Notice of Availability and Intent to Adopt a Mitigated Negative Declaration and Initial Study prepared by Tom Dodson and Associates

Attachment 1

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

NOTICE OF AVAILABILITY AND INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION

NOTICE IS HEREBY GIVEN that the San Bernardino Local Agency Formation Commission (LAFCO or Commission) has prepared an Initial Study pursuant to the requirements of the California Environmental Quality Act (CEQA), which recommends that a Mitigated Negative Declaration be issued for the following proposal:

Title: LAFCO 3157 - Sphere of Influence Establishment for County Service Area 120

Location: The proposed Sphere of Influence (hereafter shown as "SOI" or "sphere") establishment area for County Service Area (CSA) 120 encompasses approximately 71 square miles (15 square miles of which are presently located within the existing boundaries of CSA 120). The proposed SOI area is generally located along the foothills of the San Gabriel Mountains, east of the San Bernardino/Los Angeles county lines, north of the 210 Freeway, and generally west of the 215 Freeway, including portions of the northerly boundaries of the Cities of Upland, Rancho Cucamonga, Fontana, Rialto, and the northwesterly boundaries of the City of San Bernardino.

Description: The San Bernardino LAFCO is considering the establishment of a SOI for CSA 120. CSA 120 was formed under LAFCO Resolution No. 3056, effective July 1, 2009. CSA 120 is a single purpose Board-governed (San Bernardino County Board of Supervisors) Special District that performs open space and habitat management services. Administrative functions for CSA 120 are performed through the San Bernardino County Special Districts Department. Open Space and Habitat Conservation management services are the only authorized function provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

The San Bernardino LAFCO initiated the SOI establishment for CSA 120 in April 2010 recommending a coterminous SOI. The County Board of Supervisors responded with a request for a larger SOI in March 2012. That request processed by the County Special Districts Department is to consider a proposed SOI establishment substantially larger than the agency's current service area boundary. Since the establishment of a SOI for an agency only creates a planning boundary, i.e., it does not mandate extension of service by the agency to any area outside of the jurisdictional boundary, the designation of a SOI either through expansion or in this case, the establishment of a SOI, rarely has the potential for "causing significant effect on the environment." This is because the SOI does not authorize any agency to proceed with physical modifications to the environment

unless steps are taken to annex a SOI area into the agency's actual service area. Due to the establishment of a new sphere that overlaps an agency with comparable services and concerns over adequate funding to manage conserved area, San Bernardino LAFCO concludes the establishment of an expanded CSA 120 SOI could have indirect adverse biological resources impacts.

Date Issued: October 28, 2013

The proposed Mitigated Negative Declaration and Initial Study are available for public review at the LAFCO Office at 215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490, on the Commission's website at www.sbclafco.org, and at the following libraries:

- Ovitt Family Community Library (City of Ontario), 215 E. C St., Ontario, CA 91764
- Archibald Library (City of Rancho Cucamonga), 7368 Archibald Ave., Rancho Cucamonga, CA 91730
- Paul Biane Library (City of Rancho Cucamonga), 12505 Cultural Center Dr., Rancho Cucamonga, CA 91739
- A.K. Smiley Public Library (City of Redlands), 125 W. Vine St., Redlands, CA 92373
- Norman F. Feldheym Central Library (City of San Bernardino), 555 W. 6th St., San Bernardino, CA 92410
- Dorothy Ingram Branch Library (City of San Bernardino), 1505 W. Highland Ave., San Bernardino, CA 92411
- Howard M. Rowe Branch Library (City of San Bernardino), 108 E. Marshall Blvd., San Bernardino, CA 92404
- Upland Public Library, 450 N. Euclid Ave., Upland, CA 91786
- San Bernardino County Public Library Administration, 777 East Rialto Ave., San Bernardino, CA 92415
- Bloomington Branch, 10145 Orchard St., Bloomington, CA 92316
- Carter Branch, 2630 N. Linden Ave., Rialto, CA 92377
- Chino Branch, 13180 Central Ave., Chino, CA 91710
- Chino Hills James S. Thalman Branch, 14020 City Center Dr., Chino Hills, CA 91709
- Fontana Lewis Library & Tech. Center, 8437 Sierra Ave., Fontana, CA 92335
- Grand Terrace Branch, 22795 Barton Rd., Grand Terrace, CA 92313
- Highland Sam J. Racadio Library, 7863 Central Ave., Highland, CA 92346
- Kaiser Branch, 1115 Almond Ave., Fontana, CA 92337
- Loma Linda Branch, 25581 Barton Rd., Loma Linda, CA 92354
- Mentone Senior Center & Library, 1331 Opal Ave., Mentone, CA 92359
- Montclair Branch, 9955 Fremont Ave., Montclair, CA 91763
- Muscoy Baker Family Learning Center, 2818 Macy St., Muscoy, CA 92407
- Rialto Branch, 251 West 1st St., Rialto, CA 92376
- Summit Branch, 15551 Summit Ave., Fontana, CA 92336

The 30-day public review period for this document is from October 28, 2013 and ends December 2, 2013. Comments may be submitted within the public review period to Ms. Kathleen Rollings-McDonald, Executive Officer for San Bernardino LAFCO, at the address noted above, or by fax at (909) 383-9901.

The hearing before the Commission to consider the proposed Mitigated Negative Declaration and Initial Study and the project has not yet been scheduled. If you have questions regarding the LAFCO process, please contact Ms. Rollings-McDonald at (909) 383-9900.

INITIAL STUDY
FOR THE
SPHERE OF INFLUENCE ESTABLISHMENT
FOR COUNTY SERVICE AREA 120

Prepared for:

Local Agency Formation Commission
for San Bernardino County
215 North "D" Street, Suite 204
San Bernardino, California 92415-0490

Prepared by:

Tom Dodson & Associates
2150 North Arrowhead Avenue
San Bernardino, California 92405
(909) 882-3612

October 2013

LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY
NOTICE OF INTENT TO
ADOPT A MITIGATED NEGATIVE DECLARATION

To: San Bernardino County
Clerk of the Board
385 North Arrowhead Avenue
San Bernardino, CA 92415

and

Office of Planning and Research
State Clearinghouse
1400 Tenth Street
Sacramento, CA 95814

From: Local Agency Formation Commission
for San Bernardino County
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Subject: Filing of Notice of Intent to Adopt a Mitigated Negative Declaration in compliance with Section 21092.3 of the Public Resources Code.

Project Title

Sphere of Influence Establishment for County Service Area 120 (LAFCO 3157)

Not Yet Assigned	Ms. Kathleen Rollings-McDonald	(909) 383-9900
State Clearinghouse Number	**Lead Agency Contact Person**	**Telephone Number**

Project Location

The proposed Sphere of Influence (hereafter shown as "SOI" or "sphere") establishment area for County Service Area (CSA) 120 encompasses approximately 71 square miles (15 square miles of which are presently located within the existing boundaries of CSA 120). The proposed SOI area is generally located along the foothills of the San Gabriel Mountains, east of the San Bernardino/Los Angeles county lines, north of the 210 Freeway, and generally west of the 215 Freeway, including portions of the northerly boundaries of the Cities of Upland, Rancho Cucamonga, Fontana, Rialto, and the northwesterly boundaries of the City of San Bernardino.

Project Description

Within each county local agency formation commissions are assigned the responsibility for designating a "Sphere of Influence" for government agencies under its purview that provide services to an area. The San Bernardino Local Agency Formation Commission (LAFCO or Commission) is considering the establishment of a SOI for CSA 120.

CSA 120 was formed under LAFCO Resolution No. 3056, effective July 1, 2009. CSA 120 is a single purpose Board-governed (San Bernardino County Board of Supervisors) Special District that performs open space and habitat management services. Administrative functions for CSA 120 are performed through the San Bernardino County Special Districts Department. Open Space and Habitat Conservation management services are the only authorized function provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

Notice of Intent to Adopt a Mitigated Negative Declaration, page 2

The San Bernardino LAFCO initiated the SOI establishment for CSA 120 in April 2010 recommending a coterminous SOI. The County Board of Supervisors responded with a request for a larger SOI in March 2012. That request processed by the County Special Districts Department is to consider a proposed SOI establishment substantially larger than the agency's current service area boundary. Since the establishment of a SOI for an agency only creates a planning boundary, i.e., it does not mandate extension of service by the agency to any area outside of the jurisdictional boundary, the designation of a SOI either through expansion or in this case, the establishment of a SOI, rarely has the potential for "causing significant effect on the environment." This is because the SOI does not authorize any agency to proceed with physical modifications to the environment unless steps are taken to annex a SOI area into the agency's actual service area. Due to the establishment of a new sphere that overlaps an agency with comparable services and concerns over adequate funding to manage conserved area, San Bernardino LAFCO concludes the establishment of an expanded CSA 120 SOI could have indirect adverse biological resources impacts.

Proposed Review Process

This is to advise that the San Bernardino LAFCO has determined that a Mitigated Negative Declaration is the appropriate CEQA environmental determination for the proposed project. At an undefined date in the future, the Commission proposes to hold a public meeting to discuss and possibly recommend approval of the SOI establishment for CSA 120. After public review of the Initial Study is completed, the Commission proposes to adopt a Mitigated Negative Declaration in accordance with CEQA and the State CEQA Guidelines. Copies of the Initial Study/MND are available for review at the LAFCO office located at 215 North "D" Street, Suite 204, San Bernardino, CA 92415-0490. The proposed Mitigated Negative Declaration will be available for public review and comment from October 28, 2013 to December 2, 2013. Any comments you have must be submitted in writing no later than December 2, 2013.

Signature	Title	Date
Kathleen Rollings McDonald	Executive Officer	10/27/13

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814 — 916/445-0613

SCH #_____

Project Title: SPHERE OF INFLUENCE ESTABLISHMENT FOR CSA 120 (LAFCO 3157)

Lead Agency: San Bernardino Local Agency Formation Commission
Contact Person: Kathleen Rollings-McDonald
Mailing Address: 215 North "D" Street, Suite i204
Phone: (909) 383-9900
City: San Bernardino
Zip: 92415-0490
County: San Bernardino County

Project Location:
County: San Bernardino County
City/Nearest Community: Rancho Cucamonga / Fontana / Rialto / San Bernardino
Cross Streets: N/A
Zip Code: N/A
Lat. / Long.: N 34° 10' 87" / W 117° 26' 18"
Total Acres: ~45,000 acres
Assessor's Parcel No: N/A
Section: N/A
Within 2 miles: State Hwy #: I-210 and I-15
Waterways: Lytle Creek
Airports: N/A
Railways: N/A
Schools: N/A

Document Type:

CEQA:
- ☐ NOP
- ☐ Early Cons
- ☐ Neg Dec
- ■ Mit Neg Dec
- ☐ Draft EIR
- ☐ Supplement/Subsequent EIR (Prior SCH No.) _____
- ☐ Other _____

NEPA:
- ☐ NOI
- ☐ EA
- ☐ Draft EIS
- ☐ FONSI

Other:
- ☐ Joint Document
- ☐ Final Document
- ☐ Other _____

Local Action Type:

- ☐ General Plan Update
- ☐ General Plan Amendment
- ☐ General Plan Element
- ☐ Community Plan
- ☐ Specific Plan
- ☐ Master Plan
- ☐ Planned Unit Development
- ☐ Site Plan
- ☐ Rezone
- ☐ Prezone
- ☐ Use Permit
- ☐ Land Division (Subdivision, etc.)
- ☐ Annexation
- ☐ Redevelopment
- ☐ Coastal Permit
- ■ Other Sphere of Influence (SOI)

Development Type:

- ☐ Residential: Units _____ Acres _____
- ☐ Office: *Sq.ft.* _____ *Acres* _____ *Employees* _____
- ☐ Commercial: *Sq.ft.* _____ *Acres* _____ *Employees* _____
- ☐ Industrial: *Sq.ft.* _____ *Acres* _____ *Employees* _____
- ☐ Education _____
- ☐ Recreational _____
- ☐ Water Facilities: *Type* _____ *MGD* _____
- ☐ Transportation: *Type* _____
- ☐ Mining: *Mineral* _____
- ☐ Power: *Type* _____ *Watts* _____
- ☐ Waste Treatment: *Type* _____ *MGD* _____
- ☐ Hazardous Waste: *Type* _____
- ■ Other: Conservation Land Management

Project Issues Discussed in Document:

- ☐ Aesthetics / Visual
- ☐ Agricultural Land
- ☐ Air Quality
- ■ Archaeological / Historical
- ■ Biological Resources
- ☐ Coastal Zone
- ☐ Drainage / Absorption
- ☐ Economic / Jobs
- ☐ Fiscal
- ☐ Floodplain / Flooding
- ☐ Forest Land / Fire Hazard
- ■ Geologic / Seismic
- ■ Minerals
- ☐ Noise
- ☐ Population / Housing Balance
- ☐ Public Services / Facilities
- ☐ Recreation / Parks
- ☐ Schools / Universities
- ☐ Septic Systems
- ☐ Sewer Capacity
- ■ Soil Erosion / Compaction / Grading
- ☐ Solid Waste
- ☐ Toxic / Hazards
- ☐ Traffic / Circulation
- ■ Vegetation
- ☐ Water Quality
- ☐ Water Supply / Groundwater
- ■ Wetland/Riparian
- ■ Wildlife
- ☐ Growth Inducing
- ☐ Land Use
- ☐ Cumulative Effects
- ☐ Other _____

Present Land Use / Zoning / General Plan Designation: Not applicable

Project Description:

Within each county local agency formation commissions are assigned the responsibility for designating a "Sphere of Influence" for government agencies under its purview that provide services to an area. The San Bernardino Local Agency Formation Commission (LAFCO) is considering the establishment of a Sphere of Influence (SOI) for County Service Area (CSA) 120.

CSA 120 was formed under LAFCO Resolution No. 3056, effective July 1, 2009. CSA 120 is a single purpose Board-governed (San Bernardino County Board of Supervisors) Special District that performs open space and habitat management services. Administrative functions for CSA 120 are performed through the San Bernardino County Special Districts Department. Open Space and Habitat Conservation management services are the only authorized function provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

Project Description (continued)

The San Bernardino LAFCO initiated the SOI establishment for CSA 120 in April 2010 recommending a coterminous SOI. The County Board of Supervisors responded with a request for a larger SOI in March 2012. That request processed by the County Special Districts Department is to consider a proposed SOI establishment substantially larger than the agency's current service area boundary. Since the establishment of a SOI for an agency only creates a planning boundary, i.e., it does not mandate extension of service by the agency to any area outside of the jurisdictional boundary, the designation of a SOI either through expansion or in this case, the establishment of a SOI, rarely has the potential for "causing significant effect on the environment." This is because the SOI does not authorize any agency to proceed with physical modifications to the environment unless steps are taken to annex a SOI area into the agency's actual service area. Due to the establishment of a new sphere that overlaps an agency with comparable services and concerns over adequate funding to manage conserved area, San Bernardino LAFCO concludes the establishment of an expanded CSA 120 SOI could have indirect adverse biological resources impacts.

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with an **"X"**.
If you have already sent your document to the agency please denote that with an **"S"**.

_____	Air Resources Board	_____	Office of Historic Preservation
_____	Boating / Waterways, Department of	_____	Office of Public School Construction
_____	California Highway Patrol	_____	Parks & Recreation
_____	Caltrans District #_____	_____	Pesticide Regulation, Department of
_____	Caltrans Division of Aeronautics	_____	Public Utilities Commission
_____	Caltrans Planning (Headquarters)	_____	Reclamation Board
_____	Coachella Valley Mountain Conservancy	X	Regional WQCB, # 8
_____	Coastal Commission	_____	Resources Agency
_____	Colorado River Board	_____	S.F. Bay Conservation & Development Commission
_____	Conservation, Department of	_____	San Gabriel & Lower L.A. Rivers & Mtns Conservancy
_____	Corrections, Department of	_____	San Joaquin River Conservancy
_____	Delta Protection Commission	_____	Santa Monica Mountains Conservancy
_____	Education, Department of	_____	State Lands Commission
_____	Energy Commission	_____	SWRCB: Clean Water Grants
X	Fish & Wildlife, Region # 6	_____	SWRCB: Water Quality
_____	Food & Agriculture, Department of	_____	SWRCB: Water Rights
X	Forestry & Fire Protection	_____	Tahoe Regional Planning Agency
_____	General Services, Department of	_____	Toxic Substances Control, Department of
_____	Health Services, Department of	_____	Water Resources, Department of
_____	Housing & Community Development		
_____	Integrated Waste Management Board	_____	Other _____
X	Native American Heritage Commission	_____	Other _____
_____	Office of Emergency Services		

Local Public Review Period (to be filled in by lead agency)

Starting Date October 28, 2013 Ending Date December 2, 2013

Lead Agency (complete if applicable)

Consulting Firm:	Tom Dodson & Associates	Applicant:	Local Agency Formation Commission
Address:	2150 N. Arrowhead Avenue	Address:	215 North "D" Street, Suite 204
City/State/Zip:	San Bernardino, CA 92405	City/State/Zip:	San Bernardino, CA 92415-0490
Contact:	Tom Dodson	Contact:	Kathleen Rollings-McDonald
Phone:	(909) 882-3612	Phone:	(909) 383-9900

Signature of Lead Agency Representative:

Kathleen Rollings McDonald Date: 10/27/13

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY
MITIGATED NEGATIVE DECLARATION

Lead Agency: Local Agency Formation Commission
For San Bernardino County
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Contact: Kathleen Rollings-McDonald
Phone: (909) 383-9900

Project Title: SPHERE OF INFLUENCE ESTABLISHMENT FOR COUNTY SERVICE AREA 120 (LAFCO 3157)

State Clearinghouse Number: Not yet assigned

Project Location: The proposed Sphere of Influence (hereafter shown as "SOI" or "sphere") establishment area for County Service Area (CSA) 120 encompasses approximately 71 square miles (15 square miles of which are presently located within the existing boundaries of CSA 120). The proposed SOI area is generally located along the foothills of the San Gabriel Mountains, east of the San Bernardino/Los Angeles county lines, north of the 210 Freeway, and generally west of the 215 Freeway, including portions of the northerly boundaries of the Cities of Upland, Rancho Cucamonga, Fontana, Rialto, and the northwesterly boundaries of the City of San Bernardino.

Project Description: Within each county local agency formation commissions are assigned the responsibility for designating a "Sphere of Influence" for government agencies under its purview that provide services to an area. The San Bernardino Local Agency Formation Commission (LAFCO or Commission) is considering the establishment of a SOI for CSA 120.

CSA 120 was formed under LAFCO Resolution No. 3056, effective July 1, 2009. CSA 120 is a single purpose Board-governed (San Bernardino County Board of Supervisors) Special District that performs open space and habitat management services. Administrative functions for CSA 120 are performed through the San Bernardino County Special Districts Department. Open Space and Habitat Conservation management services are the only authorized function provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

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DRAFT

Mitigated Negative Declaration, page 2 of 2

Finding: The Commission's decision to implement this proposed project is a discretionary decision or "project" that requires evaluation under the California Environmental Quality Act (CEQA). Based on the information in the project Initial Study, the Commission has made a *preliminary* determination that a Mitigated Negative Declaration will be the appropriate environmental determination for this project to comply with CEQA.

Initial Study: Copies of the Initial Study are available for public review at LAFCO's office located at 215 North "D" Street, Suite 204, San Bernardino, CA 92415. The public review period for the Initial Study begins October 29, 2013 and closes on December 2, 2013

Mitigation Measures: All mitigation measures identified in the Initial Study are summarized on page 43 and are proposed for adoption as conditions of the project. These measures will be implemented through a mitigation monitoring and reporting program if the Mitigated Negative Declaration is adopted.

DRAFT

Signature *Title* *Date*

DRAFT

INITIAL STUDY
FOR THE
SPHERE OF INFLUENCE ESTABLISHMENT
FOR COUNTY SERVICE AREA 120

Prepared for:

Local Agency Formation Commission
for San Bernardino County
215 North "D" Street, Suite 204
San Bernardino, California 92415-0490

Prepared by:

Tom Dodson & Associates
2150 North Arrowhead Avenue
San Bernardino, California 92405
(909) 882-3612

October 2013

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APPENDICES

Appendix 1 – Comment Letters

ENVIRONMENTAL CHECKLIST FORM

INTRODUCTION

1. Project Title: Sphere of Influence Establishment for County Service Area 120 (LAFCO 3157)

2. Lead Agency Name: Local Agency Formation Commission for San Bernardino County
   Address: 215 North "D" Street, Suite 204
   San Bernardino, CA 92415-0490

3. Contact Person: Ms. Kathleen Rollings-McDonald
   Phone Number: 909-383-9900
   E-Mail Address: lafco@lafco.sbcounty.gov

4. Project Location: The following project location data are taken from the LAFCO notice of filing for LAFCO 3157, which is the LAFCO tracking number for *Sphere of Influence Establishment for County Service Area 120 (North Etiwanda Preserve Area).*

The proposed Sphere of Influence (hereafter shown as "SOI" or "sphere") establishment area for County Service Area 120 encompasses approximately 71 square miles (15 square miles of which are presently located within the existing boundaries of CSA 120. Figure 1 shows the Vicinity Map and Figure 2 shows the SOI Establishment for CSA 120. The proposed SOI area is generally located along the foothills of the San Gabriel Mountains, east of the San Bernardino/Los Angeles county lines, north of the 210 Freeway, and west of the 215 Freeway, including portions of the northerly boundaries of the Cities of Upland, Rancho Cucamonga, Fontana, Rialto, and the northwesterly boundaries of the City of San Bernardino.

The proposed SOI establishment includes 4 distinct areas. Areas 1A and 1B, encompassing a total of approximately 9,557 acres, are the existing boundaries CSA 120. Areas 2, 3, and 4 are the proposed SOI expansion areas for CSA 120, which are described as follows:

Area 2 encompasses approximately 3,082 acres generally bordered by section lines on the north, section lines (existing CSA 120 boundaries) on the east, a combination of Mountain Avenue, 26th Street, 20th Street, Turquoise Avenue, and parcel lines including San Bernardino County (SBC) Flood Control, Southern California Edison Company (SCE) and City of Los Angeles easements on the south, and the San Bernardino/Los Angeles county line on the west. Area 2 includes portions of the Cities of Rancho Cucamonga and Upland.

Area 3 encompasses approximately 255 acres generally bordered by a combination of Banyon Street and parcel lines on the south, parcel lines including SBC Flood Control easements on the west, parcel line along the City of Los Angeles easement (existing CSA 120 boundaries) on the north, and a combination of Milliken Avenue, section lines, and parcel lines (existing CSA 120 boundaries) on the east. Area 3 is entirely within the City of Rancho Cucamonga.

Area 4 encompasses approximately 32,408 acres generally bordered by a combination of Summit Avenue, Wardman Bullock Road, 24th Street, Banyan Street, section lines and parcel lines including SBC Flood Control and SCE easements (portion of CSA 120 boundaries) on the west, a combination of Swarthout Canyon Road, section lines and parcel lines on the north, parcel lines along the Lytle Creek Wash including SBC Flood Control easements within and around the communities of Muscoy and Devore on the east, and a combination of the 210 and 15 Freeway right-of-way, Lytle Creek Road, 3 mile Road, Riverside Drive, Baseline Street, Terrace Road, Foothill Boulevard, and parcel lines including SCE and Union Pacific Railroad easements on the south. Area 4 includes portions of the Cities of Rancho Cucamonga, Fontana, Rialto, and San Bernardino.

5. Project Sponsor's Name and Address: County of San Bernardino Special Districts Department
157 West Fifth Street, Second Floor
San Bernardino, CA 92415-0450

6. General Plan Designation: Not Applicable

7. Zoning: Not Applicable

8. Project Description:

Introduction

Within each county local agency formation commissions are assigned the responsibility for designating a "Sphere of Influence" for government agencies under its purview that provide services to an area. A Sphere of Influence is a planning boundary outside of an agency's legal boundary that designates its probable future boundary and service area. Thus, a service agency, such as a water district, is assigned the responsibility to supply water within the area defined as its service area boundary. In additional to the service area boundary, that same water district is responsible for planning future water supply services for the area assigned to the District as its SOI. State law (Government Code Section 56426.5) mandates that a SOI be established within one year of the formation of a special district and subsequently reviewed every five years (Government Code Section 56425). It is in this context that the San Bernardino County Local Agency Formation Commission (LAFCO or Commission) is considering the establishment of a SOI for County Service Area (CSA) 120.

CSA 120 was formed under LAFCO Resolution No. 3056, effective July 1, 2009. CSA 120 is a single purpose Board-governed (San Bernardino County Board of Supervisors) Special District that performs open space and habitat management services. Administrative functions for CSA 120 are performed through the San Bernardino County Special Districts Department. Open Space and Habitat Conservation management services are the only authorized function provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

The San Bernardino County LAFCO initiated the SOI establishment for CSA 120 in April 2010 recommending a coterminous sphere of influence. The County Board of Supervisors responded with a request to for a larger sphere of influence in March 2012. That request processed by the County Special Districts Department is to consider a proposed SOI establishment substantially

larger than the agency's current service area boundary. Under normal circumstances the establishment of a SOI for an agency is considered statutorily exempt under the General Rule 15061(b)(3) of the State California Environmental Quality Act (CEQA) Guidelines. This rule states: *"The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."* Since the establishment of a SOI for an agency only creates a planning boundary, i.e., it does not mandate extension of service by the agency to any area outside of the jurisdictional boundary, the designation of a SOI either through expansion or in this case, the establishment of a SOI, rarely has the potential for "causing significant effect on the environment." This is because the SOI does not authorize any agency to proceed with physical modifications to the environment unless steps are taken to annex a SOI area into the agency's actual service area.

LAFCO distributed a notice that the SOI establishment was being considered for CSA 120, and several responses were received with many of these responses raising concerns regarding physical impacts to the environment that could result from approval of the proposed CSA 120 SOI establishment. A copy of each of these comments submitted to LAFCO is provided in Appendix 1 to this document. Based on the scope of issues raised in these comment letters, LAFCO Staff concluded that it is necessary to prepare an Initial Study for this action to fully substantiate findings regarding potential adverse environmental effects of adopting the proposed SOI for CSA 120. The project description and Initial Study follow the Introduction along with a recommendation for the appropriate environmental determination for this action to comply with CEQA.

Location

Refer to item 4 above and to Figures 1 and 2 which show each of the proposed SOI areas, plus the existing CSA 120 service area boundaries.

Project Alternatives

Based on discussions with LAFCO Staff, there appear to be five alternative configurations for the CSA 120 SOI. These are:

1. Adopt the SOI as proposed by the Special Districts Department, outlined above.
2. Adopt the proposed SOI minus the City of Fontana's Multiple Species Habitat Conservation Plan (MSHCP) area, particularly south of the Interstate 15 Freeway.
3. Adopt a SOI that is coterminous with the existing CSA 120 boundary, minus the Fontana MSHCP area encompassed within the existing CSA 120 boundary.
4. Adopt a SOI that is coterminous with the Inland Empire Resource Conservation District (IERCD) SOI, excluding those portions in Riverside County.
5. Adopt a zero SOI for CSA 120 indicating LAFCO believes CSA 120 should ultimately be dissolved and the open space and habitat conservation management services should be assumed by Fontana (within its MSHCP boundaries) and the IERCD for the remainder of the CSA 120 property.

Maps showing the boundaries of each of these five alternatives are provided in Figures 2 through Figure 6.

Issues of Concern Raised in Comment Letters (See Appendix 1)

City of Fontana (Fontana)

1. Fontana does not support the SOI as proposed and suggests that the SOI areas within the City and within its unincorporated sphere area south of Interstate 15 be deleted from the SOI.
2. Fontana also states that the area north of Interstate 15 can be included in the SOI with the understanding that development may occur in the City in accordance with its adopted General Plan. The General Plan authorizes development (residential and commercial) and does not commit the area to conservation.
3. Fontana has adopted an interim MSHCP for a majority of the SOI in the City with the objective of collecting mitigation fees and acquiring offsite mitigation lands. This could conflict with CSA 120 objectives.

Inland Empire Resource Conservation District (IERCD)

1. The whole SOI, including the existing area, is located within the IERCD service area which performs a variety of services, including the same functions as CSA 120. IERCD manages five conservation easements and 14 mitigation sites.
2. IERCD states that it has competing or overlapping capabilities with CSA 120 and it uses a mix of public (annual taxes) and private funds to accomplish its responsibilities.
3. IERCD questions CSA 120's ability to hold and responsibly manage the conservation lands under its jurisdiction or that it may acquire in the future.
4. Seeks to have LAFCO clarify the respective visions and roles of the two agencies.
5. Questions whether having multiple agencies managing different properties has any negative effects on the conserved resources.

City of Rancho Cucamonga (CRC)

1. CRC originally expressed concerns regarding management of Area 4 under the existing Board of Directors and management plans; however, it has since changed its position to support a coterminous SOI.
2. CRC questions CSA 120's ability to manage existing and future mitigation lands due to the lack of sufficient mitigation fees collected.
3. CRC also cites the issue regarding duplication of services by multiple agencies.

California Department of Fish and Game (now Department of Fish and Wildlife, DFW)

1. DFW notes that conveyance of conservation areas requires pre-approval by them.
2. DFW indicates that to meet California Endangered Species Act (CESA) management requirements adequate funding must be available to maintain and improve habitat quality over time.
3. DFW cites California Government Code Section 65965 that requires them to perform a due diligence review of nonprofits or government agencies that assume responsibility for managing open space and conservation lands. Such review can include:
   a. require property management plans
   b. require a Property Analysis Record to determine the annual funding needed for property management, enhancement and monitoring

   c. require a long-term management endowment
   d. if needed, require funding for initial protection and enhancement of the property (such as fencing, signage, removal of non-native species, trash and debris, erosion control, monitoring, surveys, adaptive management especially in response to catastrophic events.

4. In review of the budget, fee schedule and management plans by CSA 120, DFW is concerned that it is not adequately funded to protect and manage mitigation lands in perpetuity, including staffing, resource assessment, monitoring and restoration of degraded areas.
5. DFW notes that if SOI is approved it would result in redundant functions by CSA 120 and IERCD and requests clarification regarding what will be the effect of overlapping boundaries and/or SOI of these two agencies.
6. DFW questions the adequacy of $2,500 per acre endowment and asks what this number is based on.
7. DFW suggests that the North Etiwanda Preserve Management Plan should not be used as a template for managing future mitigation lands acquired by CSA 120.

City of Rialto (Rialto)

1. LAFCO approval of the SOI should not result in loss of tax revenue to Rialto.
2. Rialto representative should sit on the CSA 120 Board for Area 4.
3. Rialto should be notified when land is placed under CSA 120 jurisdiction.
4. Rialto indicates that approval of the SOI should not restrict future development within the City or within Lytle Creek Ranch Specific Plan.

City of San Bernardino (CSB)

1. CSB expresses concern about permanent loss of development potential in areas along Interstate 215 north of Kendall Avenue interchange.
2. CSB suggests limiting conservation areas to lands that are too difficult to develop.
3. CSB expresses concerns about adequacy of long-term funding for CSA 120.
4. If areas are placed in conservation under CSA 120, CSB requests that a representative of the city be appointed to the management Board.

City of Upland (Upland)

1. A portion of Area 2 is located within the Colonies at San Antonio Specific Plan and designated for commercial use. Upland requests that this area be removed from the proposed SOI.

The Initial Study for establishment of the CSA 120 SOI will address the above issues to the extent feasible. DFW is considered the only CEQA Responsible Agency in this process because of its mandate to pre-approve future conservation lands for placement under CSA 120's jurisdiction. However, all of the agencies listed above will be provided an opportunity to review and comment on the Initial Study that follows.

9. Surrounding land uses and setting: (Briefly describe the project's surroundings)

   The large majority of the SOI is located in open space south of the San Gabriel Mountains and in the Lytle Creek and Cajon Creek alluvial fans. Small areas of development within the proposed SOI boundary contain existing development or potential future development within the underlying incorporated cities and the County.

10. Other agencies whose approval is required (e.g., permits, financing approval, or participation agreement.)

    As noted above the only agencies with future approval authority appears to be LAFCO (future annexations) and DFW as discussed under item 9 above.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

❑ Aesthetics	❑ Agriculture and Forestry Resources	❑ Air Quality
✗ Biological Resources	✗ Cultural Resources	✗ Geology / Soils
❑ Greenhouse Gas Emissions	❑ Hazards & Hazardous Materials	✗ Hydrology & Water Quality
❑ Land Use / Planning	✗ Mineral Resources	❑ Noise
❑ Population / Housing	❑ Public Services	❑ Recreation
❑ Transportation / Traffic	❑ Utilities / Service Systems	✗ Mandatory Findings of Significance

DETERMINATION (To be completed by the Lead Agency)

On the basis of this initial evaluation, the following finding is made:

	The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
X	Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
	The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
	Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Tom Dodson

Signature (prepared by) — September 30, 2013 Date

Kathleen Billings-McDonald

Signature — 10/27/13 Date

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
I. AESTHETICS: Would the project:				
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X

SUBSTANTIATION:

None of the comments received from interested parties and stakeholders raised aesthetic or visual issues as issues of concern. Given that CSA 120's objective is to protect and manage critical open space and habitat resources over the long term, the potential for adverse effects on aesthetic/visual resources is considered negligible to non-existent.

a. *No Impact* – The proposed SOI establishment for CSA 120 has no potential to adversely affect any existing scenic vista. The SOI is a planning boundary for CSA 120 within which future acquisition and management of open space and habitat resources will not result in any substantial change in any scenic vista. If annexed into CSA 120 in the future, the only possible management activities that could change the existing environment and visual setting would be removal of non-native or invasive species or minor topographic modifications to enhance habitat. These activities would occur at ground level, usually within large land parcels, and such activities do not have a potential to have a substantial adverse effect on a scenic vista.

b. *No Impact* – The proposed SOI establishment for CSA 120 has no potential to substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway. The SOI is a planning boundary for CSA 120 within which future acquisition and management of open space and habitat resources will not result in any potential modifications to any of the resources cited above. If annexed to CSA 120 in the future, the only possible management activities that could change existing scenic resources would be removal of non-native or invasive species or minor topographic modifications to enhance habitat. These activities represent limited changes in the managed resources that have no potential to substantially damage the scenic resources of open space or habitat property conserved to protect these existing resources.

c. *No Impact* – The proposed SOI establishment for CSA 120 has no potential to substantially degrade the existing visual character or quality of a site and its surroundings. The SOI is a planning boundary for CSA 120 within which future acquisition and management of open space and habitat resources has no potential to substantially degrade the visual setting of a conserved property. If annexed into CSA 120 in the future, the only possible management activities that could degrade the existing scenic resources would be removal of non-native or invasive species or minor

topographic modifications to enhance habitat. These activities represent limited changes in the managed resources that have no potential to substantially degrade the scenic quality of open space or habitat property conserved to protect these existing resources.

d. *No Impact* – The proposed SOI establishment for CSA 120 has no potential to create new sources of light or glare that could adversely impact day or night views in the area. The SOI is a planning boundary for CSA 120 within which installation of lighting would conflict with the acquisition and management of open space and habitat resources. Therefore, if annexed into CSA 120 in the future, no potential exists to install any future lighting that would conflict with management of properties for open space and habitat value.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for aesthetic issues?

Alternative 2*:* Proposed Alternative minus the City of Fontana MSHCP area, particularly south of the Interstate 15 Freeway.
No. Selection of this alternative would not alter findings regarding aesthetic impacts at either stage of implementation, establishment of the SOI or a future annexation. Aesthetic impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 3: Adopt a SOI that is coterminous with the existing CSA 120 boundary, minus the Fontana MSHCP area encompassed within the existing CSA 120 boundary.
No. Selection of this alternative would not alter findings regarding aesthetic impacts at either stage of implementation, establishment of the SOI or a future annexation. Aesthetic impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 4: Adopt a SOI that is coterminous with the IERCD SOI.
No. Selection of this alternative would not alter findings regarding aesthetic impacts at either stage of implementation, establishment of the SOI or a future annexation. Aesthetic impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 5: Adopt a zero (0) SOI for CSA 120 indicating LAFCO believes CSA 120 should ultimately be dissolved and the open space and habitat conservation management services should be assumed by Fontana (within its MSHCP boundaries) and the IERCD for the remainder of the existing CSA 120 property.
No. Selection of this alternative would not alter findings regarding aesthetic impacts at either stage of implementation, establishment of the SOI or a future annexation. Aesthetic impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
II. AGRICULTURE AND FORESTRY RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:				
a) Convert Prime Farmland, Unique Farmland or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

SUBSTANTIATION:

None of the comments received from interested parties and stakeholders raised agricultural or forest land issues as issues of concern. Given that CSA 120's objective is to protect and manage critical open space and habitat resources over the long term, the potential for adverse effects on agricultural and forest/timberland resources is considered negligible to non-existent. Further, the area identified in the proposed SOI for CSA 120 does not contain any substantial agricultural or forest resources that could be adversely impacted by activities to protect and manage critical open space and habitat resources over the long term.

a. *No Impact* – If the CSA 120 SOI establishment is approved, planning activities authorized under the SOI have no potential to adversely impact agricultural resources or existing farmlands. Based on the open space and habitat preservation objectives for CSA 120, it is assumed that any future annexations could not include land being used for agricultural production. Therefore, no potential exists for approval of the SOI to adversely impact any agricultural or farmland resources or values.

b. *No Impact* – If the CSA 120 SOI establishment is approved, planning activities authorized under the SOI have no potential to adversely impact land under Williamson Act contract or agricultural zoning. Based on the open space and habitat preservation objectives for CSA 120, it is assumed that any future annexations could not include land being actively used for agricultural production and under agricultural zoning or Williamson Act contract. Therefore, no potential exists for approval of the SOI to adversely impact any agricultural or farmland resources or values.

c. *No Impact* – If the CSA 120 SOI establishment is approved, planning activities authorized under the SOI have no potential to adversely impact forest land or timberland production. Based on the open space and habitat preservation objectives for CSA 120 and the lack of any forest or timberland resources within the proposed SOI, it is assumed that any future annexations could not include land being used for timberland production or zoned for such uses. Therefore, no potential exists for approval of the SOI to adversely impact any forest land or timberland resources or values.

d. *No Impact* – If the CSA 120 SOI establishment is approved, planning activities authorized under the SOI have no potential to adversely impact forest land or timberland production. Based on the open space and habitat preservation objectives for CSA 120 and the lack of any forest or timberland resources within the proposed SOI, it is assumed that any future annexations could not include land being used for timberland production or zoned for such uses. Therefore, no potential exists for approval of the SOI to adversely impact any forest land or timberland resources or values.

e. *No Impact* – If the CSA 120 SOI establishment is approved, planning activities authorized under the SOI do not involve any other changes in the existing environment that have any potential to cause conversion of agricultural, forest land or timberland uses to other uses. Based on the open space and habitat preservation objectives for CSA 120 and the lack of any forest or timberland resources within the proposed SOI, it is assumed that any future annexations could not include activities that would convert land being used for agricultural or timberland production to other uses. Therefore, no potential exists for approval of the SOI to cause conversion of forest land or timberland to other uses.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for agricultural and forestry resource issues?

Alternative 2*:* Proposed Alternative minus the City of Fontana MSHCP area, particularly south of the Interstate 15 Freeway.

No. Selection of this alternative would not alter findings regarding agricultural and forestry resource impacts at either stage of implementation, establishment of the SOI or a future annexation. Agricultural and forestry resource impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 3: Adopt a SOI that is coterminous with the existing CSA 120 boundary, minus the Fontana MSHCP area encompassed within the existing CSA 120 boundary.
No. Selection of this alternative would not alter findings regarding agricultural and forestry resource impacts at either stage of implementation, establishment of the SOI or a future annexation. Agricultural and forestry resource impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 4: Adopt a SOI that is coterminous with the IERCD SOI.
No. Selection of this alternative would not alter findings regarding agricultural and forestry resource impacts at either stage of implementation, establishment of the SOI or a future annexation. Agricultural and forestry resource impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 5: Adopt a zero (0) SOI for CSA 120 indicating LAFCO believes CSA 120 should ultimately be dissolved and the open space and habitat conservation management services should be assumed by Fontana (within its MSHCP boundaries) and the IERCD for the remainder of the existing CSA 120 property.
No. Selection of this alternative would not alter findings regarding agricultural and forestry resource impacts at either stage of implementation, establishment of the SOI or a future annexation. Agricultural and forestry resource impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				X
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X

SUBSTANTIATION:

None of the comments received from interested parties and stakeholders raised air quality issues as issues of concern for the proposed Project. Given that CSA 120's objective is to protect and manage critical open space and habitat resources over the long term, the potential for adverse effects on air quality resources is considered negligible to non-existent. Further, the only activities that might generate air emissions are occasional vehicle trips in support of ongoing management; vegetation management to remove invasive species; and minor grading to support habitat management. These activities could only occur after an area has been annexed to CSA 120 as the establishment of the SOI for CSA 120 does not authorization CSA 120 to conduct any physical activities other than planning for future annexations.

a. *No Impact* – The conservation and management of open space within the South Coast Air Basin (SoCAB) do not include activities that would normally generate substantial air emissions. Simply by preserving land areas within the SoCAB, such locations are removed from routine sources of air pollutant emissions. Thus, such conservation activities are inherently consistent with implementation of the South Coast Air Quality Management District's Air Quality Management Plan (AQMP). There will be minimal emissions associated with the conservation and habitat management. Under approval of the SOI, the only air pollutant emissions from CSA 120 personnel would be random vehicle emissions associated with inspections of proposed annexation areas and attendance at related meeting. The air emissions from such random trips over a year period would be minimal, perhaps a few hundred miles annually. Assuming the CSA 120 SOI is established, the only activities generating air emissions would be annual site inspections, vegetation management activities, and perhaps minimal grading in support of habitat management. These activities would occur only a few times per year and would be anticipated to be only a few acres per year. Based

on these limited activities and the conservation of areas from urban development, the proposed SOI and any subsequent annexations would be fully consistent with the SoCAB AQMP. No conflicts or obstruction of any applicable air quality plan would result from implementing the proposed project.

b-d. *No Impact* – As outlined in the previous section, conservation and habitat management is primarily a passive activity, with random efforts at active vegetation or habitat management. Even with routine visits to a conserved area each week, the emissions would be less than a single-family residence, which generates up to 10 trips per day. Under approval of the SOI, the only air pollutant emissions from CSA 120 personnel would be random vehicle emissions associated with inspections of proposed annexation areas and attendance at related meeting. The air emissions from such random trips over a year period would be minimal, perhaps a few hundred miles annually. Assuming the CSA 120 SOI is established, the only activities generating air emissions would be annual site inspections, vegetation management activities, and perhaps minimal grading in support of habitat management. These activities would occur only a few times per year and would be anticipated to be only a few acres per year. Such emissions would be *de minimis* and would have no potential to cause an air quality violation, contribute to cumulatively considerable increase in criteria pollutant emissions or expose sensitive receptors to substantial pollutant concentrations.

e. *No Impact* – None of the activities associated with establishment of the CSA 120 SOI or any future annexations will generate odors that could be considered objectionable. Thus, no odor impact is forecast under either circumstance.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for air quality issues?

Alternative 2*:* Proposed Alternative minus the City of Fontana MSHCP area, particularly south of the Interstate 15 Freeway.
No. Selection of this alternative would not alter findings regarding air quality impacts at either stage of implementation, establishment of the SOI or a future annexation. Air quality impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 3: Adopt a SOI that is coterminous with the existing CSA 120 boundary, minus the Fontana MSHCP area encompassed within the existing CSA 120 boundary.
No. Selection of this alternative would not alter findings regarding air quality impacts at either stage of implementation, establishment of the SOI or a future annexation. Air quality impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 4: Adopt a SOI that is coterminous with the IERCD SOI.
No. Selection of this alternative would not alter findings regarding air quality impacts at either stage of implementation, establishment of the SOI or a future annexation. Air quality impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 5: Adopt a zero (0) SOI for CSA 120 indicating LAFCO believes CSA 120 should ultimately be dissolved and the open space and habitat conservation management services should be assumed by Fontana (within its MSHCP boundaries) and the IERCD for the remainder of the existing CSA 120 property.
No. Selection of this alternative would not alter findings regarding air quality impacts at either stage of implementation, establishment of the SOI or a future annexation. Air quality impacts under this alternative would not occur for the same reasons outlined for the proposed CSA 120 SOI.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
IV. BIOLOGICAL RESOURCES: Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		X		
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		X		
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?		X		
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		X		
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?		X		
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?		X		

SUBSTANTIATION:

The majority of issues raised in comments submitted to LAFCO regarding CSA 120 relate to biology issues which are at the heart of CSA 120's administrative responsibilities. As previously stated "Open Space and Habitat Conservation management services are the only authorized function/service provided by CSA 120. The range of services includes acquisition, preservation, maintenance and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties." The issues raised in comments can be divided into three types, as follows.

1. Several cities expressed concern with the expansion of the CSA 120 SOI into their existing incorporated boundaries or, alternatively, within their adopted SOI. For example, the City of

Fontana identified one concern as the possibility that expanding the CSA 120 SOI within its territory could conflict with future development within City boundaries. The City of Rialto expressed its concern in a slightly different way by indicating the SOI expansion should not result in the loss of tax revenue to Rialto, and more specifically should not restrict future development within the City or within the Lytle Creek Ranch Specific Plan. The cities of San Bernardino and Upland expressed the same concerns. The City of Fontana further expressed concern that the manner in which its MSHCP is implemented (payment of mitigation fees and purchase of compensatory mitigation at other locations outside of the City) would conflict with the CSA 120 objective of conserving land within Fontana's territory. In this case the jurisdictions with land use authority appear to be seeking removal of areas from the proposed SOI to protect development potential, i.e., to retain the option to disturb or to eliminate potentially important open space and habitat values by converting the land to urban/suburban uses as allowed under adopted General Plans.

When placed in this context the removal of the CSA 120 SOI from territory within the cities, as requested, has a potential for more significant adverse effects on biological resources than the expansion of CSA 120 into the cities and the ability of CSA 120 to ultimately annex territory and conserve it as general open space or habitat. However, expansion of the CSA 120 SOI does not cause open space and habitat to be conserved/preserved. CSA 120's role is generally passive from the land conservation standpoint. Its role is to serve as a recipient of land offered for conservation by some party and subsequently to assume management responsibility for the open space and habitat values within such properties. Thus from a biological resource standpoint, expansion of the CSA 120 SOI potentially offers more protection for biological resources than not authorizing the expansion.

2. The preceding text introduces the second issue of concern that was expressed primarily by the IERCD and secondarily by the CDFW. IERCD and CSA 120 have similar management responsibilities for open space and habitat, except IERCD encompasses the whole San Bernardino Valley, including the area proposed for inclusion in the CSA 120 SOI. IERCD questions the need for overlapping management responsibilities and points out that it has an advantage in implementing its management responsibilities because it can rely upon annual taxes received in addition to annual interest on the non-wasting endowments that accompany the assumption of responsibility for open space and/or habitat to be conserved. The issue of overlapping jurisdiction is more of a policy issue for the Commission, but under existing circumstances IERCD is better situated to allocate the resources necessary to properly manage open space and habitat.

3. The third concern is explicitly stated by CDFW to be concerns based on its review of current management by CSA 120 of the territory located within its current management boundary. According to CDFW, the California Endangered Species Act (CESA) requires adequate funding be available to maintain and improve habitat quality over time. Further, Government Code Section 65965 requires CDFW to perform due diligence review of nonprofits or government agencies that assume responsibility for managing open space and habitat conservation lands. CDFW questions the adequacy of CSA 120's endowments. The underlying rationale behind this concern is that CSA 120 may not have sufficient funds to properly manage the conserved biological resources in perpetuity. This concern is the transition link between the proposed action and the potential for physical impact at the SOI stage of review. If the CSA 120 SOI is authorized and future annexations are not adequately funded, adverse physical impact to open space and habitat resources could indirectly result from this action.

   To sum up this situation, the primary concerns are that there is already an agency that appears better equipped to meet the in-perpetuity management of open space and habitat resources of the proposed SOI area, and that these resources could be harmed if CSA 120 cannot provide sufficient management resources to meet the long-term objective to maintain and enhance the quality of open space and habitat resources. This will be the focus of the evaluation for the biology issues listed above.

a-f. *Less Then Significant With Mitigation Incorporated* – Establishment of the proposed SOI for CSA 120 has no potential to directly affect any special status species or habitat resources. The SOI defines the area in which CSA 120 has responsibility for planning services, i.e., open space and habitat conservation and management. No funds can be expended in providing these services until specific areas to be conserved are annexed to CSA 120. However, because establishment of the SOI is an essential step in a chain of actions that can lead to annexation and subsequent management actions, the effects of the ultimate action, annexation, must be evaluated. The first issue to address is whether CSA 120 could be selected to manage sensitive resources in the future. Once the SOI is approved, the answer to this question is a qualified yes, as any territory meriting conservation, including special status species habitat.

Assuming that property containing special status species within the CSA 120 SOI can be annexed, the management concerns raised by CDFW and IERCD can be addressed. The key issue appears to be adequate funding to support preparation of management plans; ongoing protection and maintenance of habitat values within conserved areas; and enhancement of habitat to better support the special status species for which an area has been conserved. It is not the status and value of a proposed conservation area when an area is originally set aside. It is appropriate to assume that if an area is proposed for conservation the values supporting conservation are an inherent part of the property when it is accepted for conservation. Thus, it is through the in-perpetuity management and enhancement of the property that the resource values are sustained, enhanced or diminished. As described above, the key player in this process is CDFW which has the ultimate responsibility for managing all of the plant and animal resources of the State of California. CDFW has the responsibility to perform a due diligence review of nonprofits or governmental agencies (California Government Code Section 65965) that assume responsibility for managing open space and conservation lands. CDFW identifies its range of such review to include, but not be limited to, the following:

- Require and review property management plans
- Require and review a Property Analysis Record (PAR) to determine the annual funding needed for property management, enhancement, and monitoring
- Require a long-term management endowment
- If needed, require funding for initial protection and enhancement of the property (such as fencing, signage, removal of non-native species, removal of trash and debris, erosion control, monitoring surveys, and adaptive management plans, especially in response to catastrophic events.

CDFW contends that CSA 120 has not been adequately funded to carry out all of its responsibilities for property currently under its jurisdiction. At the present time CSA 120 obtains management funds solely from interest on the endowment for property is manages, or it must otherwise use funds from its non-wasting endowment. On the other hand, IERCD has access to funds from its interest-bearing accounts and tax dollars specifically set aside for IERCD environmental management responsibilities. Ignoring for the moment where funds are obtained, the fundamental issue confronting CSA 120 is to ensure it has adequate funds to meet all conserved property management demands in perpetuity. How can CSA 120 do this and achieve parity with IERCD's ability to manage conserved property so they can both meet their responsibilities in as previously defined? LAFCO concludes that CSA 120 can fulfill its responsibilities by ensuring an adequate amount of funding to meet all conserved land management responsibilities through close coordination with CDFW.

CEQA requires mitigation through a variety of methods, including avoidance (eliminate the impact), reduction of an impact through certain actions, or compensation, offsetting an impact by provide a comparable or greater amount of the resource lost due a project's actions. In certain instances, the process of mitigation is achieved through standard measures incorporated within a governing body's rules and regulations. A current example is the requirement by government agencies to

control pollutants in runoff during construction activities (Stormwater Pollution Prevention Plans, SWPPP) and over the long-term after a specific development is in existence (Water Quality Management Plan, WQMP). An environmental document must take account of such measures, but these measures are not required as additional mitigation. Thus, in this instance CDFW has already established baseline measures that must be followed by CSA 120 if it accepts property for conservation and management in the future (see bullet items above). The important step in this process is for CSA 120 to provide CDFW with a property management plan and an enhanced PAR that addresses adequate funding to implement all three elements required by CDFW for property management: 1) initial protection and property enhancement actions, such as fencing; 2) ongoing, i.e., annual, management activities; and 3) long-term resource enhancement activities.

If CSA 120 submits and receives approval for their property management plans and the enhanced PAR, it can manage future conserved properties it accepts for conservation in a manner comparable to that of IERCD. The difference is that without access to any tax dollars to support such management activities, the initial fees (endowment) for accepting properties will have to be higher to accomplish the same management goals. Regardless, CSA 120 can provide comparable management services to IERCD that can meet CDFW requirements if it has access to adequate funding. To ensure this can be achieved, CSA 120 will implement the following mitigation measure:

IV-1 If the CSA 120 SOI is approved, CSA 120 shall submit the appropriate property management and funding documents to CDFW for review and approval prior to initiating a future annexation before the San Bernardino County LAFCO. These documents shall demonstrate adequate funding to meet the following performance standard: adequate funding for initial protection and property enhancement actions; adequate funding for ongoing, annual, management activities; and adequate funding to support long-term resource enhancement activities. Copies of approved documents shall accompany future LAFCO applications for annexation of property to CSA 120.

With implementation of the above measure, LAFCO concludes that concerns regarding adequacy of funding for management of future properties that may be annexed to CSA 120 are adequately addressed. Further, with adequate funding for future annexed property management, all biological resources, including special status species, all types of wetlands and riparian habitat, wildlife movement corridors, conflicts with local policies and conflicts with provision of adopted habitat conservation or natural community conservation plans will be controlled to a less than significant impact level. In a letter to LAFCO Executive Officer on July 10, 2012, the County Special Districts Department indicates that it is prepared to implement comparable measures to ensure adequacy of funding for future annexations. A copy of this letter is attached as Appendix 1.

However, on April 18, 2013 at the North Etiwanda Preserve District Board Meeting a Fee Institution report was presented which did not advocate for a PARs analysis to be performed but a “Mitigation Assessment Plan”. On June 4, 2013 the action of the Board of Supervisors was to approve property mitigation fees that did not identify the CDFW required PARS but the “mitigation assessment plan” identified by the District. To date, the parameters of this plan have not been provided to LAFCO for its consideration.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for biological resource issues?

Alternative 2*:* Proposed Alternative minus the City of Fontana MSHCP area, particularly south of the Interstate 15 Freeway.

Yes. Selection of this alternative could expose biological resources to potentially greater impacts than that identified for establishment of the SOI or a future annexation. Biology resource impacts under this alternative could be greater because development could occur within property covered by the MSHCP area and eliminate important biological resources.

Alternative 3: Adopt a SOI that is coterminous with the existing CSA 120 boundary, minus the Fontana MSHCP area encompassed within the existing CSA 120 boundary.
Yes. For the same reasons outlined in the preceding discussion selection of this alternative could result in greater biological resource impacts than establishment of the SOI or a future annexation.

Alternative 4: Adopt a SOI that is coterminous with the IERCD SOI.
No. Selection of this alternative would not alter findings regarding biology resource impacts at either stage of implementation, establishment of the SOI or a future annexation. Based on implementation of mitigation, biology resource impacts under this alternative would be comparable for the same reasons outlined for the proposed CSA 120 SOI.

Alternative 5: Adopt a zero (0) SOI for CSA 120 indicating LAFCO believes CSA 120 should ultimately be dissolved and the open space and habitat conservation management services should be assumed by Fontana (within its MSHCP boundaries) and the IERCD for the remainder of the existing CSA 120 property.
Yes. Selection of this alternative would not alter findings regarding biology resource impacts at either stage of implementation, establishment of the SOI or a future annexation. However, transfer of mitigation property to the City of Fontana could pose a threat to such property due to future development within the City. Biology resource impacts under this alternative could occur for the same reasons outlined in the preceding discussions regarding the City of Fontana.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
V. CULTURAL RESOURCES: Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?		X		
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?		X		
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?		X		
d) Disturb any human remains, including those interred outside of formal cemeteries?		X		

SUBSTANTIATION:

a-d *Less Than Significant With Mitigation Incorporated* – For the most part future conserved property management activities do not include activities that could harm cultural resources. Future CSA 120 management activities such as hand removal of invasive species, revegetation and other activities do not require substantial ground disturbance. However, ground disturbing activities, such as erosion control or other minor site topographic modifications can harm cultural resources by removing them from their native context. Therefore, for most future management activities on property within CSA 120's proposed SOI that is annexed to CSA 120 in the future, mitigation will be required for those management activities that require ground disturbing activities. The following mitigation measure will be implemented.

V-1 If CSA 120 proposes to conduct ground disturbing activities on native ground within a future annexed property, the area to be disturbed will be surveyed by a qualified archaeologist prior to initiating ground disturbing activities as part of a subsequent tier of CEQA review. If any potential for significant adverse impacts are identified for any intrinsic site resources, such as cultural resources, geology resources, etc. adequate mitigation shall be incorporated into the CEQA document prior to implementing the management action.

With implementation of the above measure, LAFCO concludes that concerns regarding mitigation of onsite resource impacts, including cultural resources, will be sufficient to reduce a potential significant impact to a less than significant impact.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for cultural resource issues?

Under all alternatives the same requirement to assess potential for impacts to cultural resources where ground disturbing activities are proposed to be implemented would be necessary. Thus, cultural resource impacts of these alternatives would be controlled to a less than significant impact for all alternatives.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
VI. GEOLOGY AND SOILS: Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
• Strong seismic ground shaking?				X
• Seismic-related ground failure, including liquefaction?				X
• Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?		X		
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X

SUBSTANTIATION:

a,c, d&e *No Impact* – A conservation site's geology and soils are an intrinsic component of the land. When a property is annexed for conservation, the existing soils and geology resources and constraints will be protected in the same manner as the habitat, with minimum disturbance. The occurrence of major geologic events, such as an earthquake, landslide, etc. will not harm people or structures as none should be found residing on conserved properties. Similarly, since no habitable structures will be placed within a conserved area, no potential exists for a conserved property to be constrained by having expansive soils or soils that are incapable of use with subsurface wastewater management systems. Therefore, approval of the CSA 120 SOI or authorization of a future annexation will not adversely impact these geology and soil resources issues.

b. *Less Than Significant With Mitigation Incorporated* – However, certain long-term management activities, including ground disturbance and erosion control activities, may be implemented to protect the existing habitat for which the property is conserved. As described in previous instances, approval of the CSA 120 SOI will not cause any adverse geology or soil impacts. Indirectly, a future annexation, if the SOI is approved, and subsequent management activities on conserved property can disturb soils and geologic sediments and formations. Implementation of mitigation measure V-1 is considered sufficient to ensure that no significant geology or soil resource impacts will result from implementing conserved property ground-disturbing management activities.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for geology and soil resource issues?

Under all alternatives the same requirement to assess potential for impacts to geology and soil resources where ground disturbing activities are proposed to be implemented would be necessary. Thus, geology and soil resource impacts of these alternatives would be controlled to a less than significant impact for all alternatives.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
VII. GREENHOUSE GAS EMISSIONS: Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				X

SUBSTANTIATION:

a. *Less Than Significant Impact* – The conservation and management of open space within the South Coast Air Basin (SoCAB) do not include activities that would normally generate substantial greenhouse gas emissions. Simply by preserving land areas within the SoCAB, such locations are removed from routine sources of man-made greenhouse gas pollutant emissions. There will be minimal emissions associated with the conservation and habitat management. Under approval of the SOI, the only air pollutant emissions from CSA 120 personnel would be random vehicle emissions associated with inspections of proposed annexation areas and attendance at related meetings. The greenhouse gas emissions from such random trips over a year period would be minimal, perhaps a few hundred miles annually. Assuming the CSA 120 SOI is established, the only activities generating air emissions would be annual site inspections, vegetation management activities, and perhaps minimal grading in support of habitat management. These activities would occur only a few times per year and would be anticipated to be only a few acres per year. Based on these limited activities and the conservation of areas from urban development, the proposed SOI and any subsequent annexations would not generate substantial greenhouse gas emissions and impacts on climate from implementing the proposed project would result in less than significant impacts.

b. *No Impact* – Given the *de minimis* greenhouse gas emissions associated with the establishment of the CSA 120 SOI and the conservation of land in its native state, the proposed action has no potential to conflict with any applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases. Approval of the CSA 120 SOI has no potential to create any such conflicts.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for greenhouse gas issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial greenhouse gas emissions, unless the open space and habitat land uses are changed in the future. Actually, in some instances it might be worth the open space managers conducting a study to determine whether the conservation of such lands can qualify for greenhouse gas credits.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
VIII. HAZARDS AND HAZARDOUS MATERIALS: Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environ-ment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	

SUBSTANTIATION:

a *No Impact* – The proposed establishment of an SOI for CSA 120 does not include any activities either under planning activities or future annexations to cause the routine transport, use, or disposal of hazardous materials. Therefore, no potential exists to cause any routine hazardous material use within conserved areas.

b. *Less Than Significant Impact* – None of the activities associated with establishment of the CSA 120 SOI have a potential to cause a significant hazard through reasonable foreseeable upset or accidental conditions involving the release of hazardous materials into the environment. During management activities, particularly ground disturbance using equipment, a potential for accidental release of hazardous material to the environment does exist, but the quantities would be too small to create a significant hazard to the public or environment. Standard requirements mandate that any such spills be remediated when they occur and therefore, potential impacts under this issue are less than significant.

c. *No Impact* – Approval of the CSA 120 SOI and any future annexation activities may generate minute quantities of diesel exhaust, but no other hazardous emissions will be generated. Since the areas to be conserved are typically distant from urban development, the potential to emit any hazardous emissions within one-quarter mile of a school is considered negligible. No adverse impact under this issue is forecast to result from implementing the proposed project.

d. *No Impact* – One of the issues reviewed prior to accepting a property for conservation is a Phase 1 Environmental Site Assessment. Before assuming responsibility for conserving a property, CSA 120 would know if any contaminated sites exist on the property and the agency can insist that any contaminated area be remediated before assuming responsibility. Therefore, even if the CSA 120 SOI is approved and annexations are considered in the future, procedures are in place to ensure that any site accepted for conservation will not contain any contaminated sites. No adverse impact can occur under this issue.

e. *No Impact* – Even if a site is located in proximity to a public airport, retention of the site as conserved open space or habitat has no potential to create any safety hazards or other conflicts for people residing or working in the area. Therefore, even if the CSA 120 SOI is approved and annexations are considered in the future, the proposed project has no potential to create safety hazards. No adverse impact can occur under this issue.

f. *No Impact* – Even if a site is located in proximity to a private airport, retention of the site as conserved open space or habitat has no potential to create any safety hazards or other conflicts for people residing or working in the area. Therefore, even if the CSA 120 SOI is approved and annexations are considered in the future, the proposed project has no potential to create safety hazards. No adverse impact can occur under this issue.

g. *No Impact* – Emergency response plans depend on road access to areas where the emergency occurs. Conserved lands typically do not have road access or any activities (under the SOI or a future annexation) that could conflict with an adopted emergency response plan or emergency evacuation plan. No adverse impact can occur under this issue.

h. *Less Than Significant Impact* – Open space areas can be conserved with sufficient fuel load to support wildfires. However, the only potential for harm to people or structures would be to wildland fire fighters since no other people or structures would be allowed to live or exist within a conserved area. If a wildland fire occurs on conserved lands adjacent to an occupied area, a small potential does exist for harm to people or structures, but under modern development standards, sufficient buffers are included in developed areas to ensure maximum protection for these resources. Thus, a less than significant potential exists for future CSA 120 conserved areas to pose a wildfire hazard, but this is not expected to translate into loss of human life or any structures.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for hazards and hazardous material issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to hazards or hazardous material issue, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
IX. HYDROLOGY AND WATER QUALITY: Would the project:				
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation onsite or offsite?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding onsite or offsite?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?		X		
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow?				X

SUBSTANTIATION:

A property's hydrology and water quality are intrinsic components of a site. If the site to be conserved has not been disturbed (relatively) in the past, then the site's surface runoff (hydrology) will be in balance with the climate. Even if a site has been historically disturbed, but has been left undisturbed for a lengthy period of time, some balance between surface runoff and the site's topography will be established. Therefore, approval of the CSA 120 SOI and any future annexation of property to be conserved should not alter the site hydrology or those aspects of the site the dictate the quality of the water that is produced during rainfall events. The only activity with a potential to change local areas would be topographic modifications are part of site enhancement. Mitigation has already been identified (Measure V-1) to ensure that any future onsite ground disturbing activities will not cause significant erosion and damage within a conserved area.

a. *No Impact* – Establishment of the CSA 120 SOI and any future annexations do not have any potential to violate any water quality standards or waste discharge requirements. None of the management activities have a potential to generate substantial changes in a conserved site's hydrology or water quality. No adverse impact can occur under this issue.

b. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and existing onsite percolation. No wells would be installed within natural habitat which is adapted to this region's climate. Therefore, no adverse impact can occur under this issue.

c. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. Minor topographic alterations may be implemented to enhance habitat, but no substantial alterations of existing drainage patterns would be initiated on conserved property. Therefore, no adverse impact can occur under this issue.

d. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. Minor topographic alterations may be implemented to enhance habitat, but no substantial alterations of existing drainage patterns would be initiated on conserved property. Therefore, no adverse impact can occur under this issue.

e. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. Minor topographic alterations may be implemented to enhance habitat, but no activities would be undertaken that could increase the rate or amount of surface runoff in any manner. Therefore, no adverse impact can occur under this issue.

f. *Less Than Significant With Mitigation Incorporated – C*ertain long-term management activities, including ground disturbance and erosion control activities, may be implemented to protect the existing habitat for which the property is conserved. As described in previous instances, approval of the CSA 120 SOI will not cause any adverse geology or soil impacts. Indirectly, a future annexation, if the SOI is approved, and subsequent management activities on conserved property can disturb soils and result in locally significant erosion and degradation of water quality. Implementation of mitigation measure V-1 is considered sufficient to ensure that no significant water quality degradation will result from implementing conserved property ground-disturbing management activities.

g. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. The purpose of annexation is to conserve property and not to install any new structures, including housing. No activities would be undertaken that could place a structure in a 100-year flood hazard zone, even if such a zone exists on the conserved property. Therefore, no adverse impact can occur under this issue.

h. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. The purpose of annexation is to conserve property and not to install any new structures, including housing. No activities would be undertaken that could place a structure in a 100-year flood hazard zone which would impede or redirect flood flows. Therefore, no adverse impact can occur under this issue.

i. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. The purpose of annexation is to conserve property and not to expose people or structures to loss injury or death during flooding. No activities would be undertaken that could expose people or structures to such hazards. Therefore, no adverse impact can occur under this issue.

j. *No Impact* – Establishment of the CSA 120 SOI and any future annexations will retain the existing topography and drainage system. The purpose of annexation is to conserve property and retain the natural hydrologic process on the property. Thus, even if inundation should occur by seiche, tsunami (not likely due to the SOI location) or mudflow, there would be no significant adverse impact to the conserved property. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for hydrology and water quality resource issues?

Under all alternatives the same requirement to assess potential for impacts to hydrology and water quality where ground disturbing activities are proposed to be implemented would be necessary. Thus, hydrology and water quality impacts of these alternatives would be controlled to a less than significant impact for all alternatives, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
X. LAND USE AND PLANNING: Would the project:				
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?			X	
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

SUBSTANTIATION:

Several of the comments received from cities indicated concern that establishment of the CSA 120 SOI and future annexations of property for conservation in their Spheres of Influence could conflict with adopted general plans or future development in general. However, establishment of the CSA 120 SOI would not create this new impact as the CDFW and IERCD already have the authority to conserve property for open space and habitat values. This fact does not eliminate the inherent tension between open space and habitat conservation and future development, but it does mean that establishment of an SOI for CSA 120 does not create this potential conflict; it already exists. Therefore, LAFCO concludes that establishment of the CSA 120 SOI as proposed and with mitigation identified in this Initial Study, does not create a new conflict with any future City objectives. It does provide another possible agency to implement conservation of suitable open space and habitat, but it does not cause such conservation to occur.

a. *No Impact* – Retaining property in its existing condition has no potential to physically divide an established community. Land uses would remain the same if the CSA 120 SOI is approved and future annexations occur to protect open space and habitat. Therefore, no adverse impact can occur under this issue.

b. *Less Than Significant Impact* – Because establishment of the CSA 120 SOI and future annexations would not change any existing land uses, no physical change in the land use environment will occur. It is possible that by conserving open space and habitat the proposed future land uses within those jurisdictions with land use authority may not be realized. However, such impact is considered a less than significant impact because by making no changes in the existing open space land uses no new demands for any services are placed on land use jurisdictions. The lack of change and demand may not meet a jurisdiction's future development objectives, but where significant open space and habitat values exist that justify annexation to either CSA 120 or management by IERCD, their conservation will cause no active physical change that could harm a local jurisdiction, i.e., the status quo of the existing environment will be maintained.

c. *No impact* – Retaining property in its existing condition has no potential to conflict with any conservation plan. Land uses would remain the same if the CSA 120 SOI is approved and future annexations to protect open space and habitat would be fully consistent with such plans. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for land use and planning issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to land use and planning issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on land use issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XI. MINERAL RESOURCES: Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?		X		
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?		X		

SUBSTANTIATION:

a&b. *Less Than Significant With Mitigation Incorporated* – Valuing resources is a continuous process. For example, CO2 appeared to be an innocuous waste gas until concentrations in the atmosphere rose to the point that it appears to have affected climate change. Similarly, shale strata containing natural gas had no value until the technology became available to exploit this resource. A similar situation exists regarding conservation of open space and habitat and mineral resource values for the area that CSA 120 proposes for it's SOI. Most of the CSA 120 SOI encompasses areas at the apex of alluvial fans where they exit the San Gabriel Mountains, and limited portions of the San Bernardino Mountains. As such, these areas have been identified as having high mineral resource values for sand, gravel, and aggregate materials. Similarly, these undeveloped areas at the base of the mountain ranges also contain most of the last undeveloped open space and important habitat within the SOI area. Thus, in the future there will be an inherent conflict between these two resources values. The approval of the CSA 120 SOI will not cause any direct conflict, but future annexations could pose a conflict between these two resource values. Accepting property for annexation to CSA 120 could indirectly remove mineral resource from availability and cause a significant loss of such resources. However, LAFCO concludes that mitigation can be implemented in the future through implementation of mitigation measure V-1 of this document. This would occur in the following manner: the availability of and demand for sand, gravel and aggregate resources would be evaluated in a second-tier CEQA evaluation at the time of a proposed annexation for the property to be annexed; an assessment of overall availability of such resources would be conducted as part of a second-tier CEQA evaluation; and where a conflict exists with such resources, the CEQA document will have to identify compensation by showing where offsetting mineral resources exist to compensate for the loss of such resources. In this manner mitigation can be implemented based on a future determination of what mineral resource values may be lost by annexing a property for conservation and open space uses. Thus, with implementation of mitigation measure V-1, a potential for significant loss of mineral resources can be avoided. Note that even though open space and habitat property may be conserved by CSA 120, the actual mineral resources are not eliminated or destroyed. Once conserved, they remain and support the habitat values that justify conservation of a specific property.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for mineral resource issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to mineral resource value.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XII. NOISE: Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X

SUBSTANTIATION:

a-f. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be random management activities, such as site visits and management activities, but these random events do not have the potential to cause any of the noise impacts summarized under issues a-f above. Approval of CSA 120 and any future annexations will not generate substantial volumes of noise. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for noise issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to noise issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on noise issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XIII. POPULATION AND HOUSING: Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

SUBSTANTIATION:

a-c. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be no permanent occupancy within conserved property. Thus, approval of the CSA 120 SOI and any future annexations do not have the potential to cause any of the population and housing impacts summarized under issues a-c above. Approval of CSA 120 and any future annexations will not accommodate any future population or housing. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for population and housing issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to population and housing issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on population and housing issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XIV. PUBLIC SERVICES: Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?				X
b) Police protection?				X
c) Schools?				X
d) Recreation/Parks?				X
e) Other public facilities?				X

SUBSTANTIATION:

a-e. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be no change in demand for public services if property is conserved. Thus, approval of the CSA 120 SOI and any future annexations do not have the potential to cause any of the public service impacts summarized under issues a-e above. Approval of CSA 120 and any future annexations will not change demand for any public services because the underlying land uses will be conserved. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for public service issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to public service issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on population and housing issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XV. RECREATION:				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

SUBSTANTIATION:

a&b. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be no change in demand for recreation if property is conserved, but it is assumed that passive recreation may continue within conserved areas. Thus, approval of the CSA 120 SOI and any future annexations do not have the potential to cause any of the recreation impacts summarized under issues a and b above. Approval of CSA 120 and any future annexations will not change demand for any recreation because the underlying land uses will be conserved and access will be controlled to conserved areas. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for recreation issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to recreation issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on recreation issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XVI. TRANSPORTATION / TRAFFIC: Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X

SUBSTANTIATION:

a-f. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be no change in trip generation if property is conserved, but it is assumed that random trips will be generated to support future management activities if the CSA 120 SOI is adopted and future annexations occur. Thus, approval of the CSA 120 SOI and any future annexations do not have the potential to cause any of the transportation/traffic impacts summarized under issues a-f above. Approval of CSA 120 and any future annexations will not change demand for any trips on the local or regional circulation system because the underlying land uses will be conserved and access will be controlled to conserved areas. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for transportation/traffic issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to transportation or traffic issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on recreation issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XVII. UTILITIES AND SERVICE SYSTEMS: Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill(s) with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, state, and local statutes and regulations related to solid waste?				X

SUBSTANTIATION:

a-g. *No Impact* – The conservation of open space and habitat retains the property in its current state. There will be no demand for utility or utility services systems if property is conserved. Thus, approval of the CSA 120 SOI and any future annexations do not have the potential to cause any of the utility or utility service system impacts summarized under issues a-g above. Approval of CSA 120 and any future annexations will not change demand for any utilities or utility service systems because the underlying land uses will be conserved no demand for utilities will be generated by approval of CSA 120. Therefore, no adverse impact can occur under this issue.

Discussion of Project Alternatives

Would adoption of any of the Project SOI alternatives summarized in the Project Description change the findings presented in the preceding text for utility and utility service system issues?

Under all alternatives the same management requirements exist to conserve open space and habitat. Therefore, approval of any other alternative would not cause substantial impacts related to utility and utility service system issues, unless the open space and habitat land uses are converted to urban suburban development in the future. Selecting an alternative that would support such uses could have greater impacts than the proposed alternative for CSA 120 on recreation issues.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact or Does Not Apply
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE:				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?		X		
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

SUBSTANTIATION:

a. *Less Than Significant With Mitigation Incorporated* – The primary basis for preparing this Initial Study is the potential indirect effects on biological resources. The key concern expressed by several agencies is whether CSA 120 can generate sufficient funds to fully implement long-term management and enhancement of conserved open space and habitat lands. Although it appears that the CDFW can assure that adequate funding is generated for property proposed for conservation, mitigation is identified to ensure that if the CSA 120 SOI is approved, any future annexations of property for conservation will fully define the costs associated with future management of the conserved open space or habitat. With implementation of mitigation measure IV-1, potential impacts to biology resources were determined to be controlled to a less than significant impact. Regarding the cultural resource issue, there are certain ground disturbing management activities where it will be necessary to conduct pre-disturbance cultural resources surveys. To address these cultural resources issues and other intrinsic qualities of property to be conserved (geology, soils hydrology, etc.), mitigation measure V-1 must be implemented to address site specific resource issues when ground disturbing management activities are proposed in the future. With implementation of these two measures, site specific resource impacts, including biological and cultural resources, can be mitigated to a less than significant impact level.

b. *Less Than Significant With Mitigation Incorporated* – Only a single cumulative impact will result from approving the CSA 120 SOI and future management actions for annexed properties. Future conserved land management may include limited ground disturbing activities, such as recontouring of the site to better support specific habitat. Ground disturbing activities can create a potential for erosion, which can contribute to cumulative surface water quality degradation. Such activities can also cumulatively affect the availability of mineral resources, primarily sand, gravel and aggregate

materials. Mitigation measure V-1 will be implemented to address these potential impacts on a case-by-case basis as specific management actions are implemented after property is annexed to CSA 120 for conservation. No other cumulative impacts with a potential to cause cumulatively considerable adverse impacts were identified in this Initial Study.

c. *Less Than Significant Impact* –The fundamental purpose for considering approval of the CSA 120 SOI is to provide a new agency that can accept property for conservation in perpetuity. None of the activities associated with approval of the CSA 120 SOI were identified as having a potential to adversely impact humans either directly or indirectly.

Conclusion

With mitigation the proposed project is not forecast to cause any significant adverse environmental impacts to any of the environmental resource issues addressed in this Initial Study. LAFCO proposes to issue a Mitigated Negative Declaration (MND) as the appropriate environmental determination for this project to comply with the California Environmental Quality Act. A Notice of Intent to Adopt a Mitigated Negative Declaration will be distributed in conjunction with this Initial Study and after reviewing any comments received on the Initial Study, LAFCO will respond to comments and if justified on the whole of the record, the Commission will consider adopting a MND at a future noticed meeting. The date of such meeting has not yet been determined, but any parties that submit comments will be notified of the meeting date.

SUMMARY OF MITIGATION MEASURES

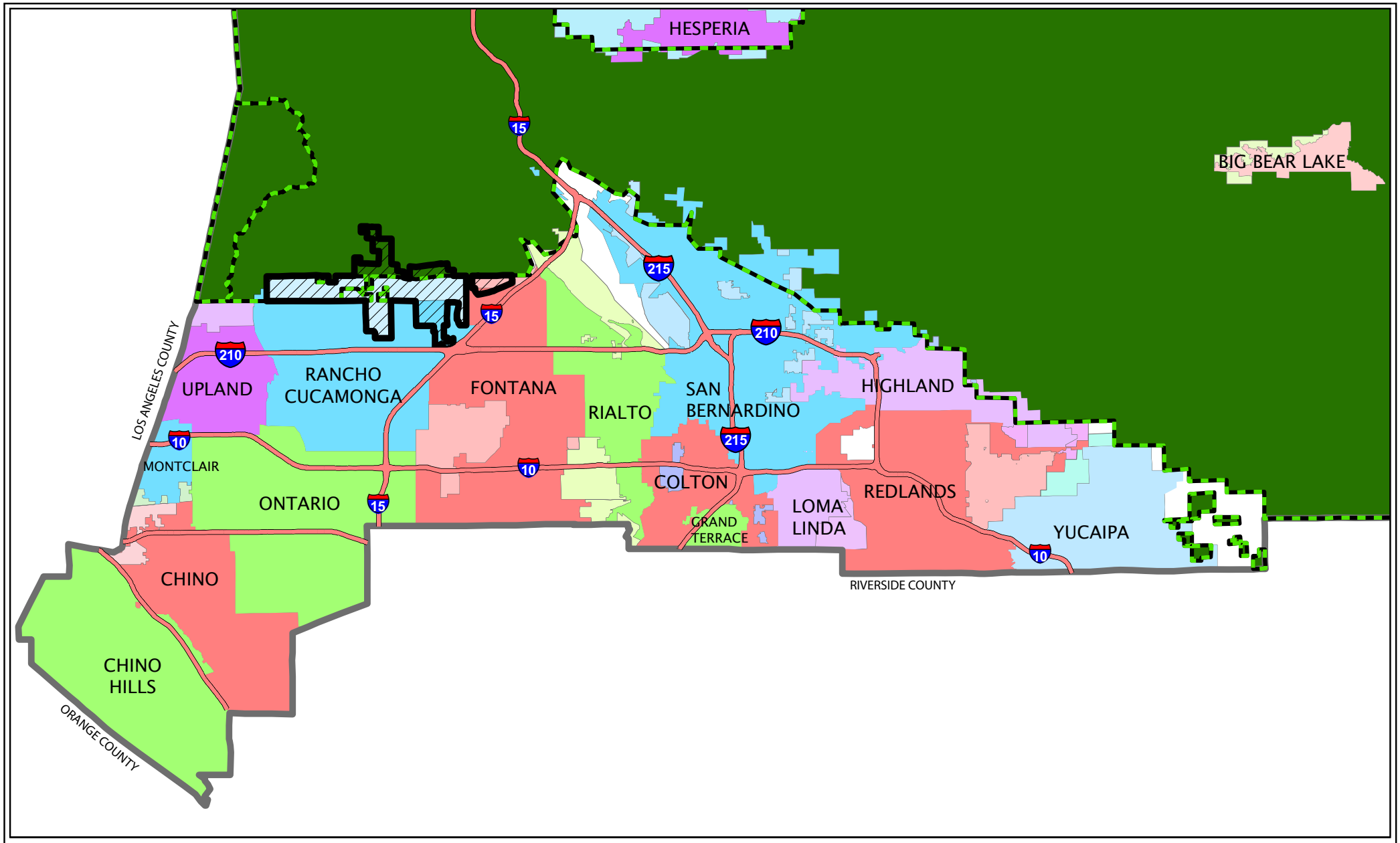
Biological Resources

IV-1 If the CSA 120 SOI is approved, CSA 120 shall submit the appropriate property management and funding documents to CDFW for review and approval prior to initiating a future annexation before the San Bernardino County LAFCO. These documents shall demonstrate adequate funding to meet the following performance standard: adequate funding for initial protection and property enhancement actions; adequate funding for ongoing, annual, management activities; and adequate funding to support long-term resource enhancement activities. Copies of approved documents shall accompany future LAFCO applications for annexation of property to CSA 120.

Cultural Resources

V-1 If CSA 120 proposes to conduct ground disturbing activities on native ground within a future annexed property, the area to be disturbed will be surveyed by a qualified archaeologist prior to initiating ground disturbing activities as part of a subsequent tier of CEQA review. If any potential for significant adverse impacts are identified for any intrinsic site resources, such as cultural resources, geology resources, etc. adequate mitigation shall be incorporated into the CEQA document prior to implementing the management action.

FIGURES



LAFCO 3157

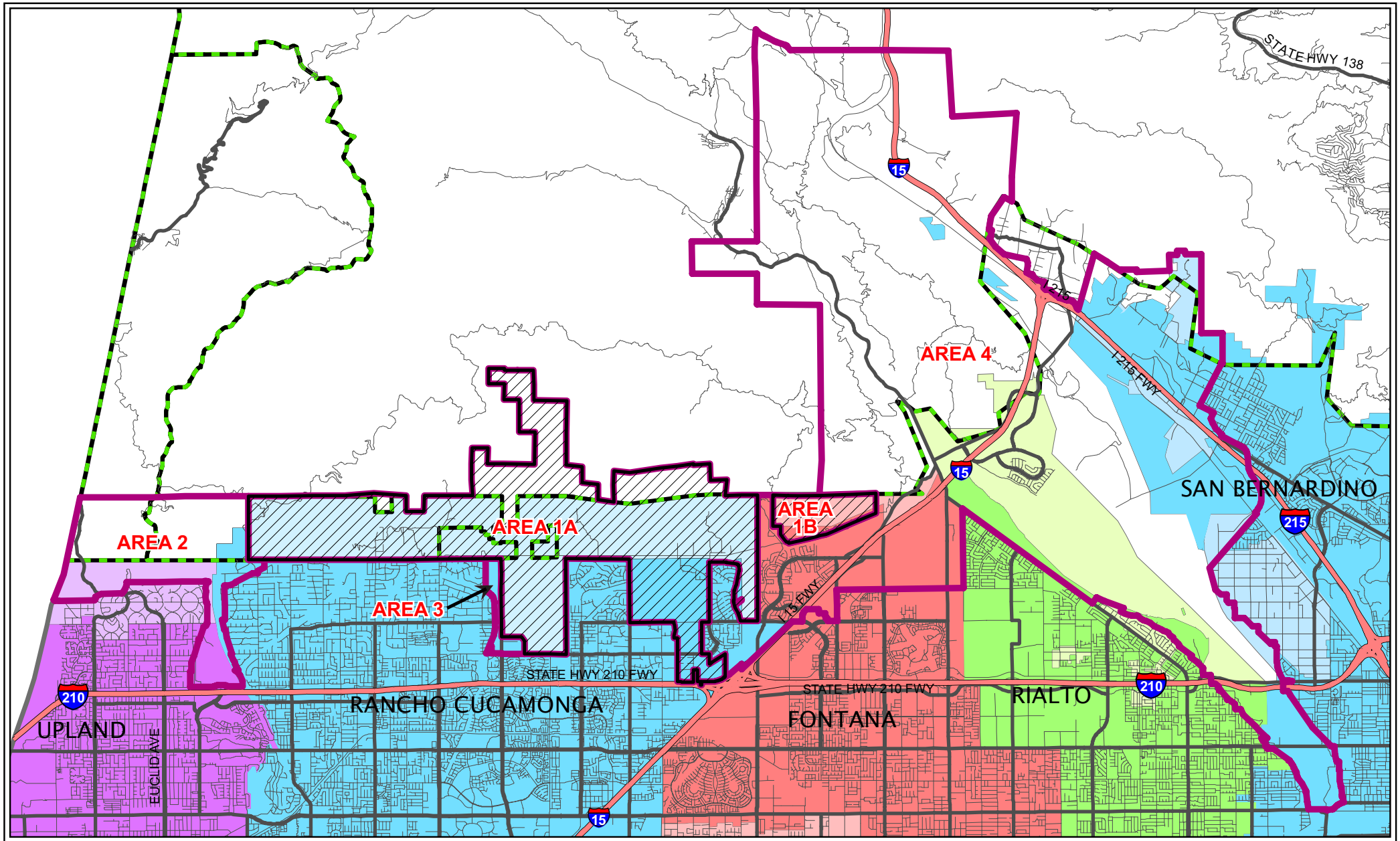
FIGURE 1 - VICINITY MAP (San Bernardino County - Valley Region)

CSA 120 Boundaries

National Forest Boundary

San Bernardino National Forest

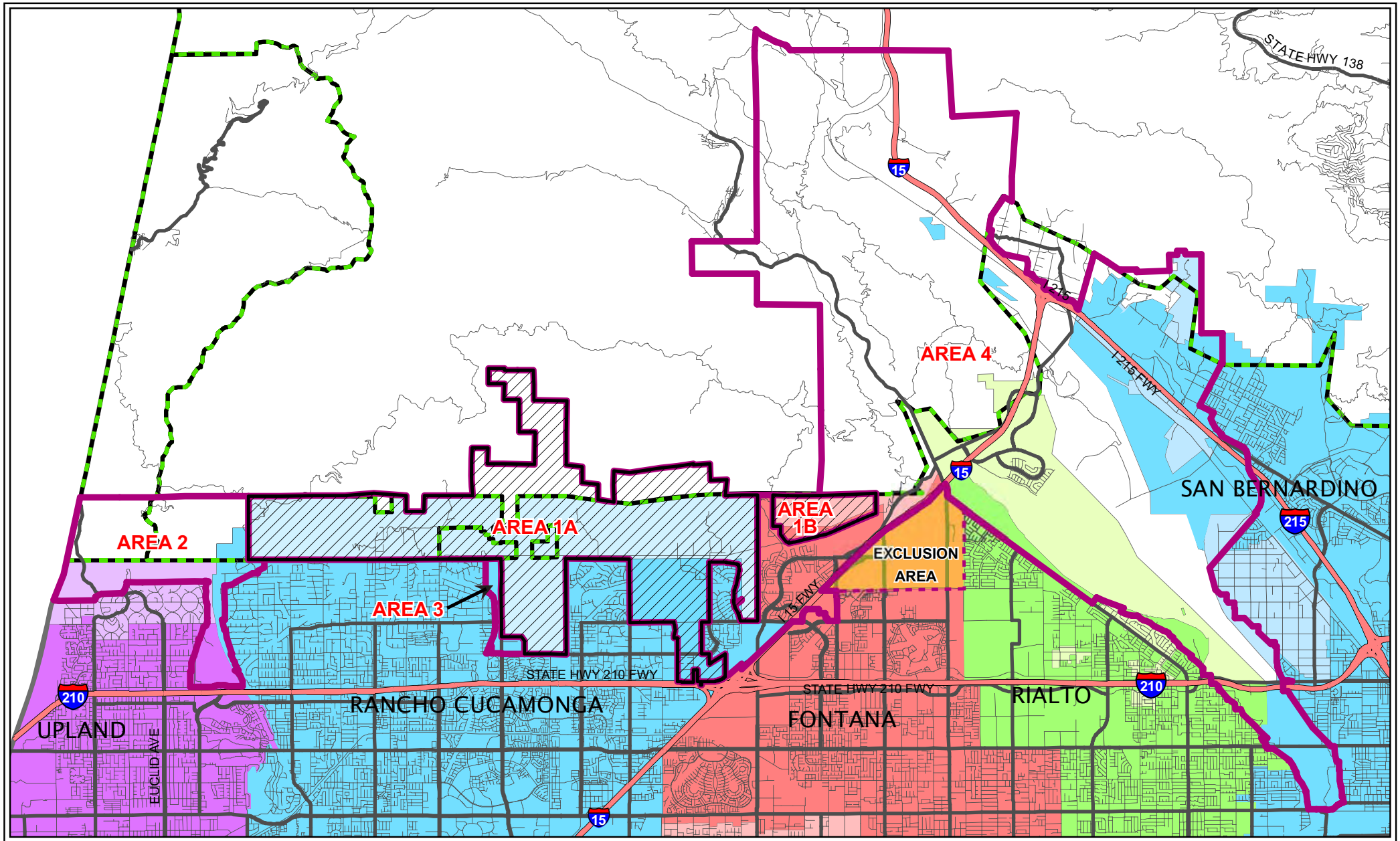
Countyline



LAFCO 3157

FIGURE 2 - Proposed Sphere of Influence Establishment for CSA 120

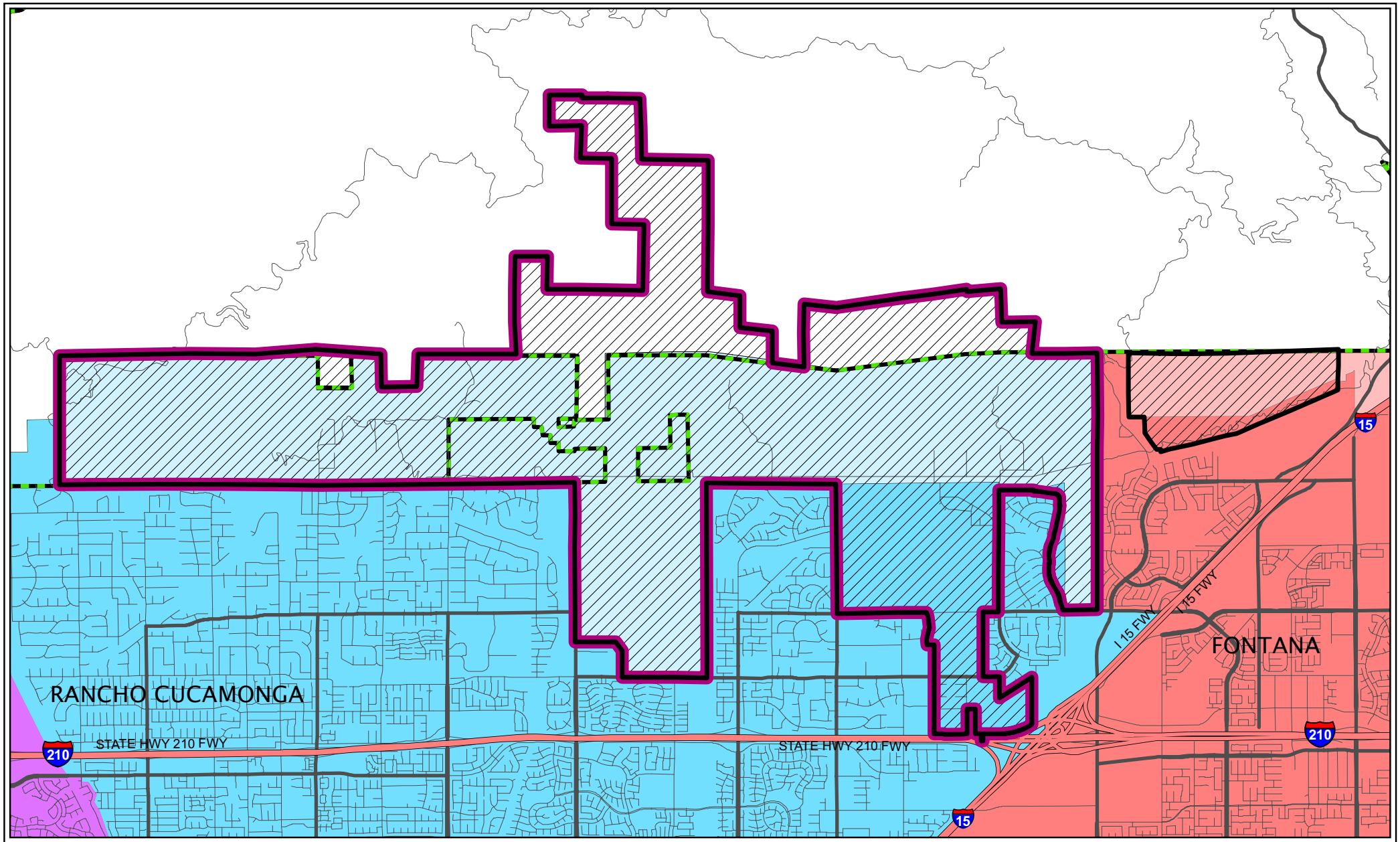
Proposed Sphere
CSA 120 Boundaries
National Forest Boundary
City of Rancho Cucamonga
Rancho Cucamonga Sphere
City of Upland
Upland Sphere
City of Fontana
Fontana Sphere
City of San Bernardino
San Bernardino Sphere
City of Rialto
Rialto Sphere



LAFCO 3157

FIGURE 3 - Sphere for CSA 120 as Proposed Excluding Fontana MSHCP Area South of I-15

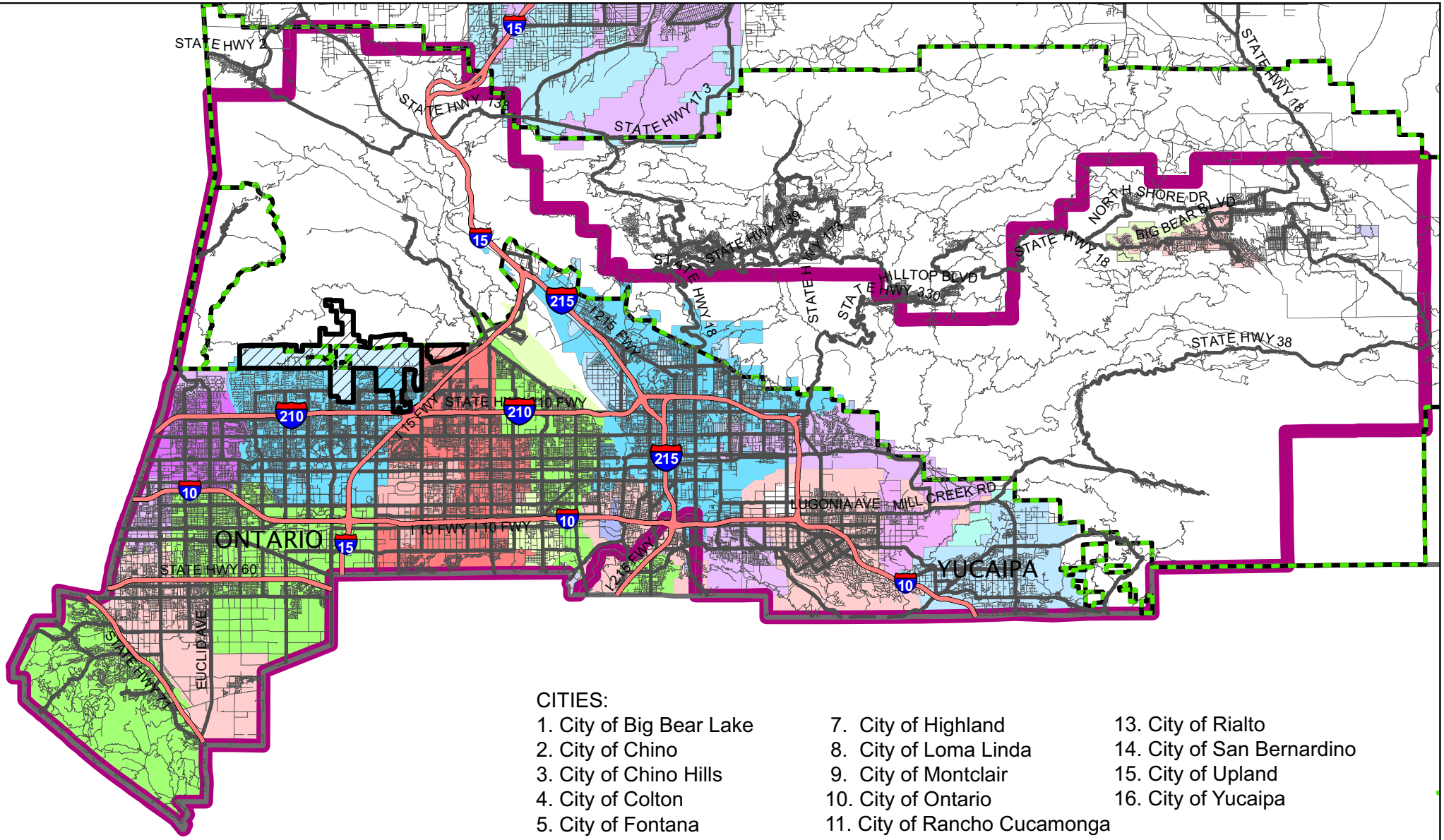
- Proposed Sphere
- CSA 120 Boundaries
- National Forest Boundary
- City of Rancho Cucamonga
- Rancho Cucamonga Sphere
- City of Upland
- Upland Sphere
- City of Fontana
- Fontana Sphere
- City of San Bernardino
- San Bernardino Sphere
- City of Rialto
- Rialto Sphere



LAFCO 3157

FIGURE 4 - Sphere of Influence Coterminous to Existing CSA 120 Boundaries Excluding the Fontana MSHCP Area Within CSA 120

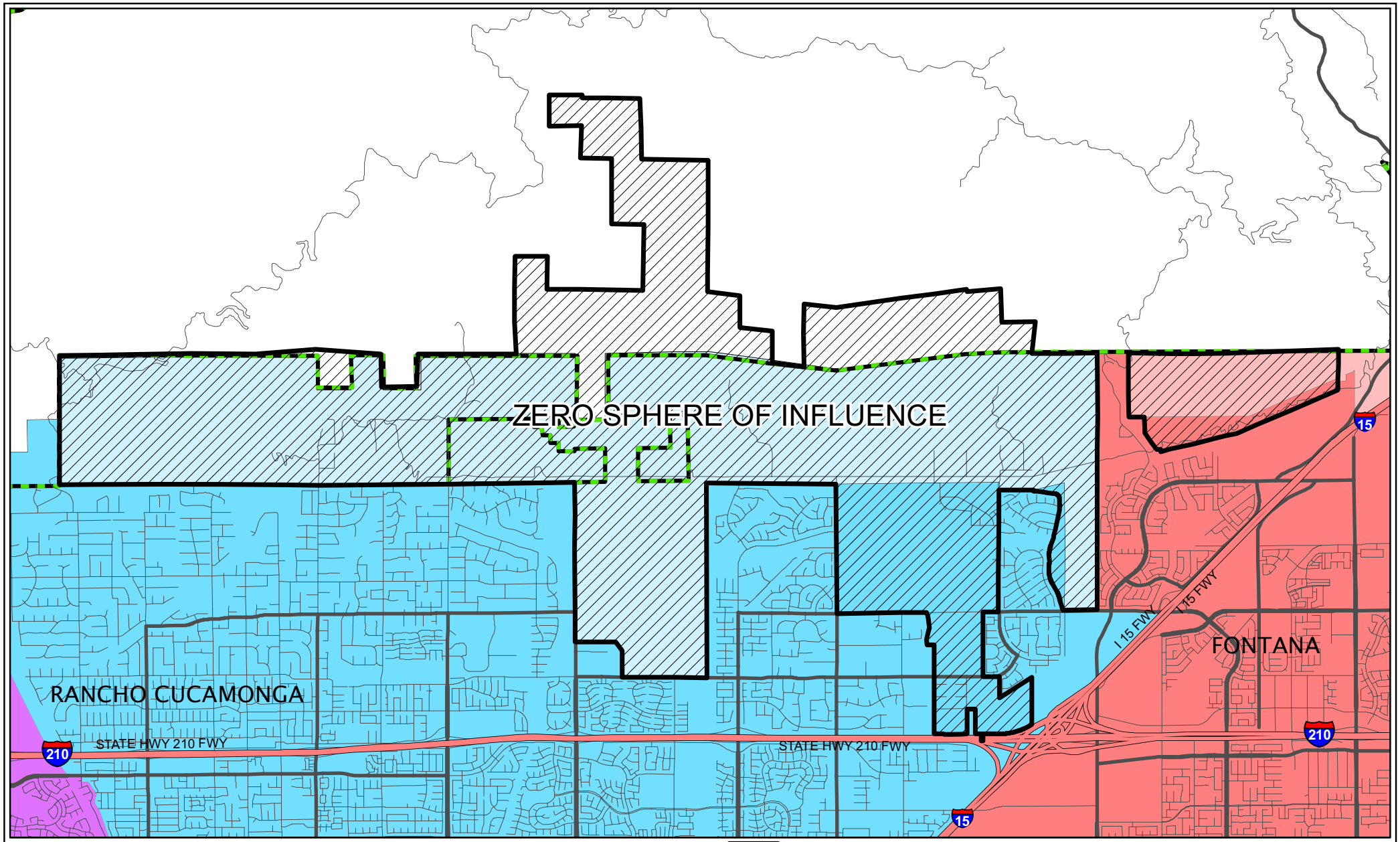
Proposed Sphere
CSA 120 Boundaries
National Forest Boundary
City of Rancho Cucamonga
Rancho Cucamonga Sphere
City of Upland
City of Fontana
Fontana Sphere



LAFCO 3157

FIGURE 5 - Sphere of Influence Coterminous with Inland Empire Resource Conservation District Sphere within San Bernardino County

Proposed Sphere
CSA 120 Boundaries
National Forest Boundary



LAFCO 3157

FIGURE 6 - Zero Sphere of Influence Designation for CSA 120

CSA 120 Boundaries
National Forest Boundary
City of Upland
City of Rancho Cucamonga
Rancho Cucamonga Sphere
City of Fontana
Fontana Sphere

APPENDIX 1

City of Fontana
CALIFORNIA

RECEIVED
JUL 27 2012
LAFCO
San Bernardino County

July 25, 2012

Kathleen Rollings-McDonald
Executive Officer
Local Agency Formation
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Re: LAFCO 3157 – Sphere of Influence Establishment for County Service Area 120 (Open Space and Habitat Conservation).

Dear Mrs. Rollings-McDonald:

Thank you for the opportunity to submit a response on the above-referenced proposal that is scheduled for presentation at your upcoming LAFCO hearing on September 19, 2012. The following quote is extracted from the attachment to your letter dated May 10, 2012:

> *"Government Code Section 56076 defines a sphere of influence as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." It is an area within which a city or district may expand, over an undefined period of time, through the annexation process. In simple terms, a sphere of influence is a planning boundary within which a city or district is expected to grow into over time."*

In addition, the North Etiwanda Management Plan clearly states that,

> *"The purpose of the North Etiwanda Preserve Management Plan (Management Plan) is to guide the North Etiwanda Board of Directors (Board), the San Bernardino County Special Districts Department (Special Districts), and the San Bernardino County Board of Supervisors in protecting and appropriately managing the habitat of the North Etiwanda Preserve (Preserve) in perpetuity."*

The City of Fontana supports the goals of the various agencies involved in this plan to protect and manage the habitat and natural resources of our area in a responsible manner. Given the proposed Sphere of Influence Boundary depicted on the map provided, the expectation for CSA 120 to grow into the sphere of influence areas, and the requirement to protect habitat within the City of Fontana in perpetuity, the City of Fontana does not support this proposal as depicted on the provided sphere of influence map. City staff suggests, except for the existing boundaries, that the new boundary not include the City of Fontana or its Sphere of Influence in areas south of the I-15 Freeway. Fontana agrees to the establishment of this modified boundary with the understanding that development may occur in the City and its Sphere of Influence north of the I-15 Freeway. The City of Fontana's position is based on the following:

- The proposed boundary conflicts with the City's adopted General Plan in that the majority of the designated area within the City of Fontana and its sphere of influence is designated

for future development and not to be preserved as a conservation area. The only area that is designated for Open Space (OS) is located north of the existing LADWP and SCE power lines (includes the existing CSA 120 Area B).

- The City of Fontana has adopted an Interim Multi-Species Habitat Conservation Plan (MSHCP) for the majority of this area (see attachment No. 2). This adopted plan allows land use development while collecting a habitat mitigation fee from development that will be used to purchase offsite mitigation lands or contribute funds to an existing habitat conservation area within the Lytle Creek conservation area or other sponsored Fish and Game conservation areas with SBKR habitat. This MSHCP was adopted by the City Council on November 16, 2004, with agreement from the California Department of Fish and Game (CDFG). Additionally, the City included the County staff in the process to establish the MSHCP and attempted to gain the County's participation as a signatory to the MSHCP but the County elected, at that time, not to participate as a signatory to the document.

- Within the proposed sphere of influence boundary, the City of Fontana has existing approved residential/commercial development and we are currently processing additional land use applications. This Sphere of Influence proposal may impact the existing entitlements or at least introduce a degree of uncertainty that may delay or complicate the development process in this trying economy. The following projects within or partially within the proposed boundary have complied with all CEQA requirements (with inputs from the resource agencies), have been approved by the City, are under construction, and/or are in the entitlement process:

  - The Arboretum Specific Plan – 531 acres (all within the proposed boundary) – 3,526 dwelling units, two schools, 9 acre commercial site and numerous parks. (Entitlements only)
  - Citrus Heights North Specific Plan – 198 acres (30 acres for 100 dwelling units within the proposed boundary) - 1,154 dwelling units, 12 acre commercial site, and 19 acres parks and recreation. (Majority built)
  - Coyote Canyon Specific Plan – 349 acres (all within the proposed boundary) – 660 dwelling units, 40 acres of flood control facilities (Built out)
  - Hunters Ridge Specific Plan – 596 acres (all within the proposed boundary) – 1,725 dwelling units (Built out)
  - Summit at Rosena Specific Plan – 180 acres (18 acres for 227 dwelling units within the proposed boundary) 856 dwelling units and 12 acre elementary school. (Entitlements only)
  - Ventana at Duncan Canyon Specific Plan – 103 acres (all within the proposed boundary) – 887 dwelling units, 574,500 sq. ft. of commercial square footage. (Entitlements only)
  - *Westgate Specific Plan – 964 acres (84 acres for 703 dwelling units, 12 acre elementary school, and 28 acres of park and open space within the proposed boundary) 964 acres, 5,931 dwelling units, three (3) school sites, 55 acres for numerous parks, 200 acres of commercial/business park. (Entitlements only)
  - Tract Map No. 18824 (Avellino) – 36 acres (all within the proposed boundary) – 118 single-family residential lots (Under construction)
  - Tract Map No. 18820 (Sierra Crest) – 35 acres (all within the proposed boundary) 187 single-family dwelling units, and two (2) parks. (Entitlements only)

- In addition to the identified projects above, the Rialto Unified School District owns and operates Kordyak Elementary School, a 16 acre site that is bounded by Sierra Avenue and the Sierra Crest project to the east and south.

Attached is a City map showing your proposed boundary in relationship to the projects outlined above. In addition, we've attached a copy of a letter dated August 15, 2008, from Cecilia Henderson, a City employee with questions that are applicable to this current proposal. Please provide a written response to the questions in the letter.

On July 17, 2012, City of Fontana staff met with representatives from the County Special Districts, and the staff of County Supervisor Janice Rutherford. In that meeting, City staff explained to County staff the proactive work undertaken by Fontana to ensure that sensitive habitat is properly mitigated as northern Fontana is developed. This previous effort was coordinated with San Bernardino County staff, California Department of Fish and Game and United States Fish and Wildlife Service to allow development, but to establish a mitigation fee for the preservation of mitigation land outside the City of Fontana in existing mitigation banks (in the foothills of the San Gabriel Mountains and/or the Lytle Creek wash area) with similar habitat that exist in north Fontana. This effort resulted in the adoption of the Interim Multi-Species Habitat Conservation Plan (MSHCP) by the City of Fontana to support Riversidean alluvial fan sage scrub (RAFSS), Riversidean sage scrub (RSS), and riparian habitats found within the MSHCP boundary. At the meeting, City staff agreed to support a CSA 120 sphere of influence boundary that remains north of the I-15 Freeway with the understanding that existing land within the City of Fontana and its sphere of influence may develop as the real-estate market dictates, without planning on preserving/reserving land within the area or having land permanently annexed into CSA 120. The City of Fontana understands, from this meeting, that it is not CSA 120's policy to comment on development proposals and CSA 120 would not inhibit property owners' ability to develop their parcels of land.

The City of Fontana looks forward to working with the LAFCO and the County to ensure that adequate habitat conservation areas are established and protected. The City of Fontana has recognized the need to facilitate development while at the same time ensuring that precious natural resources are protected. As referenced previously in this letter, in 2002, the City contracted with a biologist to establish our adopted Multi-Species Habitat Conservation Plan. This plan established a mitigation fee for all development in the majority of the area proposed in your sphere of influence area. The preparation of this document was coordinated with Fish and Wildlife, Fish and Game, and San Bernardino County 2nd Supervisorial District staff. The Multi-Species Habitat Conservation Plan (MSHCP) was submitted to U. S. Fish and Wildlife Service in 2003. The City Council adopted the Interim MSHCP in November of 2004.

If you have any questions on the City's position on this proposal or on the contents of this letter, please contact me or Charles Fahie, AICP, Senior Planner at (909) 350-6724, cfahie@fontana.org.

Respectfully,

COMMUNITY DEVELOPMENT DEPARTMENT
Planning Division

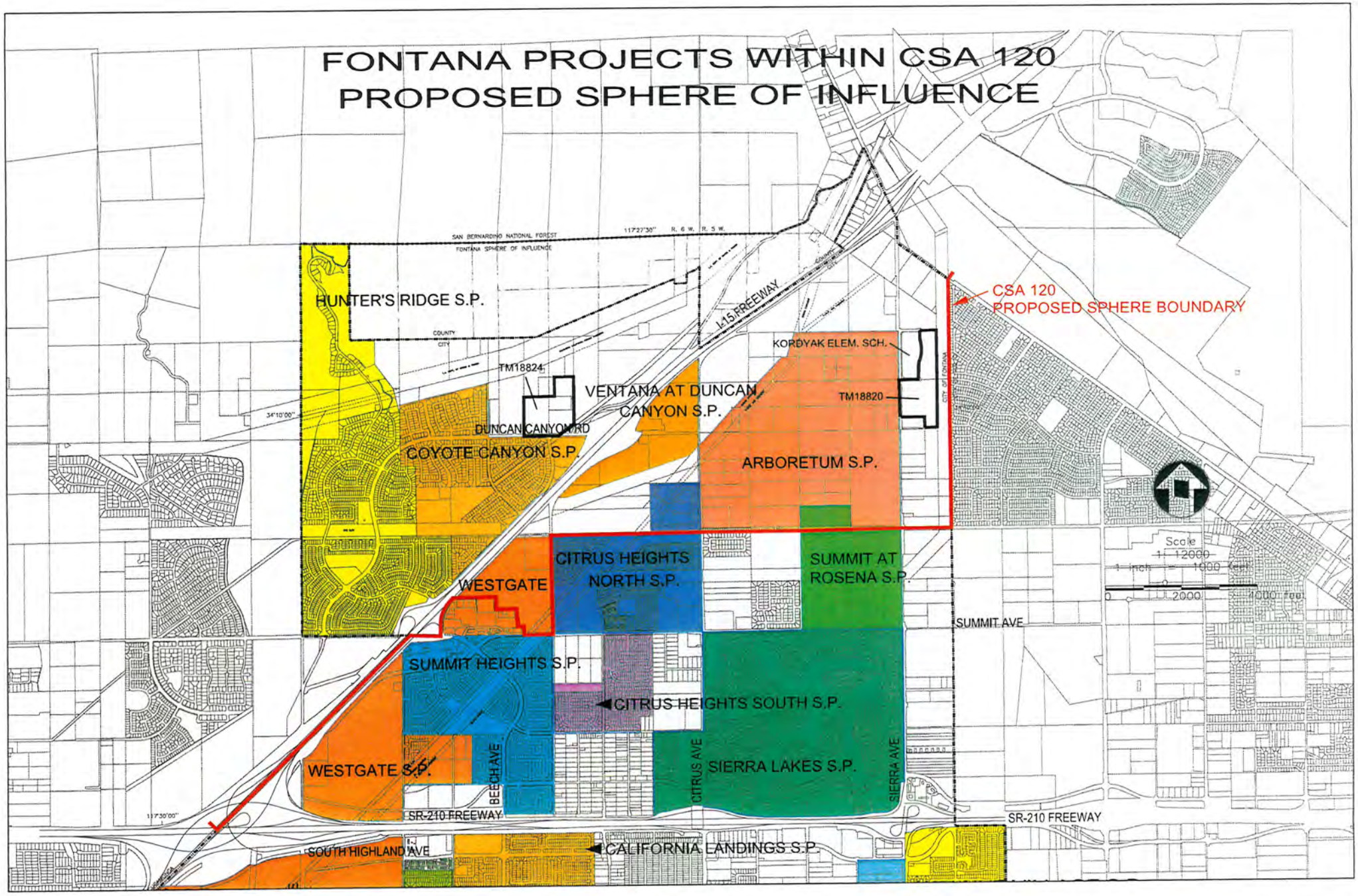
Don Williams, AICP
Director of Community Development

Attachments:

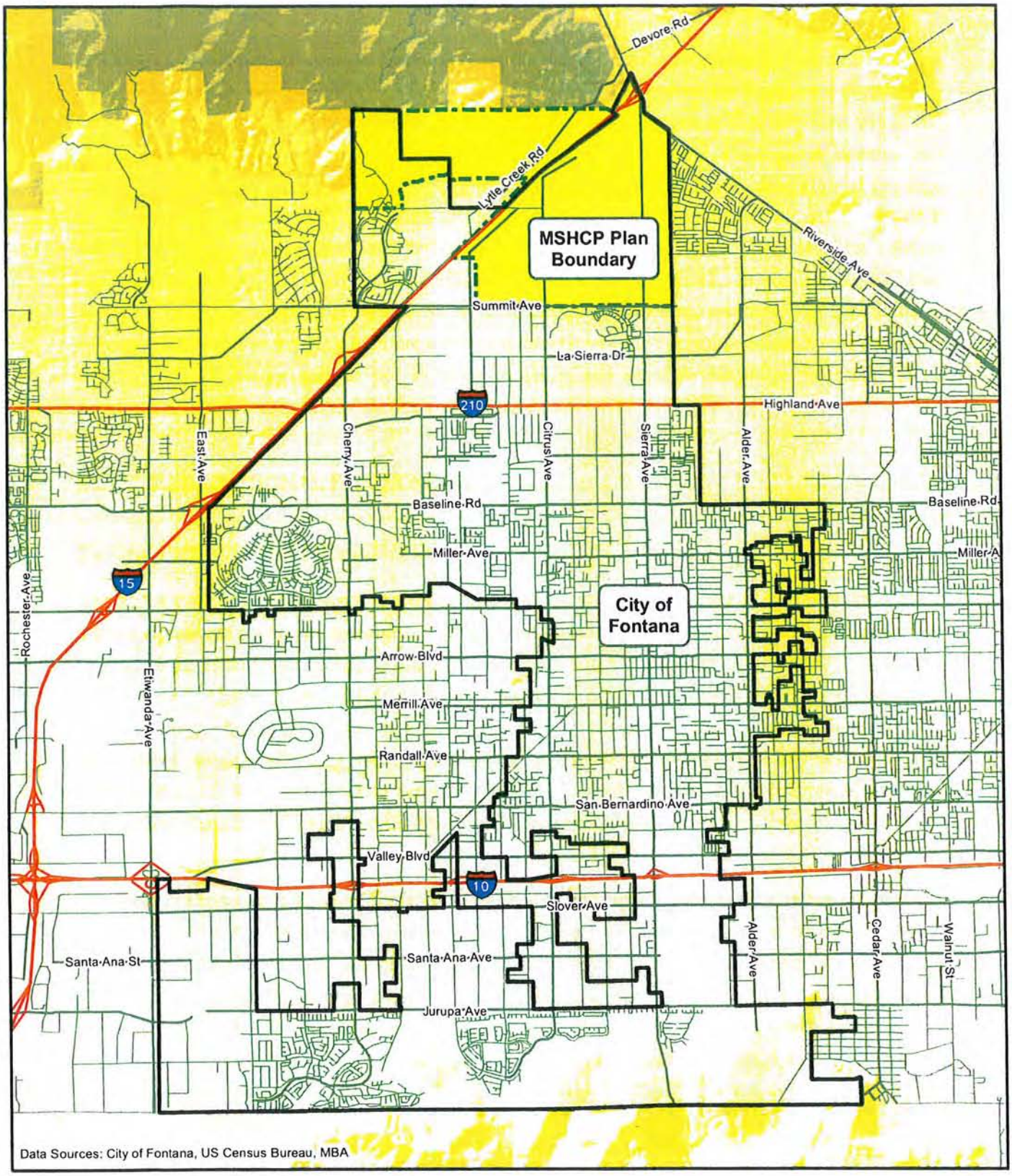
1. City project Map with proposed Sphere of Influence boundary
2. MSHCP Boundary
3. City letter dated 8/15/2008
4. MSHCP (LAFCO and County staff)

cc: Ken Hunt, City Manager
Debbie Brazill, Deputy City Manager
Dianna Lee, Field Representative, Second District
Tim Millington, Regional Manager, County Special District
Mark Taylor, Deputy Chief of Staff, Second District
Ricardo Sandoval, City Engineer
Charles Fahie, AICP, Senior Planner

FONTANA PROJECTS WITHIN CSA 120 PROPOSED SPHERE OF INFLUENCE



ATTACHMENT #1



Freeway
Freeway Ramp
Streets
HCP Boundary
City Bounday
US Forest Service Lands

0 0.5 1 2 Miles

Exhibit 1

Site Vicinity Map

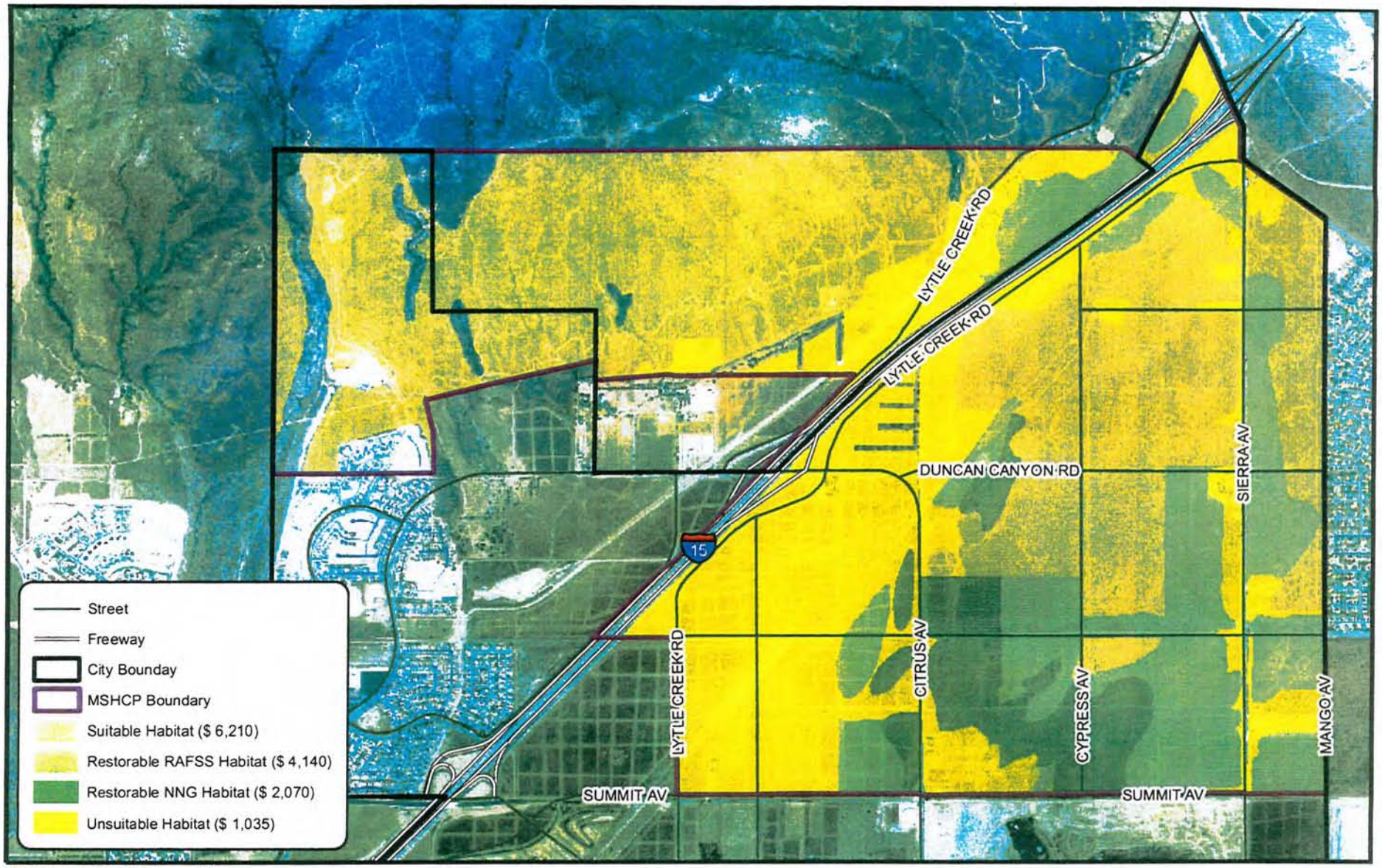
Michael Brandman Associates

NORTH

01440010 | Ex1_Site_Vicinity.mxd | 12-18-2003

NORTH FONTANA INTERIM MSHCP PROGRAM

ATTACHMENT # 2A



Data Sources: City of Fontana, MBA

Exhibit 7

Mitigation Fees by Habitat Type

Michael Brandman Associates

NORTH

0 750 1,500 3,000 Feet

01440010 | Ex7_Mitigation Fees.mxd | 01-28-2005

NORTH FONTANA INTERIM MSHCP POLICY

ATTACHMENT # 2B

City of Fontana

CALIFORNIA

August 15, 2008

Kathleen Rollings-McDonald
Executive Officer
Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Dear Mrs. Rollings-McDonald:

RE: LAFCO 3113–Reorganization to Include Formation of County Service Area 120 and Dissolution of CSA 70 Improvement Zones OS-1 and OS-3

In response to the Notice of Filing for the above-noted application, the City of Fontana's comments and/or inquiries are as follows:

1) An aerial photograph showing CSA 120's boundaries overlaying Fontana's sphere of influence and corporate limits would be helpful. Please provide a copy.

2) The parcels located northerly of the easement (Department of Water & Power) lie within Fontana's northern sphere of influence. The City's prezoning designations are as follows:

- OS-N (Open Space-Natural);
- P-UC (Public-Utility Corridor).

The City's prezoning designations appear to be closely aligned with the County's General Plan and zoning designations for this general area. And as noted in the application, the County of San Bernardino is not proposing any changes in its land use designations.

Since the property will be used for conservation and habitat, how will the overlay of CSA 120 impact the use of the land by existing and future landowners?

3) Many of the parcels located below the utility easement have been annexed to the City (Monarch Hills area). The City's zoning designations are as follows:

- R-PC (Residential-Planned Community—3.0-6.5 du/ac);
- OS-N (Open Space-Natural);
- P-UC (Public-Utility Corridor).

Will the boundaries of CSA 120 overlay the City's R-PC zoning district? Please clarify. How will the overlay of the district's boundaries impact future development within these zoning districts?

ATTACHMENT #3

4) Two residential zoning districts are noted in the land use section of the application as follows: R-E (Residential Estates) and R-PC (Residential-Planned Community). Please clarify how the overlay of CSA 120 will impact these two zoning districts. (A copy of Fontana's zoning district map is attached.)

5) Some of the recent annexations in north Fontana included grandfathering in existing land uses. How will the overlay of CSA 120 impact these landowners and future development of their parcels?

6) How does the City benefit from having CSA 120 overlay its corporate limits and its sphere of influence?

7) If the City does not desire the boundaries of CSA 120 to overlay its corporate limits, how will this impact the operation of the county service area?

8) Will the formation of CSA 120 prevent human habitation within the District's boundaries?

9) The environmental document does not clearly identify whether Area 2 (Fontana's northern sphere area and corporate limits) was included in this document. The reference section does not state that Fontana's General Plan was used as a reference document to evaluate Area 2. Please clarify.

10) The application indicates that the City of Fontana is not a member of the Advisory Commission for CSA 120. How soon will County staff be recommending to the County Board to add a Fontana representative to this Advisory Commission?

Thank you for the opportunity to provide our comments. Should you have questions regarding this correspondence, please do not hesitate to contact me at (909) 350-6743 or Debbie Brazill, Deputy City Manager at (909) 350-6727.

Sincerely,

Cecilia Lopez-Henderson

CECILIA LOPEZ-HENDERSON
Annexation Program Coordinator

CLH:

Attachment

cc: Debbie M. Brazill, Deputy City Manager
Don Williams, Community Development Director
Craig Bruorton, Principal Planner

North Fontana Interim MSHCP Policy

July 2004

Prepared for:

City of Fontana
Community Development Department/Planning Division
8353 Sierra Avenue
Fontana, CA 92335

Prepared by:

Michael Brandman Associates
621 East Carnegie Drive, Suite 100
San Bernardino, CA 92408
Contact: Thomas J. McGill, Ph.D.

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Coastal California Gnatcatcher 8

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Appendix D Property Action Report (PAR) Analysis

CITY OF FONTANA

NORTH FONTANA
INTERIM MSHCP POLICY

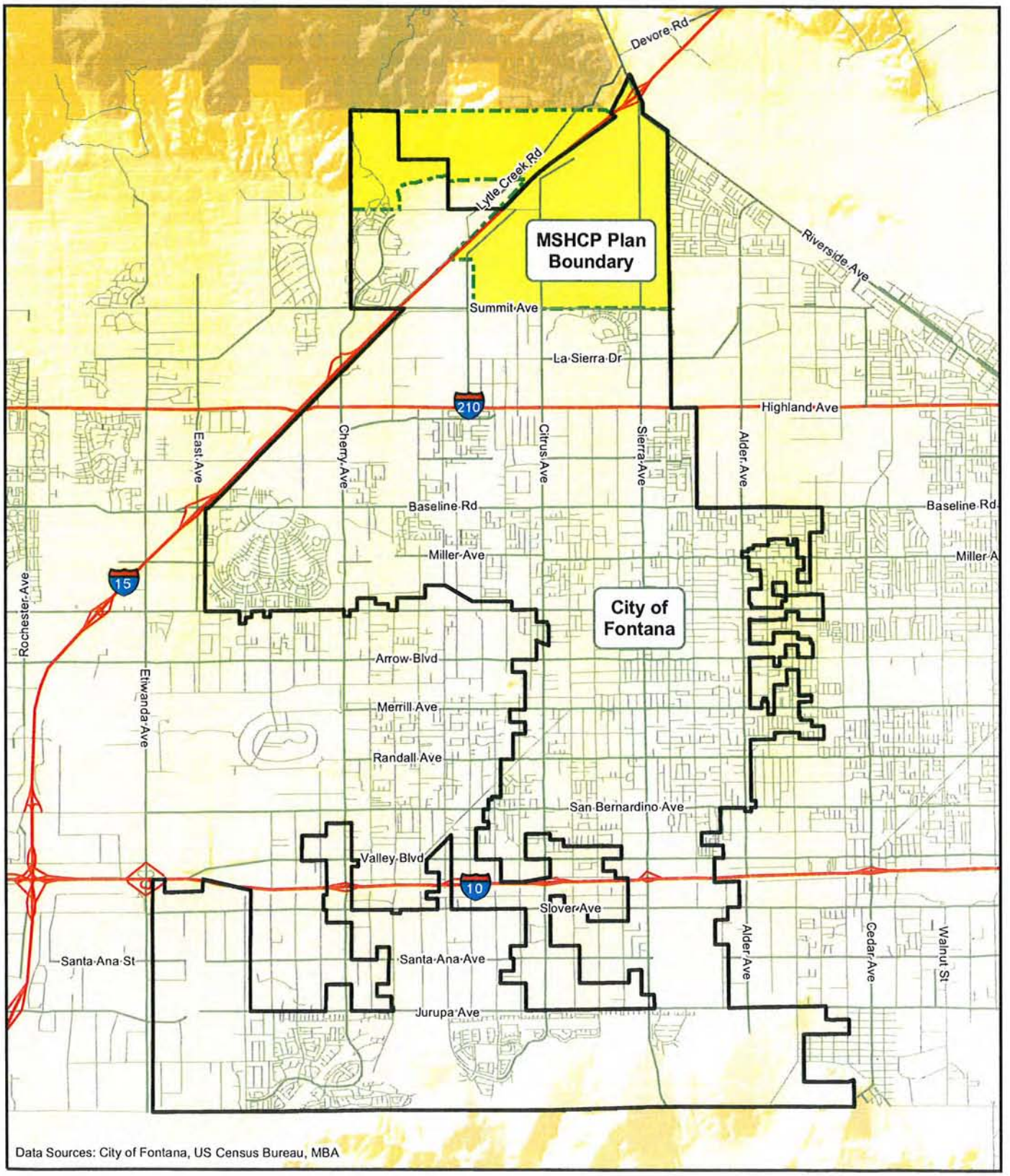
I. INTRODUCTION

The City of Fontana (City) updated and streamlined its General Plan. The new General Plan will direct the growth of the City over the next 20 years as Fontana and the Inland Empire approach buildout. The City has already begun the process of establishing goals for developing the Interstate 210 (I-210) and Interstate 15 (I-15) corridors into commercial, industrial, and entertainment centers. As part of the new General Plan, most of the land in north Fontana is zoned for future development. Access to two major freeways (I-210 and I-15), combined with large areas of open space make this portion of Fontana an ideal location for residential, commercial and industrial development. This area of north Fontana also provides open space and habitat for two federally listed species. North Fontana falls within Critical Habitat for both the California gnatcatcher (CAGN) and the San Bernardino kangaroo rat (SBKR).

II. PURPOSE OF THE INTERIM MSHCP POLICY

The City of Fontana has prepared and submitted a Multiple Species Habitat Conservation Plan (MSHCP) to address lands in north Fontana and the listed and sensitive species found on these lands. Specifically, the proposed MSHCP is bounded on the south by Summit Avenue, from the southwest corner from Lytle Creek Road/Summit Avenue intersection north to I-15 and then southwest-northeast along the freeway, on the north by Neely's Corner, and on the east by a boundary line somewhat east of Sierra Avenue that runs approximately north-south. An additional parcel within City boundaries lies along Hunter Ridge. Finally, lands within the City's sphere of influence lay to the east of Hunter Ridge and north of Coyote Canyon. The northern boundary of these sphere of influence lands is along the foothills of the San Gabriel Mountains (Exhibit 1).

The processing of the North Fontana MSHCP will occur over the next 6 to 10 months. During that time, development pressures will continue in North Fontana. Although many of these properties lie within U.S. Fish and Wildlife Service (Service)-designated critical habitat for CAGN and SBKR (see Exhibit 3), there are no federal funding or permits required (i.e., no federal nexus) and, therefore, no need to mitigate for impacts (i.e., adverse modification) by a project to designated critical habitat. Under federal law, the need to mitigate impacts to federally listed species would only occur if individuals of a listed species were found within (i.e., occupied) a project site. SBKR is known to occur within the Fontana Fan, but only within scattered locations and at trace densities. CAGN has not been identified within the plan boundaries. Developers/property owners can at their own



Freeway
Freeway Ramp
Streets
HCP Boundary
City Bounday
US Forest Service Lands

0 0.5 1 2 Miles

NORTH

Michael Brandman Associates

Exhibit 1

Site Vicinity Map

01440010 | Ex1_Site_Vicinity.mxd | 12-18-2003

NORTH FONTANA INTERIM MSHCP PROGRAM

discretion conduct presence/absence surveys for CAGN and SBKR. Based on the results of Service approved presence/absence protocol surveys, if no federally listed species are found on a project site, development of that site would not result in "take" of federally listed species and, therefore, would not require approval from the Service (i.e., no violations of the Federal Endangered Species Act [FESA]would occur). However, impacts to the sensitive habitats (e.g., Riversidean alluvial fan sage scrub [RAFSS], Riversidean sage scrub [RSS], and riparian habitats) found within the MSHCP boundaries are considered significant and must be mitigated under CEQA. These sensitive habitats are found throughout the North Fontana MSHCP boundaries (Plan Area). In addition to the listed species, CEQA also requires mitigation for adverse effects to candidate, sensitive, and special status species. Therefore, in keeping with the intent and direction of the upcoming MSHCP, the following Interim MSHCP Policy will be put in place to assess and develop mitigation measures for all development applications within the designated Plan Area.

III. JURISDICTIONAL FRAMEWORK

Federal Protection and Classification

The FESA defines an endangered species as "any species, which is in danger of extinction throughout all or a significant portion of its range..." Threatened species are defined as "any species that is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range." Under the provisions of Section 9(a)(1)(B) of the FESA, it is unlawful to "take" any listed species. "Take" is defined as follows in Section 3(18) of the Act: "...harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct." Further, the U.S. Fish and Wildlife Service (USFWS), through regulation, has interpreted the terms "harm" and "harass" to include certain types of habitat modification as forms of "take."

California's Endangered Species Act (CESA) defines an endangered species as "...a native species or subspecies of a bird, mammal, fish, amphibian, reptile, or plant which is in serious danger of becoming extinct throughout all, or a significant portion, of its range due to one or more causes, including loss of habitat, change in habitat, overexploitation, predation, competition, or disease." The State defines a threatened species as "... a native species or subspecies of a bird, mammal, fish, amphibian, reptile, or plant that, although not presently threatened with extinction, is likely to become an endangered species in the foreseeable future in the absence of the special protection and management efforts required by this chapter.

Article 3, Sections 2080 through 2085, of the CESA addresses the taking of threatened or endangered species by stating "No person shall import into this state, export out of this state, or take, possess, purchase, or sell within this state, any species, or any part or product thereof, that the commission

determines to be an endangered species or a threatened species, or attempt any of those acts, except as otherwise provided..."

IV. NATURAL RESOURCES IN NORTH FONTANA

Plant Communities

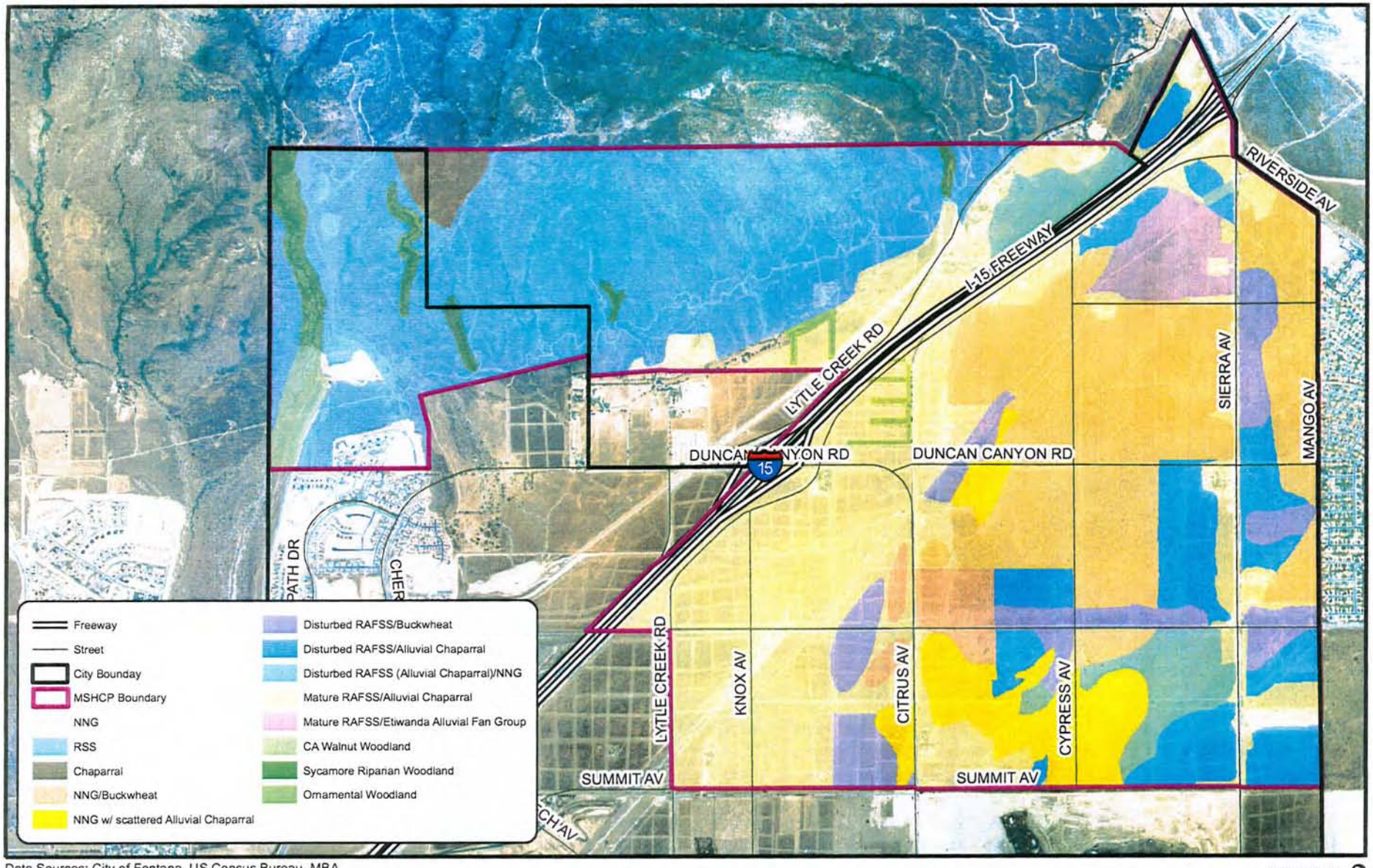
North Fontana contains eight different plant communities that range from non-native grasslands and ornamental plant communities in the developed portions of the Plan Area to more diverse, native plant communities, north and south of I-15. Exhibit 2 shows the location of each of these plant communities.

Although most of the land within the Plan Area supports native vegetation, including various stages of RAFSS and RSS, there are scattered disturbed areas that include dirt roads, off-highway use, pavement, remnant buildings/structures, areas of historic agricultural activities, and permanent flood control structures. Approximately 590 acres of the Plan Area supports mature RAFSS plant communities of moderate quality to sensitive species such as SBKR or CAGN; another 392 acres are disturbed and of low quality and 163 acres of RAFSS habitat have a heavy understory of non-native grasses and are of very low quality. There are 780 acres of RSS of moderate to high quality within the northern part of the Plan Area. Approximately 29 acres of a northern mixed chaparral community occurs in the northern-most portion of the Plan Area at higher elevations. The Plan Area also includes 55 acres of a southern sycamore-alder riparian woodland community and 26 acres of a California walnut woodland community in Morse, Duncan, and San Sevaine Canyons. Non-native annual grasslands occur on 938.3 acres and are found on either side of the I-15 and the western portion of the Plan Area, south of the I-15. Finally, ornamental woodlands cover 16 acres within the Plan Area.

Sensitive Plant Species

Suitable habitat was determined to be present for four plant species occurring within the Plan boundary:

- Slender-horned Spineflower (*Dodecahem aleptoceras*), federally and state listed as endangered;
- Plummer's Mariposa Lily (*Calochortus plummerae*);
- Parry's Spineflower *(Chorizanthe parryi* var *parryi*); and
- Lemon Lily (*Lillium parryi*).



Data Sources: City of Fontana, US Census Bureau, MBA

Exhibit 2

Natural Plant Communities

Michael Brandman Associates

NORTH

0 750 1,500 3,000 Feet

Sensitive Wildlife Species

Suitable habitat also occurs within North Fontana for 16 sensitive wildlife species. Nine of the 16 species have been observed within the vicinity, as indicated below by an asterisk (*):

- *San Bernardino Kangaroo Rat (SBKR) (*Dipodomys merriami parvus*), federally endangered;
- *Coastal California Gnatcatcher (CAGN) (*Polioptila californica californica*), federally threatened;
- Southwestern Willow Flycatcher (*Empidonax trailii extimus*), federally endangered;
- *Golden Eagle (*Aquila chrysaetos*);
- *Cooper's Hawk (*Acipiter cooperii*);
- *Northern Harrier (*Circus cyanus*);
- *Burrowing Owl (*Athena cunicularia hypugea*);
- Southern California Rufous-Crowned Sparrow (*Aimophila ruficeps canescans*);
- Bell's Sage Sparrow (*Amphispiza belli belli*);
- *Logger-headed Shrike (*Lanius ludovicianus*);
- *San Diego Horned Lizard (*Phrynosoma coronatum blainvilleri*);
- *Los Angeles Pocket Mouse (*Perognathus longimembris brevinasus*);
- Northwestern San Diego Pocket Mouse (*Chaetodippus fallax fallax*);
- California Mastiff Bat (*Eumops perotis californicus*);
- Orange-throated Whiptail (*Cnemidophorus hyperythrus*); and
- San Gabriel Slender Salamander (*Batrachoseps gabreli).*

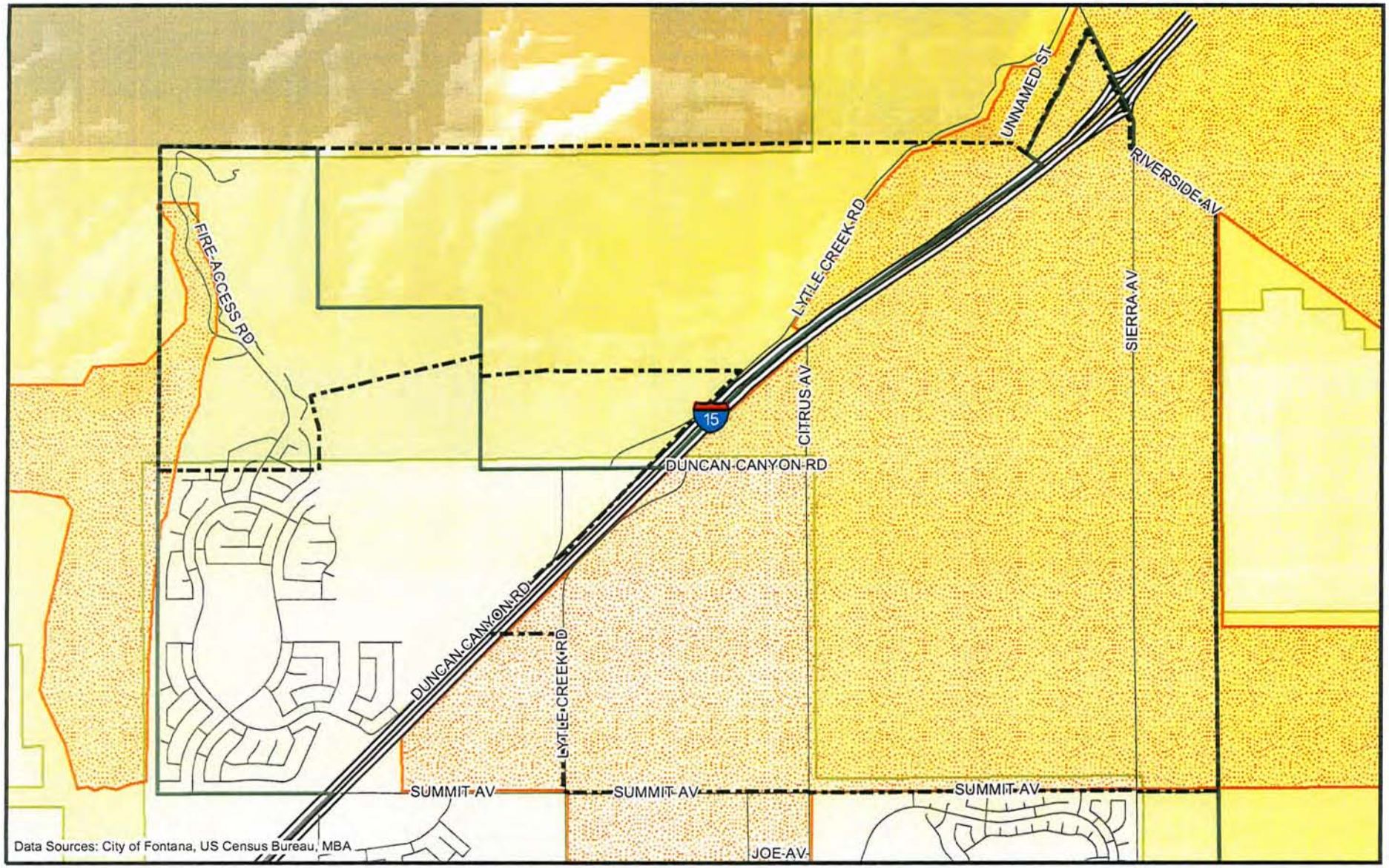
Critical Habitat

North Fontana also falls within the Designated Critical Habitats of the SBKR and the CAGN. Critical habitat is designed to provide guidance for planners and biologists, particularly if federal agency permits or federal monies are needed for the project, to determine where suitable habitat is located and where high priority of preservation should be given. Critical habitat for SBKR and CAGN within north Fontana is shown in Exhibit 3.

Focused Survey Results

San Bernardino Kangaroo Rat

A permitted SBKR survey effort was conducted in 2002 and 2004 on the Fontana Fan. In 2002, seven SBKR were captured during 4,950 total trap nights. A total of seven small mammal species were trapped during the entire survey period, including three other sensitive species, the San Diego pocket mouse (*Chaetodippus fallax fallax*), the Los Angeles pocket mouse (*Perognathus longimembris*



Freeway
Street
Private Road
MSHCP Project Area
City Bounday
SBKR Critical Habitat Boundary
CAGN Critical Habitat Boundary
US Forest Service Lands

NORTH

0 1,250 2,500 5,000 Feet

Michael Brandman Associates

Exhibit 3

SBKR and CAGN Critical Habitat in the MSHCP Project Area

brevinasus), and the San Diego desert woodrat (*Neotoma lepida*). The 2002 trapping study indicates that a few isolated pockets of SBKR were distributed within the RAFSS communities that occur on the Fontana Fan, as shown on Exhibit 4. No SBKR were trapped in 2004 during 2,700 total trap nights.

Coastal California Gnatcatcher

The Fontana Fan between Sierra and Citrus Avenues north of Summit Avenue to the I-15 freeway was also surveyed for the federally threatened coastal CAGN, both in 2002 and 2004. No CAGN were observed or heard within the Plan Area. However, CAGN habitat is still present. Other bird activity was relatively high during the surveys.

V. CURRENT CONSERVATION PLANNING

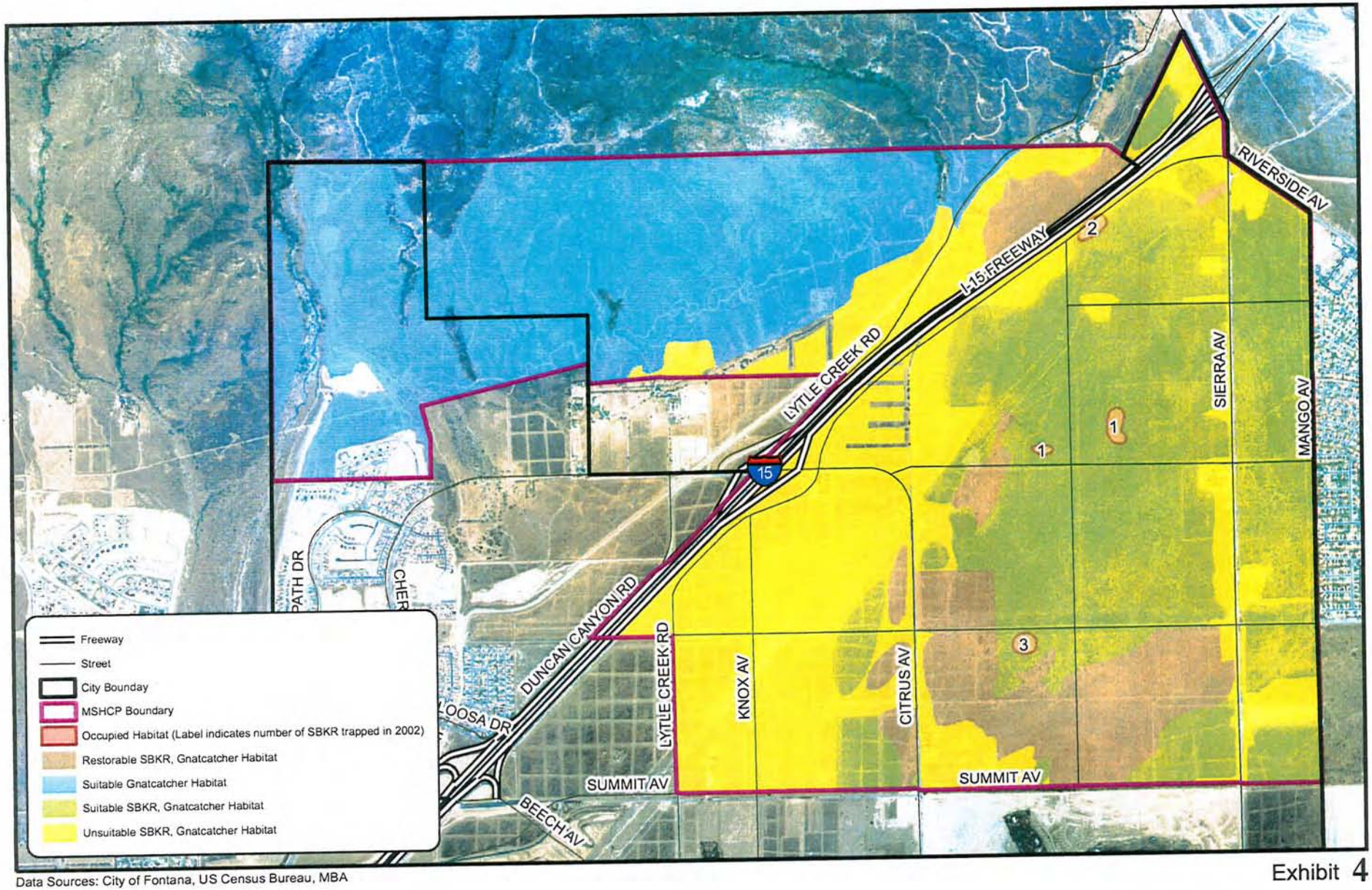
The North Fontana MSHCP shall be the basis for the City to obtain a Section 10(a) Permit, enabling it to authorize or engage in Covered Activities that my result in incidental take of a Covered Species including those species that are currently listed as threatened or endangered and Covered Species that may become listed during the term of the MSHCP.

Until the City receives its Section 10 (a) Permit authorizing incidental take of federally-listed species in North Fontana, the following provisions will be followed for all development applications within the Plan Area. Pursuant to CEQA, the Interim MSHCP Policy (Interim Policy) addresses the conservation needs of all the species covered in the North Fontana MSHCP. This policy allows the City to continue its protection of habitat for federally-listed species such as the SBKR and CAGN, as well as several sensitive species that could be listed in the future if conservation measures are not implemented, while at the same time allowing the City to process development applications within the Plan Area.

VI. GENERAL MANAGEMENT STRATEGY

Anticipated impacts from buildout under the Updated General Plan within the Plan Area include the potential loss of most of the RAFSS habitat and non-native grasslands in North Fontana. The loss of these habitats will likely also result in impacts to the above listed plant and wildlife species.

Alluvial fans at the base of the San Gabriel and San Bernardino Mountains support some of the last remaining stands of RAFSS habitat. Two of the larger conservation areas protecting RAFSS and RSS habitats are found just west and east of the Fontana fan: the San Sevaine-Etiwanda-Day Creeks complex, northwest side of the Plan Area, and the Cajon-Lytle Creek complex northeast of the Plan



Data Sources: City of Fontana, US Census Bureau, MBA

Exhibit 4

Habitat Suitability

Michael Brandman Associates

NORTH

0 750 1,500 3,000 Feet

01440010 | Ex4_SBKR_Trapping_Results_2002.mxd | 06-11-2004

NORTH FONTANA INTERIM MSHCP POLICY

Area. It is the City of Fontana's intent under this Interim Policy and the MSHCP to acquire lands adjacent to one of these two complexes to add to the existing conservation area(s) discussed above and as shown on Exhibit 5.

The City anticipates acquisition of lands for conservation in advance of the formal approval of its MSHCP. These lands may be held by the City or its designee to preserve habitat before mitigation is required under the North Fontana MSHCP. Advance acquisitions that are consistent with the MSHCP may be accomplished by the City or by a third party upon agreement with the City under this Interim Policy and will provide required mitigation in compliance with CEQA. As mitigation for the loss of RAFSS and RSS habitats in the Plan Area that is not currently occupied by SBKR or CAGN, the City will impose a tiered mitigation fee for all lands proposed for development. Revenues from these fees will be used to purchase and manage lands within either the San Sevaine-Etiwanda-Day Creeks complex or the Cajon-Lytle Creek complex conservation areas. Exhibits 6a through 6c show the location of privately-owned parcels adjacent to these two complexes that may be available for purchase and which could be acquired, provided the property owner is a willing seller. Table 1 lists the various parcels that will be considered for purchase. Assembling any purchased parcel into the existing conservation areas will be coordinated with the County of San Bernardino.

Table 1: Targeted Conservation Areas (By Parcel Number)

Parcel Number	APN	Habitat Description	Acreage
North Lytle Creek (NLC)			
NLC-1	239-312-03	Riversidean Alluvial Fan Sage Scrub	23
NLC-2	239-012-01	Riversidean Alluvial Fan Sage Scrub	50
NLC-3	239-054-17	Riversidean Alluvial Fan Sage Scrub	7
NLC-4	239-061-20	Riversidean Alluvial Fan Sage Scrub	47.5
NLC-5	239-054-03	Riversidean Alluvial Fan Sage Scrub	10
NLC-6	239-054-02	Riversidean Alluvial Fan Sage Scrub	10.5
NLC-7	239-061-24	Riversidean Alluvial Fan Sage Scrub	44
	Subtotal		**192**
Cajon Wash (CW)			
CW-2	262-051-30	Riversidean Alluvial Fan Sage Scrub	5
CW-1 CW-3 CW-4	262-025-29	Riversidean Alluvial Fan Sage Scrub	116
CW-4	262-051-27	Riversidean Alluvial Fan Sage Scrub	123
	Subtotal		**244**
South Lytle Creek (SLC)			
SLC-1	239-094-32	Riversidean Alluvial Fan Sage Scrub	23
SLC-2	239-094-31	Riversidean Alluvial Fan Sage Scrub	100
SLC-3	239-094-41	Riversidean Alluvial Fan Sage Scrub	19
SLC-4	239-111-12	Riversidean Alluvial Fan Sage Scrub	105
SLC-5	239-111-12	Riversidean Alluvial Fan Sage Scrub	27
	Subtotal		**274**

Table 1: Targeted Conservation Areas (Cont'd)

Parcel Number	APN	Habitat Description	Acreage
Etiwanda Preserve (EP)			
EP-1	225-061-22	Riversidean Alluvial Fan Sage Scrub	82
EP-2	225-061-02	Riversidean Alluvial Fan Sage Scrub	56
EP-3	225-061-25	Riversidean Alluvial Fan Sage Scrub	36
EP-4	225-061-05	Riversidean Alluvial Fan Sage Scrub	54
EP-5	225-061-26	Riversidean Alluvial Fan Sage Scrub	41
EP-6	225-061-15	Riversidean Alluvial Fan Sage Scrub	40
EP-7	225-061-11	Riversidean Alluvial Fan Sage Scrub	14
EP-8	225-061-18	Riversidean Alluvial Fan Sage Scrub	40
EP-9	225-061-16	Riversidean Alluvial Fan Sage Scrub	40
EP-10	225-061-10	Riversidean Alluvial Fan Sage Scrub	8
EP-11	225-083-10	Riversidean Alluvial Fan Sage Scrub	41
EP-12	225-084-04	Riversidean Alluvial Fan Sage Scrub	41
EP-13	225-084-09	Riversidean Alluvial Fan Sage Scrub	40
EP-14	225-084-08	Riversidean Alluvial Fan Sage Scrub	39
EP-15	225-084-07	Riversidean Alluvial Fan Sage Scrub	40
	Subtotal		**612**

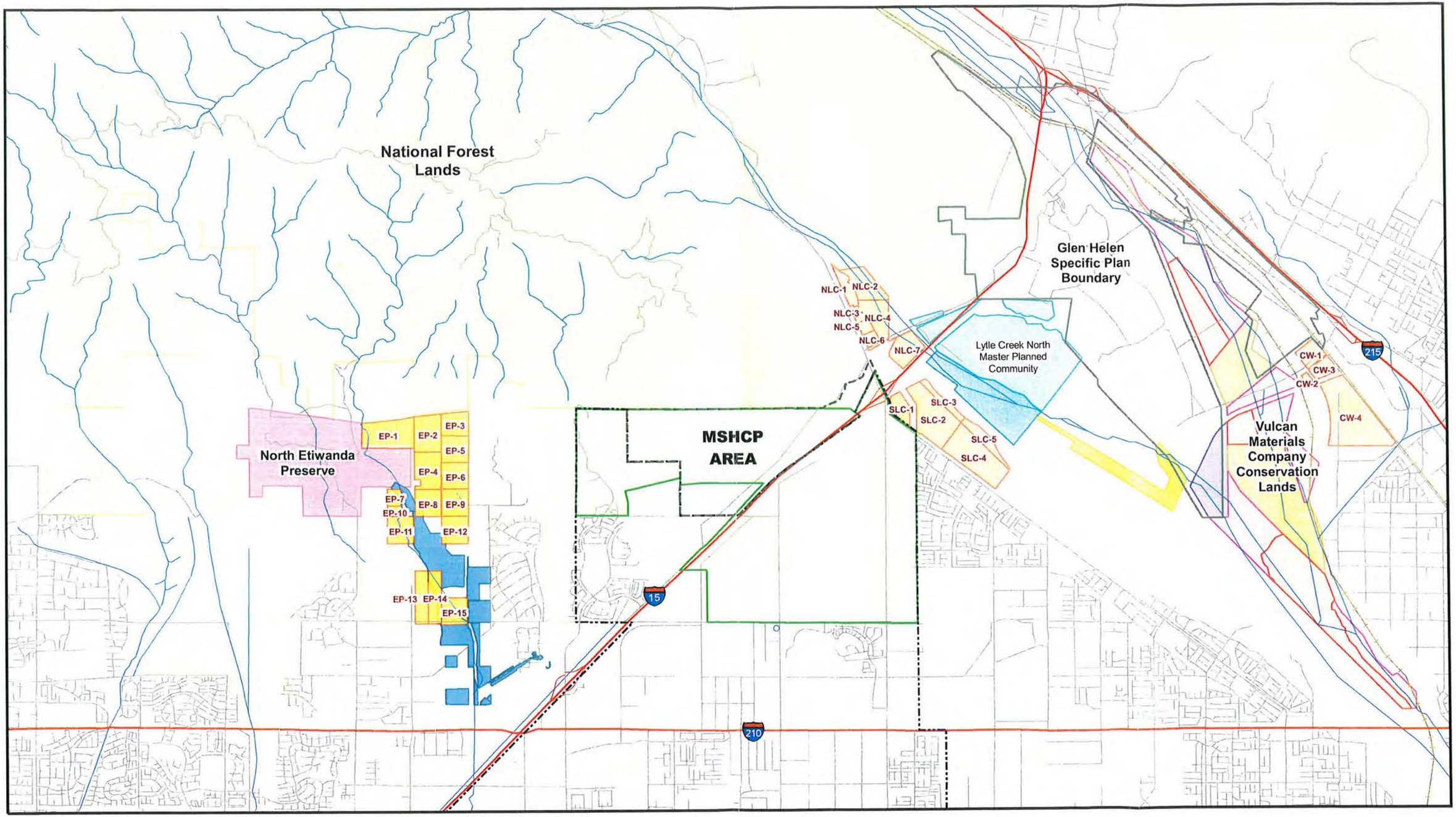
VII. HABITAT SUITABILITY

To adequately mitigate for the loss of sensitive habitats, as required by CEQA, a tiered development mitigation fee will be imposed on new development in North Fontana based on the quality of habitat on the development site and the site's potential to support SBKR, CAGN or other sensitive species. This fee will be charged for each acre of land proposed for development. Payment of the fee will be the responsibility of the developer. Fees collected will be used to purchase, preserve and manage nearby conservation lands. Because the habitat within the Plan Area varies in quality from parcel to parcel, it has been determined that a tiered mitigation fee program would provide the most equitable approach to allocating mitigation responsibilities. The following describes the various habitat qualities present within the Plan Area and their potential for supporting sensitive species:

- Occupied Habitat: Any habitat within the Plan Area that is determined to be occupied by either SBKR or CAGN following USFWS protocol survey methodology and using USFWS-certified biologists. Although surveys were not comprehensive for the entire Plan Area, surveys in 2004 on the Fontana Fan south of the I-15 did not find any areas occupied by SBKR or CAGN.

- Suitable Habitat: The following habitat types were determined to be suitable to support SBKR and/or CAGN: mature RAFSS; RSS, and disturbed RAFSS. These three habitat types comprise approximately 1,200 acres within the Plan Area.

- Restorable Habitat: Disturbed RAFSS habitat that has developed a heavy understory of non-native grasses are considered restorable to a more open RAFSS habitat structure that would support SBKR and/or CAGN. This community comprises approximately 170 acres of the Plan Area. Although a greater restoration effort would be required, non-native grasslands



Data Sources: City of Fontana, US FWS, US Census Bureau, MBA

- Freeway
- Roads
- Railroad
- Intermittent Creek
- Perennial Creek
- MSHCP Boundary
- US Forest Service Lands
- City of Fontana Sphere
- City of Fontana Boundary
- Glen Helen SP Boundary
- Priority Acquisition Parcels
- North Etiwanda Preserve
- NEOSHPP Boundary
- San Sevaine Mitigation Site
- Lytle Creek North Project Boundary
- Vulcan Conservation Land
- Vulcan Conservation Bank
- CEMEX Mitigation Area
- SB County Flood Mitigation Area
- Lytle Creek SBKR Mitigation Area
- Woollystar Preserve

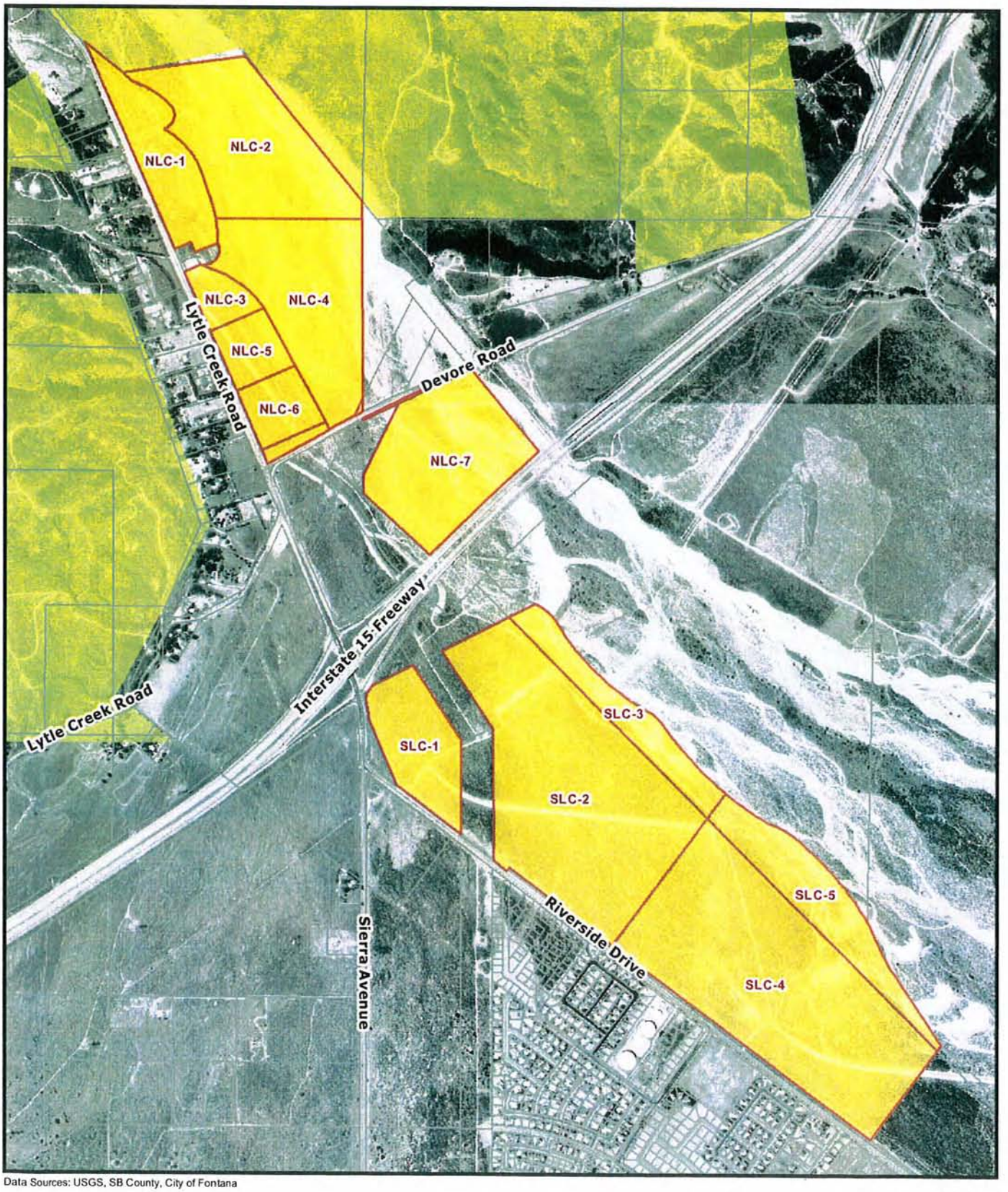
0 0.5 1 2 Miles

NORTH

Michael Brandman Associates

Exhibit 5

Conservation Areas, Constraints and Target Acquision Areas in the San Gabriel Foothills



Data Sources: USGS, SB County, City of Fontana

Priority Acquisition Parcels

Parcel Lines

US Forest Service Lands

0 625 1,250 2,500 Feet

NORTH

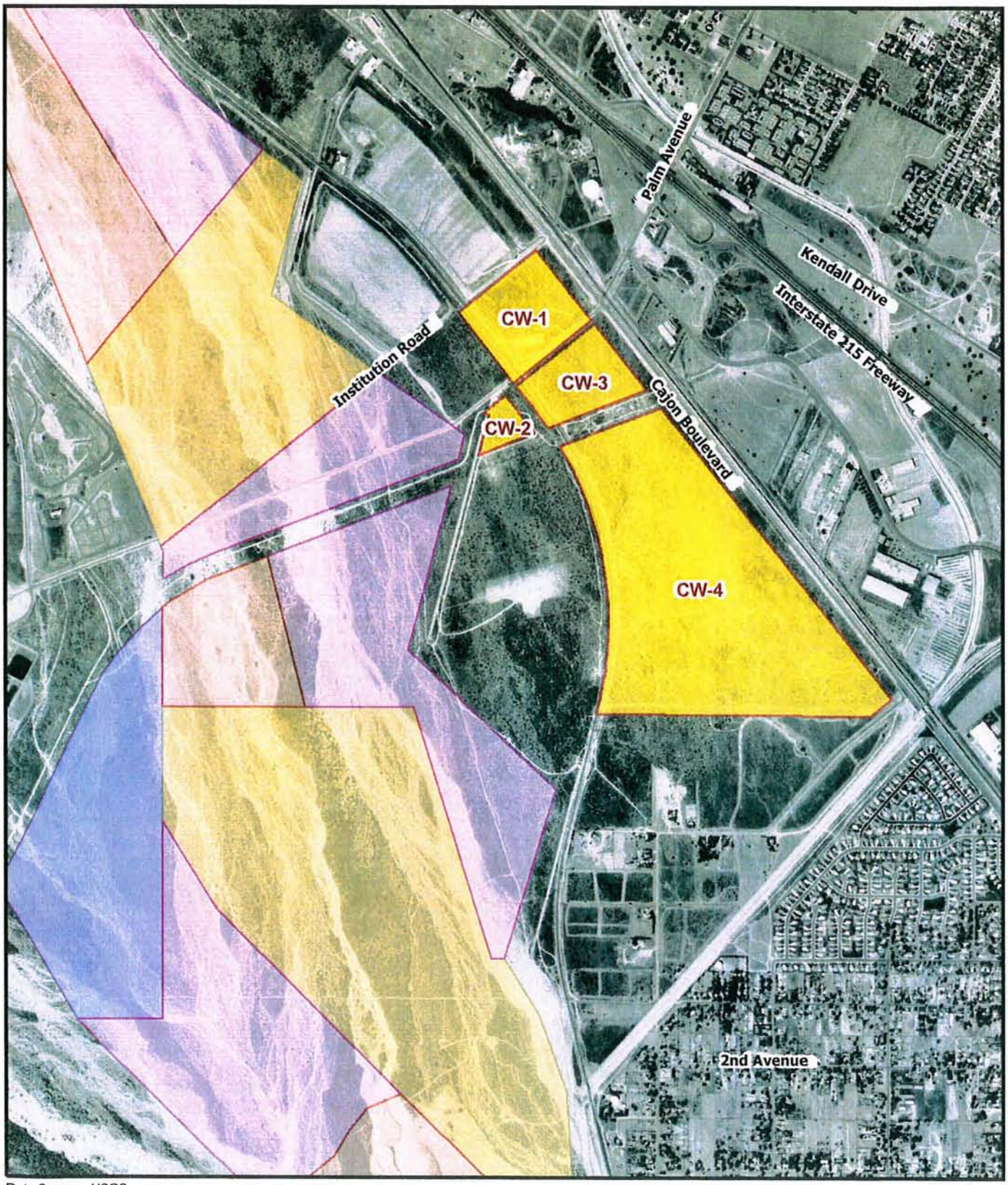
Michael Brandman Associates

01440001 | Priority_Area_LC.mxd | 03-03-2004

Exhibit **6a**

Lytle Creek Area
Priority Acquisition Parcels

CITY OF FONTANA MSHCP



Data Sources: USGS,
SB County, City of Fontana

Priority Acquisition Parcels
SB County Flood Mitigation Area
Woollystar Preserve
Vulcan Conservation Land
Vulcan Conservation Bank

0 625 1,250 2,500 Feet

NORTH

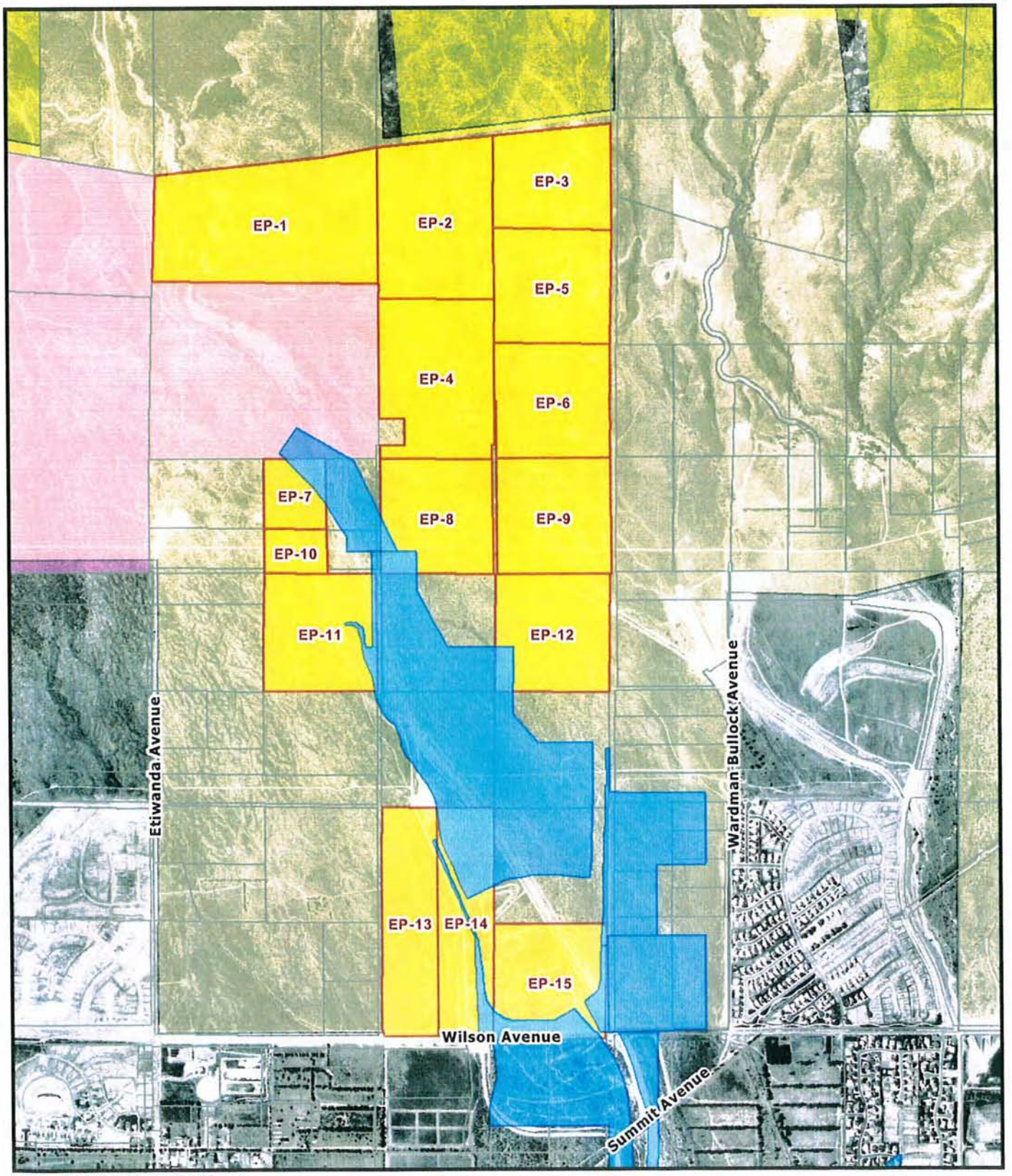
Michael Brandman Associates

Exhibit **6b**

Cajon Wash Area Priority Acquisition Parcels

01440001 | Priority_Area_CW.mxd | 03-30-2004

CITY OF FONTANA MSHCP



Data Sources: USGS, SB County, City of Fontana

Priority Acquisition Parcels
San Sevaine Mitigation Site
Parcel Lines
NEOSHPP Boundary
North Etiwanda Preserve
US Forest Service Lands

0 625 1,250 2,500 Feet

NORTH

Michael Brandman Associates

Exhibit **6c**

Etiwanda Preserve Area Priority Acquisition Parcels

01440001 | Priority_Area_EP.mxd | 03-03-2004

CITY OF FONTANA MSHCP

that still support components of the formerly present RAFSS plant community could be restored to an open RAFSS plant community structure. There are approximately 140 acres of non-native grasslands in the Plan Area that support RAFSS elements.

- Unsuitable Habitat: There are approximately 800 acres within the Plan Area that have been heavily disturbed and no longer support native plant communities including RAFSS, RSS or riparian habitats. These areas have been invaded by non-native exotic grasses (grasslands) and no longer provide suitable habitat for SBKR, CAGN and other sensitive species found within the RAFSS and RSS plant communities.

As required by CEQA and the City development process, an applicant for development within the Plan Area will conduct the required biological surveys and submit a biological technical report as part of the project application and environmental approval process (see Program Implementation below). City staff will review the application and accompanying biological technical report(s) to assign the project site into one or more of the above four categories of habitat suitability.

VIII. MITIGATION FEES

A mitigation fee of $2,070 per acré credit will be applied to the following habitat types and mitigation ratios:

- Occupied Habitat: Areas occupied by either SBKR or CAGN, federally listed species, will be mitigated at a 5:1 ratio (i.e., an applicant will pay five times the determined per acre mitigation fee for developing this project site or portion of the property), but occupied portions of the site can't be developed until the appropriate "take" authority is acquired from the Service.

- Suitable Habitat: Areas of suitable but unoccupied habitat will be mitigated at a 3:1 ratio (i.e., an applicant will pay three times the determined per acre mitigation fee for developing this project site or portion of the property).

- Restorable Habitat: RAFSS habitat that no longer provides suitable habitat because of a heavy understory of non-native grasses but that could be restored will be mitigated at a 2:1 ratio (i.e., an applicant will pay twice the determined per acre mitigation fee for developing this project site or portion of the property). Non-native grasslands mixed with RAFSS that could be restored to an open RAFSS plant community structure will be mitigated at a 1:1 ratio (i.e., the applicant will pay the full determined mitigation fee per acre for developing this project site or portion of the property).

- Unsuitable Habitat: Areas that no longer provide suitable habitat and are not considered restorable will be mitigated at a 0.5:1 ratio (i.e., an applicant will pay half the determined per acre mitigation for developing this project site or portion of the property).

Based on a 2004 habitat evaluation, neither SBKR nor CAGN were found to occupy habitat on the north Fontana Fan. Of the 2,310 acres of developable land, approximately 1,200 acres are suitable habitat for SBKR and CAGN, approximately 310 acres are restorable, and nearly 800 acres are either heavily disturbed or developed and no longer provide viable habitat for any of the listed or sensitive species. Exhibit 7 shows the various habitats in the Plan Area and lists the associated mitigation fee for each habitat type.

A Nexus Report for the North Fontana Mitigation Fee is provided in Appendix B.

IX. PROGRAM IMPLEMENTATION

All development within the Plan Area shall require discretionary land use approval and shall be subject to CEQA. As part of the land use approval process, the following shall apply:

Pre-application

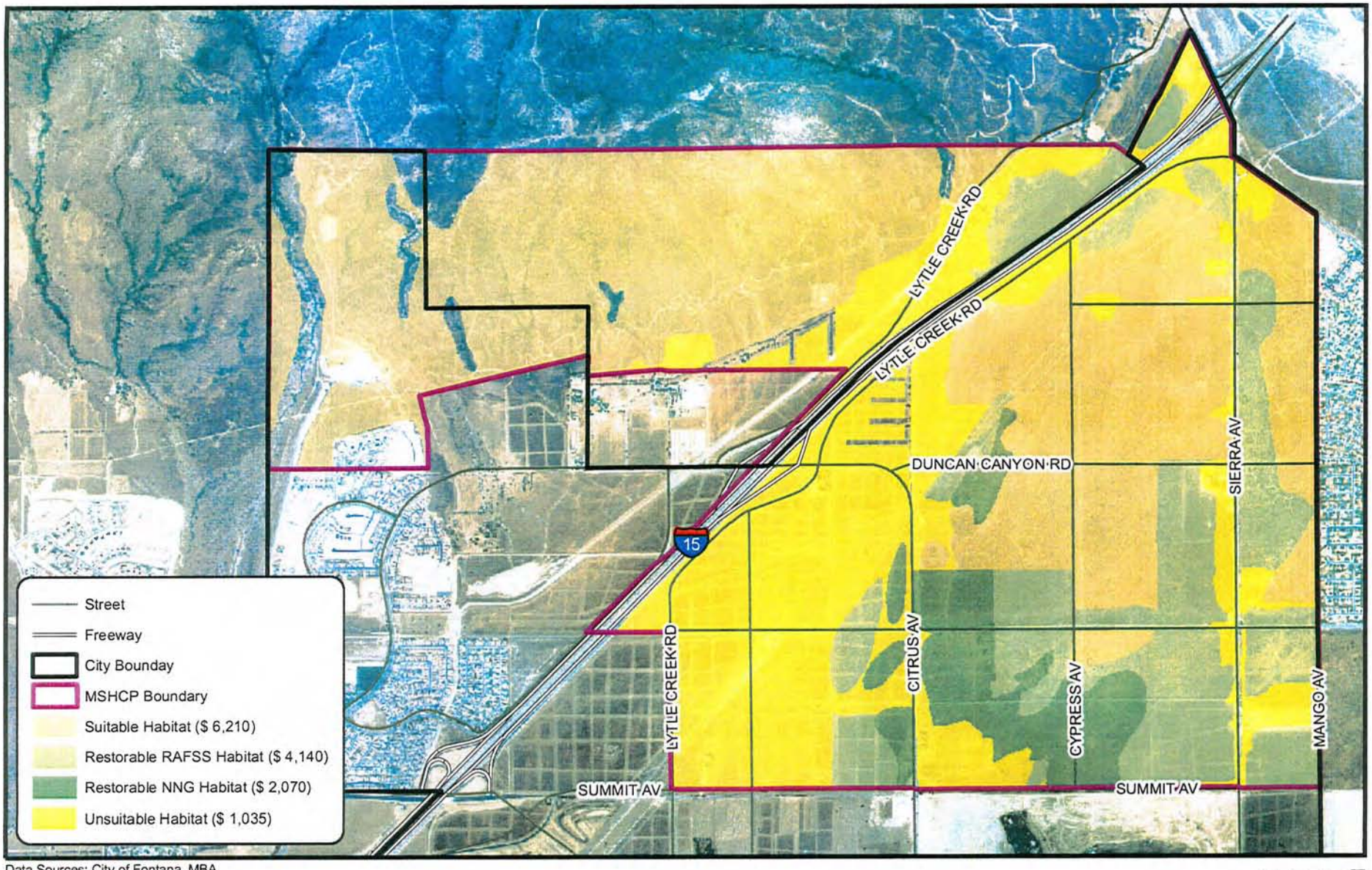
1. Prior to submitting a land use application, an entity seeking a permit may submit a letter of intent to seek an agreement with the City to conserve property through acquisition by the City or other means.

2. Prior to submitting a land use application, a proposed site plan shall be transmitted to the Planning Department. The site plan/map shall clearly delineate proposed development boundaries so that the presence of sensitive biological resources (including habitat types and known sightings or observance of any of the identified species) can be checked against any applicable compliance requirements under the Interim Policy. The Planning Department shall make its best effort to, within 30 days, meet and confer with the Project Proponent to comment on the site plan; make recommendations as to the project's Interim Policy compliance requirements and identify information requirements that must be satisfied in order for land use application processing to proceed.

Application

As part of submitting to the City of Fontana a development application or a land use application that would result in a substantial change to the existing land use, an applicant/landowner, at the City's discretion based on Pre-Application information, would be requested to conduct biological surveys of the project site that identifies the existence or the potential to occur of sensitive species, including SBKR and CAGN (identified on pages 4 and 6). Focused biological surveys and documenting reports must provide the following information and analysis:

1. If the project site occurs within suitable habitat (see Exhibit 4), conduct focused surveys to determine the presence or absence of the species on the project site. Focused surveys will follow established protocols by either USFWS or CDFG, when available.



Data Sources: City of Fontana, MBA

Exhibit 7

Mitigation Fees by Habitat Type

Michael Brandman Associates

NORTH

0 750 1,500 3,000 Feet

01440010 | Ex7_Mitigation Fees.mxd | 01-28-2005

2. Any focused survey deemed necessary must be conducted by a USFWS and/or CDFG permitted biologist qualified to perform the needed survey(s). The City of Fontana, or its consultant, will review and approve the personnel and methodology for any such proposed surveys.

3. If a sensitive species is found to occur on a proposed project site, or occupies habitat that may be impacted directly or indirectly by the proposed project, this must be called to the City's immediate attention and documented in the biological survey report for the project.

4. To offset any potential impacts to sensitive species and habitats, mitigation measures, in addition to the City-designed mitigation fee, must comply with the Interim Policy and shall be included in the biological survey report.

5. All lands set aside for conservation and/or other mitigation measures in compliance with the Interim Policy must be clearly documented in the final biological survey report.

Table 2 provides a checklist of these requirements for conducting biological surveys as part of the development of the project application process. The field survey data form in Appendix A should also be used.

Table 2: Required Biological Surveys Checklist

☐ Determine potential for sensitive species to occur:		
– San Bernardino Kangaroo Rat	– Slender Horned Spineflower	
– California Gnatcatcher	– Any Federal or State Species of Concern	
– Santa Ana River Woollystar		
☐ Subcontract with a USFWS and/or CDFG permitted biologist qualified to perform any needed survey(s).		
☐ Conduct needed focused surveys during the following established timeframes:		
California Gnatcatcher	March 15 – June 31	
San Bernardino Kangaroo Rat	Year round; not in inclement weather	
Raptors and other Migratory Birds	February 1 – August 31	
Sensitive Plants	March 15 – June 30	
☐ Review potential impacts and recommended mitigation against conservation measures initiated in compliance with the Interim MSHCP Policy.		
☐ Evaluate need for additional mitigation measures beyond those already initiated under the Interim MSHCP Policy.		
☐ Prepare and submit technical reports for all biological surveys to the City as part of the application review process.		
☐ Prepare and adopt CEQA findings, as necessary.		
☐ Process required City approvals and issue permit(s).		

CEQA Compliance

Mitigation for "take" of federally listed species must comply with the Federal Endangered Species Act and will require a Take Permit under Section 10 of the Act. The City of Fontana is currently pursuing a Section 10 (a) from the Service for development within the proposed Plan Area. However, in

advance of receiving the Section 10 (a) Permit, the City of Fontana will consider development applications for projects within the Plan Area based on the Interim Policy. Impacts for the loss of unoccupied RAFSS and other sensitive habitats will be mitigated by payment of the appropriate level and amount of the "Tiered Mitigation Fees." In addition to payment of the required mitigation fee, the applicant must also comply with CEQA and prepare the appropriate CEQA documents. In accordance with CEQA, a document shall be prepared to assess the proposed Project's environmental impacts, including those on biological resources, and identify appropriate mitigation measures as required as part of the CEQA analysis and as defined in this Plan.

APPENDIX A

BIOLOGICAL SURVEY FIELD LIST

APPENDIX A
BIOLOGICAL SURVEY FIELD LIST
FOR THE NORTH FONTANA MSHCP

Project name:_____

Site location: USGS Quad:_____ Section _____T_____R_____

General location:_____

Biologist(s):_____

Date:_____

Conditions	Start	End
Time		
Temp	° F	° F
Cloud Cover	%	%

Days since last rain:_____

Habitats present onsite (provide map of vegetation, including ornamental woodlands [windrows] as well as photos):

Type	Suitability of Habitat	Species	Types of Disturbance Onsite (e.g., trash, OHV use, fire)
RAFSS			
Riversidean Sage Scrub			
Chaparral			
S. Sycamore-Alder Riparian Woodland			
California Walnut Woodland			
Non-native Grassland			
Developed/Disturbed			

Sensitive Species:

Are surveys for endangered or threatened species required?_____ (refer to checklist on back page)

SENSITIVE SPECIES CHECKLIST
Check All Species Potentially Occurring (Note if Species were observed)

Sensitive Wildlife:

- ☐ San Bernardino Kangaroo Rat
- ☐ California Gnatcatcher
- ☐ Burrowing Owls
- ☐ Other Raptor Species:_____
- ☐ Other Sensitive Bird Species (e.g., Southwestern Willow Flycatcher, Shrike, Southern Rufous Crowned Sparrow, and Bell's Sage Sparrow):_____
  _____
- ☐ Sensitive Reptiles (e.g., San Diego Horned Lizard and Orange-throated whiptail):_____
  _____
- ☐ Other sensitive small mammals (e.g., Los Angeles Pocket Mouse and N.W. San Diego Pocket Mouse):
  _____
- ☐ _____
- ☐ _____
- ☐ _____

Sensitive Plant Species:

- ☐ Santa Ana River Woollystar
- ☐ Slender-horned Spineflower
- ☐ Plummer's Mariposa Lily
- ☐ Parry's Spineflower
- ☐ Lemon Lily
- ☐ _____
- ☐ _____
- ☐ _____

APPENDIX B

NORTH FONTANA MULTIPLE SPECIES HABITAT PLAN AND INTERIM POLICY MITIGATION FEE NEXUS REPORT

APPENDIX B

NORTH FONTANA MULTIPLE SPECIES HABITAT CONSERVATION PLAN AND INTERIM POLICY MITIGATION FEE NEXUS REPORT

Purpose of the Mitigation Fee Nexus Report

The *North Fontana Multiple Species Habitat Conservation Plan and Conservation Program Mitigation Fee Nexus Report* (the Nexus Report) was prepared to document and establish the legal and policy basis by which a mitigation fee, pursuant to "The Mitigation Fee Act" (California Government Code Section 66000, et seq.), to finance habitat acquisition and other appropriate uses in connection with the North Fontana Multiple Species Habitat Plan (MSHCP), Interim Policy and CEQA requirements may be imposed on new development in the North Fontana MSHCP and Interim Policy Planning Area (Plan Area).

This report provides justification for the City of Fontana to adopt a mitigation fee (the North Fontana Mitigation Fee or "NFMF") to finance a portion of the MSHCP, as required under the California Environmental Quality Act (CEQA) for the loss of Riversidean alluvial fan sage scrub (RAFSS) habitat or other sensitive habitats from development activities within the Plan Area.

Requirements to Establish a Development Impact Mitigation Fee

Section 66000 et seq. of the Government Code, also called the Mitigation Fee Act, requires that all public agencies satisfy the following requirements when establishing, increasing or imposing a fee as a condition of new development:

1. Identify the purpose of the fee. (Government Code Section 66001(a)(1))
2. Identify the use to which the fee will be put. (Government Code Section 66001(a)(2))
3. Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed. (Government Code Section 66001(a)(3))
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. (Government Code Section 66001(a)(4))
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed. (Government Code Section 66001(A))

Purpose of the Fee (Government Code Section 66001(a)(1))

The NFMF is to be charged throughout the Plan Area to all future development within North Fontana in order to collect funds which will be used to acquire a coordinated conservation area that will facilitate the preservation of biological diversity as well as maintain the City's quality of life. The rationale for imposing the NFMF on property to be developed in North Fontana is to mitigate for the direct, indirect, and cumulative effect of future development on Covered Species and habitat that has required the preparation and implementation of the MSHCP, as well as an Interim Policy for compliance with CEQA in advance of MSHCP approval. Each new development will also contribute to the need for new infrastructure that, in turn, will adversely affect species and habitats. Without future development, existing habitat would not be in danger of permanently disappearing, and those endangered species currently or potentially residing within that habitat could be sustained.

The NFMF, by funding regional habitat planning and conservation in North Fontana as opposed to piecemeal ad hoc conservation on a project-by-project basis, will: 1) minimize, if not eliminate, the uncoordinated preservation of scattered habitat areas; 2) eliminate the traditional project-by-project habitat/species mitigation process for resolving conflicts between species preservation and development in advance; 3) allow future development to proceed in an orderly, efficient and cost effective manner; and 4) allow the City to better control local land use decisions and maintain a strong economic climate within the region.

The Use to Which the Fee is to be Put (Government Code Section 66001(a)(2))

The NFMF will be used for habitat acquisition and other appropriate costs. The mitigation fees collected will be used to provide community amenities by funding acquisition of habitat land. The fee will also facilitate compliance with state laws regarding environmental impacts. Approximately 590 acres of habitat will be conserved either through direct acquisition from willing sellers or through the purchase of conservation easements or other mechanisms that result in permanent conservation of land.

Determine that there is a Reasonable Relationship Between the Fee's Use and the Type of Development Project Upon Which the Fee is Imposed (Benefit Relationship) (Government Code Section 66001(a)(3))

The NFMF will be used to acquire the mitigation lands required by FESA, California Fish and Game Code, CEQA, and related environmental statutes to provide interconnected natural areas to protect the Covered Species and their habitats as documented in the North Fontana MSHCP and related CEQA documents, to protect sensitive habitats found in the City on the alluvial fans at the base of the San Gabriel Mountains. All new development within the North Fontana Plan Area will directly or

indirectly benefit from the mitigation fee by funding a comprehensive approach to habitat mitigation. All new development in the Plan Area will lead to habitat extinction. Land conservation will mitigate the impacts of new development and related public infrastructure projects on habitat. Thus, there is a reasonable relationship between the use of fee revenue and all types of new residential and non-residential development in the Plan Area.

Determine How There is a Reasonable Relationship Between the Need for the Public Facility and the Type of Development Project Upon Which the Fee is Imposed (Impact Relationship) (Government Code Section 66001(a)(4))

Each new residential and non-residential development will have direct, indirect, and cumulative impacts to existing or potential habitat and will contribute to the need for new regional infrastructure that, in turn, will adversely affect species and habitats. Without future development, existing or potential habitat would not be in danger of permanently disappearing, and those endangered species currently or potentially residing within the habitat could be sustained. This conclusion has been reached after thorough scientific analysis.

Future development projects that may be located on property that is not currently suitable for habitat purposes contribute to impacts on species because such projects cumulatively impact potential habitat and because:

1. Property owners and/or the tenants associated with such development regularly utilize and benefit from regional infrastructure (e.g., public roads, flood control facilities, water and sewer facilities) located on properties that are suitable for habitat purposes.

2. The property owners and/or tenants of the new development described in paragraph (1) are dependent on, and in fact may not have chosen to utilize their development, except for residential, retail, employment and recreational opportunities located nearby on other existing and future development, located on sites that do or may constitute suitable habitat.

3. The availability of residents, employees and customers from new development occurring on such property has a growth-inducing impact without which some of the development on habitat properties would not have occurred.

For these reasons, there is a reasonable relationship between the need for the public facility and all new development in the Plan Area as required under Section 66001(a)(4) of the Mitigation Fee Act.

The Relationship between the Amount of the Fee and the Cost of the Public Facility (Habitat Acquisition) Attributable to the Development upon Which the Fee is Imposed ("Rough Proportionality" Relationship) (Government Code 66001(A))

Each development or project in North Fontana directly, indirectly or cumulatively impacts the supply of available land in North Fontana for habitat. Moreover, each individual project and its related necessary infrastructure improvements, when examined along with the cumulative impacts of all development in North Fontana, will have an adverse impact on the availability of open land, habitat, and species in the area. Thus, imposition of the NFMF to finance the acquisition of conservation land and appropriate costs associated therewith is the most efficient, practical, and equitable method of permitting development to proceed in a responsible manner and in a manner that complies with the overall intent of the MSHCP and the Interim Policy.

New development impacts species and habitat directly, indirectly, and cumulatively. In fact, without any future development, the MSHCP and Interim Policy would not be necessary, as existing habitat would not be in danger of permanently disappearing and those endangered species currently residing within that habitat could be sustained. For the reasons set forth above and below, there is a reasonable relationship between the amount of the fee and the cost of the conservation lands to be acquired and managed.

Local Acquisition and Other Appropriate Costs

The amount of the fee is a function of the costs to acquire 982 acres of RAFSS habitat (subject to the acquisition criteria) and the management and administrative expenses associated with implementing the conservation program as established in the MSHCP and further implemented under the Interim Policy in compliance with CEQA for the loss of RAFSS, RSS, and other sensitive habitats.

Land Acquisition Costs

In order to estimate the costs associated with the acquisition of 982 acres of suitable RAFSS and other sensitive habitats, it is assumed that RAFSS and other sensitive habitats will be acquired in one of four designated areas within the San Gabriel foothills (see Exhibit 2 in the *North Fontana Interim MSHCP Policy*). Land within the proposed conservation areas have been determined to range in value between $2,750 per acre to $27,000 per acre for raw land. Mitigation land is also available in an established Mitigation Bank at Cajon Creek for $50,000 per acre. For developing a mitigation fee, the value of $8,740 per acre was used as an average price for raw land (see Appendix C of the Interim Policy).

Other Appropriate Costs

The conservation program, as defined by the North Fontana MSHCP and Interim Policy, will be implemented, overseen, and administered by the City of Fontana who will be authorized to carry out the requirements of the conservation program, including overall program responsibility for the

assembly of conservation lands. Costs associated with efforts to acquire habitat are appropriate costs and will be financed with NFMF funds.

Table B-1 presents the estimated total program costs for land acquisition and management and administration expenses for implementing the conservation program. Costs include acquisition cost and management and administrative expenses, based on a PAR analysis (see Appendix D of the Interim Policy).

Table B-1: Total Conservation Program Cost

Task List	Cost
1. Land Acquisition of 982 acres	**$8,582,680**
2. First Year:	
a. Fencing	75,000
b. Signage	3,000
c. Habitat Restoration	65,380
d. Biotic Surveys	41,000
e. Security/Administration	10,200
f. Survey/Monitoring Overhead (10%)	4,900
Subtotal First Year Tasks	**$219,080**
3. Years 2–5:	
a. Fencing/Signage	$ 11,800
b. Habitat Restoration	93,000
c. Biotic Surveys	82,000
d. Security/Administration	8,760
e. Survey/Monitoring Overhead (10%)	9,800
Subtotal Years 2–5 Tasks	**$205,360**
4. Years 6-20:	
a. Fencing/Signage	$21,800
b. Habitat Restoration	89,380
c. Biotic Surveys	115,500
d. Security/Administration	18,260
e. Survey/Monitoring Overhead (10%)	13,950
Subtotal Year 6-20 Tasks	**$258,890**
Grand Total Conservation Program Costs (Tasks 1-4)	**$9,266,010**

Area Over Which the NFMF is to be Imposed (Why a Planning Area-wide Fee?)

A regional NFMF is appropriate because the North Fontana MSHCP and Interim Policy were designed to mitigate direct, indirect, and cumulative impacts resulting from new development and the infrastructure necessary to support and serve such development. All new development in the Plan Area, plus the additional roadways and public facilities needed to serve such development, impact the supply of open space and habitat on an individual and cumulative basis.

Development Horizon

The NFMF calculations presented in Table B-1 are based on new development projected to occur in the Plan Area over the next 10 years. The main rationale for the selection of this development horizon is current development activity consistent with the new General Plan (2003) with a projected buildout of this area within a 10-year period. In order to obtain an Incidental Take Permit (ITP), which will allow planned development and public infrastructure to take place within the Plan Area, a HCP must be approved. Approval of an HCP requires that the applicant ensure "adequate funding" is provided. Further, mitigation of impacts to sensitive biological habitats under CEQA requires the provision of "adequate funding" to support the acquisition and management of permanent conservation lands. Adequate funding includes the costs to complete the acquisitions of conservation land within 10 years, as well as the costs for program administration, both of which will be provided by the NFMF. The other costs, adaptive management, preserve management, and biological monitoring will be funded from other sources as part of a separate agreement with San Bernardino County.

After acquisition of the needed conservation land, the MSHCP and Interim Policy will have ongoing financial obligations and the fee program will not end. New development in year 11 through year 20 will still have the obligation to mitigate per the MSHCP and Interim Policy, as well as, finance ongoing program administration. If revisions are made to the California Government Code at some future date, the NFMF could possibly be collected to finance adaptive management, preserve management, and/or biological monitoring.

Existing Deficiencies

With respect to deriving the NFMF, it has been determined there are no existing deficiencies in habitat lands that will be mitigated by the MSHCP and/or the Interim Policy. The MSHCP/Interim Policy Plan Area was neither sized nor designed to "make-up" for existing deficiencies in habitat land. Rather, the MSHCP and Interim Policy are prospective plans and provide mitigation for the direct, indirect, and cumulative impacts to Covered Species and their habitats resulting from new development and the additional roadways and other public facilities needed to serve such development in the Plan Area. Therefore, the entire cost of acquiring the conservation lands and program management and administration components of the MSHCP and Interim Policy (see Table B-1) is allocated to new development.

Calculation of Mitigation Fee Amounts

What type of Fee Methodology is Appropriate for the NFMF?

The following methodology and calculations were employed to determine the fee amount.

Methodology Employed to Calculate a Tiered Acreage-Based Mitigation Fee

1. It was determined that 2,310 acres of the 2,990-acre Plan area would be available for development and is expected to be developed within the next 10 years. The remaining 680 acres will be maintained as open space.

2. The 2,310 acres of developable land are occupied by the following habitat types:

Habitat Type	Acres
Non-native grassland	780-820
RSS	180-220
Mature RAFSS	580-620
Disturbed RAFSS	380-420
RAFSS with non-native grassland understory	160-180
Non-native grassland with RAFSS elements	130-150

3. The following mitigation ratios were applied to each of the habitat types proposed for development:

Habitat Type	Habitat Quality	Mitigation Ratio
Mature RAFSS	Occupied	5:1*
RSS	Occupied	5:1*
Mature RAFSS	Suitable	3:1
RSS	Suitable	3:1
Disturbed RAFSS	Suitable	3:1
RAFSS with non-native grassland	Restorable	2:1
Non-native grassland with RAFSS elements	Restorable	1:1
Non-native grassland	Unsuitable	0.5:1

* or as negotiated with USFWS under the MSHCP currently under review by USFWS.

4. Following steps 1-3, the 2,310 acres of developable land within the Plan Area were determined to yield approximately 4,480 mitigation credits:

Habitat Quality	Acres	Mitigation Ratio	Mitigation Credits
Occupied	0.0	x 5	0
Suitable	1,200	x 3	3,600
Restorable RAFSS	170	x 2	340
Restorable non-native grassland	140	x 1	140
Unsuitable	800	x 0.5	400
Total Mitigation Credits			**4,480**

5. Divide the total cost of implementing the MSHCP/Interim Policy (land acquisition, restoration, and management and administration expenses) by the projected number of available mitigation credits to determine the NFMF per mitigation credit:

   $9,266,010/4,480 = $2,070

6. The mitigation credit fee is thus, $2,070, which is then multiplied by the mitigation ratios listed in Step 4 to determine the per acre fee by habitat type:

Habitat Type	Per Acre Fee
Occupied Habitat	$10,350
Suitable Habitat	$6,210
Restorable RAFSS Habitat	$4,140
Restorable Non-native Grassland Habitat	$2,070
Unsuitable Habitat	$1,035

If a need for additional funding is projected during the life of this plan, then local funding sources may be adjusted to cover the need for additional funding to maintain existing MSHCP/Interim Policy standards, by identification of new funding sources to supplement existing funding, utilization of contingency funds on a short-term basis, implementation of new tools to achieve conservation, and/or advancement of endowment funds on a short-term basis. The NFMF funding plan is intended to keep the acquisition of the conservation areas roughly proportional with the amount of development occurring in the Plan Area.

APPENDIX C

COSTS OF MITIGATION LAND BETWEEN THE ETIWANDA PRESERVE AND THE SAN SEVAIN BASIN

APPENDIX C

LANDS PREVIOUSLY PURCHASED FOR MITIGATION

	Buyer	Seller	Acres	Total Cost	Comments
1	A & J	McNay	174	$739,500 ($4,250/ac.)	Used as mitigation for Crest property. Closed 12-2002
2	Sun Cal	McNay	135	$573,750 ($4,250/ac.)	Used as mitigation for Etiwanda Estates. Closed 9-2000
3	Richland	Klepper	440	$1,210,000 (*$2,750/ac.)	To be used as mitigation. Closed 1-1999
4	Tom Traez	Tottori	114	$855,000 ($7,500/ac.)	In Escrow
	Total		**863**	**$3,378,250 Median Price $3,915/ac.**	

LANDS AVAILABLE FOR PURCHASE

	Property	Acres	APN	Asking Price
1	Clark	12	0226-061-62	$322,920 ($27,000/ac.)
2	Clark	40	0226-061-16	$1,080,000 ($27,000/ac.)
3	Clark	160	0226-061-07	$2,400,000 ($15,000/ac.)
4	Clark	110	0226-072-60	$1,320,000 ($12,000/ac.)
5	Spiegel	150	0226-072-03, 04, 72, 73, 74, 75	$2,925,000 ($19,500/ac.)
6	Hu	304	0201-021-03, 05, 09, 83	$3,040,000 ($10,000/ac.)
7	Tottori	114	0201-032-40	$855,000 ($7,500/ac.)
	Total	**890**		**$11,942,920 Median Price $13,419**

AVERAGE PRICE OF RAW MITIGATION LAND

($3,378,250 + $11,942,920) / (863 + 890) = $8,740/ac.

APPENDIX D

PROPERTY ACTION REPORT (PAR) ANALYSIS

North Fontana Interim MSHCP

HABITAT MANAGEMENT AND MONITORING BUDGET (P.A.R. ANALYSIS)

Task List	Specification	Unit	No. of Units	Cost ($) / Unit	Annual Cost ($)	Times/ Year	Total Cost ($)
I. FIRST YEAR							
	Site Construction						
Trash Removal	Site Cleanup	Activity	1	$ 960.00	$ 960.00	1	$ 960.00
	Dumpster rental and disposal fees	Rental/day	1	$ 420.00	$ 420.00	1	$ 420.00
Boundary Fencing	Chain link fencing	Linear feet	7,500	$ 10.00	$ 75,000.00	1	$ 75,000.00
	Gates	Unit	12	$ 300.00	$ 3,600.00	1	$ 3,600.00
Interpretive Signage	"No Trespassing"	Sign/Post	20	$ 25.00	$ 500.00	1	$ 500.00
	"Endangered Species Preserve"	Sign/Post	25	$ 100.00	$ 2,500.00	1	$ 2,500.00
Site Construction Total							**$ 82,980.00**
	Restoration and Monitoring						
Habitat Restoration	Maintenance/Repairs	Activity	1	$ 24,000.00	$ 24,000.00	1	$ 24,000.00
	Vegetation management	Activity	1	$ 32,000.00	$ 32,000.00	1	$ 32,000.00
	Monitoring/Documentation/Agency coordination	Activity	1	$ 8,000.00	$ 8,000.00	1	$ 8,000.00
	Planning	Activity	1	$ 16,000.00	$ 16,000.00	1	$ 16,000.00
Surveys	CAGN focused surveys (Year 1)	Activity	1	$ 18,000.00	$ 18,000.00	1	$ 18,000.00
	SBKR focused surveys (Year 1)	Activity	1	$ 18,000.00	$ 18,000.00	1	$ 18,000.00
	Focused habitat assessments	Activity	1	$ 5,000.00	$ 5,000.00	1	$ 5,000.00
	Survey and Monitoring overhead (10%)	-	-	-	$ 4,900.00	-	$ 4,900.00
Restoration and Monitoring Total							**$ 125,900.00**
	Enforcement and Administration						
Private Security	2 hrs/per both weekend days (1st 3 mos.)	Hours	52	$ 60.00	$ 3,120.00	1	$ 3,120.00
	2 hrs/weekend/mo. (thereafter)	Hours	18	$ 60.00	$ 1,080.00	1	$ 1,080.00
PAR Administration	Administration (1st 3yrs then every 3yrs)	Activity	1	$ 5,000.00	$ 5,000.00	1	$ 5,000.00
	Reporting (1st 3yrs then every 3yrs)	Activity	1	$ 1,000.00	$ 1,000.00	1	$ 1,000.00
Enforcement and Administration Total							**$ 10,200.00**
FIRST YEAR TOTAL							**$ 219,080.00**

North Fontana Interim MSHCP

HABITAT MANAGEMENT AND MONITORING BUDGET (P.A.R. ANALYSIS)

Task List	Specification	Unit	No. of Units	Cost ($) / Unit	Annual Cost ($)	Times/ Year	Total Cost ($)
II. YEARS 2-5							
	Site Construction Total						
Boundary Fencing	Chain link fencing	Linear feet	1,000	$ 10.00	$ 2,500.00	1	$ 10,000.00
	Gates	Unit	6	$ 300.00	$ 450.00	1	$ 1,800.00
Fencing Total							**$ 11,800.00**
	Restoration and Monitoring						
Habitat Maintenance	Vegetation management (thinning, wildfire abatement, et	Activity	1	$ 32,000.00	$ 8,000.00	1	$ 32,000.00
	Monitoring/Documentation/Agency coordination	Activity	1	$ 16,000.00	$ 4,000.00	1	$ 16,000.00
	Invasives Control (Every 5 years)	Activity	1	$ 40,000.00	$ 10,000.00	1	$ 40,000.00
	Planning	Activity	1	$ 5,000.00	$ 1,250.00	1	$ 5,000.00
Surveys	CAGN focused surveys (Years 2 and 3)	Activity	2	$ 18,000.00	$ 9,000.00	1	$ 36,000.00
	SBKR focused surveys (Years 2 and 3)	Activity	2	$ 18,000.00	$ 9,000.00	1	$ 36,000.00
	Focused habitat assessments (Years 2 and 3)	Activity	2	$ 5,000.00	$ 2,500.00	1	$ 10,000.00
	Survey and Monitoring overhead (10%)	-	-	-	$ 2,450.00	1	$ 9,800.00
Restoration and Monitoring Total							**$ 184,800.00**
	Enforcement and Administration						
Private Security	2 hrs/mo. on weekend	Hours	96	$ 60.00	$ 1,440.00	1	$ 5,760.00
PAR Administration	Administration (1st 3yrs then every 3yrs)	Activity	2	$ 1,000.00	$ 500.00	1	$ 2,000.00
	Reporting (1st 3yrs then every 3yrs)	Activity	2	$ 500.00	$ 250.00	1	$ 1,000.00
Enforcement and Administration Total							**$ 8,760.00**
YEARS 2-5 TOTAL							**$ 205,360.00**

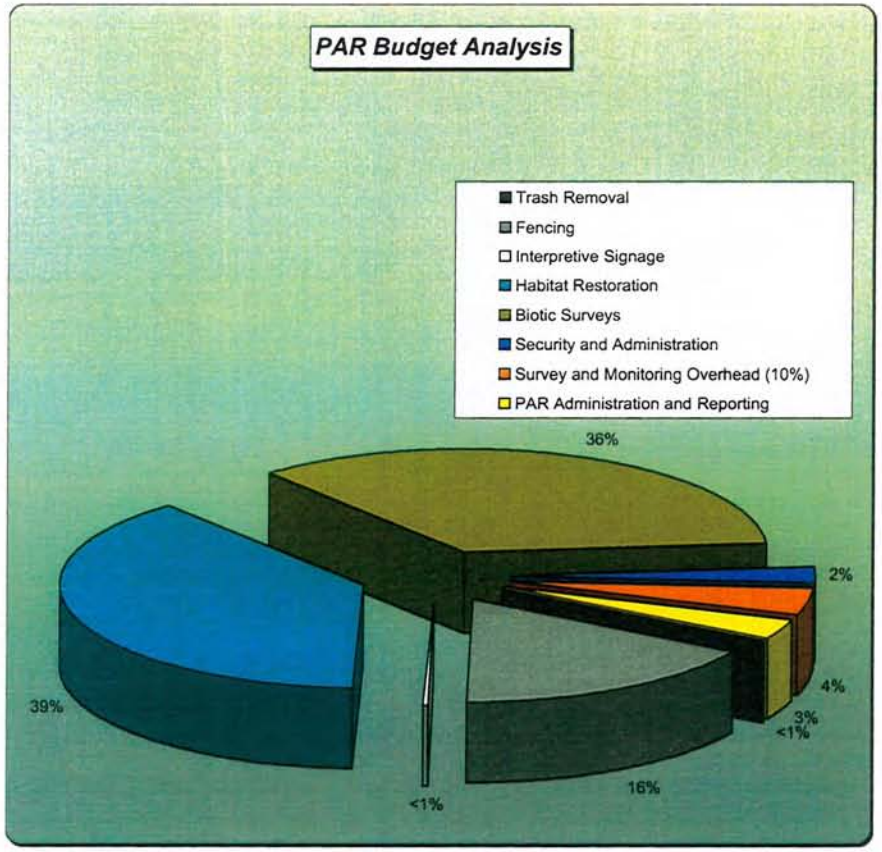
North Fontana Interim MSHCP

HABITAT MANAGEMENT AND MONITORING BUDGET (P.A.R. ANALYSIS)

Task List	Specification	Unit	No. of Units	Cost ($) / Unit	Annual Cost ($)	Times/ Year	Total Cost ($)
II. YEARS 6-20							
	Long Term Monitoring						
Trash Removal	Site Cleanup	Activity	1	$ 960.00	$ 64.00	1	$ 960.00
	Dumpster rental and disposal fees	Rental/day	1	$ 420.00	$ 28.00	1	$ 420.00
Boundary Fencing	Chain link fencing	Linear feet	2,000	$ 10.00	$ 1,333.33	1	$ 20,000.00
	Gates	Unit	6	$ 300.00	$ 120.00	1	$ 1,800.00
Restoration and Monitoring Total							**$ 23,180.00**
	Restoration and Monitoring						
Habitat Restoration	Vegetation management (thinning, wildfire abatement, etc.) (Every 5 years)	Activity	3	$ 8,000.00	$ 1,600.00	1	$ 24,000.00
	Monitoring/Documentation/Agency coordination (Every 5 years)	Activity	3	$ 8,000.00	$ 1,600.00	1	$ 24,000.00
	Invasives Control (Every 5 years)	Activity	3	$ 10,000.00	$ 2,000.00	1	$ 30,000.00
	Planning	Activity	1	$ 10,000.00	$ 666.67	1	$ 10,000.00
Surveys	SBKR focused surveys (Every 5 years)	Activity	3	$ 18,000.00	$ 3,600.00	1	$ 54,000.00
	CAGN focused surveys (Every 5 years)	Activity	3	$ 18,000.00	$ 3,600.00	1	$ 54,000.00
	Focused habitat assessments (Every 5 years)	Activity	3	$ 2,500.00	$ 500.00	1	$ 7,500.00
	Survey and Monitoring overhead (10%)	-	-	-	$ 930.00	-	$ 13,950.00
Restoration and Monitoring Total							**$ 217,450.00**
	Enforcement and Administration						
Private Security	2 hrs/mo. on weekend	Hours	96	$ 60.00	$ 384.00	1	$ 5,760.00
PAR Administration	Administration (1st 3yrs then every 3yrs)	Activity	5	$ 1,500.00	$ 500.00	1	$ 7,500.00
	Reporting (1st 3yrs then every 3yrs)	Activity	5	$ 1,000.00	$ 333.33	1	$ 5,000.00
Enforcement and Administration Total							**$ 18,260.00**
YEARS 6-20 TOTAL							**$ 258,890.00**

Summary by Phase			
YEAR 1	Site Cleanup	$	1,380.00
	Fencing	$	78,600.00
	Interpretive Signage	$	3,000.00
	Habitat Restoration	$	80,000.00
	Biotic Surveys	$	41,000.00
	Security and Administration	$	4,200.00
	Survey and Monitoring Overhead (10%)	$	4,900.00
	PAR Administration and Reporting	$	6,000.00
Phase Total		**$**	**219,080.00**
Years 6-20	Fencing	$	11,800.00
	Habitat Restoration	$	93,000.00
	Biotic Surveys	$	82,000.00
	Survey and Monitoring Overhead (10%)	$	9,800.00
	Security and Administration	$	5,760.00
	PAR Administration and Reporting	$	3,000.00
Phase Total		**$**	**205,360.00**
Total PAR	Trash Removal	$	1,380.00
	Fencing	$	21,800.00
	Habitat Restoration	$	88,000.00
	Biotic Surveys	$	115,500.00
	Survey and Monitoring Overhead (10%)	$	13,950.00
	Security and Administration	$	5,760.00
	PAR Administration and Reporting	$	12,500.00
Phase Total		**$**	**258,890.00**

Total PAR Summary			
Total PAR	Trash Removal	$	2,760.00
	Fencing	$	112,200.00
	Interpretive Signage	$	3,000.00
	Habitat Restoration	$	261,000.00
	Biotic Surveys	$	238,500.00
	Security and Administration	$	15,720.00
	Survey and Monitoring Overhead (10%)	$	28,650.00
	PAR Administration and Reporting	$	21,500.00
PAR Budget Total		**$**	**683,330.00**



INLAND EMPIRE

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August 29th 2012

Ms. Kathleen Rollings-McDonald
Executive Officer, Local Agency Formation Commission
215 N D St # 204
San Bernardino, CA 92401

Dear Ms. Rollings-McDonald,

On behalf of the board and staff of the Inland Empire Resource Conservation District (IERCD), I would like to recognize the considerable time you've dedicated to the review of the sphere establishment proposal submitted by County Service Area 120 (CSA 120), including its potential impact on other local public entities. With the submission of this document, CSA 120 is applying for the potential to perform restoration and conservation work within a proposed sphere entirely within the district boundaries of the IERCD. If approved, CSA 120's proposal will effectively allow for multiple entities to perform the same functions within similar service areas, which is contrary to the Local Agency Formation Commission's (LAFCO) mission of governmental efficiency.

The Inland Empire RCD is a product of the consolidation of two formerly independent districts, the Inland Empire West and East Valley RCDs, empowered by Division IX of the Public Resource Code to conduct a suite of habitat conservation, enhancement, and restoration services within its boundaries. Following the merge in 2005, board and staff of the newly formed IERCD began working to refine the easement and mitigation program inherited from the East Valley RCD; among the most critical tasks performed was the development of a comprehensive Mitigation Program Document, outlining desired project areas, protocols for project acceptance and long-term maintenance and monitoring, and identification of potential partner agencies. Since its completion this document has driven the evolution of the District's mitigation program, resulting in an increase in total acres under active IERCD management to more than 1,800 as of the end of the 2011-12 fiscal year. Total acreage under IERCD management is expected to increase in 2012-13, along with the addition of new/refinement of existing mitigation services.

At your request, I am submitting the following document further detailing the foundation of the IERCD mitigation and conservation easement program, including current and pending projects, management methods, basis for development of fees for performance of services, and future organizational goals. Please note that the program is consistently being improved upon by IERCD board and staff for the benefit of managed habitats and dependent environs as well as to ensure efficient use of public resources.

Thank you for your time and please contact me with any questions you may have.

Mandy Parkes, District Manager
mparkes@iercd.org
909-799-7407 x106

IERCD MITIGATION PROGRAM

The Inland Empire Resource Conservation District (IERCD) is a public agency headquartered in the City of Redlands and providing open space preservation, habitat rehabilitation, and education and outreach services to residents within its 825,000-A service area. Through its establishment under Division IX of the Public Resources Code, the District is qualified to hold conservation easements and to operate an ongoing mitigation program consisting of provision of conservation, enhancement, and restoration opportunities to area project proponents. Tasks associated with mitigation work include removal of invasive vegetation, revegetation with native plants, refuse removal, adjacent landowner outreach and education, annual reporting and map creation, and prevention of vandalism and illegal trespass.

The protocols for conduction of these aforementioned services are outlined in the IERCD's Mitigation Program Document, authored and adopted by the IERCD board of directors in 2008. Based on that document, the board and staff of the Inland Empire Resource Conservation District maintain existing management sites and also actively seek out new sites for project placement and long-term maintenance. Properties that the District currently manages sit atop a range of parcel types and ownership, including the United States Forest Service, the Department of Water Resources, and the County of San Bernardino, in addition to private entities. Agencies providing biological and administrative partnering support to the IERCD on mitigation projects include the United States Army Corps of Engineers, the California Department of Fish and Game, and the Santa Ana Watershed Association.

The District eagerly seeks out the ability to manage any mitigation and/or conservation easement project opportunity as long as it meets the following criteria:

- Located within the IERCD service area
- Existing funding is consistent with required annual tasks, or those tasks are up for negotiation with permitting agencies

Once under the control of the IERCD, all tasks required of the various District mitigations are adhered to, in order to ensure long-term restoration, enhancement, and conservation goal successes. The IERCD mission is based on the principle that the quality of the environment directly impacts the quality of individual lives; accordingly, District board and staff work to improve natural habitats and dependent species for the benefit of all IERCD residents. The provision of sustainable, successful mitigation opportunities is a key element of that work, and is critical to ensure the continued biological and economic health and recovery of the region.

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CURRENT PROJECT MANAGEMENT

The District manages multiple properties throughout its 825,000-A service area, ranging from baseline habitat conservation to active restoration. Some of the District's larger mitigation responsibilities include:

Project Name	Location	Size
CalNev Pipeline	Cajon Pass	500-A
Centex-Sycamore Heights	Chino Hills	25-A
Devil's Canyon	San Bernardino	300-A
Reach 3B (San Timoteo Canyon)	Redlands/Unincorporated Riverside County	1,200-A

CalNev Pipeline

The CalNev Pipeline Mitigation Project – Cajon Creek, San Bernardino County, California, was conceptualized and is being carried out as a result of impacts from three separate pipeline repair projects in the region. The temporary and permanent fill resulting from this pipeline work entered multiple ephemeral drainages in the Cajon Creek region of the San Bernardino National Forest, and ultimately required these impacts to be mitigated through enhancement of degraded area wildlands. The mitigation assigned involved the enhancement/non-native plant control over riparian habitat in the Cajon Pass region of San Bernardino County, and was placed by the IERCD over a 500-A of United States Forest Service in-perpetuity preserved public land.

Species targeted for removal include giant cane (*Arundo donax*), tamarisk (*Tamarix spp.*), pampas grass (*Cortaderia selloana*), and tree tobacco (*Nicotiana glauca*), with eradication work beginning in 2010 and slated to continue until 2016. Project partners include the Santa Ana Watershed Association, the United States Forest Service, and the Urban Conservation Corps.

Centex-Sycamore Heights

This project was a result of the construction of Tract 14551, which caused impacts to upland vegetation including clearing a total of 151.12-A of vegetation. It also resulted in permanent fill to five ephemeral drainages to Chino Creek, a major tributary to the main channel of the Santa Ana River Watershed, the Santa Ana River. A total of .44-A of permanent impacts to waters of the United States were committed, consisting of 38-A of permanent wetland and .06-A of permanent riparian/streambed.

The project proponent was required to perform multiple mitigation measures, including preservation of 25-A of open space between Tract 14551 and Chino Hills State Park, within which is contained .08-A of waters of the US (drainage E) and 11.3-A of native habitat including 5.5-A of coastal sage scrub and 5.8-A of mixed elderberry woodland. A conservation easement was recorded in favor of the IERCD on January 11th, 2006; since then, the District has maintained and monitored the property and will do so in-perpetuity in conjunction with the terms of the easement.

Additional mitigation measures include creation of 4.8-A of habitat within the Tract which is still in its development phase; ultimately, the IERCD will maintain and monitor that acreage as well, through the creation and recordation of a conservation easement in favor of the District.

Devil's Canyon
This project stemmed from improvements performed over the Rialto Channel in the City of Rialto and the San Sevaine Channel, extending through the communities of Fontana and Jurupa Valley by the San Bernardino County Department of Public Works. In exchange for the combined 10.05-A of impacts, the California Regional Water Quality Control Board/Santa Ana Region and the United States Army Corps of Engineers required the enhancement of 12.25-A of habitat/non-native plant control of invasive species with a focus on giant cane (*Arundo donax*).

The IERCD worked with the Santa Ana Watershed Association to place the 12.25-A of enhancement work over the Devil's Canyon region of San Bernardino County, a 300-A site ideal for invasive vegetation removal due to its position in the upper Santa Ana River watershed. Initial removal of targeted invasives was completed in 2010, with follow-up maintenance and monitoring scheduled to continue through 2027, including removal beyond original permitting requirements.

Reach 3B/San Timoteo Creek Subwatershed
This project is the result of flood control improvements performed over Reach 3B of San Timoteo Creek, based on a project planned and constructed by the U.S. Army Corps of Engineers (USACE) with the San Bernardino County Flood Control District (SBCFCD) as the local sponsor, with the future facilities to be operated and maintained by the SBCFCD. The project area begins at the terminus of Reach 3A, extending upstream 4,000 feet northeast of the San Timoteo Canyon Road crossing. The total length of the work was 14,300 feet and was projected to impact 39.1 A of riparian vegetation, of which 22.9 A were unvegetated and 16.2 A were classified as wetland habitat.

In exchange for their impacts, the USACE was required by the U.S. Fish and Wildlife Service (USFWS), to provide for the restoration of 34.56 acres of riparian habitat within the San Timoteo Creek watershed. In 2004, the USACE contracted with SAWA to accept funding to perform the mitigation responsibilities, with the IERCD conducting all project coordination. Work completed annually in the San Timoteo Creek project area includes sensitive species monitoring, invasive vegetation and wildlife tracking and removal, installation of native vegetation, and maintenance/monitoring of all project areas. To date, the IERCD has coordinated the removal and on-going maintenance of 295 acres of former active removal areas 65.88 acres of new removal performed in the most recent reporting period.

PROJECT VALUATION

As a taxpayer-funded agency, the IERCD begins any new project by requesting a deposit from the project proponent to cover tasks required for mitigation agreement or conservation easement execution and recordation. The deposit requested is used exclusively in performance of work associated with the specific project, and any unused portion is refunded to the proponent, either upon completion of the project or at any time that either party chooses to stop work on the project.

After receiving the deposit, District staffers begin work on development of mitigation costs. The process of project valuation is one that the IERCD is consistently working to improve in order to ensure continued provision of mitigation opportunities that are both non cost-prohibitive and capable of being sustained in-perpetuity. For each new project opportunity, the IERCD district manager (DM) first reviews the list of tasks required in project permits for that specific site. Following that review, a matrix is created that allows the DM to calculate average annual cost of task execution over a 20-year period, adjusted for the anticipated long-term rate of return on District investments. Any fixed costs for non-long term purchases are added separately into the project cost.

Due to the highly variable nature of IERCD projects, the District does not give out fixed cost/acre estimates to project proponents. Costs for IERCD work range from $5,000/acre for projects with limited task lists to significantly higher for complicated undertakings involving irrigation design, installation, and water transport, large-scale plant installation and remote, difficult to access/easily vandalized sites. The IERCD mtitigation committee reviews District staff estimates for individual projects, and each mitigation accepted by the IERCD is first reviewed for scope and valuation by the full District board.

REPORTING

The District prepares annual reporting documents for each current project, formatted according to requirements outlined in original project permits and/or documents governing project protocols such as conservation easements or memorandums of understanding (MOUs). Reports are submitted annually to project proponents as well as regulatory agencies involved in the process of permitting the original projects. Typical sections include

- Project Description and Statement of Impacts
- Project Summary and Partners
- Methodology for Quantification of Restoration/Enhancement
- Invasive Vegetation Removal Events
- Funds Management
- Conclusion
- Planned Work for Following Calendar Year

Accurate reporting is required for adherence to permit and/or project agreement documents, and is critical for continued site success. Annual report creation ensures performance of yearly tasks required for long-term site success and allows for regular review of site management methods by project proponents and regulatory agencies charged with the protection of sensitive and/or threatened habitats and dependent environs.

General annual mitigation reports covering pending and in-process mitigation projects as well as the report for the management of the San Timoteo Creek subwatershed are available on the District's website, in the Mitigation Publications section of the "About Us" tab. Comprehensive individual mitigation and conservation easement project reports are available through direct request, either by telephone or using the IERCD website "Contact Us" form.

PROJECT PARTNERS/RESOURCES

One of the key components to operation of a successful mitigation and conservation easement program has been the careful cultivation of a variety of partners from federal, state, and local governmental entities as well as non-profit groups. The development of these relationships ensures a consistent supply of a variety of support for District projects and also allows for the mutually beneficial assignment of mitigation projects to existing protected lands. This latter element helps the District consolidate smaller mitigation projects for more efficient management and assists conservation entities in lands management on non-funded or under-funded properties. Critical IERCD partner agencies include:

- *The United States Army Corps of Engineers (USACE):* the federal agency charged with oversight of Waters of the United States. The IERCD partners with the USACE on their largest mitigation responsibility, which is the conservation, enhancement, and active restoration of the 1,200-A San Timoteo Creek Subwatershed region. The District also works with the USACE regularly on habitat management projects and submits comprehensive annual reports on all USACE-permitted projects managed by the IERCD.

- *The California Department of Fish and Game (CDFG):* the regulatory agency charged with the protection of the fish, wildlife, and vegetation and associated habitats of the State of California. The IERCD regularly collaborates with CDFG on mitigation project conceptualization and coordination and submits annual reports on all CDFG-permitted projects. District staffers routinely provide CDFG environmental scientists with site-specific biological data used in reporting and permitting and occasionally assist in CDFG-directed invasive species eradication projects.

- *The Santa Ana Watershed Association (SAWA):* a non-profit entity employing a variety of biological, technical, and administrative staff, tasked with the management of the entire 2,800 square mile Santa Ana River Watershed. The IERCD is a founding member and current member agency of SAWA, and uses the Association's skilled staffers in multiple District projects. The IERCD is also in charge of multiple restoration and enhancement projects on behalf of SAWA, including the management of the San Timoteo Creek Subwatershed and the CalNev Pipeline Project in the Cajon Pass.

- *The Regional Conservation Authority of Western Riverside County (RCA):* the County of Riverside entity charged with implementation of the Multi-Species Habitat Conservation Plan covering almost 500,000-A of habitat. The District taps RCA staff for assistance with site surveying and mitigation project placement assistance, and is currently working to begin the active revegetation of over 15-A of the Authority's riparian Oak Valley property in San Timoteo Canyon.

- *The Riverside Land Conservancy (RLC):* One of several conservation non-profits the District works with, the RLC holds properties in multiple counties throughout southern California. The IERCD is working with the RLC to place multiple small mitigation projects alongside one another to maximize efficiency, within the riparian Cienega property the Conservancy owns in San Timoteo Canyon.

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April 21st, 2012

Ms. Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission
215 North "D" Street
San Bernardino, CA 92415

RE: LAFCO 3157 – Initiation of Sphere of Influence Establishment for County Service Area 120 (North Etiwanda Preserve Area)

Dear Ms. Rollings-McDonald,

I am writing today in response to LAFCO application 3157, submitted by the County of San Bernardino Special Districts Department regarding the initiation of a sphere of influence establishment for County Service Area 120. The current CSA 120 boundary is 9,557 acres, comprised of areas 1A and 1B. The addition of a sphere would add 34,994 acres, comprised of areas 2, 3, and 4, bringing total size of the service area to 44,551 acres. The entirety of this acreage is located within the service area boundary of the Inland Empire Resource Conservation District.

The Inland Empire Resource Conservation District began in 1941 as multiple soil conservation districts which were then transitioned into two large resource conservation districts, Inland Empire West and East Valley RCDs before ultimately consolidating into the IERCD in 2005. For over seven decades, the IERCD and/or earlier iterations of the IERCD have provided habitat support services in a variety of capacities, including open space preservation, habitat rehabilitation and provision of educational and technical support to area residents including developers, agricultural producers, and land managers. The IERCD has been able to consistently provide these services on an annual basis due to its careful management of public and private project funding, its reliance on in-house and partner agency technical and biological expertise, and its extensive experience in the actual costs of in-perpetuity mitigation-related land maintenance and management.

Currently, the IERCD manages five conservation easements and fourteen mitigation projects with eleven additional projects in various stages of negotiation. Each of the IERCD's mitigation and conservation easement projects requires monitoring to be performed in accordance with the terms of individual project permits, ranging from simple existing habitat management to removal of invasive vegetation to active habitat restoration followed by in-perpetuity site maintenance and monitoring. The largest IERCD mitigation project covers the entirety of the San Timoteo Creek watershed, which focuses on management of the 14 mile long central riparian corridor; however, the habitat preservation, restoration, and species monitoring activities assigned in conjunction with the mitigation occur throughout the entire 150-square mile watershed region.

I have reviewed the documentation associated with this application, and am submitting the following bulleted comments on behalf of the Inland Empire Resource Conservation District.

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- On page 5 of the "Mandatory Five Year Sphere of Influence Update" document included in the filing, it is stated that "CSA 120 is the only established government entity with management of open space and habitat conservation as its primary purpose."
    - **IERCD Comments:**
        - The Inland Empire Resource Conservation District is a local governmental agency working to improve environmental quality through the preservation of open space, rehabilitation of degraded lands, and provision of education and outreach to area residents. The IERCD absolutely focuses its biological, administrative, and project management efforts primarily within the areas of mitigation-related open space management and restoration of marginalized wildlands within its service area boundaries.
        - The IERCD has been the established governmental entity qualified to perform habitat restoration and open space management since 1941, in the area targeted for CSA 120 sphere establishment.
        - The establishment of the sphere of CSA 120 will effectively create a second governmental entity specifically providing conservation easement and mitigation services to project proponents within the target area. This will duplicate the work already being provided by the IERCD, which will result in less efficient provision of governmental services to the residents of San Bernardino County.

- There are multiple references throughout the application that reference the benefit in establishment/extension of a larger CSA boundary to allow for the conservation areas with highly sensitive and irreplaceable biotic resources identified within the proposed sphere establishment.
    - **IERCD Comments:**
        - The Inland Empire Resource Conservation District operates within a service area that includes the entirety of the area to which CSA 120 is proposing to expand. The IERCD has historically provided the habitat conservation restoration and management services to a variety of project proponents that CSA 120 is now proposing to provide.
        - The IERCD consistently utilizes in-house and partner agency expertise to ensure the proper management of lands and associated resources within its service area. The IERCD has a long-established history with a variety of agencies tasked with open space protection and management; these include but are not limited to the California Department of Fish and Game, the United States Army Corps of Engineers, the State Water Resources Control Board, multiple forms of local government including cities and special districts, and several local non-profit biologically-based conservation organizations including the Santa Ana Watershed Association.
        - The IERCD also has a long history working with private developers to assist in mitigation facilitation.

- On page 7 of the "Justification for Proposal and Preliminary Environmental Description Form" it is stated that "Conservation easements will be placed over all mitigation properties deeded to [CSA 120]."

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- **IERCD Comments:**
  - The Inland Empire Resource Conservation District is qualified to hold conservation easements as a result of specific authorities granted under Division 9 of the California Public Resources Code, Division 9.
  - The IERCD would like CSA 120 to address its ability to hold conservation easements.

- On pages 3 and 4 of the "Supplement Sphere of Influence Change," it is stated that CSA 120 and IERCD are partner agencies whose respective missions and work are complementary, but also stated that management continuity of mitigation properties is critical because "having multiple management entities oversee conservation properties in the area fragments and lessens the value of wildlife corridors and habitat conservation."
  - **IERCD Comments:**
    - The IERCD sees these two statements as somewhat contradictory and would like CSA 120 to clarify their vision of the respective roles of the two agencies, including:
      - The rationale behind CSA 120 naming them in the filing as a partner agency with whom a stronger future partnership in conservation is expected.
      - The somewhat contradictory statement made later in the same document section stating that multi-agency management of different properties would negatively impact the sensitive habitats identified within the proposed expansion of the sphere.
    - The IERCD works with multiple management entities on other projects crossing service area boundary lines and has not found multi-entity management to negatively impact the areas targeted for conservation.

Thank you so much for your time in reviewing and for the opportunity to comment on this filing.

Sincerely,

Mandy Parkes, District Manager
The Inland Empire Resource Conservation District
(909) 799-7407 x106
mparkes@iercd.org

Senate Bill No. 436

CHAPTER 590

An act to amend Section 65965 of, to add Sections 65966 and 65967 to, and to add and repeal Section 65968 of, the Government Code, relating to land use.

[Approved by Governor October 8, 2011. Filed with Secretary of State October 8, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 436, Kehoe. Land use: mitigation lands: nonprofit organizations.

The Planning and Zoning Law authorizes a state or local public agency, if the agency requires a property owner to transfer to the agency an interest in real property to mitigate an adverse impact upon natural resources caused by permitting the development of a project or facility, to authorize a nonprofit organization to hold title to and manage that interest in real property, provided that the nonprofit organization meets specified requirements.

This bill would revise these provisions and would additionally authorize a state or local public agency to authorize a nonprofit organization, a special district, a for-profit entity, a person, or another entity to hold title to and manage an interest in property held for mitigation purposes, subject to certain requirements. This bill would also provide that if a state or local agency, in the development of its own project, is required to protect property to mitigate an adverse impact upon natural resources, the agency is authorized to take any action that it deems necessary to meet its mitigation obligations, including, but not limited to, providing funds to a nonprofit organization to acquire land or easements that satisfy the agency's mitigation obligations, including funds that have been set aside for the long-term management of any lands or easements conveyed to a nonprofit organization, as specified. This bill would, until January 1, 2022, require a special district or nonprofit organization that holds funds on behalf of a local agency, for the long-term management of land, to comply with certain requirements. The bill would also state the findings and declarations of the Legislature with respect to the preservation of natural resources through mitigation, and would state that it is in the best interest of the public to allow state and local public agencies and nonprofit organizations to utilize the tools and strategies they need for improving the effectiveness, cost efficiency, and durability of mitigation for California's natural resources.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) State and local laws protect a variety of natural resources, and also require permits to be issued for the development of certain projects or facilities.

(b) In furtherance of these laws, state or local public agencies may require a project proponent to transfer an interest in real property to mitigate any adverse impact upon natural resources caused by permitting the development of a project or facility.

(c) It is a widespread practice that funds are set aside for the long-term stewardship of the property protected for mitigation purposes by the project proponent at the time the property is protected.

(d) Lands and real property interests that are protected to achieve the mitigation may be held by public agencies, special districts, nonprofit organizations, or other entities, including for-profit entities.

(e) Many state and local agencies work with special districts, nonprofit organizations, and property owners in valuable and cost-effective public-private partnerships to identify properties that meet the mitigation requirements and to hold and provide long-term stewardship of the real property interests.

(f) There are tools and strategies available for improving the effectiveness, cost efficiency, and durability of mitigation for California's natural resources.

(g) It is in the best interest of the public to allow public agencies, special districts, nonprofit organizations, and property owners to utilize the tools and strategies they need for improving the effectiveness, cost efficiency, and durability of mitigation for California's natural resources.

(h) It is important that entities that are qualified as to experience, capacity, and knowledge hold and manage property for mitigation purposes and any accompanying funds.

(i) There are numerous benefits, including decreased financial risk, creation of efficiencies, and maintaining partnerships, for the real property and accompanying long-term funding to be held and managed by the same entity.

(j) The state recognizes that it is widespread practice for the holder of a mitigation property or a conservation easement to also hold and manage the long-term funding dedicated to the property.

(k) The state seeks strategies that allow and provide for this practice to continue while providing appropriate standards and public oversight to ensure that the funds endure for the long-term stewardship of the protected property and its associated natural resources.

(*l*) California has numerous laws and regulations that provide strong protections for the funds that are held, managed, invested, and disbursed for the long-term stewardship of mitigation properties. There are also detailed national standards in generally accepted accounting practices for both nonprofit organizations and public agencies. These protections include, but are not limited to, at the state level the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code), the Nonprofit Public Benefit Corporation Law (Part 2 (commencing

with Section 5110) of Division 2 of Title 1 of the Corporations Code), and the Uniform Prudent Management of Institutional Funds Act (Part 7 (commencing with Section 18501) of Division 9 of the Probate Code); and at the national level the accounting standards promulgated by the Financial Accounting Standards Board, the federal Bankruptcy Code (Title 11 of the United States Code), and provisions governing federal tax-exempt status.

(m) The Attorney General is fully authorized to enforce the provisions of the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code) and the Nonprofit Public Benefit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code) that identifies the nonprofit governing body's obligations to protect the assets and mission of the nonprofit, and the provision that the governing body can be jointly and severally liable for any failure to do so. In addition, the Attorney General has enforcement rights and obligations regarding noncompliance, mismanagement, or misuse of endowment funds, including the recovery of any endowment funds. The Attorney General is also a necessary party to proceedings affecting the disposition of assets of a charitable trust.

(n) The Uniform Prudent Management of Institutional Funds Act (Part 7 (commencing with Section 18501) of Division 9 of the Probate Code) provides strong direction and requirements for the holding, managing, investing, and disbursing of endowment funds held by nonprofits and public agencies, as defined. The act recognizes the distinction between permanently restricted funds and temporarily restricted funds and imposes requirements for each. Both types of funds are relevant to the management of funds for the long-term stewardship of land.

(o) The goal of managing funds held for the long-term stewardship of land is to achieve intergenerational equity as embodied in the Uniform Prudent Management of Institutional Funds Act and extensively cited in the financial literature. Considerable guidance is provided in the act and in the implementing accounting standards about achieving this objective.

(p) The state acknowledges that existing laws, regulations, and accounting standards create a strong body of protections for the range of issues that may arise in the long-term management of endowments for protecting mitigation properties. These protections provide sufficient financial security for the funds upon which the state may rely.

(q) Due to the existing protections in law, regulation, and accounting standards, this chapter does not impose any liability or duty to perform upon a state or local agency with regard to reviewing or approving special districts or nonprofit organizations with regard to holding endowments.

SEC. 2. Section 65965 of the Government Code is amended to read:

65965. For the purposes of this chapter, the following definitions apply:

(a) "Accompanying funds" means the funds that may be conveyed solely for the long-term stewardship of a property. Also known as "endowments," these funds are held and managed consistent with subdivision (b) of Section 65966 and with the Uniform Prudent Management of Institutional Funds

Act (Part 7 (commencing with Section 18501) of Division 9 of the Probate Code). Accompanying funds do not include funds conveyed for meeting short-term performance objectives of a project.

(b) "Conservation easement" means a conservation easement created pursuant to Chapter 4 (commencing with Section 815) of Title 2 of Part 2 of Division 2 of the Civil Code.

(c) "Department" means the Department of Fish and Game.

(d) "Direct protection" means the permanent protection, conservation, and preservation of lands, waters, or natural resources, including, but not limited to, agricultural lands, wildlife habitat, wetlands, endangered species habitat, open-space areas, or outdoor recreational areas.

(e) "Mitigation agreement" means a written agreement between a public agency, the project proponent, and the special district, nonprofit organization, for-profit entity, or other entity that holds the property. A mitigation agreement governs the long-term stewardship of a property and accompanying funds, and shall specify any reporting requirements or elements, including due dates of reports.

(f) "Project proponent" means an individual, business entity, agency, or other entity that is developing a project or facility and is required to mitigate any adverse impact upon natural resources.

(g) "Property" means fee title land or any partial interest in real property, including a conservation easement, that may be conveyed pursuant to a mitigation requirement by a state or local agency.

(h) "Special district" means any special district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 or Division 26 (commencing with Section 35100) of the Public Resources Code, or any resource conservation district organized pursuant to Division 9 (commencing with Section 9001) of the Public Resources Code.

(i) "Stewardship" encompasses the range of activities involved in controlling, monitoring, and managing for conservation purposes a property, or a conservation or open-space easement, as defined by the terms of the easement, and its attendant resources.

SEC. 3. Section 65966 is added to the Government Code, to read:

65966. (a) Any conservation easement created as a component of satisfying a local or state mitigation requirement shall be perpetual in duration, whether created pursuant to Section 51075 of this code or Section 815 of the Civil Code.

(b) Any local or state agency that requires property to be protected pursuant to subdivision (a) or (b) of Section 65967 may identify how the funding needs of the long-term stewardship of the property will be met. If accompanying funds are conveyed at the time the property is protected, all of the following shall apply:

(1) The accompanying funds shall be held, managed, invested, and disbursed solely for the long-term stewardship of the specific property for which the funds were set aside.

(2) The accompanying funds shall be calculated to include a principal amount that, when managed and invested, will produce revenues that are

reasonably sufficient to cover the annual stewardship costs of the property in perpetuity.

(3) The principal amount shall be defined and managed as permanently restricted funds.

(4) Any one-time payment, as defined by subdivision (f), and earnings from the principal shall be managed as temporarily restricted funds.

(5) The accompanying funds shall be held, managed, invested, and disbursed consistent with the Uniform Prudent Management of Institutional Funds Act (Part 7 (commencing with Section 18501) of Division 9 of the Probate Code).

(c) If a local agency holds the accompanying funds, the local agency shall do all of the following:

(1) Hold, manage, and invest the accompanying funds consistent with subdivision (b) to the extent allowed by law.

(2) Disburse funds on a timely basis to meet the stewardship expenses of the entity holding the property.

(3) Utilize accounting standards consistent with standards promulgated by the Governmental Accounting Standards Board.

(d) A special district or a nonprofit organization that holds funds pursuant to this chapter, including, but not limited to, accompanying funds, moneys to acquire land or easements, or moneys for initial stewardship costs, shall provide the local or state agency with an annual fiscal report that contains at least the same information as required by Internal Revenue Service Form 990 regarding the funds.

(e) If a state or local agency authorizes a special district or nonprofit organization to hold property pursuant to subdivision (a) or (b) of Section 65967, the agency may require an administrative endowment from the project proponent, as a one-time payment for reasonable costs associated with reviewing qualifications, approving holders, and regular oversight of compliance and performance. The administrative endowment shall be held, managed, and invested to produce an annual revenue sufficient to cover the costs of reviewing qualifications, approving holders, and ongoing oversight.

(f) A local agency may require a project proponent to provide a one-time payment that will provide for the initial stewardship costs for up to three years while the endowment begins to accumulate investment earnings. The funds for the initial stewardship costs are distinct from the funds that may be conveyed for long-term stewardship, construction, or other costs. If there are funds remaining at the completion of the initial stewardship period, the funds shall be conveyed to the project proponent.

(g) The local agency may contract with or designate a qualified third party to do any of the following:

(1) Review the qualifications of a special district or nonprofit organization to effectively manage and steward natural land or resources pursuant to subdivisions (c) and (d) of Section 65967.

(2) Review the qualifications of a nonprofit to hold and manage the accompanying funds that are set aside for long-term stewardship of the property.

(3) Review reports or other performance indicators to evaluate the stewardship of lands, natural resources, or funds, and compliance with the mitigation agreement.

(h) If a property conserved pursuant to subdivision (a) or (b) of Section 65967 is condemned, the net proceeds from the condemnation of the real property interest set aside for mitigation purposes shall be used for the purchase of property that replaces the natural resource characteristics the original mitigation was intended to protect, or as near as reasonably feasible. Any accompanying funds held for the condemned property shall be held for the long-term stewardship of the replacement property.

(i) Unless prohibited by law, no provision in this chapter is intended to prohibit for-profit entities from holding, acquiring, or providing property for mitigation purposes.

(j) Nothing in this section shall prohibit a state agency from exercising any powers described in subdivisions (c), (e), (f), or (g).

SEC. 4. Section 65967 is added to the Government Code, to read:

65967. (a) If a state or local agency requires a project proponent to transfer property to mitigate any adverse impact upon natural resources caused by permitting the development of a project or facility, the agency may authorize a special district, a nonprofit organization, a for-profit entity, a person, or another entity to hold title to and manage that property.

(b) If a state or local agency, in the development of its own project, is required to protect property to mitigate an adverse impact upon natural resources, the agency may take any action that the agency deems necessary in order to meet its mitigation obligations, including, but not limited to, the following:

(1) Transfer the interest to a special district or to a nonprofit organization that meets the requirements set forth in subdivision (c).

(2) Provide funds to a nonprofit organization, a special district, a for-profit entity, a person, or other entity to acquire land or easements that satisfy the agency's mitigation obligations.

(c) If a state or local agency authorizes a nonprofit organization to hold title to and manage the property, that nonprofit organization shall meet all of the following requirements:

(1) The nonprofit organization shall be exempt from taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code.

(2) The nonprofit organization shall be qualified to do business in this state.

(3) The nonprofit organization shall be a "qualified organization" as defined in Section 170(h)(3) of the Internal Revenue Code.

(4) The nonprofit organization shall have as its principal purpose and activity the direct protection or stewardship of land, water, or natural resources, including, but not limited to, agricultural lands, wildlife habitat, wetlands, endangered species habitat, open-space areas, and outdoor recreational areas.

(d) A state or local agency shall exercise due diligence in reviewing the qualifications of a special district or nonprofit organization to effectively

manage and steward land, water, or natural resources, as well as the accompanying funds. The local agency may adopt guidelines to assist it in that review process, which may include, but are not limited to, the use of or reliance upon guidelines, standards, or accreditation established by a qualified entity that are in widespread state or national use.

(e) The state or local agency may require the special district or nonprofit organization to submit a report not more than once every 12 months and for the number of years specified in the mitigation agreement that details the stewardship and condition of the property and any other requirements pursuant to the mitigation agreement for the property.

(f) The recorded instrument that places the fee title or partial interest in real property with a special district, nonprofit organization, or for-profit entity, pursuant to subdivision (a) or (b) shall include a provision that if the state or local agency or its successor agency reasonably determines that the property conveyed to meet the mitigation requirement is not being held, monitored, or stewarded for conservation purposes in the manner specified in that instrument or in the mitigation agreement, the property shall revert to the state or local agency, or to another public agency, special district, or nonprofit organization pursuant to subdivisions (c) and (d) and subject to approval by the state or local agency. If a state or local agency determines that a property must revert, it shall work with the parties to the mitigation agreement, or other affected entities, to ensure that any contracts, permits, funding, or other obligations and responsibilities are met.

SEC. 5. Section 65968 is added to the Government Code, to read:

65968. (a) Notwithstanding Section 13014 of the Fish and Game Code, if accompanying funds are conveyed pursuant to Section 65966 for property conveyed pursuant to Section 65967, the accompanying funds may be held by the same special district or nonprofit organization that holds the property pursuant to this section.

(b) Except as permitted below, the accompanying funds shall be held by the agency that requires the mitigation or by the special district or nonprofit organization that holds the property. The exceptions to this requirement are the following:

(1) Accompanying funds that are held by an entity other than the state or holder of the mitigation property as of January 1, 2012.

(2) Accompanying funds that are held by another entity pursuant to the terms of a natural community conservation plan (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code) or a safe harbor agreement (Article 3.7 (commencing with Section 2089.2) of Chapter 1.5 of Division 3 of the Fish and Game Code) that is executed on or before January 1, 2012.

(3) Where existing law prohibits the holder of the mitigation property to hold the endowment, including for-profit entities.

(c) The special district or nonprofit organization shall hold, manage, invest, and disburse the funds in furtherance of the long-term stewardship of the property for which the funds were set aside.

(d) The holder of accompanying funds shall meet all of the following requirements:

(1) The holder has the capacity to effectively manage the mitigation funds.

(2) The holder has the capacity to achieve reasonable rates of return on the investment of those funds similar to those of other prudent investors.

(3) The holder utilizes generally accepted accounting practices as promulgated by either of the following:

(A) The Financial Accounting Standards Board for nonprofit organizations.

(B) The Governmental Accounting Standards Board for public agencies, to the extent those practices do not conflict with any requirement for special districts in Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.

(4) The holder will be able to ensure that funds are accounted for, and tied to, a specific property.

(5) If the holder is a nonprofit organization, it has an investment policy that is consistent with the Uniform Prudent Management of Institutional Funds Act (Part 7 (commencing with Section 18501) of Division 9 of the Probate Code).

(e) Except for a mitigation agreement prepared by a state agency, the mitigation agreement that authorizes the funds to be conveyed to a special district or nonprofit organization pursuant to subdivision (a) shall include a provision that requires the accompanying funds held by a special district or a nonprofit organization to revert to the local agency, or to a successor organization identified by the agency and subject to subdivision (d), if any of the following occurs:

(1) The special district or nonprofit organization ceases to exist.

(2) The special district or nonprofit organization is dissolved.

(3) The special district or nonprofit organization becomes bankrupt or insolvent.

(4) The local agency reasonably determines that the accompanying funds held by the special district or nonprofit organization, or its successor entity, are not being held, managed, invested, or disbursed for conservation purposes and consistent with the mitigation agreement and legal requirements. Any reverted funds shall continue to be held, managed, and disbursed only for long-term stewardship and benefit of the specific property for which they were set aside. If the funds revert from the special district or nonprofit organization, the special district or nonprofit organization may choose to relinquish the property. If the property is relinquished, the local agency shall accept title to the property or identify an approved special district or nonprofit organization to accept title to the property.

(f) Nothing in this section shall prohibit a state or local agency from determining that a special district or nonprofit organization meets the requirements of this section and is qualified to hold the accompanying funds, or including a provision in the mitigation agreement as described in subdivision (e).

(g) Subject to subdivision (e), any accompanying funds that are conveyed to and held by a special district or nonprofit organization pursuant to this section shall continue to be held by the entity if this section is repealed and those funds are conveyed prior to the date this section is repealed.

(h) This section shall remain in effect only until January 1, 2022, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2022, deletes or extends that date.

O

RANCHO CUCAMONGA

Mayor L. DENNIS MICHAEL • *Mayor ProTem* SAM SPAGNOLO
Council Members WILLIAM J. ALEXANDER, CHUCK BUQUET, DIANE WILLIAMS
City Manager JOHN R. GILLISON

THE CITY OF RANCHO CUCAMONGA

September 4, 2012

RECEIVED
SEP 12 2012
LAFCO
San Bernardino County

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission
215 North D Street, Suite 204
San Bernardino, CA 92415

SUBJECT: Proposed Change of Jurisdictional Boundaries LAFCO Application 3157 Sphere of Influence for County Service Area 120 (North Etiwanda Preserve)

Dear Ms. Rollings-McDonald:

Thank you for the opportunity to comment on the above referenced application for the CSA 120 boundary change within the City of Rancho Cucamonga and within the Sphere of Influence. At the August 15, 2012 City Council meeting the City Council directed staff to forward a letter to the Local Agency Formation Commission (LAFCO) opposing LAFCO application 3157 for the proposed change of jurisdictional boundary for the CSA 120 and to support a coterminous boundary for the sphere of influence.

Staff forwarded comments to LAFCO on April 23, 2012 in response to the Change of Jurisdictional Boundaries notice of filing. The letter expressed concerns with the future management of the North Etiwanda Preserve (NEP), the CSA 120 budget, and that a new board and management plan should be developed for mitigation land accepted by the County Service Area that was not contiguous to the NEP area. Since the date of this letter, the City has further considered their position, and supports LAFCO's position of a coterminous sphere of influence.

Staff attended the Design Review meeting on May 3, 2012, and the special meeting of the NEP District Board Meeting on August 6, 2012. Upon review of the proposed change of jurisdictional boundaries and the information received during the two meetings staff presented the information to the City Council for direction. The City Council directed staff to prepare a letter to LAFCO in support of the original position for a coterminous sphere of influence for the CSA 120 and object to the sphere expansion for the following reasons:

- The lack of sufficient mitigation fees collected to manage the NEP and future mitigation land.
- The North Etiwanda Preserve improvements were installed and opened to the public in 2009. Since the dedication there has been a continued degradation of the improvements due to vandalism and a lack of funds.
- The issue with duplication of services by multiple agencies and private entities including IERCD, Vulcan Conservation Bank, and other conservation plans.
- The NEP and Management Plan is not a multi species resource conservation agency with sufficient dedicated staff to manage the sphere expansion.
- There is a potential conflict of interest since Flood Control has mitigation land that would likely be offered to the CSA 120 because of lower mitigation and endowment fees. Additionally,

other developers will tend to have the CSA 120 accept mitigation land over IERCD because of the lower mitigation fees.

- LAFCO application fees were paid by a development interest that are likely to have the CSA 120 accept mitigation land over the IERCD.

If you have any questions, please contact Candyce Burnett, Senior Planner, by phone at (909) 477-2750, ext. 4308, Monday though Thursday from 7:00 a.m. to 6:00 p.m., or e-mail at candyce.burnett@cityofrc.us at your convenience.

Sincerely,

John R. Gillison
City Manager

cc: Janice Rutherford, 2nd District Supervisor, County of San Bernardino

California Natural Resources Agency
DEPARTMENT OF FISH AND GAME
Inland Deserts Region
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CHARLTON H. BONHAM, Director

RECEIVED
APR 23 2012
LAFCO
San Bernardino County

April 23, 2012

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
215 North D Street, Suite 204
San Bernardino, CA 92415-0490

RE: LAFCO 3157 – Initiation of Sphere of Influence Establishment for County Service Area 120 (North Etiwanda Preserve Area)

Dear Ms. Rollings-McDonald:

The California Department of Fish and Game (Department) appreciates this opportunity to comment on the San Bernardino County Local Agency Formation Commission's (LAFCO) Application # 3157, Initiation of Sphere of Influence Establishment for County Service Area 120 (North Etiwanda Preserve Area). The Department is responding as a Trustee Agency for fish and wildlife resources (Fish and Game Code sections 711.7 and 1802 and the California Environmental Quality Act [CEQA] section 15386) and as a Responsible Agency regarding any discretionary actions (CEQA Guidelines section 15381) such as the issuance of a Lake or Streambed Alteration Agreement (LSA) and/or a California Endangered Species Act (CESA) Incidental Take of Permit (ITP) [Fish and Game Code Sections 2080 and 2080.1].

The LAFCO 3157 application proposes an expansion of the sphere of influence for County Services Area (CSA) 120. CSA 120 currently encompasses an area of approximately 9,557 acres, which generally includes the northeastern area of the City of Rancho Cucamonga and a northern portion of the City of Fontana, south of the San Bernardino National Forest. The proposed change of jurisdictional boundaries to CSA 120 will result in an expansion to include an area of approximately 44,551 acres, covering an area of approximately 71 square miles, located along the foothills of the San Gabriel Mountains, south of the Angeles and San Bernardino National Forests, east of the San Bernardino/Los Angeles county lines, north of the 210 freeway, and west of the 215 freeway, including portions of the northerly boundaries of the Cities of Upland, Rancho Cucamonga, Fontana, Rialto, and the northwesterly boundaries of the City of San Bernardino.

CSA 120's current function includes Open Space and Habitat Conservation management services, including the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historically significant properties.

The Department has reviewed the LAFCO 3157 application and has the following comments:

Management and Protection of Mitigation Lands

The Justification for Proposal and Preliminary Environmental Description Form, Environmental Information #4 states:

> *The proposed action would establish a sphere of influence for County Services Area 120 which would allow future expansion of the District to include areas of the Lytle/Cajon Washes where there are biotic resources. The action provides management and administrative coverage to CSA 120 for potential annexation and acceptance of mitigation and habitat conservation properties that would occur as a result of development." "Measures will be taken to protect the areas by implementing sanctioned conservation management practices contained within existing and future cooperative use agreement and wildlife agency approved management plans." "Area specific management strategies may be developed and used in response to area specific needs."*

CESA

Lytle Creek and Cajon Wash, and other areas within the proposed CSA 120 expansion area contain multiple sensitive habitats, including Significant Natural Areas, and sensitive species, including those listed as threatened, endangered, and/or candidate by the CESA. Conveyance of fee title of mitigation lands or conservation easements associated with an Incidental Take Permit, or Lake or Streambed Alteration Agreement to CSA 120, or any other entity, require pre-approval by the Department. Department policy requires that any mitigation lands associated with a CESA permit must be occupied by the covered species and permanently protected either through fee title dedication of land, recordation of a Department-approved conservation easement held by the Department, or the recordation of a conservation easement held by a Department-approved entity with the Department named as a third party beneficiary. To meet the CESA adequate funding and full mitigation standards, the Department requires these acquired lands to be managed over time to maintain and improve habitat quality to ensure persistence of the target species.

California Government Code Section 65965 requires the Department to perform a due diligence review of any non-profit organizations or other government entities who are interested in holding conservation easements and/or mitigation funds for mitigation lands. In addition to establishing a conservation easement, a mitigation land holder is required to provide a management plan; perform a Property Analysis Record (PAR) or PAR-like analysis to determine annual funding needed for enhancement, management and monitoring; establish an endowment for long-term management; and if needed, provide funding for initial protection and enhancement of the property.

LSA

Similarly, mitigation lands associated with impacts to Department jurisdictional areas under the LSA Program also require that the land is permanently protected either through fee title dedication or recordation of a conservation easement held by a Department-approved entity.

The Department requires that LSA mitigation sites be protected and managed in perpetuity. Protection includes, but is not limited to, installation of appropriate fencing and signage around the perimeter, and except for uses appropriate to a habitat conservation area, as approved by the Department, the public shall not have access to the mitigation site. Long-term management shall include, at a minimum: removal of nonnative plant species, trash, and debris; erosion control; irrigation of specimen trees, where necessary; repair and maintenance of fencing and signage; biological surveys; invasive control (plant and animal); adaptive management; and monitoring and reporting. Management may also include remedial actions for catastrophic events, such as fire, flood, and earthquakes.

Based on supporting documentation submitted with LAFCO 3157, including Exhibit I (Recently Adopted Budgets), Exhibit IV (District Fee Schedule), and Exhibit VI (North Etiwanda Preserve Management Plan), the Department is concerned that CSA 120 is not sufficiently funded to protect and manage, in perpetuity, mitigation lands required through CESA and the LSA Program. The current budget does not identify funding for staff, assessment and monitoring of species and associated vegetation, or restoration of degraded areas.

Overlapping Spheres of Influence

The Department would need clarification on how the overlapping boundaries of CSA 120's proposed sphere and annexation area, and the existing jurisdictional boundary of the Inland Empire Resource Conservation District (IERCD), will function for mitigation purposes. The IERCD currently addresses the functions CSA 120 proposes to include, such as the management and preservation of sensitive resources and lands. The IERCD currently holds conservation easements over mitigation lands and conducts habitat enhancement, restoration, and management activities within their jurisdictional boundary. CSA 120's expansion would create redundant functions for the overlapping areas.

Based on the District's Fee Schedule (Exhibit IV), CSA 120 currently charges a non-wasting endowment fee of $2,500/acre that includes environmental management, perpetual monitoring, and site preservation. The Department strongly recommends that LAFCO request copies of CSA 120's property analysis record (PAR), or PAR-like analysis that was used to calculate the non-wasting endowment fee of $2,500/acre. The Department also recommends that LAFCO request copies of annual reports and work plans for the mitigation lands managed by CSA 120 under this endowment fee structure. The Department is concerned that the analysis used to derive CSA 120's per

acre non-wasting endowment fee is not based on actual land management costs and that the amount is inadequate to protect and manage mitigation lands in perpetuity.

North Etiwanda Preserve Management Plan

> *Section 1.4, Purpose of the North Etiwanda Management Plan, states that the general purpose of the Management Plan is to provide a conceptual framework for the overall long-term preservation, management, and restoration of the North Etiwanda Preserve, as managed by the North Etiwanda Preserve Board. However, Section 1.4 also states that "...unless otherwise specified, the goals, objectives, and hierarchy of management actions identified in this Management Plan will apply to the entire Preserve, including any future mitigation or open space lands acquired by the County or Board within the boundaries of CSA 120."*

The Department would like to stress to LAFCO that the management plan provided with Application 3157, is specific to the North Etiwanda Preserve, and should not be used as a template for the management of other mitigation lands. For example, Section 2.3 (Existing Uses) of the Management Plan states that *"the Preserve area is currently used for passive recreation and cultural activities."* The Department requires the development of individual management and monitoring plans, for each mitigation site, to ensure that species, habitat, and resources specific to the mitigation site are appropriately protected and conserved. Any organization that wishes to take on the responsibility for a mitigation site must demonstrate that they have the necessary personnel, funding, equipment, and expertise to implement management and monitoring plans in the short and long term. The Department has the obligation to ensure that an accepting organization can meet our criteria.

Thank you for the opportunity to review and comment on the Notice of Filing of Proposed Change of Jurisdictional Boundaries for CSA 120. If you have any questions regarding this matter, please contact Jeff Brandt at (909) 987-7161 or JBrandt@dfg.ca.gov.

Sincerely,

Magdalena Rodriguez for

Jeff Brandt
Senior Environmental Scientist
Habitat Conservation Planning

City of Rialto
California

RECEIVED
AUG 23 2012
LAFCO
San Bernardino County

August 15, 2012

Kathleen Rollings-McDonald, Executive Officer
LAFCO
215 N. D. Street, Suite 204
San Bernardino, CA 92415

Re: LAFCO 3157-Initiation of Sphere of Influence Establishment for County Service Area 120 (North Etiwanda Preserve Area)

Dear Ms. Rollings-McDonald:

Thank you for the opportunity to comment on LAFCO 3157-Sphere of Influence Establishment for CSA 120. The proposed Area No. 4 of CSA 120 is approximately 32,408 acres in size. Portions of Area No. 4 encompass land within the sphere of influence of the City of Rialto and the corporate boundaries of the City of Rialto. The City of Rialto is not opposed to the proposed establishment provided that the following terms and/or conditions are met:

a. There will not be any loss of tax revenues to the City of Rialto;

b. The proposed establishment shall be subject to all standard conditions required by LAFCO;

c. A representative from the City of Rialto shall serve as a member of the CSA 120 Advisory Commission or other governing board;

d. The City of Rialto shall be notified prior to any proposed acquisition of land within CSA 120; and

e. The proposal shall not restrict development within the City of Rialto or the Lytle Creek Ranch Specific Plan as adopted on July 24, 2012.

Should you have any questions, please do not hesitate to contact me at (909) 421-7240 or ggibson@rialtoca.gov

Sincerely,

Gina M. Gibson
Senior Planner

cc: Michael E. Story, City Administrator
Robb Steel, Assistant to the City Administrator/ Development Services Director

COMMUNITY DEVELOPMENT DEPARTMENT

CITY OF San Bernardino

300 North "D" Street • San Bernardino • CA 92418-0001
Planning & Building 909.384.5057 • Fax: 909.384.5080
www.sbcity.org

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San Bernardino County

August 15, 2012

Ms. Kathy McDonald
Local Agency Formation Commission
215 N. "D" Street, Ste. 204
San Bernardino, CA 92415-0490

SUBJECT: CSA 120: SPHERE ESTABLISHMENT FOR COUNTY SERVICE AREA 120 – NORTH ETIWANDA OPEN SPACE PRESERVE

Dear Ms. McDonald:

Thank you for the opportunity to review the proposal to expand CSA 120; the North Etiwanda Open Space Preserve. In reviewing the documents, it appears that the proposed expansion would encompass portions of the northern part of the City of San Bernardino, as well as areas within the City's Sphere of Influence. Based upon review of the application documents, the City of San Bernardino has the following concerns regarding this application:

1. Although the document states that there will be no land use authority in conjunction with CSA 120, should land within the CSA be put aside for mitigation, conservation easements would be placed over properties deeded for mitigation. Portions of the City adjacent to the I-215 Freeway (both sides) and within the Cajon Creek/Calmat Specific Plan Area are actively being entitled and developed. Therefore, staff is concerned about breaking up and/or permanently losing development potential in these areas, and at the same time, is concerned about the viability of non-contiguous areas set aside for mitigation. Staff recommends that only properties that are difficult to develop (i.e., water courses or slopes greater than 30%) be considered as future mitigation area.

2. The documents indicate that on-going funding for the CSA may be difficult to achieve. Staff has concerns with regard to the long-term funding and maintenance of the CSA.

Should CSA 120 be expanded to include portions of the City of San Bernardino, Staff recommends that a representative from the City be appointed to the Advisory Commission.

Thank you again for this opportunity to comment on the proposed expansion of CSA 120. Please contact me at 909-384-5270, or at Stewart_to@sbcity.org if you have any questions.

Sincerely,

Tony Stewart, AICP
Deputy Director/City Planner
Department of Community Development

DEVELOPMENT SERVICES DEPARTMENT
PLANNING DIVISION
Telephone (909) 931-4130
Facsimile (909) 931-4321

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AUG 21 2012
LAFCO
San Bernardino County

August 15, 2012

Kathleen Rollings-McDonald
Executive Officer
Local Agency Formation Commission
215 North "D" Street Suite 204
San Bernardino, CA 92415

Subject: LAFCO 3157 Sphere of Influence Establishment for County Service Area 120 (Open Space and Habitat Conservation)

Dear Ms. Rollings-McDonald,

This letter is in response to your letter dated May 10, 2012 requesting an official response on the above referenced sphere of influence establishment. Thank you for the opportunity to provide our comments. The most pressing issue the City of Upland sees at this time involves the area that has been designated within the proposed Area 2 by LAFCO as it lies within the Colonies at San Antonio Specific Plan, specifically within Planning Areas 20 and 21. Per the Colonies Specific Plan, this area is zoned Highway Commercial, contains approximately 23.68 acres, and has been designated for future freeway-oriented commercial uses. Projects have already been entitled and will be under construction in these Planning Areas, and the future development potential of this land is a valuable asset to the City and is anticipated to serve Upland residents and the general region as well as contribute to the City's tax base. As such, the City cannot support the inclusion of this area into the sphere of influence.

Enclosed is a copy of the Land Use Plan for the Colonies at San Antonio. I'd be happy to discuss the geography and the boundaries in more depth, and provide any exhibits or maps we have that may be of assistance to you. If you should have any questions, please contact me by e-mail at jzwack@ci.upland.ca.us or by phone at (909) 931-4148.

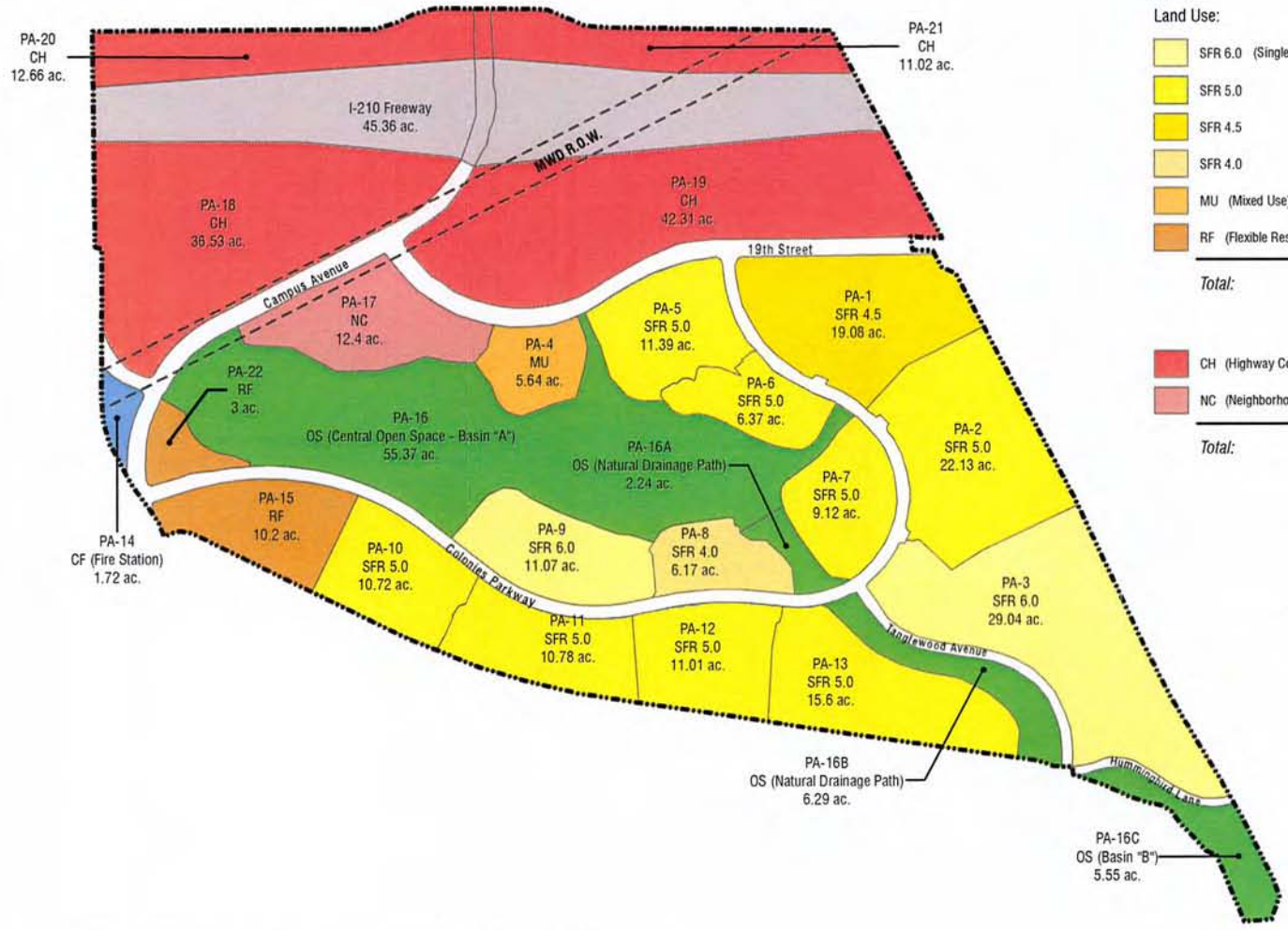
Sincerely,

Jeff Zwack
Development Services Director

Enc: Land Use Plan for the Colonies at San Antonio Specific Plan

R:\BGL030\Graphics\Specific Plan\SP - Sept 2003\landuse.cdr (10/27/03)

LAND USE PLAN



Legend

Project Boundary

Land Use:	Acreage:	Units:
SFR 6.0 (Single Family Residential)	40.11	161
SFR 5.0	97.12	456
SFR 4.5	19.08	92
SFR 4.0	6.17	33
MU (Mixed Use)	5.91	up to 350
RF (Flexible Residential)	13.20	up to 317
Total:	*181.59*	*1,150*

	Acreage:	Sq. Ft.:
CH (Highway Commercial)	102.52	1,070,519
NC (Neighborhood Commercial)	12.40	129,481
Total:	*114.92*	*1,200,000*

	Acreage:
OS (Central Open Space)	55.37
OS (Natural Drainage Path)	8.53
OS (Basin "B")	5.55
CF (Fire Station)	1.72
I-210 Freeway	45.36
Roads	34.76
Total:	*151.29*
GRAND TOTAL:	*447.80*

The Colonies at San Antonio Specific Plan

Figure 2.1

N Not to Scale

Source: LSA Associates, Inc.