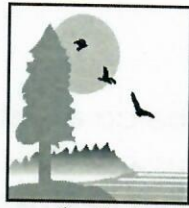


**CALIFORNIA STATE LANDS
COMMISSION**

100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

TTY CA Relay Service: 711 or Phone **800.735.2922**
from Voice Phone **800.735.2929**
or for Spanish **800.855.3000**

Contact Phone: 916-574-1227

January 22, 2024

Melinda Terry
North Delta Water Agency
3050 Beacon Boulevard, Suite 203
West Sacramento, CA 95691

SUBJECT: State Lands Commission Tax Assessments

Dear Ms. Terry:

California State Lands Commission (Commission) staff reviewed the 2020–21 North Delta Water Agency (Agency) benefit assessment invoice and supporting materials. Commission staff understand that the Agency benefit assessment supports the 1981 Contract between the Agency and the Department of Water Resources. This Contract assures to property owners a dependable water supply of suitable quality for diversion and beneficial agricultural, municipal, and industrial uses. Generally, all lands within Agency boundaries are assessed for the special benefit provided by the Agency and the 1981 Contract. However, “benefited lands do not include the lands underlying the Delta channels or other permanent watercourses, since they are physically incapable of having water applied for beneficial purposes.” (Engineer’s Report and Report of the Assessment Commissioners for the North Delta Water Agency Assessment Adjustment, p. 18.)

The Commission has jurisdiction over all ungranted state sovereign land, which includes the bed and banks of most rivers and lakes in California up to the ordinary high-water mark. This includes the Sacramento River and many of the sloughs and watercourses throughout the Delta. The Commission controls some dry upland, usually the result of a title settlement, boundary line agreement, or litigation. But this is the exception.

All state and local agencies must be careful stewards of public money. Staff examined each of the 29 parcels assessed by the Agency. Staff have determined that Sacramento County APN 043-140-15 and Yolo County APN 067-150-01 were assessed to the Commission in error. According to our information the parcels are assessed to:

- Sacramento County APN 043-140-15 (\$18.00) is owned by Bill Nicolaou and not the State Lands Commission. Should the APN be 043-140-015?
- Yolo County APN 067-150-01 (\$14.58) is owned by the California State Department of General Services. Our previous correspondence of April 12, 2021 indicated this error as well.

The following APNs are under lease with the Commission. Leases require the lessee to be responsible for any and all real and personal property taxes, including possessory interest taxes, assessments, special assessments, user fees, service charges, and other charges of any description levied, imposed on, assessed, or associated with the leasehold interest, Improvements on the lease premises, any business or activity occurring on the lease premises, the lease premises itself, or any portion thereof, levied by any governmental agency or entity. Commission staff have sent notice of this assessment to the appropriate lessees.

- Sacramento County APN 146-0110-031 (\$20.92)
- Sacramento County APN 156-0110-043 (\$34.28)
- Sacramento County APN 156-0110-044 (\$11.84)
- Sacramento County APN 156-0110-047 (\$11.84)
- Sacramento County APN 156-0110-063 (\$53.23)
- Sacramento County APN 157-0140-019 (\$11.84)
- Sacramento County APN 158-0080-007 (\$11.84)
- Yolo County APN 010-473-05 (\$11.84)
- Yolo County APN 010-473-08 (\$11.84)
- Yolo County APN 010-473-19 (\$11.84)

The remaining parcels assessed against the Commission appear, based on preliminary research, to be or to contain some upland. Commission staff do not object at this time to payment of an assessment against these parcels. Staff understand that the 2020–21 assessment rate is \$4.56/acre with a minimum value of \$11.84.

In sum, Commission staff do not object to pay the assessment for the following parcels in the following amounts:

- Sacramento County APN 142-0130-008 (\$27.36)
- Sacramento County APN 142-0130-011 (\$11.84)
- Sacramento County APN 156-0110-021 (\$55.90)
- Sacramento County APN 156-0110-022 (\$11.84)
- Sacramento County APN 157-0110-019 (\$11.84)
- Sacramento County APN 157-0110-029 (\$11.84)
- Sacramento County APN 157-0110-030 (\$11.84)
- Yolo County APN 046-050-64 (\$11.84)
- Yolo County APN 046-050-61 (\$11.84)

Total: \$166.14

If Yolo County APN 043-140-15 should in fact be 043-140-015, please submit a separate invoice with the correct APN for payment.

Commission staff note that actual diversion and beneficial use of water occurs on none of the assessed parcels. The special benefit received is theoretical only and unlikely to ever become a real benefit. The Commission simply does not pursue those types of projects on state sovereign lands.

Instead, as shown on Attachment A, many of the assessed parcels are used for passive recreation spaces open to the public or support and protect state public highways. In light of these public benefits, Commission staff ask that the Agency consider waiving or reducing the assessment against the parcels on Attachment B based on the Agency's reserved right to modify classifications upon submitted evidence "deemed by the Agency Board to be justified by the facts presented." (Engineer's Report, p. 40.) Included in this request is Sacramento County APN 146-0110-012 (\$196.08). According to the Sacramento County Assessor, this parcel contains an area of 0.43 acres. The correct assessment should therefore be $\$4.56 \times 0.43 \text{ acre} = \1.96 , or the minimum amount of \$11.84. Please see attached Exhibit B for Assessor Parcel Information. Regardless of the outcome of staff's request to waive or reduce the assessment on these public benefit parcels, please adjust the acreage associated with this parcel for your records.

Finally, if Commission staff deem it to be in the best interests of the Commission and the state, staff may analyze parcels further to determine the actual area of

North Delta Water Agency

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land and water within each. If this work is performed, staff will seek to work with your Agency to adjust assessments according to the evidence.

Thank you for your prompt attention. Staff has forwarded the assessment invoice, as modified according to this letter, to the Commission's accounts payable department. If you have questions, do not hesitate to contact me by phone at 916-574-1227 or email Grace.Kato@slc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Grace Kato". The signature is written in a cursive style and is positioned above a horizontal line.

Grace Kato, Assistant Chief
Land Management Division

Attachment A

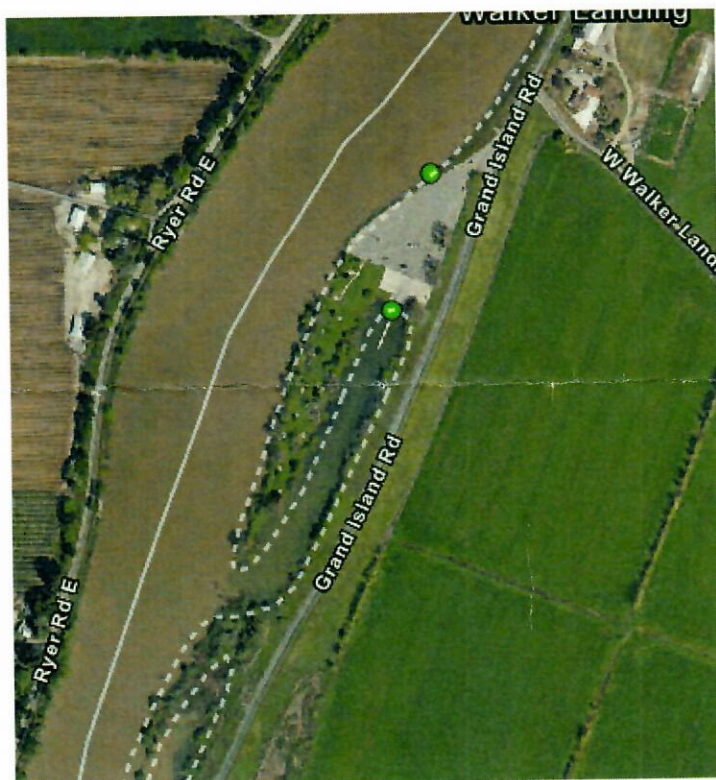
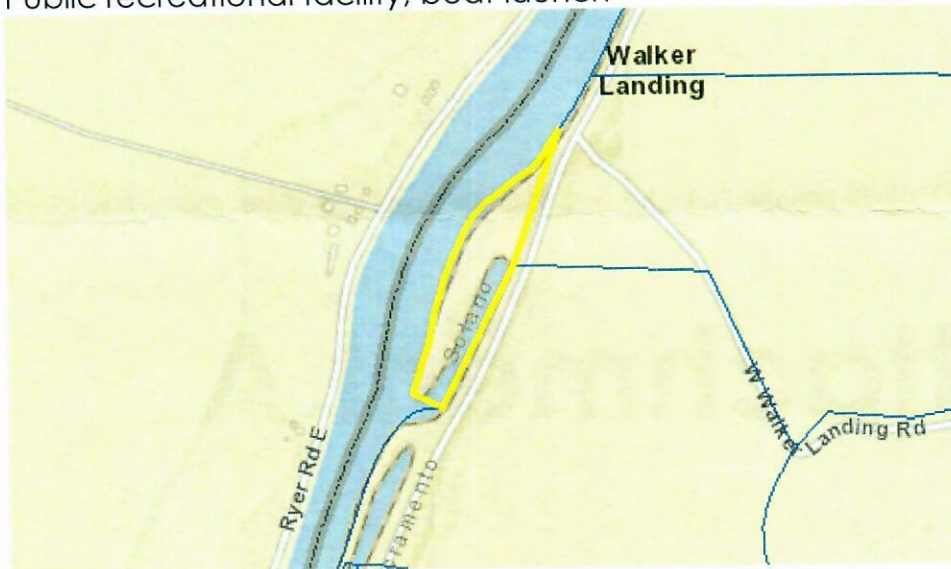
Sacramento County

142-0110-065

1500 Grand Island Road

Walnut Grove

Public recreational facility, boat launch



North Delta Water Agency

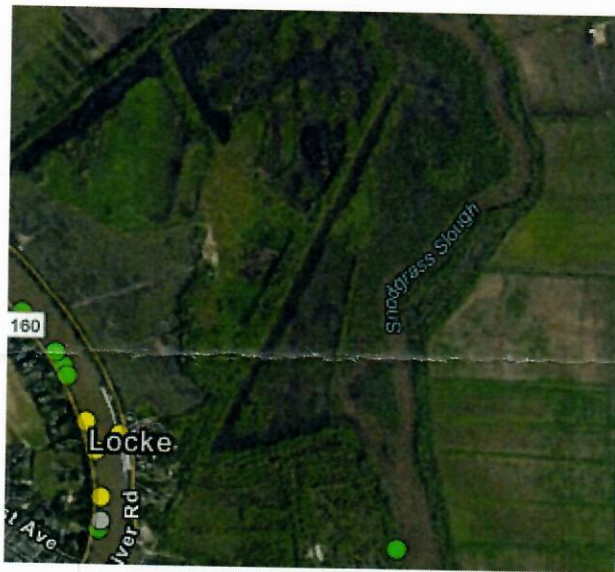
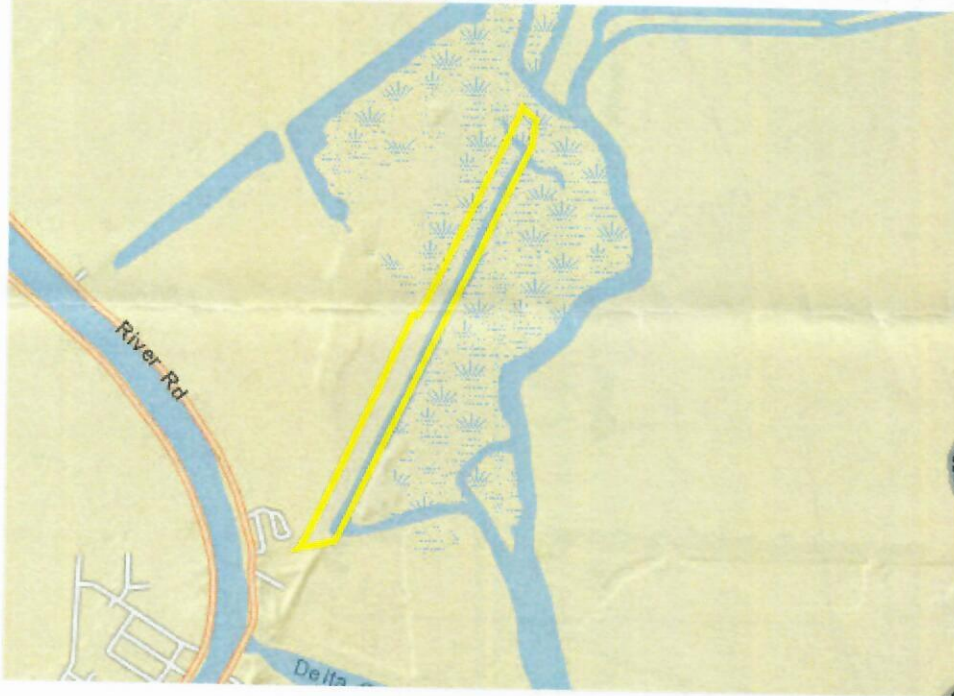
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146-0110-012

Walnut Grove

Part of Delta Meadows State Park



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146-0110-013

Walnut Grove

Part of Delta Meadows State Park



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157-0090-085

16060 River Road

Isleton

Public fishing access point



158-0020-013

Rio Vista

Riverbed filled to protect Highway 160



North Delta Water Agency

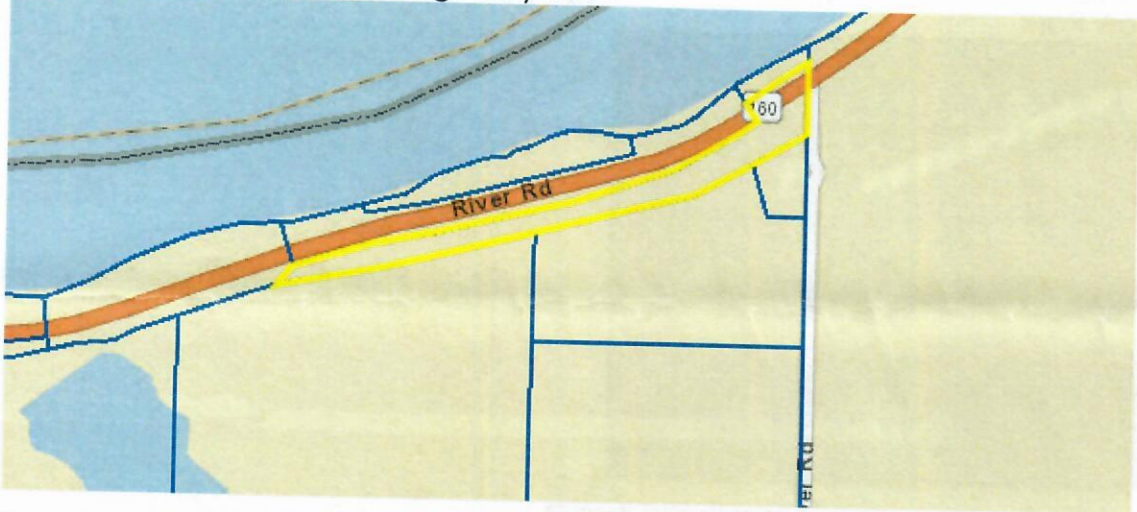
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158-0020-026

Rio Vista

Riverbed filled to protect Highway 160



North Delta Water Agency

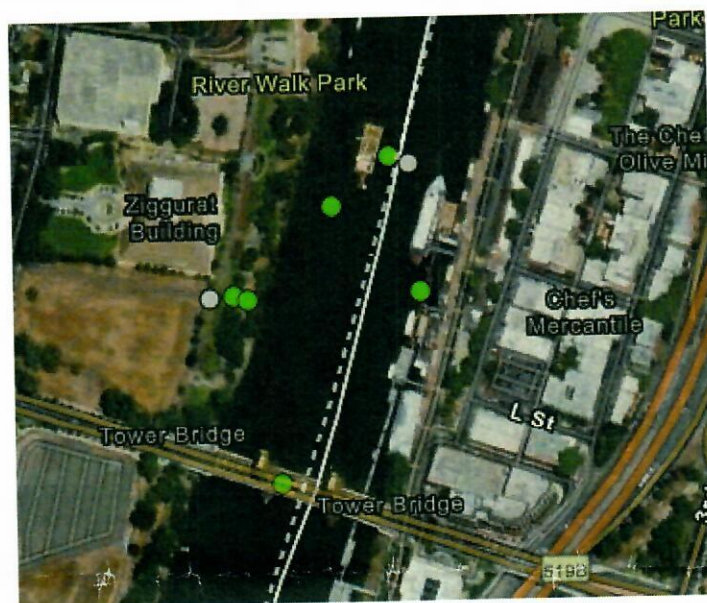
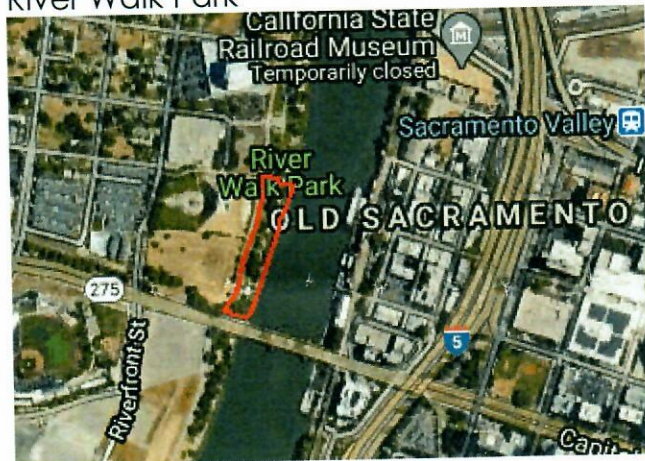
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Yolo County

010-422-013-000

River Walk Park



PRINT REPORT

Property Detail Report for:



, WALNUT GROVE, CA, 95690-

Owner Information:
Owner Name: STATE OF CALIFORNIA ETAL
Mailing Address: 707 JRD ST, WEST SACRAMENTO, CA, 95605-2811
Vesting Code: Phone Number:

Location Information:
Legal Description: S B E 872.34.338.8
County: SACRAMENTO FIPS Code: 06067 Census Trct/Blk: /
APN: 146-0110-012-0000 Alternative APN: Map Ref:
Township-Range-Sect: - - - Legal Book/Page: Tract No:
Legal Lot: Legal Block:
Subdivision:

Last Market Sale Information:
Sale Date: 1979/03/01 00:00:00 Sale Price: 1st Mtg Amount:
Sale Doc No: Price Per SqFt: 1st Mtg Int Type:
Transfer Doc No: Price Per Acre: 2nd Mtg Amount:
1st Mtg Doc No: 2nd Mtg Int Type:
Sale Type:
Deed Type:
Title Company:
Lender:
Seller Name:

Property Characteristics:
Building Area: Total Rooms: Construction:
Living Area: Bedrooms: Heat Type:
Garage Area: Baths: Air Cond:
Basement Area: Fireplace: Roof Type: 100660192_176490801
Parking Type: No of Stories: Roof Material:
Yr Built/Effective: / Quality: Style:
Pool Code:

Tax and Value Information:
Assessed Value: Assessed Year: 2023 Est Market Val:
Land Value: Property Tax: Assessor Appd Val:
Improvement Value: Improvement %: Tax Exemption:

Site Information:
Assessor Acres: 0.43 Zoning: O SPA Land Use Code: 500
Assessor Lot SqFt: 18,730 No. of Buildings: Land Use Desc: AGRICULTURAL (NEC)
LWN/D: Res/Comm Units: County Use Code: MDITCA
Calculated Acres: 46.4854 Sewer Type:
Calculated Lot SqFt: 2,024,904 Water Type:

