



INTELLIGENT COMMUNITY DEVELOPMENT

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San Bernardino County

ROSENOW SPEVACEK GROUP INC.
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May 15, 2008

Via First-Class Mail

Kathleen Rollings-McDonald
Executive Officer
LOCAL AGENCY FORMATION COMMISSION
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

**VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY PASS THROUGH
PAYMENTS FROM VICTORVILLE TAXING AGENCIES**

Dear Ms Rollings-McDonald:

At the request of Adele Mosher, this letter was prepared to describe the fiscal impact of the City of Victorville ("City") absorbing the Victorville Fire District, the Victorville Sanitary District, and the Victorville Parks and Recreation District ("Affected Districts") into the City's general fund on the annual pass through payment from the Victor Valley Economic Development Authority ("VVEDA") to the City ("Pass Throughs"). The Pass Throughs are described in Section 703 of the VVEDA Redevelopment Plan ("Plan"). Specifically, Section 703(b)(i)(a) reads:

"Each Participating Jurisdiction which is an incorporated city (the 'City Member') shall have allocated as Tax Increment Revenues for VVEDA use, one hundred percent (100%) of its percentage share as well as a percentage share attributable to any municipally controlled special districts of such City Member, as the City Member may deem appropriate, in order that the total amount of the municipal share, when added with the percentage share of the municipally controlled districts of the City Member, equals 5.2935 percent of the one percent (1%) tax rate for property taxes generated upon the incremental assessed value of property located within the municipal boundaries of each City Member within the 1993 Project Area."

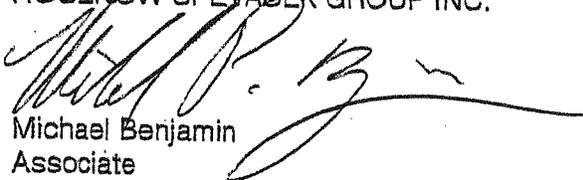
In the City's case, the Affected Districts are municipally controlled special districts as described in the Plan. Tax Increment Revenues in excess of VVEDA's 5.2935% share are paid to the City. These revenues include the Affected Districts' shares of the general levy rate. Therefore, there would be no fiscal impact to the City if it absorbed the Affected Districts.

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Kathleen Rollings-McDonald
LOCAL AGENCY FORMATION COMMISSION
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I hope this information sufficiently addresses your concerns regarding the fiscal impact of this action. Please feel free to contact me if you have any questions.

Sincerely,
ROSENOW SPEVACEK GROUP INC.



Michael Benjamin
Associate

Cc: Adele Mosher, City of Victorville