

**Helendale Community Services District
Application including Plan for Service and
Fiscal Impact Analysis**

Attachment 2

SAN BERNARDINO LAFCO APPLICATION AND PRELIMINARY ENVIRONMENTAL DESCRIPTION FORM

INTRODUCTION: The questions on this form and its supplements are designed to obtain enough data about the proposed project site to allow the San Bernardino LAFCO, its staff and others to adequately assess the project. By taking the time to fully respond to the questions on the forms, you can reduce the processing time for your project. You may also include any additional information which you believe is pertinent. Use additional sheets where necessary, or attach any relevant documents.

GENERAL INFORMATION

1. **NAME OF PROPOSAL:** Helendale CSD Annexation Areas 1 and 2

2. **NAME OF APPLICANT:** Helendale Community Services District

MAILING ADDRESS: 26540 Vista Road, Suite # B
P.O. Box 359
Helendale, CA 92342

PHONE: (760) 951-0006

FAX: (760) 951-0046

E-MAIL ADDRESS: kcox@helendalecsd.org

3. **GENERAL LOCATION OF PROPOSAL:**

The Helendale CSD annexation proposal includes two areas within the Helendale Community CSD sphere of influence that are located in the unincorporated area of San Bernardino County, adjacent to the existing CSD southern boundary, generally along Highway 66 and the western side of Interstate 15.

The first area just south of the existing Silver Lakes community is referred to as: Area 1 – South of Silver Lakes; and, the second area to the southeast of the CSD is referred to as: Area 2 – Wild Wash. The Wild Wash area has an existing intersection on the Interstate 15 freeway.

4. **Does the application possess 100% written consent of each landowner in the subject territory?** YES ___ NO X If YES, provide written authorization for change.

5. **Indicate the reasons that the proposed action has been requested.**

- a) To respond to landowner request
- b) To plan responsibly for the future of the Helendale community
- c) To ensure that services are adequately provided and development pays for itself.

Because the two annexation areas do not have a great deal of growth planned for the next five years, the rationale for annexation into the Helendale CSD at this time is that significant future growth is planned for both the Helendale Specific Plan area and the Victorville Desert Gateway Specific plan area. A portion of the growth within the Helendale Specific Plan area would be located within the existing CSD boundaries, and

a portion of the growth would be located within the proposed annexation area just south of the Silver Lakes area. However, for the Desert Gateway Specific plan area, the growth is planned in the Victorville sphere of influence just north of their existing city boundaries and just south of the proposed Wild Wash annexation area. In this later case, the planned growth in Victorville is seen as growth inducing for the Wild Wash annexation area.

6. Would the proposal create a totally or substantially surrounded island of unincorporated territory?

YES ___ NO X If YES, please provide a written justification for the proposed boundary configuration.

LAND USE AND DEVELOPMENT POTENTIAL

1. Total land area (defined in acres):

8,832 total acres with 5,133 acres in Area 1 (South of Silver Lakes) and 3,699 acres in Area 2(Wild Wash)

2. Current dwelling units in area classified by type (Single Family detached, multi-family (duplex, four-plex, 10-unit), apartments)

106 total single family units in Area 1 (South of Silver Lakes) and Area 2 is vacant

3. Approximate current population in area:

Total estimated population is 249 (all in Area 1 – South of Silver Lakes)

4. Indicate the General Plan designation(s) of the affected city (if any) and uses permitted by this designation(s):

Not Applicable

San Bernardino County General Plan designation(s) and uses permitted by this designation(s):

Area 1 (South of Silver Lakes) has 4 General Plan categories:

- o RL5 Rural Living: 1 unit per 5 acres
- o RL Rural Living: 1 unit per 40 acres
- o AG: Agriculture
- o FW: Floodway

Area 2 (Wild Wash) has one General Plan category:

- o RC: Resource Conservation

5. Describe any special land use concerns expressed in the above plans. In addition, for a City Annexation or Reorganization, provide a discussion of the land use plan's consistency with the regional transportation plan as adopted pursuant to Government Code Section 65080 for the subject territory:

Not Applicable

6. Indicate the existing land use.

Area 1 (South of Silver Lakes):

- o Agriculture – 40 acres
- o Other – 55 acres
- o Single Family – 671 acres
- o Vacant – 4,063 acres
- o Vacant – Other – 304 acres

Area 2 (Wild Wash)

- o Vacant – 3,699 acres

What is the proposed land use? No Proposed Land Use Changes

7. For a city annexation, State law requires pre-zoning of the territory proposed for annexation. Provide a response to the following: Not Applicable

- a. Has pre-zoning been completed? YES ___ NO ___
- b. If the response to "a" is NO, is the area in the process of pre-zoning? YES ___ NO ___

Identify below the pre-zoning classification, title, and densities permitted. If the pre-zoning process is underway, identify the timing for completion of the process. Not Applicable

8. Will the proposal require public services from any agency or district which is currently operating at or near capacity (including sewer, water, police, fire, or schools)?
YES ___ NO X If YES, please explain.

9. On the following list, indicate if any portion of the territory contains the following by placing a checkmark next to the item:

- | | | | |
|-------------------------------------|---|--------------------------|---|
| <input checked="" type="checkbox"/> | Agricultural Land Uses | <input type="checkbox"/> | Agricultural Preserve Designation |
| <input type="checkbox"/> | Williamson Act Contract | <input type="checkbox"/> | Area where Special Permits are Required |
| <input type="checkbox"/> | Any other unusual features of the area or permits required: _____ | | |

10. If a Williamson Act Contract(s) exists within the area proposed for annexation to a City, please provide a copy of the original contract, the notice of non-renewal (if appropriate) and any protest to the contract filed with the County by the City. Please provide an outline of the City's anticipated actions with regard to this contract.

No Williamson Act Contracts exist in the annexation areas.

11. Provide a narrative response to the following factor of consideration as identified in §56668(o): *The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services:*

The Helendale CSD currently practices environmental justice in providing the following six (6) public services within its existing boundaries: 1) sewer; 2) water; 3) solid waste management; 4) parks and recreation; 5) street lighting; and, 6) graffiti abatement. The

CSD will continue to practice the principals of environmental justice when providing these services to Area 1 and Area 2 upon annexation into the CSD. Water, sewer and street lighting services will not be extended to the annexation areas upon annexation and for the first five year after annexation into the CSD, but would be extended under the proper economic and development conditions. The remaining services of solid waste management, parks and recreation and graffiti abatement would be provided to Annexation Areas 1 and 2 upon annexation into the CSD.

ENVIRONMENTAL INFORMATION

1. Provide general description of topography.

The annexation areas are located in the center of a valley with many preserved riparian zones along or near the Mojave River. Drainage generally flows in the direction of the Mojave River. The areas feature picturesque views of Silver Mountain and Quartzsite Mountain and large amounts of open space areas.

2. Describe any existing improvements on the site as % of total area.

Residential	_____8%	Agricultural	_____0.5%
Commercial	_____0%	Vacant	_____88%
Industrial	_____0%	Other	_____4%

3. Describe the surrounding land uses:

NORTH Vacant and Residential
EAST Vacant and Residential
SOUTH Vacant and Residential
WEST Vacant and Residential

4. Describe site alterations that will be produced by improvement projects associated with this proposed action (installation of water facilities, sewer facilities, grading, flow channelization, etc.).

The Helendale CSD is currently responsible for providing six (6) public services within its existing boundaries, and will be responsible for potentially providing these services upon annexation of Area 1 and Area 2 into the CSD boundaries: 1) sewer; 2) water; 3) solid waste management; 4) parks and recreation; 5) street lighting; and, 6) graffiti abatement. The fiscal analysis assumes that water, sewer and street lighting services will not be extended to the annexation areas upon annexation and for the first five year after annexation into the CSD, but would be extended under the proper economic and development conditions.

5. Will service extensions accomplished by this proposal induce growth on this site? YES ___ NO X Adjacent sites? YES ___ NO X Unincorporated X Incorporated ___

6. Are there any existing out-of-agency service contracts/agreements within the area? YES ___ NO X If YES, please identify.

7. Is this project a part of a larger project or series of projects? YES ___ NO X If YES, please explain.

NOTICES

Please provide the names and addresses of persons who are to be furnished mailed notice of the hearing(s) and receive copies of the agenda and staff report.

NAME Kimberly Cox, General Manager

TELEPHONE NO. (760) 951-0006

ADDRESS: 26540 Vista Road, Suite # B
P.O. Box 359
Helendale, CA 92342

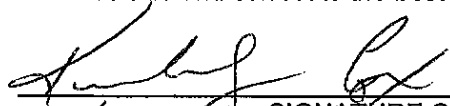
CERTIFICATION

As a part of this application, the Helendale Community Services District (the applicant) and/or the _____ (real party in interest: subject landowner and/or registered voter) agree to defend, indemnify, hold harmless, and release the San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, and expenses, including attorney fees. The person signing this application will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I/We understand that if this application is approved, the Commission will impose a condition requiring the applicant to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

As the proponent, I/We acknowledge that annexation to the Helendale Community Services District may result in the imposition of taxes, fees, and assessments existing within the (city or district) on the effective date of the change of organization. I hereby waive any rights I may have under Articles XIII C and XIII D of the State Constitution (Proposition 218) to a hearing, assessment ballot processing or an election on those existing taxes, fees and assessments.

I hereby certify that the statements furnished above and in the attached supplements and exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE 9-23-13


SIGNATURE OF APPLICANT
Kimberly Cox
PRINTED NAME OF APPLICANT
General Manager
TITLE

PLEASE CHECK SUPPLEMENTAL FORMS ATTACHED:

- ANNEXATION, DETACHMENT, REORGANIZATION SUPPLEMENT
- SPHERE OF INFLUENCE CHANGE SUPPLEMENT
- CITY INCORPORATION SUPPLEMENT
- FORMATION OF A SPECIAL DISTRICT SUPPLEMENT
- ACTIVATION OR DIVESTITURE OF FUNCTIONS AND/OR SERVICES FOR SPECIAL DISTRICTS SUPPLEMENT

KRM-Rev. 8/15/2012

**SUPPLEMENT
ANNEXATION, DETACHMENT, REORGANIZATION PROPOSALS**

INTRODUCTION: The questions on this form are designed to obtain data about the specific annexation, detachment and/or reorganization proposal to allow the San Bernardino LAFCO, its staff and others to adequately assess the project. You may also include any additional information which you believe is pertinent. Use additional sheets where necessary, and/or include any relevant documents.

1. Please identify the agencies involved in the proposal by proposed action:

ANNEXED TO	DETACHED FROM
<u>Helendale Community Services District</u>	<u>None</u>

2. Will the territory proposed for change be subject to any new or additional special taxes, any new assessment districts, or fees?

No new or additional taxes, assessment districts for fees are proposed for Helendale Community Services District (CSD) Annexation Areas 1 and 2.

3. Will the territory be relieved of any existing special taxes, assessments, district charges or fees required by the agencies to be detached?

No

4. Provide a description of how the proposed change will assist the annexing agency in achieving its fair share of regional housing needs as determined by SCAG.

The SCAG fair share housing requirements do not apply to the Helendale CSD for the proposed Annexation Areas 1 and 2. The County is the land use authority for the annexation areas and will remain the land use authority for the proposed Helendale CSD Annexation Areas 1 and 2. No change in land use will occur by the proposed annexation to the Helendale CSD, and the two annexation areas are not planning significant development for the next five years. Future development would have to meet the County's fair share of regional housing needs as determined by SCAG.

5. PLAN FOR SERVICES:

For each item identified for a change in service provider, a narrative "Plan for Service" (required by Government Code Section 56653) must be submitted. This plan shall, at a minimum, respond to each of the following questions and be signed and certified by an official of the annexing agency or agencies.

1. A description of the level and range of each service to be provided to the affected territory.
2. An indication of when the service can be feasibly extended to the affected territory.

3. An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory.
4. The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the service and a description of how the service or required improvements will be financed. The Fiscal Impact Analysis shall provide, at a minimum, a five (5)-year projection of revenues and expenditures. A narrative discussion of the sufficiency of revenues for anticipated service extensions and operations is required.
5. An indication of whether the annexing territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.
6. If retail water service is to be provided through this change, provide a description of the timely availability of water for projected needs within the area based upon factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).

The Plan for Service and Fiscal Analysis, Annexation Areas 1 and 2, Helendale Community Services District, County of San Bernardino, September 17, 2013 prepared by Stanley R. Hoffman Associates, Inc. is submitted with this application.

CERTIFICATION

As a part of this application, the Helendale Community Services District (the applicant) and/or the _____ (real party in interest: subject landowner and/or registered voter) agree to defend, indemnify, hold harmless, and release the San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, and expenses, including attorney fees. The person signing this application will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I/We understand that if this application is approved, the Commission will impose a condition requiring the applicant to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

As the proponent, I/We acknowledge that annexation to the Helendale Community Services District may result in the imposition of taxes, fees, and assessments existing within the CSD on the effective date of the change of organization. I hereby waive any rights I may have under Articles XIII C and XIII D of the State Constitution (Proposition 218) to a hearing, assessment ballot processing or an election on those existing taxes, fees and assessments.

I hereby certify that the statements furnished above and the documents attached to this form present the data and information required to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE 9-23-13



SIGNATURE OF APPLICANT

Plan for Service and Fiscal Impact Analysis Annexation Areas 1 and 2 Helendale Community Services District County of San Bernardino

Prepared for:

Helendale Community Services District
26540 Vista Road, Suite # B
P.O. Box 359
Helendale, CA 92342
Attn: Kimberly Cox, General Manager

September 19, 2013

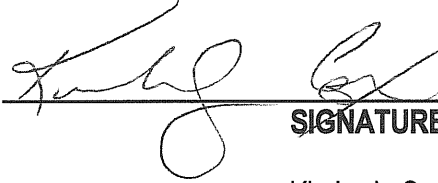
SRHA Job #1250

CERTIFICATION

The Helendale Community Services District (CSD) hereby certifies that this document presents the data and information required for the Plan for Service and Fiscal Impact Analysis *for the Helendale CSD Annexation Areas 1 and 2* to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE

9-19-13



SIGNATURE OF APPLICANT

Kimberly Cox, General Manager
Helendale Community Services District

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EXECUTIVE SUMMARY

The following is a summary of the plan for service and projected recurring fiscal impacts for two areas within the Helendale Community Services District (CSD) sphere of influence that are planning to annex into the CSD. Helendale is located in the unincorporated area of San Bernardino County, north of the City of Victorville along Highway 66.

The proposed annexation areas include South of Silver Lakes (Area 1) and Wild Wash (Area 2) along the western side of Interstate 15. The total of all the acres for the combined parcels and land uses in both annexation areas is about 8,832 acres. Most of the land, 7,762 acres, or 88 percent, is designated as vacant. Based on data from the 2000 and 2010 United States Census, there are an estimated 106 housing units in the South of Silver Lakes Annexation Area. The Wild Wash Annexation Area has only vacant land that has not been developed for any uses, although there is an interchange with the Interstate 15 at Wild Wash Road. Virtually no building permit activity occurred in the years from 2010 to 2013 in the annexation areas, with the exception of grading for one single-family home. Based on the County building permit information, the 2010 U.S. Census household and population estimates will be used for the 2013 analysis.

The County and various special districts currently provide many services to the area, including general government, community development, fire and paramedic, police, library, regional parks and recreation, road maintenance, health and welfare and regional flood control. After annexation, these services would continue to be provided by the various County and special districts. The Helendale CSD would provide a limited number of services to property owners within its jurisdiction including solid waste disposal, parks and recreation, street lighting and graffiti abatement. Water and sewer services are not assumed to be extended to the project areas upon annexation and for the first five years after annexation into the CSD, but would be extended under the proper economic and development conditions. This analysis assumes that if capital expenditures are required to extend services, such as sewer and water, the properties receiving that service would cover their pro rata share of extending those services.

Based on an analysis of current service delivery capabilities, the Helendale CSD is equipped to handle additional demand from the proposed annexation of the 106 existing homes in the two annexation areas in the County unincorporated area. The Helendale CSD is projected to cover the annual recurring projected costs for the services provided, with a projected recurring surplus of about \$2,258.

CHAPTER 1 INTRODUCTION

1.1 Purpose of the Study

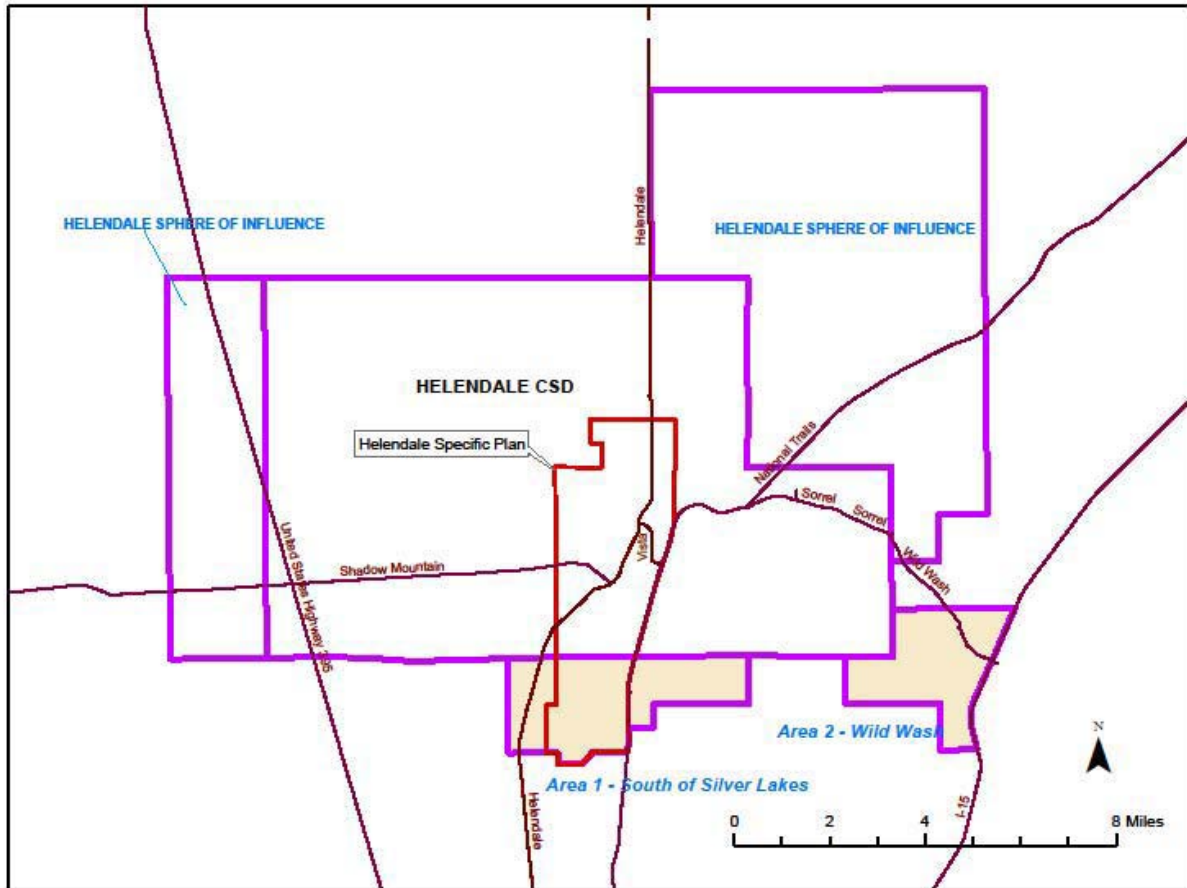
The Local Agency Formation Commission (LAFCO) of the County of San Bernardino requires a jurisdiction to submit a Plan for Service and Fiscal Impact Analysis when the jurisdiction is affected by a proposed change in boundaries, formation, or organization. The Helendale Community Services District (CSD) proposes to annex two areas within its Sphere of Influence as shown in Figure 1-1. The first area just south of the existing Silver Lakes community is referred to as: Area 1 – South of Silver Lakes; and, the second area to the southeast of the CSD is referred to as: Area 2 – Wild Wash. The Wild Wash area has an existing intersection on the Interstate 15 freeway.

The Helendale CSD is currently responsible for providing six (6) public services within its existing boundaries, and will be responsible for potentially providing these services upon annexation of Area 1 and Area 2 into the CSD boundaries: 1) sewer; 2) water; 3) solid waste management; 4) parks and recreation; 5) street lighting; and, 6) graffiti abatement. The fiscal analysis assumes that water and sewer services will not be extended to the project areas upon annexation and for the first five years after annexation into the CSD, but would be extended under the proper economic and development conditions. This analysis assumes that if capital expenditures are required to extend services, such as sewer and water, the properties receiving that service would cover their pro rata share of extending those services.

The purpose of this study is to show that the selected infrastructure improvements and services can be provided to developments within the annexation areas that meet the appropriate service criteria. Per the LAFCO August 2012 *Policy and Procedure* Manual, the Plan for Service must include the following components:

- a. *A description of the level and range of each service to be provided to the affected territory.*
- b. *An indication of when those services can feasibly be extended to the affected territory.*
- c. *An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory.*
- d. *The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the service and a description of how the service or required improvements will be financed. The Fiscal Impact Analysis shall provide, at a minimum, a five (5)-year*

**Figure 1-1
Study Area Map
Annexation Areas 1 and 2
Helendale Community Services District**



Source: Stanley R. Hoffman Associates, Inc.

- projection of revenues and expenditures. A narrative discussion of the sufficiency of revenues for anticipated service extensions and operations is required.*
- e. *An indication of whether the affected territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.*
- f. *If retail water service is to be provided through this change of organization, provide a description of the timely availability of water for projected needs within the area based upon the factors identified in Government Code Ch3 65352.5.*

1.2 Rationale for the Proposed Annexations

Because the two annexation areas do not have a great deal of growth planned for the next several years, the rationale for annexation into the Helendale CSD at this time is that significant future

growth is planned for both the Helendale Specific Plan area and the Victorville Desert Gateway Specific plan area. A portion of the growth within the Helendale Specific Plan area would be located within the existing CSD boundaries, and a portion of the growth would be located within the proposed annexation area just south of the Silver Lakes area. However, for the Desert Gateway Specific plan area, the growth is planned in the Victorville sphere of influence just north of their existing city boundaries and just south of the proposed Wild Wash annexation area. In this later case, the planned growth in Victorville is seen as growth inducing for the Wild Wash annexation area. Both of these specific plans are described briefly below.

Preliminary Helendale Specific Plan. While still in the early stages of planning, two development alternatives have been proposed for the preliminary Helendale Specific Plan. Both alternatives include about 8,929 acres with developed acres ranging from an estimated 8,557 developed parcels in one alternative to an estimated 9,934 parcels for the other alternative. Alternative one proposes fewer housing units and less commercial and industrial development than alternative two. Each land use alternative includes a different mix of housing densities, with a total of 10,027 units planned for alternative one and 11,014 units planned for alternative two after buildout. Population for alternative one is projected at 24,868 with the population for alternative two projected at 27,315 after buildout. Alternative one of the Helendale Specific Plan also proposes about 2.67 million square feet of commercial and industrial square feet, while alternative two proposes about 3.20 million commercial and industrial square feet after buildout.

Victorville Desert Gateway Specific Plan. The Desert Gateway Specific Plan for the City of Victorville contains the area southeast of the proposed Helendale Wild Wash annexation area. The Specific Plan calls for transit-oriented residential and commercial developments along the proposed route for the Desert Xpress high-speed rail line between Las Vegas and Los Angeles, and will have a terminus located in Victorville. The Desert Gateway Specific Plan proposes 26,100 new residential developments to meet the housing demands for a projected population of 82,900.¹ Additionally there are a variety of non-residential development plans including: 283 acres of commercial space; 1,085 acres of business park and light industrial space; 510 acres of mixed use, village and town center uses; and 4,564 acres of institutional, educational, recreational and open space uses. These new developments, in addition to the possibility of the

¹ City of Victorville: Desert Gateway Specific Plan 2010

Desert Xpress rail line in Victorville, will have growth inducing effects for the whole area, thus increasing development pressure on the neighboring Helendale CSD.

1.3 Organization of the Report

Chapter 1 explains the purpose of the study and the rationale for annexation of the two proposed areas to the Helendale CSD. Chapter 2 provides a description of the residential and non-residential growth potential in each annexation area. Chapter 3 describes the services provided both “before” and “after” the proposed annexations. Since most of the service delivery is from San Bernardino County and its respective special districts, the focus of service delivery is on the services that the Helendale CSD will be empowered to provide once the annexations are approved. Chapter 4 presents the fiscal impact analysis of the new services for the annexation areas. The report concludes with supporting appendices and a list of the project references used in the preparation of this report.

CHAPTER 2 PROJECT DESCRIPTION

2.1 Existing Development

Table 2-1 displays the acreage for the different land uses on the parcels in both annexation Area 1 (South of Silver Lakes) and Area 2 (Wild Wash). Based on the current County Assessor’s file, these areas have limited developed land uses; the five designated uses for each area include: agriculture, other, single-family homes, vacant, and vacant other, as shown in Figure 2-1. There are no commercial or industrial uses in these areas.

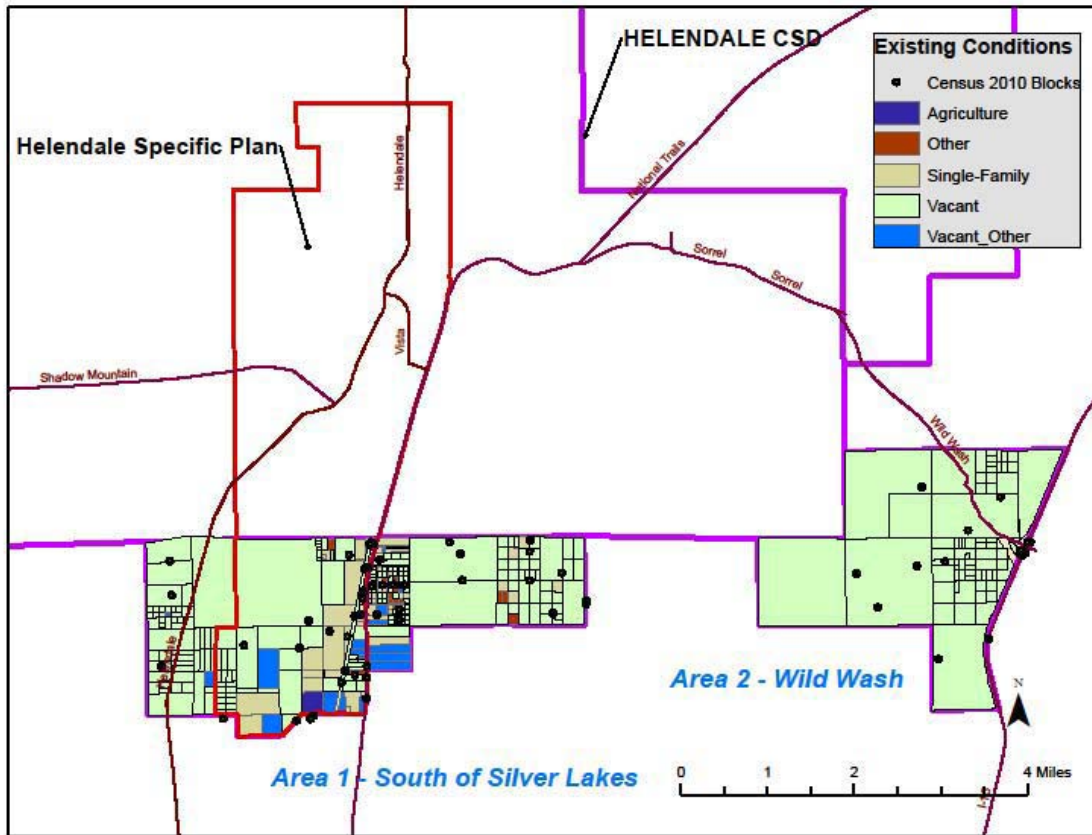
- Area 1 (South of Silver Lakes) is characterized by a high number of vacant parcels totaling 4,063 acres, as shown in Table 2-1. Single-family homes occupy the second highest quantity of land, totaling 671 acres. Agriculture has the lowest number of parcels totaling only 40 acres for the area. None of the agriculture acres are designated as Williams Act contract lands and none are located within an Agriculture Preserve.
- Area 2: Wild Wash only has vacant land totaling 3,699 acres, as shown in Table 2-1. There are no other land uses identified in the area.
- The total of all the acres for the combined parcels and land uses in both areas is 8,832 acres. Most of the land, 7,762 acres, or 88 percent, is designated as vacant.
- There is also a category called “vacant – other” and this designation includes a variety of categories that have unique uses, such as: industrial/agriculture, industrial/restricted, commercial/institutional, unimproved cemetery land, billboard site, cellular tower site, oil and gas production, chemical production, electric power plant, water rights and pipeline right of way.

**Table 2-1
Parcel Acreages
Annexation Areas 1 and 2
Helendale Community Services District**

Land Use	Area 1	Area 2	Grand Total
	South of Silver Lakes	Wild Wash	
Agriculture	40	0	40
Other	55	0	55
Single-Family	671	0	671
Vacant	4,063	3,699	7,762
Vacant - Other	<u>304</u>	<u>0</u>	<u>304</u>
Grand Total	5,133	3,699	8,832

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Assessor File

**Figure 2-1
Existing Land Uses
Annexation Areas 1 and 2
Helendale Community Services District**



Source: Stanley R. Hoffman Associates, Inc.

Sou

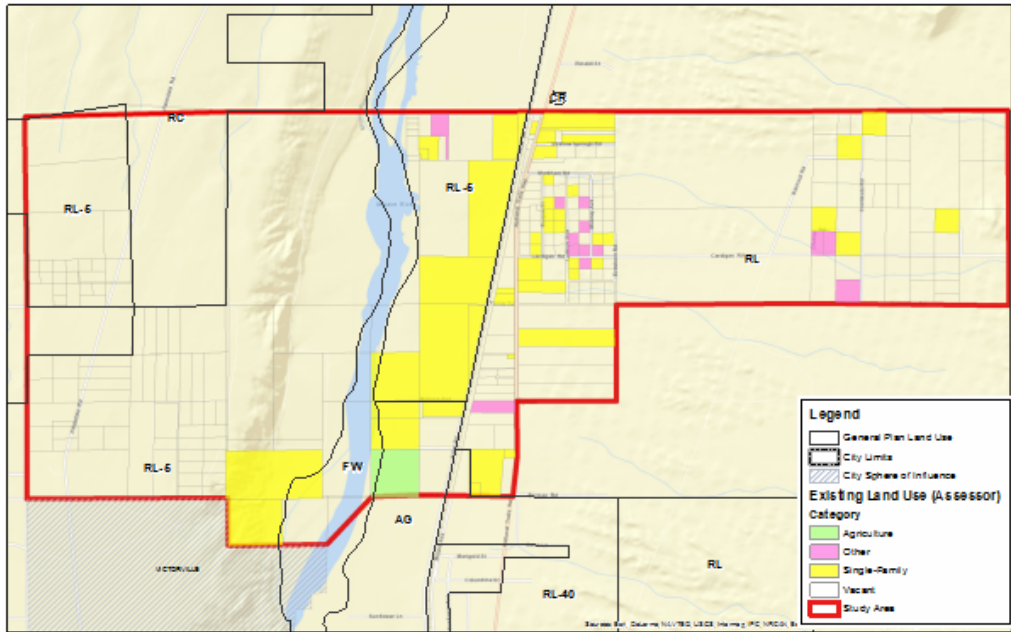
2.2 General Plan Land Uses

Figure 2-2 and Figure 2-3 present the San Bernardino County’s General Plan land uses for the two annexation areas, as follows:

- Area 1 has 4 general plan categories:
 - RL-5 Rural Living: 1 unit per 5 acres
 - RL Rural Living: 1 unit per 40 acres
 - AG: Agriculture
 - FW: Floodway
- Area 2 has one General Plan category and that is listed as RC: Resource Conservation

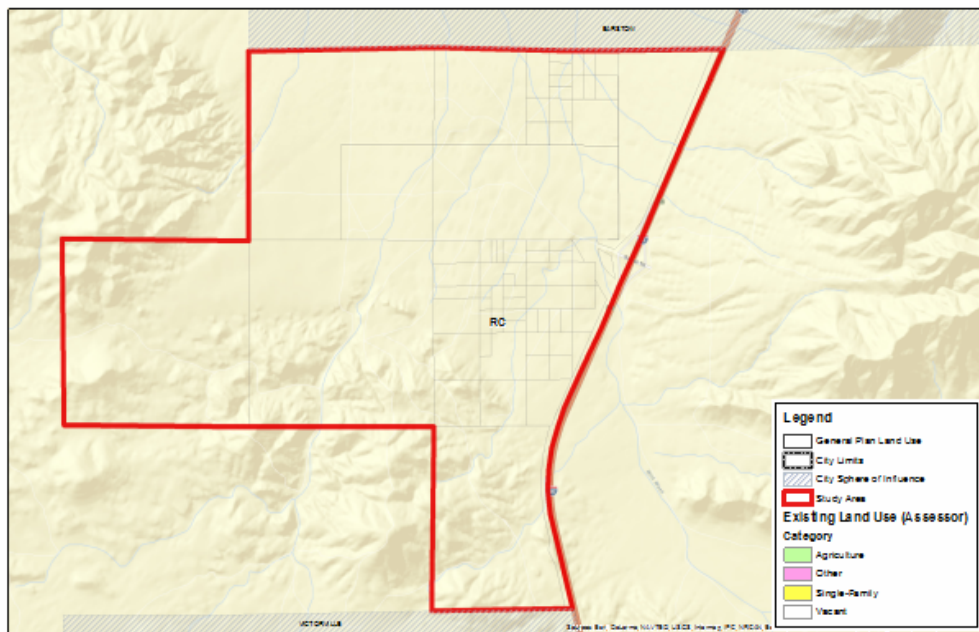
In order to accommodate some of the planned residential and non-residential development in the future, important General Plan amendments and rezoning will be required.

Figure 2-2
General Plan Land Uses, Annexation Area 1 (South of Silver Lakes)
Helendale Community Services District



Source: Stanley R. Hoffman Associates, Inc.

Figure 2-3
General Plan Land Uses, Annexation Area 2 (Wild Wash)
Helendale Community Services District



Source: Stanley R. Hoffman Associates, Inc.

2.3 Historical Demographic Growth

Table 2-2 displays the historical demographic growth for both annexation areas, Area 1 (South of Silver Lakes) and Area 2 (Wild Wash), based on data from the 2000 and 2010 United States Census. The different categories researched for demographic change include: population, housing units, households, and persons per household.

- Area 1 (South of Silver Lakes) shows an average change of 8.6 in population per year from 2000 to 2010.
- Area 2 (Wild Wash) only has vacant land that has not been developed for any uses. There have been no inhabitants or households in this area; thus, there has been no change in demographic variables.
- The housing units for Area 1 also increased, at an average change of 4.5 housing units per year over for the past decade, and average persons per housing unit grew from 2.67 persons per unit in 2000 to 2.35 persons per unit in 2010.
- In Area 1, the number of households (or occupied housing units) grew at an average change of 2.4 households per year, and average persons per household grew from 3.02 persons per household in 2000 to 3.19 persons per household in 2010.
- While the total growth from 2000–2010 was 86 people and 45 units, for the fiscal analysis, this rate of growth was not sustained from 2010 to 2013.
- Table 2-3 shows that virtually no building permit activity occurred in those years from 2010 to 2013, with the exception of a grading permit for one single-family home.
- There has been no building activity in Area 2.
- Based on these estimates, the 2010 U.S. Census household and population estimates will be used for the 2013 analysis.

2.4 Assessed Valuation

Table 2-4 displays the total existing assessed valuation for both annexation areas, Area 1 (South of Silver Lakes) and Area 2 (Wild Wash). The land and improvement valuations are limited to the area's five designated land uses that include: agriculture, other, single-family homes, vacant, and vacant - other.

- Area 1 (South of Silver Lakes) has the highest total assessed valuation of \$20.4 million while Area 2 (Wild Wash) has a total assessed valuation of only about \$2.3 million; the total assessed valuation of the two areas combined is about \$22.7 million.
- The highest assessed value category is vacant land in Area 1 (South of Silver Lakes) at about \$7.7 million; the next highest category is single family units, also in Area 1, at about \$6.4 million.
- Area 2 (Wild Wash) has only one land use with assessed value, and that is vacant land, estimated at about \$2.4 million.

**Table 2-2
Historical Demographic Growth
Annexation Areas 1 and 2
Helendale Community Services District**

Category	Year 2000	Year 2010	10-Year Change	Average Change per Year
Area 1 - South of Silver Lakes				
Population	163	249	86	8.6
Housing Units	61	106	45	4.5
Households	54	78	24	2.4
Persons per Unit	2.67	2.35	-0.32	-0.03
Persons per Household	3.02	3.19	0.17	0.02
Area 2 - Wild Wash				
Population	0	0	0	n/a
Housing Units	0	0	0	n/a
Households	0	0	0	n/a
Persons per Unit	n/a	n/a	n/a	n/a
Persons per Household	n/a	n/a	n/a	n/a
TOTAL OF AREAS				
Population	163	249	86	8.6
Housing Units	61	106	45	4.5
Households	54	78	24	2.4
Persons per Unit	2.67	2.35	-0.32	-0.03
Persons per Household	3.02	3.19	0.17	0.02

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Census 2000
U.S. Census 2010

**Table 2-3
Building Permit Activity: 2010-2013, Annexation Area 1(South of Silver Lakes)
Helendale Community Services District**

Year	Job Site Address	APN ¹	Description	Annex Area
2011	15222 CARDIGAN ST, 92368	47018201	FIELD INVESTIGATION	1
2011	15225 MARKHAM RD, 92342	47018207	GRADING FOR SFR	1
2012	23454 NATIONAL TRAILS HWY, 92368	47005113	PRE-ALTER/REHAB KITCHEN, WINDOWS	1
2013	24829 NATIONAL TRAILS HWY, 92870	47003110	PREALT FOR ELECTRIC PANEL UPGRADE	1
2013	23454 NATIONAL TRAILS HWY, 92368	47005113	PATIO	1

¹ Assessor Parcel Number

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Planning Department

Table 2-4
Total Valuation
Annexation Areas 1 and 2
Helendale Community Services District
(In Constant 2013 Dollars)

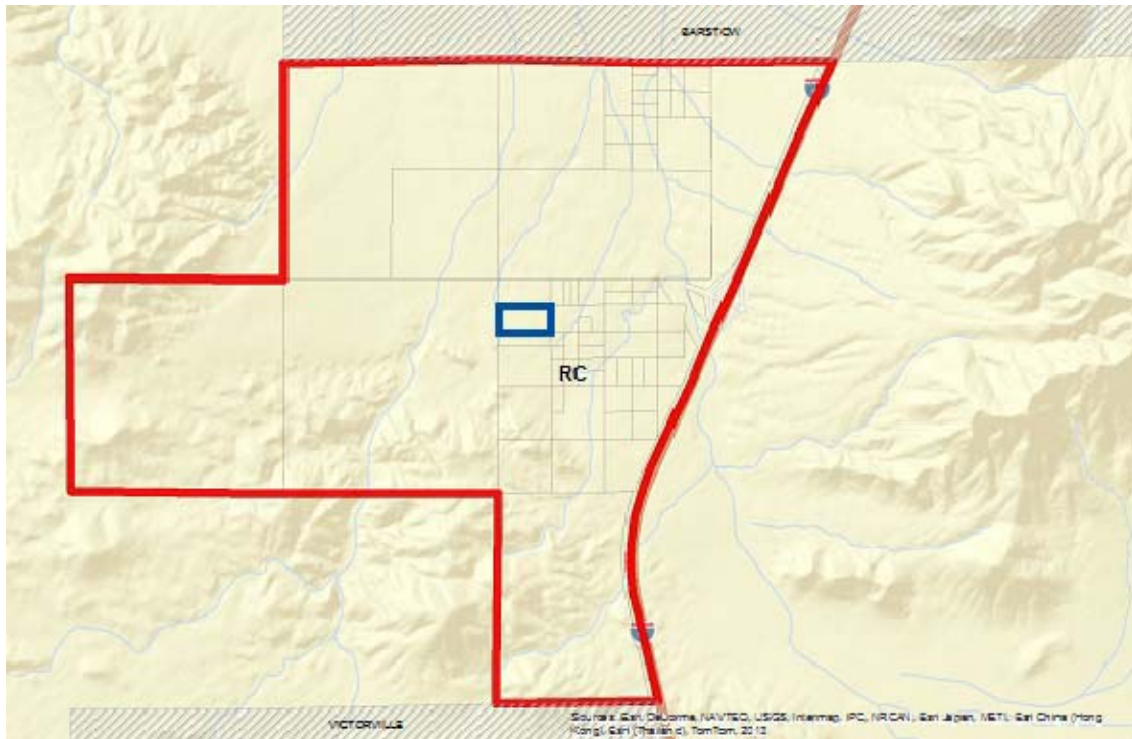
Land Use	Area 1	Area 2	Grand Total
	South of Silver Lakes	Wild Wash	
Agriculture	\$162,299	\$0	\$162,299
Other	\$1,284,584	\$0	\$1,284,584
Single-Family	\$6,446,272	\$0	\$6,446,272
Vacant	\$7,720,020	\$2,368,643	\$10,088,663
Vacant - Other	\$4,756,202	\$0	\$4,756,202
Grand Total	\$20,369,377	\$2,368,643	\$22,738,020

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Assessor File

2.5 Regional Connectivity

- Helendale is served by the National Trails Highway, Historic Route 66, in generally a north-south direction.
- Shadow Mountain Road is a two lane highway that connects eastward from Highway 395 to the southern edge of Silver Lakes; however, it does not continue directly across the Mojave River, but rather traffic that is coming eastward would turn northward on Helendale Road and then proceed eastward across the Mojave River on Vista Road which then connects to the National Trails Highway.
- Sorrel/Wild Wash Road connects eastward from the National Trails Highway to Interstate 15. This road remains largely unpaved except for the short section when it comes to an intersection with Interstate 15.
- The Helendale CSD recently bought a 20 acre parcel in Annexation Area 2 (Wild Wash), as shown outlined with a blue line on Figure 2-4. This parcel is intended to be used as a CSD public facility service center for water and sewer and other CSD maintenance responsibilities when future development occurs.

Figure 2-4
Future Public Facilities Site, Wild Wash Annexation (Area 2)
Helendale Community Services District



Source: Stanley R. Hoffman Associates, Inc.

CHAPTER 3 PUBLIC FACILITIES AND SERVICES BEFORE AND AFTER ANNEXATION

San Bernardino County Government provides a number of services to the Helendale Community Services District (CSD). Many of these services will continue to be provided by San Bernardino County after the proposed annexation, and this holds true for the areas within the proposed CSD Annexation Areas 1 and 2 as well. Upon annexation of the proposed areas, San Bernardino County would remain the service provider for its respective services while the Helendale CSD would then be authorized to provide its services to the newly annexed areas. Under the proper economic and development conditions, some services that the Helendale CSD provides could be extended on an as needed basis.

There are three broad categories of service providers, which are summarized below and presented in detail in Table 3-1:

1. County Government/County-Governed Special Districts

- General Government Services
- Sheriff
- Animal Control
- Fire and Paramedic
- Flood Control and Drainage
- Health and Welfare
- Schools
- Transportation

2. Helendale Community Services District

- CSD Administration
- Sewer
- Water
- Solid Waste Management
- Parks and Recreation
- Street Lighting
- Graffiti Abatement

3. Private Utilities

- Cable/Internet Provider
- Power
- Telephone
- Natural Gas

3.1 General Government

Before Annexation and After Annexation. The County of San Bernardino provides general government services, including: all Administrative services, Community Development services and Economic Development services to the Helendale CSD and the annexation areas. After the annexation, both Areas 1 and 2 will continue to receive all general government services from the County of San Bernardino.

Table 3-1
Services Providers Before and After Annexation
Annexation Areas 1 and 2
Helendale Community Services District

Category of Service	Service Providers in Proposed Annexation Area	
	Before Annexation	After Annexation
General Government - Administration Services:		
Finance Division	San Bernardino County	San Bernardino County
Human Resources Division	San Bernardino County	San Bernardino County
Business Registration	San Bernardino County	San Bernardino County
Community Development:		
Planning	San Bernardino County	San Bernardino County
Building and Safety	San Bernardino County	San Bernardino County
Code Compliance	San Bernardino County	San Bernardino County
Sheriff	San Bernardino County Sheriff	San Bernardino County Sheriff
Animal Control	San Bernardino Animal Control	San Bernardino Animal Control
Fire	San Bernardino County Fire Protection District, North Desert Regional Service Zone and Service Zone FP-5 ¹	San Bernardino County Fire Protection District, North Desert Regional Service Zone and Service Zone FP-5 ¹
Paramedic	AMR - Exclusive Operation Area (EOA) 12 and Desert Ambulance - EOA 13	AMR - Exclusive Operation Area (EOA) 12 and Desert Ambulance - EOA 13
Flood Control and Drainage:		
Local Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District
Regional Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District
Health and Welfare	San Bernardino County Department of Public Health	San Bernardino County Department of Public Health
Library	San Bernardino County Library	San Bernardino County Library
Schools	Area 1 - Adelanto and Oro Grande Elementary School Districts; Victor Valley Union High School District Area 2 - Oro Grande Elementary School District, Barstow Unified School District and Victor Valley Union High School District	Area 1 - Adelanto and Oro Grande Elementary School Districts; Victor Valley Union High School District Area 2 - Oro Grande Elementary School District, Barstow Unified School District and Victor Valley Union High School District
Transportation:		
Freeways and Interchanges	Cal Trans	Cal Trans
Arterials and Collectors	San Bernardino County - Public Works	San Bernardino County - Public Works
Local Roads: Maintenance	San Bernardino County - Public Works	San Bernardino County - Public Works
Utilities:		
Cable/Internet Provider	Direct TV and Dish Network	Direct TV and Dish Network
Power	Southern California Edison	Southern California Edison
Telephone	Verizon (Phone and Internet)	Verizon (Phone and Internet)
Natural Gas	Southwest Gas Corporation	Southwest Gas Corporation
Helendale Community Services District (CSD):		
District Administration	not applicable	Helendale CSD
Sewer	Septic Systems	Helendale CSD (upon future development)
Water:		
Domestic Water	Private Wells	Helendale CSD (upon future development)
Recycled Water	Private Wells	Helendale CSD (upon future development)
Water Quality	Private Wells	Helendale CSD (upon future development)
Solid Waste Management	San Bernardino County Solid Waste Management Division (SWMD) under contract with AVCO/Burrtec	Helendale CSD under contract with AVCO/Burrtec
Parks and Recreation:		
Local Facilities	San Bernardino County - Parks and Recreation ¹	Helendale CSD
Regional Facilities	San Bernardino County - Parks and Recreation	San Bernardino County - Parks & Recreation
Street Lighting	San Bernardino County - Public Works	Helendale CSD
Graffiti Abatement ²	San Bernardino County - Public Works	San Bernardino County - Public Works Helendale CSD

Note: 1. San Bernardino County Parks and Recreation would be the responsible agency for providing these services to the area. However, at present there are no local park facilities and the agency is focused on regional parks only.
2. Upon annexation to the Helendale CSD, the County continues to provide graffiti abatement services to road signs, bridges and other County structures. The Helendale CSD will provide graffiti abatement to other local structures in the annexation areas.

Sources: Stanley R. Hoffman Associates, Inc.
Helendale Community Services District
San Bernardino County

3.2 Sheriff

Before Annexation and After Annexation. The San Bernardino County Sheriff-Coroner's Department provides public safety services to the Helendale CSD and the proposed annexation areas. The County Sheriff operates from an office in the City of Adelanto at 11613 Bartlett Avenue. The California Highway Patrol provides traffic patrol on State Highways and roadways within the unincorporated areas of the County. The Highway Patrol can also provide emergency response backup to the County Sheriff upon request. The County Sheriff will continue to provide public safety services to Area 1 and Area 2 after annexation into the Helendale CSD.

3.3 Animal Control

Before Annexation and After Annexation. Currently, the proposed annexation areas are serviced by San Bernardino County Animal Control. Animal Control is responsible for animal licensing, dead animal pickup, loose animal investigations, animal shelter management and other services. The agency will continue to provide services to the areas after annexation.

3.4 Fire

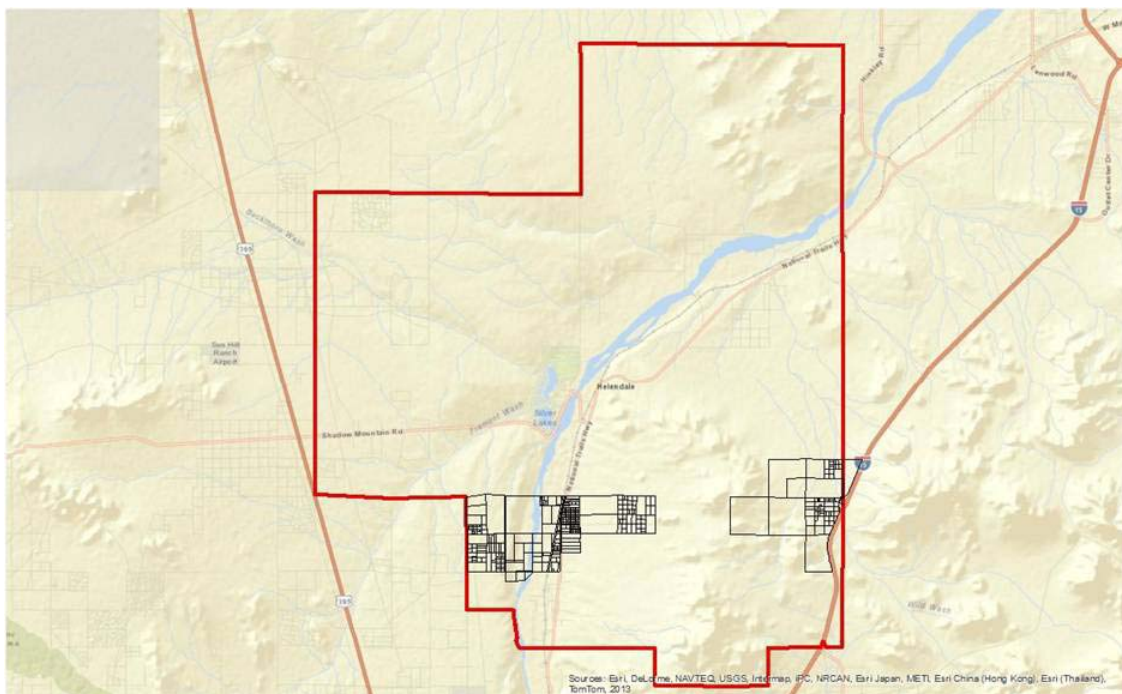
Before Annexation and After Annexation. Currently, the San Bernardino County Fire Protection District (SBCFPD) North Desert Regional Service Zone and Service Zone FP-5 are responsible for fire protection services in the Helendale CSD and most of Annexation Areas 1 and 2. As shown in Figure 3-1, the Helendale CSD sphere of influence is almost entirely covered by FP-5, except for a small, triangular undeveloped area northeast of the Wild Wash interchange with Interstate 15.

The Helendale CSD is serviced by San Bernardino County Fire Station Number 4 (Silver Lakes/Helendale Station). Property tax is allocated to the (SBCFPD) North Desert Regional Service Zone from development in the proposed annexation areas. A special tax of \$117 per parcel with an annual cost of living increase of up to 3 percent was approved in 2006 for Service Zone FP-5. Based on the 2013-2014 County Budget, the current cost is estimated at \$136 per parcel. The SBCFPD North Desert Regional Service Zone and Fire Protection Zone FP-5 will continue to be the service provider for fire prevention and protection services after the annexation.

3.5 Paramedic

Before Annexation and After Annexation. Currently, emergency response services in the Helendale CSD and most of Annexation Areas 1 and 2 are provided under exclusive operation

**Figure 3-1
Boundary of FP-5 and Proposed CSD Annexation Areas 1 and 2 Boundaries
Helendale Community Services District**



Source: Stanley R. Hoffman Associates, Inc.

area (EOA) franchise agreements. Annexation Area 1 is within American Medical Response (AMR) EOA 12. Annexation Area 2 is within both AMR EOA 12 and Desert Ambulance EOA 13. Emergency medical services will continue to be provided by these EOA franchise agreements after the annexation. Users of ambulance services are billed on a per trip basis.

3.6 Flood Control and Drainage

Before Annexation and After Annexation. On a regional level, the San Bernardino County Flood Control District intercepts and manages flood flows through and away from developed areas throughout the County. The San Bernardino County Flood Control District will continue to provide services to the area after the annexation.

3.7 Health and Welfare

Before Annexation and After Annexation. San Bernardino County Department of Public Health currently serves the Helendale CSD and the annexation areas for the general public's health and welfare services. The department provides a variety of programs and services that informs and educates the public about health issues. The County Department of Public Health additionally provides public assistance welfare and healthcare needs for all residents within San Bernardino County. There are no anticipated changes in service levels after the annexation of Area 1 and Area 2.

3.8 Library

Before Annexation and After Annexation. Currently, the existing households within the Helendale CSD and the proposed annexation areas are served by the San Bernardino County Library system. The nearest County library, the Adelanto Branch Library is located at 11497 Bartlett Avenue in Adelanto, and is a driving distance of about 20.6 miles away from the area. There are no anticipated changes in library services after the annexation of Areas 1 and 2.

3.9 Schools

Before Annexation and After Annexation. The various school districts serving Annexation Area 1 and Annexation Area 2 are the same before the annexation and after the annexation. The school districts serving Annexation Area 1 include the Adelanto Elementary School District, the Oro Grande Elementary School District and the Victor Valley Union High School District. The school districts serving Annexation Area 2 are the Oro Grande Elementary School District, the Barstow Unified School District and the Victor Valley Union High School District.

3.10 Transportation

Before Annexation and After Annexation. Current transportation services for the Helendale CSD and the proposed annexation areas include freeways and interchanges serviced by Cal Trans; arterials and collectors are serviced by the Public Works Department of San Bernardino County; local roads are also serviced by the Public Works Department of San Bernardino County; and local street sweeping within the Silver Lakes community is provided by the Silver Lakes Homeowners Association. There will be no change in transportation services or service providers after the annexation.

3.11 Utilities

Before Annexation and After Annexation. The current cable and internet providers are primarily Direct TV and Dish Network; telephone services are provided by Verizon; electricity and power are provided by Southern California Edison; natural gas is provided by Southwest Gas Corporation. There is no anticipated change in services or service providers after annexation into the Helendale CSD.

3.12 Helendale CSD District Administration

Before Annexation. Annexation Areas 1 and 2 would not receive Helendale CSD District administrative services prior to annexation.

After Annexation. The Helendale CSD District Administration includes the services provided by a 5-member elected Board of Directors, the General Manager and support staff. These services by the CSD management provide for regulatory compliance, CSD personnel services, CSD budgeting services, monthly billing for water, sewer and solid waste; and other general overhead functions for the CSD.

3.13 Sewer

Before Annexation. Residences or businesses in Area 1 and Area 2 rely on individual septic systems for sewer services.

After Annexation. After annexation, current and future residences within Area 1 and Area 2 will be able to obtain sewer services from the Helendale CSD. All of the residences connected to the CSD sewer system are charged a monthly flat rate for services. The fees cover the costs of the treatment plant and sewer maintenance, plus any connection charges. Existing properties or new developments would be evaluated as to their feasibility to connect to the existing treatment plant, or to have new facilities built. The cost of extending these services to existing properties would be the responsibility of the affected property owners.

3.14 Water

Before Annexation. Area 1 and Area 2 rely on underground wells for their drinking water needs. The Helendale CSD provides their water services only to properties within CSD boundaries. Properties outside the CSD boundaries generally rely on underground water wells.

After Annexation. The Helendale CSD has the power “to supply water for any beneficial use” as outlined in the Municipal Water District Law of 1911². Helendale CSD now provides drinking water to residents through a system of two reservoirs, which have a combined storage capacity of 5 million gallons, and nine groundwater wells. Seven of these wells are currently operational and two are on standby or inactive. Currently, the CSD provides domestic water and water quality services to residents who reside within the CSD. These services will be extended to the properties within annexation Area 1 and Area 2 under the proper economic and development conditions, and would be the cost responsibility of the affected property owners.

3.15 Solid Waste Management

Before Annexation. The proposed annexation areas currently rely on San Bernardino County Solid Waste Management Division (SWMD) under contract with AVCO/Burrtec for solid waste disposal services.

After Annexation. Under its solid waste disposal powers, Helendale CSD may “collect, transfer, and dispose of solid waste and provide solid waste handling service, including source reduction, recycling, composting activities”. In fiscal year 2010-2011, the Helendale CSD assumed responsibility for solid waste disposal within its boundaries from SWMD and collects an assessment of \$85.14 per parcel for solid waste disposal. This fee is currently collected by SWMD and will transfer to the Helendale CSD upon annexation. This assessment pays for the tipping fee and gate fee at the San Bernardino County refuse dump for the contract trash hauler and for access to the dump by individual CSD residents. The Helendale CSD contracts with AVCO/Burrtec to provide these services, and the CSD will be providing billing for solid waste disposal services to Areas 1 and 2 after annexation.

3.16 Parks and Recreation

Before Annexation. The County Regional Parks Department provides regional park services to all residents within the County, including the proposed annexation areas. The closest County Regional Park is Mohave Narrows located within 20 to 30 minutes of the annexation areas. The County does not provide local park services.

After Annexation. After annexation, the areas will have access to the local park services provided by the Helendale CSD parks and recreation department. Current parks and recreation services include the operation of exercise classes and arts/crafts classes during the weekdays, a newly

² San Bernardino LAFCO Policy Manual Section V. “Exhibit ‘A’: Listing of Special District Functions and Services”. March 2008.

remodeled teen center open on Friday evenings, a dog park and an annual Mojave River Trail Days Festival held in October at the Helendale Community Park. A 3-acre park facility is currently under development. Current and future residents will have access to the parks and recreation services that the Helendale CSD operates. These new residents will also be subject to any user charges associated with these services.

3.17 Street Lighting

Before Annexation. Street lighting is a service potentially provided to the annexation areas by the San Bernardino County Public Works Department. Currently, no street lights are provided because of the rural nature of the areas.

After Annexation. In accordance with its street lighting power, Helendale CSD may “acquire, construct, improve, maintain and operate street lighting and landscaping on public property, public rights-of-way, and public easements”³. Currently, the CSD provides street lighting on public rights-of-way generally in and around the Silver Lakes subdivision paid with CSD property tax revenues. Area 1 and Area 2 will have access to the street lighting services that the Helendale CSD operates. These services would be extended under the proper economic and development conditions, and with future residents of these areas subject to any applicable one-time development impact fees or ongoing user charges.

3.18 Graffiti Abatement

Before Annexation. San Bernardino County maintains graffiti abatement for the road signs and bridges in the annexation areas. The Helendale CSD currently provides graffiti abatement to the properties within the CSD’s boundary only.

After Annexation. After the proposed annexation of Area 1 and Area 2, the areas will be considered under the Helendale CSD graffiti services; therefore, receiving graffiti abatement services, as necessary. There will be no changes in the services provided by San Bernardino County to the road signs and bridges along Historic Route 66.

³ Ibid.

CHAPTER 4 FISCAL IMPACT ANALYSIS FOR ANNEXATION AREAS 1 and 2

This chapter presents a fiscal analysis of the administrative, parks and recreation and solid waste management public services that will potentially be provided by the Helendale CSD upon annexation of Area 1 (South of Silver Lakes) and Area 2 (Wild Wash) into the CSD boundary, and for the first five years after annexation.

Water service, sewer service and street lighting service are not assumed to be extended to the project areas upon annexation and for the first five years after annexation into the CSD, but would be extended under the proper economic and development conditions. This analysis assumes that if capital expenditures are required to extend a service, such as sewer and water, the property receiving the service would pay their pro rata share of extending the service.

4.1 Annual Recurring Fiscal Impacts

As shown in Table 4-1, a recurring surplus of about \$2,258 is projected to the Helendale CSD for Annexation Area 1 (South of Silver Lakes) and no impacts are projected for Annexation Area 2 (Wild Wash). Most of the CSD revenues and costs are projected on a developed parcel basis, which are estimated at 106 developed parcels for the Annexation Area 1 (South of Silver Lakes,; there are no parcels currently developed in Annexation Area 2 (Wild Wash).

Recurring Revenues. The majority of the CSD total projected recurring revenues for the annexation areas are for solid waste ESFR fees and estimated thrift store sales, which total about 77.0 percent of total recurring revenues, as shown in Table 4-1. Franchise fee revenues are estimated at about 11.8 percent of total recurring revenues and solid waste billing fees are estimated at about 9.0 percent of total recurring revenues. Revenues for CSD water and sewer operations are not projected because these services are not assumed to be extended to the project areas upon annexation and for the first five years after annexation. Also, based on the tax rate areas (TRAs) property tax allocations for the annexation areas, the CSD currently receives no allocation of the basic one percent levy on the assessed valuation in these annexation areas.

Recurring Costs. As also shown in Table 4-1, solid waste disposal is estimated at 44.5 percent of total recurring costs, and are offset by projected recurring solid waste ESFR fees. Parks and recreation services (which include CSD graffiti abatement) are projected at about 38.8 percent of total projected costs for the annexation areas. Remaining costs of CSD administration costs are

Table 4-1
Projected Annual Recurring Fiscal Impacts
Annexation Areas 1 and 2
Helendale Community Services District
(In Constant 2013 Dollars)

Category	Upon Annexation to CSD and First 5 Years After Annexation ¹			
	Area 1	Area 2	Grand Total	Percent of Total
	South of Silver Lakes	Wild Wash		
Recurring Revenues				
Property tax	\$0	\$0	\$0	0.0%
Water operations ²	0	0	0	0.0%
Sewer operations ²	0	0	0	0.0%
Franchise fees	2,649	0	2,649	11.8%
Solid waste billing fee	2,038	0	2,038	9.0%
Solid waste ESFR fee	9,025	0	9,025	40.1%
Park and recreation fees	408	0	408	1.8%
Thrift store revenues	8,314	0	8,314	36.9%
Teen Center revenues	41	0	41	0.2%
Investments	56	0	56	0.2%
Total Recurring Revenues	\$22,531	\$0	\$22,531	100.0%
Recurring Costs				
Administration	\$3,379	\$0	\$3,379	16.7%
Water operations ²	0	0	0	0.0%
Sewer operations ²	0	0	0	0.0%
Parks and recreation	7,869	0	7,869	38.8%
Street lighting expense ³	0	0	0	0.0%
Solid waste disposal	9,025	0	9,025	44.5%
Total Recurring Costs	\$20,273	\$0	\$20,273	100.0%
Net Recurring Surplus	\$2,258	\$0	\$2,258	
Revenue/Cost Ratio	1.11	n/a	1.11	

- Note: 1. This table presents the projected recurring fiscal impacts to the Helendale CSD upon annexation and for the first 5 years after annexation. No new development is assumed for the first 5 years after annexation; therefore, projected fiscal impacts are the same upon annexation and for each of the first 5 years after annexation.
2. Water and sewer revenues and costs are not projected in the fiscal analysis because these services are not expected to be extended to the annexation areas at the time of annexation and for the first five years after annexation. If water and sewer services are extended to the annexation areas, the CSD would provide water and sewer services and receive water and sewer revenues.
3. Street lighting costs are not projected upon annexation and for the first five years after annexation. Upon development of street lighting in the annexation areas, the CSD would incur operations and maintenance costs for street lights.

Sources: Stanley R. Hoffman Associates, Inc.
Helendale Community Services District, *Fiscal Year 2013-14 Adopted Operating Budget*

estimated at 16.7 percent of total projected costs. As discussed earlier, there are no street lights assumed in the annexation areas, therefore no street lighting costs are projected to the CSD. Also, CSD water and sewer operations costs are not projected because these services are not assumed for the project areas upon annexation and for the first five years after annexation.

4.2 Fiscal Assumptions

The revenue and cost assumptions for projected fiscal impacts to the Helendale CSD for the proposed annexation of Area 1 (South of Silver Lakes) and Area 2 (Wild Wash) are presented in Table 4-2. Most of the recurring revenues and costs are projected on a per developed parcel basis. For parcel amounts not shown in the budget, calculations are based on the adopted Fiscal Year 2013-2014 revenues and costs provided by the CSD Assistant General Manager and the estimated 2,601 developed parcels in the CSD.

Recurring Revenue Assumptions

As shown in Table 4-2, CSD revenues for water and sewer operations and street lighting are not projected for the annexation area upon annexation and for the first five years after annexation because these services are not expected to extend to the annexation area upon annexation and during the first five years after annexation. If water and sewer services are extended to the annexation areas by the CSD, these revenues would be projected at about \$622 per parcel and about \$505 per parcel, respectively

Property Tax. Generally, the Helendale CSD receives property tax based on a tax rate area (TRA) allocation of the basic one percent levy on the assessed valuation in which the property is located. However, as shown in Appendix Table A-1 and A-2, the Helendale CSD currently receives no property tax from the TRAs for the South of Safari Ranch and Wild Wash annexation areas.

As discussed earlier in Chapter 2, the Helendale CSD owns a 20 acre parcel in Annexation Area 2 (Wild Wash). The CSD currently pays property taxes of about \$144 annually for this 20 acre parcel. It is assumed that the CSD will not pay property taxes on this parcel when it is developed as a public facility center for water and sewer and other CSD maintenance responsibilities when future development occurs.

Other Revenue Assumptions. Solid waste monthly fees and charges provide most of the operating revenues for the Helendale CSD, as shown in Table 4-2. In addition, the CSD receives franchise fees revenues from Burrtec and revenue from sales at the community thrift store purchased by the CSD in 2011. While the Helendale CSD receives lease and rental income, these revenues are not projected in the fiscal analysis because they are not assumed to increase as a result of the proposed annexations.

Recurring Costs Assumptions

The annual Helendale CSD solid waste disposal costs are offset by projected recurring solid waste ESFR fees. Annual CSD operations and maintenance costs are for parks and recreation services and administrative services represent the remaining projected CSD costs for the annexation areas, as also shown in Table 4-2.

As discussed earlier, CSD water and sewer service costs are not projected because these services are not assumed for the project areas upon annexation and for the first five years after annexation. If these services are extended to the annexation areas by the CSD, water and sewer costs would be projected at about \$347 per parcel and about \$263 per parcel, respectively. Also, there are no street lights assumed in the annexation areas, therefore no street lighting costs are projected to the CSD. If street lighting is extended to the annexation areas, these costs are projected at \$151.27 per street light.

Administration. Helendale CSD general overhead services include a 5-member elected Board of Directors, the General Manager and support staff responsible for regulatory compliance, personnel services, annual budgets services, monthly billing for water, sewer billing, and solid waste; and other general overhead functions for the CSD. As shown in Table 4-2, administration costs of \$872,436 represent about 40 percent of the total non-administrative adopted FY 2013-14 CSD budget of \$2,133,157 (\$3,005,593 minus \$872,436). However, administrative costs will not increase on a one to one basis with direct service costs and the CSD will not be providing water, sewer and street lighting costs upon annexation and for the first five years after annexation. Therefore, the fiscal analysis projects CSD administration costs at a 50 percent marginal rate, or at 20 percent of direct services costs.

Parks and Recreation. Based on discussion with CSD staff, the Parks and Recreation debt service fixed payment of \$159,531 would not be impacted by the annexation areas, and is therefore removed from the FY 2013-14 adopted budget for cost estimation purposes. Parks and Recreation costs are projected at \$74.23 per parcel based on the adjusted cost of \$193,085 for Parks and Recreation and the estimated 2,601 parcels in the CSD.

Solid Waste Disposal. These services are projected at \$85.14 per parcel based on the FY 2013-14 CSD budget. As discussed previously, the annual Helendale CSD solid waste disposal costs are offset by projected recurring solid waste ESFR fees.

Table 4-2
Annual Recurring Revenue and Cost Assumptions
Annexation Areas 1 and 2
Helendale Community Services District
(In Constant 2013 Dollars)

Category	Adopted FY 2013-14 Amounts	Adjusted Amount	Projection Basis	Projection Factor
A. RECURRING REVENUES				
Property Taxes - General ¹	\$60,000	\$60,000	Assessed Valuation	Case Study ¹
Property Taxes - Parks ¹	\$40,000	\$40,000		Share of basic 1% property tax levy: 0.00% South of Silver Lakes 0.00% Wild Wash
Water Operations ²	\$1,616,652	\$1,616,652	Developed Parcels = 2,601	\$621.55 per developed parcel - <i>not projected</i> ²
Sewer Operations ²	\$1,314,000	\$1,314,000	Developed Parcels = 2,601	\$505.19 per developed parcel - <i>not projected</i> ²
Franchise Fees	\$65,000	\$65,000	Developed Parcels = 2,601	\$24.99 per developed parcel
Solid Waste Billing Fee	\$50,000	\$50,000	Developed Parcels = 2,601	\$19.22 per developed parcel
Solid Waste ESFR Fee ³	\$221,750	\$221,750	Case Study ³	\$85.14 per developed parcel
Park and Recreation Fees	\$10,000	\$10,000	Developed Parcels = 2,601	\$3.84 per developed parcel
Thrift Store Sales	\$204,000	\$204,000	Developed Parcels = 2,601	\$78.43 per developed parcel
Investments	\$15,000	\$15,000	Share of Recurring Revenues	0.39% of recurring revenues
Teen Center Concessions	\$1,000	\$1,000	Developed Parcels = 2,601	\$0.38 per developed parcel
Teen Center Donations ⁴	\$1,000	\$1,000	Developed Parcels = 2,601	\$0.38 per developed parcel - <i>not projected</i> ⁴
Other ⁴	\$2,500	\$2,500	Developed Parcels = 2,601	\$0.96 per developed parcel - <i>not projected</i> ⁴
Event Donations ⁴	\$7,000	\$7,000	Developed Parcels = 2,601	\$2.69 per developed parcel - <i>not projected</i> ⁴
Rental Income ⁴	\$154,180	\$154,180	Developed Parcels = 2,601	\$59.28 per developed parcel - <i>not projected</i> ⁴
Radio Site Rental ⁴	\$58,000	\$58,000	Developed Parcels = 2,601	\$22.30 per developed parcel - <i>not projected</i> ⁴
Salvage ⁴	<u>\$1,500</u>	\$1,500	Developed Parcels = 2,601	\$0.58 per developed parcel - <i>not projected</i> ⁴
Total Revenues	\$3,821,582			
B. RECURRING COSTS				
Administration ⁵	\$872,436		Case Study ⁵	20% of recurring costs
Water Operations ²	\$902,435	\$902,435	Developed Parcels = 2,601	\$346.96 per developed parcel - <i>not projected</i> ²
Sewer Operations ²	\$682,921	\$682,921	Developed Parcels = 2,601	\$262.56 per developed parcel - <i>not projected</i> ²
Parks and Recreation ⁶	\$352,266	\$193,085	Developed Parcels = 2,601	\$74.23 per developed parcel
Street Lighting ⁷	\$17,850	\$17,850	Street Lights = 118	\$151.27 per developed parcel - <i>not projected</i> ⁴
Solid Waste Disposal ³	<u>\$177,685</u>	\$177,685	Case Study ³	\$85.14 per developed parcel
Total Costs	\$3,005,593			

- Note: 1. The CSD currently receives property tax based on the tax rate area (TRA) allocation of the basic one percent levy on the assessed valuation in which the property is located. However, the Helendale CSD currently receives no property tax allocation from the TRAs for the South of Safari Ranch and Wild Wash annexation areas.
2. Water and sewer revenues and costs are not projected in the fiscal analysis because these services are not expected to be extended to the annexation areas at the time of annexation and for the first five years after annexation. If water and sewer services area extended to the annexations areas, the CSD would provide water and sewer services at the overall CSD average cost per parcel and receive water and sewer revenues at the overall CSD amount per parcel.
3. The CSD assumed responsibility for solid waste disposal within its boundaries from the County in fiscal year 2010-11, and the CSD receives a voter approved annual assessment of \$84.14 per parcel for solid waste disposal services.
4. Teen Center donations, other revenues, event donations and salvage rentals are not projected due to the uncertainty of these revenues in the future. Rental income from the lease of residential properties and facilities at the 75-acre racehorse training ranch and radio site rental income are not projected because these revenues are not assumed to increase upon annexation of Area 1 and Area 2.
5. Administration costs represent about 40 percent of total non-administrative recurring costs in the CSD budget. However, administration costs will not increase on a one to one basis to direct service costs for the annexation areas and CSD water, sewer and street lighting costs are not assumed for the first five years of annexation. Therefore, the fiscal analysis assumes administration costs at a marginal rate of 50 percent, or at 20 percent of projected recurring direct costs for the annexation areas.
6. The debt service fixed payment of \$159,531 in the Parks and Recreation Adopted FY 2013-2014 costs is not included as a recurring cost that would potentially be impacted by the population in the annexation area. Therefore, the budgeted costs of \$352,266 for Parks and Recreation is adjusted to \$193,085 for the fiscal analysis.
7. Street lighting costs are not projected upon annexation and for the first five years after annexation. Upon development of street lighting in the annexation areas, the CSD would incur operations and maintenance costs projected at \$151.27 per street light.

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Auditor-Controller, Property Tax Division, Report P1739DYL, Allocation Percentage Calculation, Tax Roll 2012
Helendale Community Services District, Fiscal Year 2013-14 Adopted Operating Budget Summary
Helendale Community Services District, General Manager

APPENDIX A

TAX RATE AREA (TRA) ALLOCATIONS FOR ANNEXATION AREAS

Table A-1
Tax Rate Area (TRA) Allocations for Annexation Area 1 (South of Silver Lakes)
San Bernardino County

Agency Code	Agency ¹	South of Silver Lake Annexation Area					Weighted Average
		TRA 99024 Allocation	TRA 99025 Allocation	TRA 99026 Allocation	TRA 99028 Allocation ²	TRA 99030 Allocation	
AB01 GA01	San Bernardino County General Fund	0.14528245	0.14536052	0.14701145	0.00000000	0.16577884	0.14797895
AB02 GA01	Educational Revenue Augmentation Fund (ERAF)	0.22014089	0.22025948	0.22276079	0.00000000	0.25119845	0.22422702
BF04 GA01	Flood Control, Zone 4	0.02296982	0.02297972	0.00000000	0.00000000	0.00000000	0.01749593
BF06 GA01	Flood Control, Zone 6	0.00000000	0.00000000	0.01159623	0.00000000	0.01308024	0.00294325
BF08 GA01	Flood Control District, Administration, Zones 3-6	0.00087891	0.00087933	0.00088914	0.00000000	0.00100271	0.00089514
BL01 GA01	San Bernardino County Free Library	0.01407940	0.01408562	0.01424177	0.00000000	0.01606794	0.01433942
BS01 GA01	County Superintendent of Schools, Countywide	0.00498843	0.00499119	0.00504771	0.00000000	0.00569226	0.00508107
BS01 GA02	County Superintendent, ROP	0.00085554	0.00085571	0.00086540	0.00000000	0.00097613	0.00087117
BS01 GA03	County Superintendent, Physically Handicapped	0.00196288	0.00196324	0.00198525	0.00000000	0.00223848	0.00199855
BS01 GA04	County Superintendent, Mentally Retarded	0.00157573	0.00157640	0.00159429	0.00000000	0.00179793	0.00160482
BS01 GA05	County Superintendent, Development Center	0.00051430	0.00051464	0.00052042	0.00000000	0.00058670	0.00052387
SC66 GA01	Victor Valley Community College	0.06533681	0.06536370	0.06609619	0.00000000	0.07454929	0.06654095
SE02 GA01	Adelanto Elementary School District, General Tax Levy	0.00000000	0.00000000	0.00000000	0.00000000	0.21587353	0.02564398
SE30 GA01	Helendale Elementary School District	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
SE46 GA01	Oro Grande Elementary School District, General Tax Levy	0.18312202	0.18319964	0.18524605	0.00000000	0.00000000	0.16167736
SH66 GA01	Victor Valley Union High School District	0.17804829	0.17812169	0.18011339	0.00000000	0.20316023	0.18133009
UD44 GA01	CSA 60 - Victorville	0.01007856	0.01008325	0.01019558	0.00000000	0.01150104	0.01026484
UF01 GA03	San Bernardino County Fire Protection District, North Desert Service Area	0.11817978	0.11822806	0.11955010	0.00000000	0.00000000	0.10433892
UF01 GA05	San Bernardino County Fire Protection District, Administration	0.02619554	0.02620609	0.02649776	0.00000000	0.02989529	0.02667862
WC12 GA01	Helendale Community Services District	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
WR03 GL01	Mojave Desert Resource Conservation District	0.00060823	0.00031217	0.00054565	0.00000000	0.00068688	0.00040326
WY20 GI01	Mojave Water Agency, General Tax Levy L & I	0.00518242	0.00501955	0.00524283	0.00000000	0.00591406	0.00516280
	Total	1.00000000	1.00000000	1.00000000	0.00000000	1.00000000	1.00000000
Assessed Valuation of TRAs for Annexation Area		\$1,280,000	\$14,229,059	\$2,440,605	\$0	\$2,419,713	\$20,369,377
Percent of Total AV		6.3%	69.9%	12.0%	0.0%	11.9%	100%

Note: 1. The Helendale CSD allocations are highlighted in bold print.
2. TRA 99028 is not included in the PI739DYL report from San Bernardino County. The PI164 County report lists no valuation on the tax roll for TRA 99028.

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Auditor-Controller, Property Tax Division, Report PI739DYL, Allocation Percentage Calculation, Tax Roll 2012
San Bernardino County Auditor-Controller, Property Tax Division, Report PI164, TRA Net Valuations, October 30, 2012

Table A-2
Tax Rate Area (TRA) Allocations for Annexation Area 2 (Wild Wash)
San Bernardino County

Agency Code	Agency ¹	Wild Wash Annexation Area		
		TRA 56022 Allocation	TRA 99003 Allocation	Weighted Average
AB01 GA01	San Bernardino County General Fund	0.17773421	0.16695367	0.16798920
AB02 GA01	Educational Revenue Augmentation Fund (ERAF)	0.26935895	0.25297883	0.25455223
BF06 GA01	Flood Control, Zone 6	0.01395988	0.01317094	0.01324672
BF08 GA01	Flood Control District, Administration, Zones 3-6	0.00107670	0.00100984	0.00101626
BL01 GA01	San Bernardino County Free Library	0.01767388	0.01617651	0.01632034
BS01 GA01	County Superintendent of Schools, Countywide	0.00610376	0.00573263	0.00576828
BS01 GA02	County Superintendent, ROP	0.00104727	0.00098291	0.00098909
BS01 GA03	County Superintendent, Physically Handicapped	0.00240550	0.00225496	0.00226942
BS01 GA04	County Superintendent, Mentally Retarded	0.00000000	0.00181056	0.00163665
BS01 GA05	County Superintendent, Development Center	0.00063055	0.00059100	0.00059480
SC10 GA01	Barstow Community College, General Tax Levy	0.10332528	0.00000000	0.00992495
SU10 GA01	Barstow Unified School District, General Tax Levy	0.34891002	0.00000000	0.03351470
SC66 GA01	Victor Valley Community College	0.00000000	0.07506918	0.06785838
SE46 GA01	Oro Grande Elementary School District, General Tax Levy	0.00000000	0.21040015	0.19019008
SH66 GA01	Victor Valley Union High School District	0.00000000	0.20456911	0.18491914
UD44 GA01	CSA 60 - Victorville	0.01240321	0.01158042	0.01165945
UF01 GA05	San Bernardino County Fire Protection District, Administration	0.03200613	0.03009710	0.03028047
VB01 GA01	Barstow Cemetery District, General Tax Levy	0.00748021	0.00000000	0.00071851
WC12 GA01	Helendale Community Services District	0.00000000	0.00000000	0.00000000
WR03 GL01	Mojave Desert Resource Conservation District	0.00047285	0.00066759	0.00064888
WY20 GI01	Mojave Water Agency, General Tax Levy L & I	<u>0.00541160</u>	<u>0.00595460</u>	<u>0.00590244</u>
	Total	1.00000000	1.00000000	1.00000000

Assessed Valuation of TRA for Wild Wash Annexation Area	\$227,521	\$2,141,122	\$2,368,643
<i>Percent of Total AV</i>	9.6%	90.4%	100%

Note: 1. The Helendale CSD allocations are highlighted in bold print.

Sources: Stanley R. Hoffman Associates, Inc.

San Bernardino County Auditor-Controller, Property Tax Division, Report PI739DYL, Allocation Percentage Calculation, Tax Roll 2012

APPENDIX B PROJECT REFERENCES

Helendale Community Services District,
760-951-0006
Kimberly Cox, General Manager
Paul E. Harmon, Assistant General Manager

San Bernardino County LAFCO,
909-383-9900
Kathleen Rollings-McDonald, Executive Officer
Sam Martinez, Assistant Executive Officer

Websites Consulted

www.helendalecsd.org

www.sbcounty.gov

www.sbclafco.org