

**PROPOSAL NO.: LAFCO 3066**

**HEARING DATE: APRIL 18, 2007**

**RESOLUTION NO. 2961**

**A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 3066; WAIVING PROTEST PROCEEDINGS; AND APPROVING THE REORGANIZATION TO INCLUDE ANNEXATIONS TO CITY OF RIALTO AND WEST VALLEY WATER DISTRICT, DETACHMENTS FROM BLOOMINGTON RECREATION AND PARK DISTRICT AND CENTRAL VALLEY FIRE PROTECTION DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 70 IMPROVEMENT ZONE P-11 (CACTUS INVESTMENT LLC).** The reorganization area consists of three separate areas identified as follows: (1) The primary reorganization area is to be annexed to the City of Rialto and detached from the Bloomington Recreation and Park District and Central Valley Fire Protection District. It encompasses approximately 163.7+/- acres generally located north of El Rivino Road (existing Riverside/San Bernardino County boundary), east of Larch Avenue, south of Jurupa Avenue, and west of the City of Rialto. The reorganization area is generally bordered by El Rivino Road on the south, parcel lines on the west and north, and a combination of the City of Rialto boundary and parcel lines on the east. The reorganization includes areas east and west of Cactus Avenue. (2) The area to be annexed to the West Valley Water District encompasses approximately 126.8+/- acres generally located north of El Rivino Road (existing Riverside/San Bernardino County boundary), east of the existing West Valley Water District boundary, south of Jurupa Avenue, and west of Cactus Avenue. The annexation area is generally bordered by El Rivino Road on the south, parcel lines on the west, the existing West Valley Water District boundary on the north, and Cactus Avenue (existing West Valley Water District boundary) on the east. (3) The area of the dissolution of County Service Area 70 Improvement Zone P-11 (CSA 70 Zone P-11) encompasses approximately 37 acres and is generally located west of the existing City of Rialto boundary, north of parcel lines north of Cricket Drive, east of Cactus Avenue and southerly of parcel lines.

**On motion of Commissioner \_\_\_\_\_, duly seconded by Commissioner \_\_\_\_\_, and carried, the Local Agency Formation Commission adopts the following resolution:**

**WHEREAS**, an application for the proposed reorganization in the County of San Bernardino was filed with the Executive Officer of this Local Agency Formation Commission (hereinafter referred to as the "Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.), and the Executive Officer has examined the application and executed her certificate in accordance with law, determining and certifying that the filings are sufficient; and,

**WHEREAS**, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

**WHEREAS**, the Executive Officer has reviewed available information and prepared a report including her

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recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

**WHEREAS**, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in order or orders continuing the hearing; and,

**WHEREAS**, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing; and,

**WHEREAS**, the Commission determines to modify this proposal to include the dissolution of County Service Area 70 Improvement Zone P-11 as a function of the reorganization;

**NOW, THEREFORE, BE IT RESOLVED**, that the Commission does hereby determine, resolve, order, and find as follows:

**DETERMINATIONS:**

**SECTION 1.** The proposal is approved subject to the terms and conditions hereinafter specified:

**CONDITIONS:**

**Condition No. 1.** The boundaries are approved as set forth in Exhibits “A”, “A-1”, “B”, “B-1” and “C” attached.

**Condition No. 2.** The following distinctive short-form designation shall be used throughout this proceeding: LAFCO 3066.

**Condition No. 3.** All previously authorized charges, fees, assessments, and/or taxes currently in effect by the City of Rialto and the West Valley Water District (annexing agencies) shall be assumed by the annexing territory in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t).

**Condition No. 4.** The City of Rialto and the West Valley Water District shall indemnify, defend, and hold harmless the Commission from any legal expense, legal action, or judgment arising out of the Commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

**Condition No. 5.** Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts.

**Condition No. 6.** All streetlights currently the responsibility of County Service Area SL-1 within the reorganization area shall be transferred to the City of Rialto upon successful completion of the reorganization. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights; LAFCO staff shall verify the data; and the City of Rialto shall sign the authorization form requesting Southern California

Edison to transfer the specific lights to the City of Rialto accounts, prior to issuance of the Certificate of Completion.

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**Condition No. 7.** The protest proceedings are waived, as permitted by Government Code Section 56663(c), with 100% landowner consent to the reorganization. However, issuance of the Certificate of Completion for this reorganization shall be held in abeyance, for a period not to exceed six months. The City of Rialto is required to initiate the annexation of the three totally-surrounded North Rialto Islands and the substantially-surrounded North Rialto Island southwest of Riverside Avenue, identified on maps on file in the LAFCO office, during the identified six-month abeyance period. Compliance with this condition shall be deemed completed upon issuance of the Certificate of Filing for the proposal or proposals addressing the four islands identified by the Commission.

**Condition No. 8.** County Service Area 70 Improvement Zone P-11 shall be dissolved as a function of this reorganization.

**Condition No. 9.** Pursuant to the provisions of Government Code Section 56885.5(a)(4), the County of San Bernardino, as governing body for County Service Area 70 Improvement Zone P-11, is prohibited from taking the following actions unless an emergency situation exists as defined in Section 54956.5:

- (a) approving any increase in compensation or benefits for members of the governing board, its officers, or the executive officer of the agency; and,
- (b) appropriating, encumbering, expending, or otherwise obligating, any revenue of the agency beyond that provided in the current budget at the time the dissolution is approved by the commission.

**Condition No. 10.** The date of issuance of the Certificate of Completion shall be the effective date of this reorganization.

**SECTION 2.** The Commission determines that:

- (1) this proposal is certified to be legally uninhabited;
- (2) it has unanimous written landowner consent; and
- (3) no written opposition to a waiver of protest proceedings has been submitted by any subject agency.

Therefore, the Commission does hereby waive the protest proceedings for this action as permitted by Government Code Section 56663(c).

**SECTION 3.** The Commission further determines that imposition of the restrictions contained within Government Code Section 56744 would be detrimental to the orderly development of the community; and the unincorporated corridor along the Riverside/San Bernardino County line, easterly of Cactus Avenue, cannot reasonably be annexed to another City or incorporated as a new city at this time.

**SECTION 4. FINDINGS.** The following findings are noted in conformance with Commission policy:

- 1. The subject 163.7+/- acre reorganization area is legally uninhabited, containing no registered voters, as certified by the County Registrar of Voters office.
- 2. The area is within the sphere of influence of the City of Rialto and has been since the late 1970's.
- 3. The County Assessor's Office has determined that the value of land and improvements within the

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reorganization area is \$10,679,236 (\$10,373,236--land; \$306,000--improvements) and that 100% of the landowners have consented to the reorganization.

4. Notice of this hearing has been advertised as required by law through publication in The Sun and the Rialto Record, newspapers of general circulation in the area. As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.
5. All notices required by State law and local Commission policies have been provided. With 100% landowner consent, a separate individual notice was not required to be provided within the reorganization area. Individual notice was mailed to landowners (359) and registered voters (303) surrounding the reorganization area in accordance with State law and adopted Commission policies. Comments from landowners, registered voters and any affected local agency have been reviewed and considered by the Commission in making its determination. Opposition has been received and considered by the Commission in making its determination.
6. The City of Rialto has processed land use approvals for the area through adoption of the General Plan Amendment and the Rancho El Rivino Specific Plan which has pre-zoned the territory. The General Plan Amendment designated the entire area of the project as "SPZ" Specific Plan Zone, with a development plan land use allocation identified as: SF-E (Single-Family Estate), SF-1 (Single-Family 1), SF-2 (Single-Family 2); and SF-3 (Single-Family 3). Other uses, such as paseos, neighborhood park, equestrian trails, etc., are identified for 10.3 acres within the Plan.

Pursuant to the provisions of Government Code Section 56375(e), these zoning designations shall remain in effect for two years following reorganization unless specific actions are taken by the City Council at a public hearing.

7. A Final Environmental Impact Report (hereinafter referred to as "Final EIR") was prepared and certified as adequate by the City of Rialto for the Rancho El Rivino Specific Plan and Annexation (State Clearinghouse No. 2005101117), which addresses environmental impacts from developing the 164+/- acre reorganization area in accordance with General Plan and Specific Plan designations. (Copies of the applicable environmental review documents were previously provided to the Commission.) The Commission's staff and Environmental Consultant have independently reviewed the City's Final EIR and found it to be adequate for the reorganization decision.

The Commission certifies that it has reviewed and considered the City's Final EIR and the effects outlined therein, and as referenced in the Candidate Findings of Fact and Statement of Overriding Considerations, prior to reaching a decision on the project and finds the information substantiating the Final EIR adequate for its use in making a decision as a CEQA responsible agency. The Commission hereby acknowledges the mitigation measures and mitigation monitoring and reporting program contained in the City's Final EIR and finds that no additional feasible alternatives or mitigation measures will be adopted by the Commission. The Commission finds that all changes, alterations, and mitigation measures are within the responsibility and jurisdiction of the City and other agencies, and not the Commission. The Commission finds that it is the responsibility of the City to oversee and implement these measures and the mitigation monitoring and reporting program.

The Commission hereby adopts the Candidate Findings of Fact and Statement of Overriding Considerations regarding the environmental effects of the reorganization, a copy of which is available for review in the LAFCO office. The Commission finds that all feasible changes or alterations have been incorporated into the project; that these changes are the responsibility of the City and other agencies identified in the

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Candidate Findings of Fact and Statement of Overriding Considerations and the Final EIR; and that specific economic, social or other considerations make infeasible adoption of the alternatives identified in the Final EIR.

The Commission finds that the dissolution of County Service Area 70 Improvement Zone P-11, which has been included as a part of this project, does not modify the conclusions in the environmental documentation submitted, nor does it include any additional adverse environmental effects that would require further environmental evaluation.

The Commission, as a responsible agency, notes that this proposal is exempt from Department of Fish and Game fees because the filing fee was the responsibility of the City, as the CEQA lead agency. The Commission directs its Clerk to file a Notice of Determination within five (5) days with the San Bernardino County Clerk of the Board of Supervisors.

8. The local agencies currently serving the areas are: County of San Bernardino, Inland Empire Resource Conservation District, San Bernardino Valley Municipal Water District, Central Valley Fire Protection District, Bloomington Recreation and Park District, West Valley Water District (portion of the area), County Service Area SL-1 (streetlights), County Service Area 70 (County-wide, multi-function agency) and County Service Area 70 Improvement Zone P-11 (Tract No. 15544 for streetlighting, drainage, detention basins, landscape maintenance and equestrian trail services).

That portion of the reorganization area not currently a part of the West Valley Water District will be annexed as a function of the reorganization. The Central Valley Fire Protection District and the Bloomington Recreation and Park District are detached as a function of this reorganization. County Service Area 70 Improvement Zone P-11 is dissolved as a function of this reorganization. County Service Area 70 and County Service Area SL-1 will be detached from the area upon successful completion of the reorganization pursuant to the provisions of Government Code Section 25210.90. None of the other agencies will be directly affected by the completion of this proposal through an adjustment in their boundaries as they are regional in nature.

9. Upon reorganization, the City of Rialto will extend its services as required by the progression of development. The City has submitted a plan for the provision of services as required by Government Code Section 56653. The Fiscal Impact Analysis portion of the Plan for Service provides a general outline of the anticipated revenues/costs for the reorganization area and Specific Plan as a whole. The Plan indicates that revenues are anticipated to be sufficient to provide the level of services identified through the City and other agencies. Through the identified financing mechanisms, the Plan shows that the level of service will be adequate for the development anticipated and that the revenues anticipated are sufficient to provide for the infrastructure and on-going maintenance and operation of these services.

Water service is to be provided by the West Valley Water District. The Plan for Service provided by the West Valley Water District outlines the services to be extended by the District and the mechanism for funding the required infrastructure and maintenance and operation of these services.

These Plans identify that the revenues to be provided through the transfer of property tax revenues and existing and potential financing mechanisms are anticipated to be sufficient to provide for the infrastructure and on-going maintenance and operation of the services to be provided from the City of Rialto and the West Valley Water District.

The Plans for Service have been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Plans conform to those adopted standards and requirements.

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10. This proposal complies with Commission policies and directives and State law that indicate the preference for areas proposed for urban-intensity development to be included within a multi-function agency for the provision of those services is the most efficient and effective service delivery system.
11. The reorganization area can benefit from the availability and extension of municipal services from the City of Rialto and the West Valley Water District, as evidenced by the Plans for Service.
12. This proposal will have an effect on the City of Rialto's ability to achieve its fair share of the regional housing needs as it proposes the addition of 726 residential units.
13. The City and County have negotiated the transfer of ad valorem taxes as required by State law. Copies of the resolutions adopted by the City Council of the City of Rialto and the San Bernardino County Board of Supervisors are on file in the LAFCO office outlining the exchange of revenues.
14. The maps and legal descriptions, as revised, are in substantial conformance with LAFCO and State standards as determined by the County Surveyor's Office.

**SECTION 5.** The reason for this reorganization is for the receipt of municipal-level services.

**SECTION 6.** The affected territory shall be taxed for existing bonded indebtedness or contractual obligations of the City of Rialto. The affected territory shall be taxed for existing bonded indebtedness of the West Valley Water District for the construction of capital improvements that benefit the District's entire service area. The District has no other contractual obligations for which the territory shall be taxed. The regular County assessment roll will be utilized by the City of Rialto and the West Valley Water District.

**SECTION 7.** Approval by the Local Agency Formation Commission indicates that completion of this proposal would accomplish the proposed change of organization in a reasonable manner with a maximum chance of success and a minimum disruption of service to the functions of other local agencies in the area.

**SECTION 8.** The Commission hereby orders the territory described in Exhibits "A", "A-1", "B", "B-1", and "C" reorganized. The Commission hereby directs that, following completion of the reconsideration period specified by Government Code Section 56895(b), and the issuance of the Certificate or Certificates of Filing for annexation of the City's four islands outlined in Condition No. 7, the Executive Officer prepare and file a Certificate of Completion, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204.

**SECTION 9.** The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code.

**THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission of the County of San Bernardino by the following vote:**

**AYES: COMMISSIONERS:**

