Area 14 is not located within an Airport Compatibility Zone. Therefore, Alternatives 1, 2 and 3 receive an A.

G. Potential Loss of Agricultural Land

The majority of Study Area 14 is identified as Grazing Land. Grazing Land is located throughout the study area, with the exception of a small pocket in the northeastern portion of the study area.

a. Alternative 1

Under Alternative 1, the entire study area is designated for agricultural purposes. Therefore, Alternative 1 receives an A.

b. Alternatives 2 and 3

Alternative 2 would convert approximately 1,470 acres of Grazing Land to non-agricultural uses. Alternative 3 would convert approximately 1,900 acres of Grazing Land to non-agricultural uses. Therefore, Alternatives 2 and 3 receive a D.

H. Biological Resources

This study area is located on the edge of the valley floor rising to the lower foothills. Most of the study area is within the Butte Regional Conservation Plan (HCP/NCCP), but the upper portions are located outside the Butte Regional Conservation Plan (HCP/NCCP) area. The predominant land cover types are oak woodlands in the upper portions and grasslands and grassland with vernal swale complex in the lower portions. Small areas of mixed chaparral occur in the higher elevation areas.

One special-status plant, Butte County checkerbloom, is known to occur in Hamlin Canyon in the study area.

No occurrences of special-status animals are recorded in the study area.

There is Butte Regional Conservation Plan (HCP/NCCP)-modeled habitat in this study area for the following 21 species:

- ◆ Ahart's dwarf rush
- ◆ Bald eagle
- ◆ Butte County checkerbloom
- ◆ Butte County golden clover
- ◆ Butte County meadowfoam
- ◆ Conservancy fairy shrimp
- ◆ Foothill yellow-legged frog
- ◆ Greene's tuctoria
- ◆ Hairy Orcutt grass
- ◆ Hoover's spurge
- ◆ Peregrine falcon
- ◆ Swainson's hawk
- ◆ Tricolored blackbird
- ◆ Valley elderberry longhorn beetle
- ◆ Vernal pool fairy shrimp
- ◆ Vernal pool tadpole shrimp
- ◆ Western burrowing owl
- ◆ Western pond turtle
- ◆ Western spadefoot
- ◆ White-tailed kite
- ◆ Yellow-breasted chat

Most of the study area, except for the eastern end, is within a Vernal Pool Recovery Core Area. Butte Creek, which just enters the northwestern tip of the study area, has been designated Critical Habitat for steelhead and Central Valley spring-run Chinook. The Butte Creek Canyon Easement (CDFG and City of Chico) is located in the western corner of the study area, and there are BLM lands on Nance Canyon in the central portion of the study area.

Oak woodlands are one of the dominant land cover types and occur throughout most of the study area. Grassland with vernal swale complex dominates the lower foothills in the study area.

The eastern portion of the study area is within Winter Range deer herd habitat.

a. Alternative 1

Under Alternative 1 the whole area would be designated Agriculture (Grazing and Open Land). This land use could preserve existing sensitive biological resources, but it could allow grazing range improvements (e.g. fertilizing or disking grasslands) that would damage vernal pool habitat. Therefore, this alternative receives a C for Special-Status Animal and Plant Species, a C for Critical Habitat and other protected lands, a C for Sensitive Habitats, and an A for Deer Herd Habitat.

b. Alternative 2

Under Alternative 2, retail and residential development would be located within sensitive habitats (vernal swale complex and oak woodland) and within a Vernal Pool Recovery Core Area. Therefore, this alternative receives a D for Special-Status Animal and Plant Species, a D for Critical Habitat and other protected lands, a D for Sensitive Habitats, and C for Deer Herd Habitat.

c. Alternative 3

Under Alternative 3, 1,900 acres would be designated for industrial purposes, to be located throughout the study area. Most of the study area supports sensitive habitats, (vernal swale and oak woodland) and is within a Vernal Pool Recovery Core Area. Therefore, this alternative receives a D for Special-Status Animal and Plant Species, a D for Critical Habitat and other protected lands, a D for Sensitive Habitats, and a C for Deer Herd Habitat.

I. Safety and Hazards

1. Fire Hazards

About 1,000 acres of the high fire severity zone, and about 100 acres of the very high fire severity zone, are located in the northeast of the study area.

a. Alternative 1

There would be no new development under Alternative 1. Therefore, Alternative 1 receives an A.

b. Alternatives 2 and 3

Under Alternatives 2 and 3, development would not be affected by fire hazards. Although about 1,100 acres of the study area are within the high and very high fire severity zones, the majority of the study area would be reserved as Resource Conservation in both alternatives. It is assumed that this designated Resource Conservation area would be configured to encompass the high and very high fire severity zones. Therefore, these alternatives receive a B.

2. Flood Hazards

About 155 acres in the south and west of Study Area 14 are included in the 100-year FEMA flood zone.

a. Alternative 1

There would be no new development under Alternative 1. Therefore, Alternative 1 receives an A.

b. Alternatives 2 and 3

Since the flood zone encompasses only 155 acres of this 5,400-acre study area, it is assumed that the development proposed under Alternatives 2 and 3 could be configured to avoid the flood zone, and development would not be affected by flood hazards. Therefore, Alternatives 2 and 3 receive a B.

3. Geologic Hazards

Approximately 1,120 acres of land in the north east of the study area has severe erosion potential. There are potentially significant subsidence hazards on about 300 acres in the west and south of this study area. There is zero to low and moderate landslide potential in Study Area 14. Approximately 570 acres of land in the south of the study area has very high potential for soil expansion. A pre-quaternary fault traverses the study area. Pre-quaternary faults do not show any evidence of displacement in the last 1.6 million years and therefore are not considered to present a high risk of fault rupture and so would not constrain development. There is low and moderate potential for liquefaction within Study Area 14.

a. Alternative 1

Alternative 1 does not include any new development and so receives an A.

b. Alternatives 2 and 3

Although some of the lands designated for development under Alternatives 2 and 3 are subject to severe erosion, subsidence and expansive soils, development could be located to avoid these geologic hazards. Alternatives 2 and 3 receive a B.

J. Cultural Resources

Study Area 14 lies within portions of the Hamlin Canyon and the Chico Highway USGS 7.5' quadrangles. Approximately 30 percent of the land in the Hamlin Canyon Quadrangle and 20 percent of the land in the Chico quadrangle has been surveyed for cultural resources. To date, a total of ten cultural resources sites have been recorded in Study Area 14. This number includes nine prehistoric sites and one site containing a historic period foundation. This study area lies within valley and foothill regions, and has scattered creeks and sloughs. This, coupled with the number of previously recorded sites, indicate this study area is of medium sensitivity for the presence of prehistoric resources.

a. Alternative 1

No residential development is proposed in Alternative 1. The entire study area would remain designated Agriculture and would be devoted to grazing. Grazing is not particularly destructive to most types of cultural resources. Therefore there is little potential for impacts to cultural resources under this alternative. Alternative 1 receives an A.

b. Alternative 2

Alternative 2 provides for more than 3,000 acres designated Resource Conservation land use area that may be used to protect significant cultural resources. However, because approximately 1,100 acres would be designated for residential, retail or industrial development, and because the study area is moderately sensitive for cultural resources, Alternative 2 receives a B.

c. Alternative 3

Alternative 3 includes no residential development, but includes the most acreage designated for industrial development and 100 acres of retail development. This alternative also includes a significant amount of designated Resource Conservation land use that could be used to protect significant cultural resources. Despite the large area designated Resource Conservation, due to the extensive amount of development in combination with the study area's moderate sensitivity for cultural resources, Alternative 3 receives a C.

K. Notes