


LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: MAY 11, 2015 
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #8: LAFCO's 3183 and 3184 (see proposal titles below)

PROPOSAL TITLES:

LAFCO 3183 – Sphere of Influence Amendments for the City of Chino (Reductions) and City of Chino Hills (Expansions)

LAFCO 3184 – Reorganization to Include Detachments from the City of Chino and Annexations to the City of Chino Hills

INITIATED BY:

Resolution of the City Councils of the City of Chino and the City of Chino Hills

RECOMMENDATION:

The staff recommends that the Commission approve LAFCOs 3183 and 3184 by taking the following actions:

1. With respect to environmental review:
 - a) Certify that the City of Chino Hills' Mitigated Negative Declaration for General Plan Amendment 14GPA01, Zone Change 14ZC01, Tentative Parcel Map 19539, Site Plan Review 14SPR02, Major Variance 14MJV02, Minor Variance 14MNV06, and Development Agreement for the Fairfield Ranch Commons Project, has been independently reviewed and considered by the Commission and its staff;
 - b) Determine that the City's environmental assessment and Mitigated Negative Declaration, are adequate for the Commission's use as a CEQA responsible agency for its consideration of LAFCOs 3183 and 3184;

- c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the proposal; that the mitigation measures identified in the City's environmental documents are the responsibility of the City and/or others, not the Commission;
 - d) Direct the Executive Officer to file Notices of Determination for each proposal within five (5) days and find that no further Department of Fish and Wildlife filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.
2. Approve LAFCO 3183, sphere of influence reduction for the City of Chino and sphere of influence expansion for the City of Chino Hills;
 3. Adopt LAFCO Resolution #3198 for LAFCO 3183, setting forth the Commission's determinations related to the sphere of influence changes identified;
 4. Approve LAFCO 3184, reorganization to include detachments from the City of Chino and annexations to the City of Chino Hills, with the standard terms and conditions;
 5. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner consent to the reorganization; and,
 6. Adopt LAFCO Resolution #3199 for LAFCO 3184, setting forth the Commission's determinations and conditions of approval concerning the reorganization proposal.

BACKGROUND:

LAFCOs 3183 and 3184 are proposals submitted jointly by the Cities of Chino and Chino Hills in order to adjust the boundaries between both cities along the southwest side of Chino Creek (the Flood Control Channel) immediately south of Chino Hills Parkway. The parcels along Chino Creek generally follow the former centerline of the creek, which is also the dividing line between these two cities southerly of the Chino Hills Parkway - the area lying westerly of the creek is generally in the City of Chino Hills and the area lying easterly of the creek is generally in the City of Chino. However, through the channelization of the creek, many of the parcels along the improved channel now cross from one side of the creek to the other, creating patches of land in different jurisdictions on each side of the Flood Control Channel.

In this particular instance, the area being developed westerly of the improved channel, typically within the City of Chino Hills, has two small areas that are actually part of an adjacent parcel that is within the City of Chino. Therefore, these two proposals are intended to adjust the spheres of influence and the boundaries of these two cities in this specific location in order to match the present-day boundary delineation along the channel (which is the westerly right-of-way line of the Flood Control Channel) and to make the entire project that is being developed wholly within the City of Chino Hills.

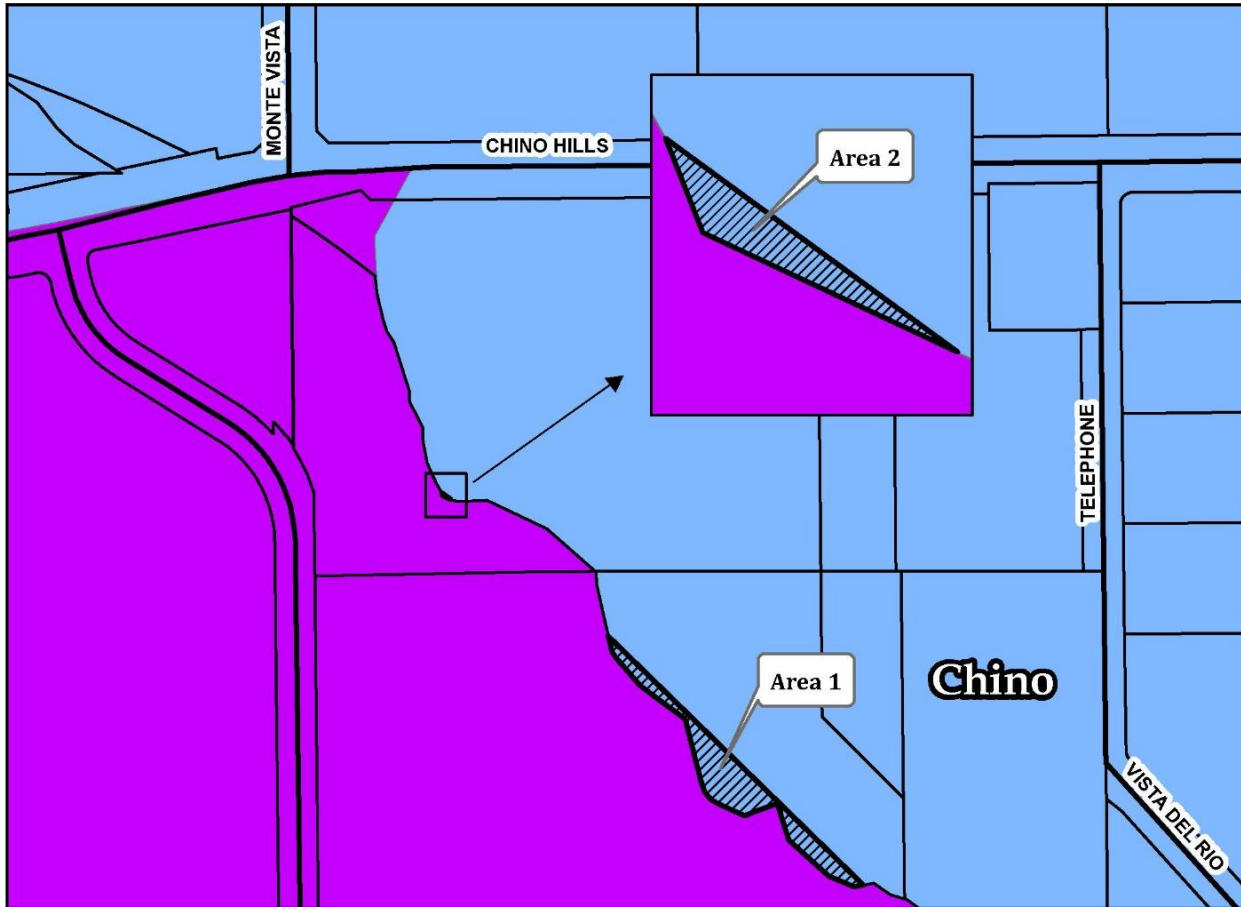


FIGURE 1 – Vicinity Map

LAFCO 3183 is a sphere amendment proposal that places the two areas from the sphere of influence for the City of Chino into the sphere of influence for the City of Chino Hills, which is a requirement for annexation. Then, LAFCO 3184 is a reorganization that will bring the entire project site that is proposed for development located westerly of the Flood Control Channel within the City of Chino Hills.

Since the areas being considered for both LAFCOs 3183 (sphere expansion and reduction areas) and 3184 (annexation and detachment areas) are the same, both are being discussed and evaluated within this single report. The narrative which follows provides a discussion of the mandatory factors the Commission is required to review as set forth in Government Code Section 56000 et.al. It begins with a discussion on boundaries and environmental assessment, as these pertain to both LAFCOs 3183 and 3184. Then, the report will provide the required “factors of consideration” for the sphere of influence amendments, followed by a discussion on land use, the plan for service, and the mandatory determinations for the reorganization proposal.

BOUNDARIES:

The two areas being considered for LAFCOs 3183 and 3184, Areas 1 and 2, encompass a total of 9,411+/- square feet. In detail, these areas are described as follows:

- Area 1 encompasses 9,360 square feet that is proposed to be removed from the City of Chino's sphere and added to the City of Chino Hills' sphere, and then subsequently detached from the City of Chino and annexed into the City of Chino Hills.
- Area 2 encompasses 51 square feet that is also proposed to be removed from the City of Chino's sphere and added to the City of Chino Hills' sphere, and then subsequently detached from the City of Chino and annexed into the City of Chino Hills.



FIGURE 2 – Aerial Map

Figure 2 above provides an aerial of the vicinity showing the correlation between the centerline of Chino Creek and the improved channel. Location and other vicinity maps of the sphere amendment and reorganization areas are included as Attachment #1 to this report.

Boundary Issues:

The application materials that was submitted to LAFCO originally anticipated the transfer of a single area (Area 1) for the sphere amendment/reorganization. However, after further review of the data, a second area (Area 2) was discovered that will also transfer as part of the overall process. This additional area was identified only after further review of information related to the legal description for the actual parcels affected by these two proposals. Therefore, prior to the circulation of the Notice of Filing for LAFCOs 3183 and 3184, the application materials were updated by the City of Chino Hills to reflect the two areas, Areas 1 and 2, which are both being processed together for these actions.

As described earlier, these two areas are located westerly of the Flood Control Channel, which can only be accessed from within the City of Chino Hills. Logically, upon development of the proposed project and connection of its road network to Monte Vista Avenue and Fairfield Ranch Road, services such as street lighting, road maintenance (i.e. street sweeping), and trash removal will simply be extended from the services already available westerly of the Flood Control Channel, which is provided by the City of Chino Hills.

Therefore, it is LAFCO staff's position that the proposed transfer of territory between the Cities of Chino and Chino Hills is a reasonable sphere amendment and reorganization since the two areas can be only be served by the City of Chino Hills. In addition, using the improved channel as jurisdictional boundary makes for an easily identifiable boundary for service delivery.

ENVIRONMENTAL CONSIDERATIONS:

The City of Chino Hills prepared an Initial Study and Mitigated Negative Declaration for its review of the Fairfield Ranch Commons Project (the "Project"), which includes a General Plan Amendment (14GPA01), a Zone Change (14ZC01), a Tentative Parcel Map 19539, a Site Plan Review (14SPR02), a Major Variance (14MJV02), a Minor Variance (14MNV06), and a Development Agreement to create 346 very high density residential apartment units on 14.73 acres and a 326,641 square foot industrial park (3 buildings) on 17.37 acres. The City's environmental assessment has been reviewed by the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, and has determined that the City's documents are adequate for the Commission's use as a responsible agency under CEQA.

Mr. Dodson has indicated that the necessary environmental actions to be taken by the Commission, as a responsible agency under CEQA, are as follows:

- Determine that the City's environmental assessment and Mitigated Negative Declaration prepared for the Fairfield Ranch Commons Project, has been independently reviewed and considered by the Commission and its staff.
- Determine that the City's environmental assessment and Mitigated Negative Declaration, is adequate for the Commission's use as a CEQA responsible agency for its consideration of LAFCOs 3183 and 3184;

- Determine that the Commission does not intend to adopt alternatives or mitigation measures for the Project; that the mitigation measures identified in the City's environmental documents are the responsibility of the City and/or others, not the Commission;
- Direct the Executive Officer to file the Notices of Determination within five days and find that no further Department of Fish and Wildlife filing fees are required by the Commission's approvals of LAFCOs 3183 and 3184 since the City of Chino Hills, as lead agency, has paid said fees.

SPHERE OF INFLUENCE AMENDMENT (LAFCO 3183)

In order to update a sphere of influence pursuant to Government Code Section 56425, the Commission is also required to review the factors defined in Government Code Section 56430 (Service Review). However, because the sphere of influence amendments being considered are intended to simply fix a boundary problem between the Cities of Chino and Chino Hills along the Flood Control Channel, because the two areas will generally remain vacant (ancillary to the Project's parking and landscape facilities), and because there will be no change in public facilities and/or services available within the sphere areas to be amended, LAFCO staff is recommending that the Commission determine that a Service Review would not be necessary.

The staff responses to the "factors of consideration" for the sphere of influence amendments (as required by Government Code Section 56425) are identified below:

FACTORS OF CONSIDERATION:

The present and planned land uses in the area

Currently, the service needs within the area are minimal due to its vacant nature. Upon development of the Project, which is a proposal to create 346 very high density residential apartment units and a 326,641 square foot industrial park on the overall Project site, the two areas being considered for sphere amendment are located within the residential portion of the Project. However, the areas will generally remain vacant as ancillary to the parking and landscape facilities for the overall Project.

The present and probable need for public facilities and services in the area

There will be no change to the public facilities and/or utility services within the areas proposed for annexation. Being that the areas are located westerly of the channel, any facilities and/or services have been provided by the City of Chino Hills and will continue to do so upon approval of the concurrent reorganization proposal, LAFCO 3184. The sphere amendment (and ultimately the reorganization) simply places the two areas within the appropriate jurisdiction in order to facilitate the development of the proposed Project.

The present capacity of public facilities and adequacy of public services that the agency provides

The City of Chino Hills provide a full range of municipal services. These include municipal facilities within the proposed development such as water mains, sewer mains, etc. However, the sphere amendment (and ultimately the reorganization) simply places the two areas within the appropriate jurisdiction in order to facilitate the development of the proposed Project.

The existence of any social or economic communities of interest

The centerline of Chino Creek has been the common boundary line between the Cities of Chino and Chino Hills from Chino Hills Parkway all the way to Pine Avenue. The Chino Creek has been channelized from north of State Highway 60 to just south of the Project site. The sphere amendment will bring the sphere (and ultimately the boundary) of both cities for these two areas to the westerly right-of-way line of the channel.

REORGANIZATION (LAFCO 3184)

The companion application to the sphere of influence amendment is the reorganization proposal, identified as LAFCO 3184. The following discussion provides the information required to evaluate the change in jurisdiction:

LAND USE:

Existing Land Uses:

The reorganization area (Areas 1 and 2) is currently vacant. Existing uses surrounding the area includes Chino Creek (Flood Control Channel) to the northeast and vacant land to the south and west (within the City of Chino Hills).

Land Use Designation (Cities of Chino and Chino Hills):

The City of Chino designates the reorganization area as General Industrial (M2 General Industrial Zoning), which allows for heavy industrial or manufacturing uses. The City of Chino Hills designates the Project area as Business Park (BP) but is proposing a zone-change for the northern portion of the overall Project site, which includes the areas identified for the reorganization, from Business Park to Very High Density Residential (RM-3). This land use designation will take effect upon completion of the annexation process.

As shown on Figure 3 below, the reorganization areas only cover a small portion of the overall Project area. These two areas will continue to remain generally vacant, intended to be ancillary to the parking and landscape facilities for the overall development (see Detail of Reorganization Area, Fig. 3).

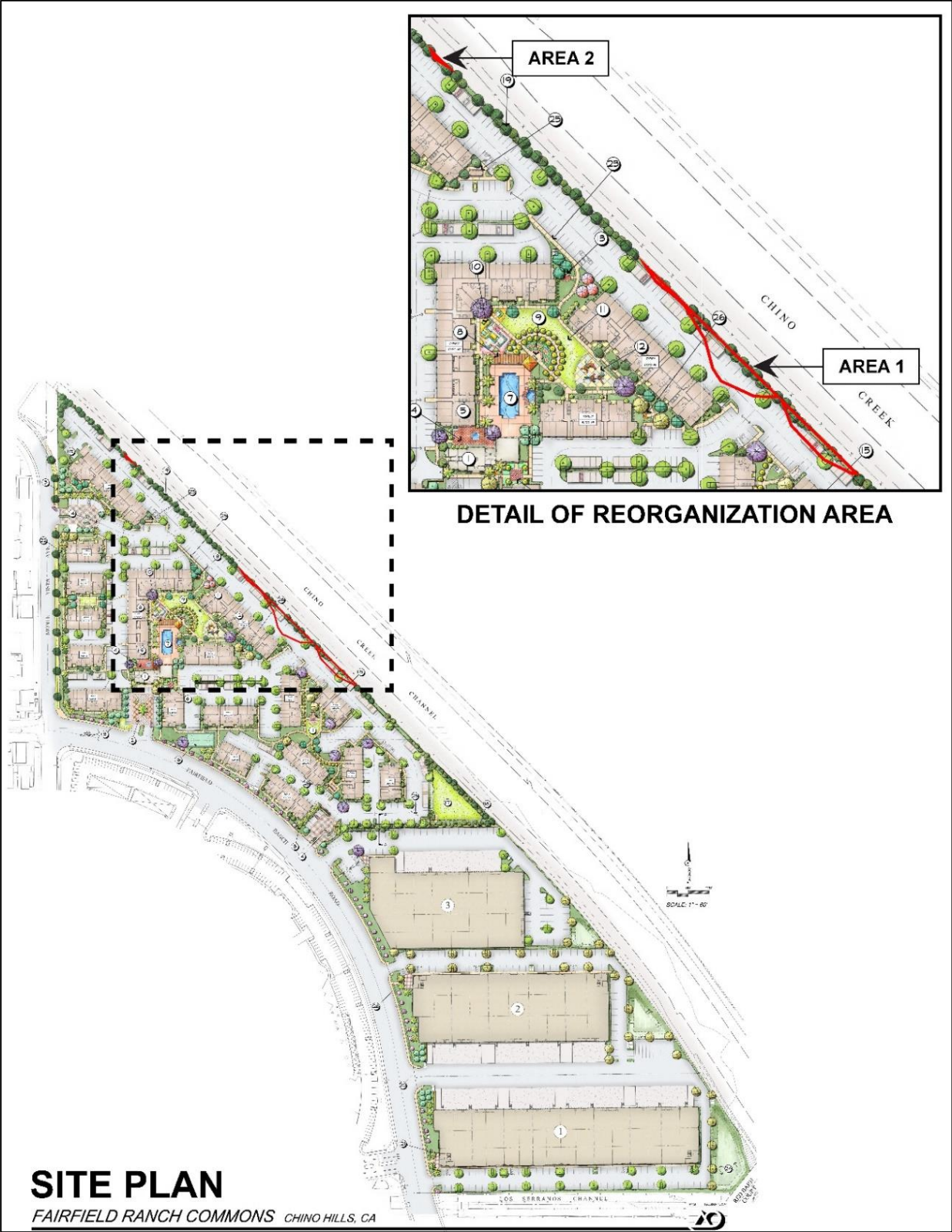


FIGURE 3 – Site Plan

PLAN FOR SERVICE:

The City of Chino Hills provide a full range of municipal services. The Plan for Service submitted by the City of Chino Hills indicate that the level and range of services within the areas will not change. The reorganization proposal simply places the two areas within the appropriate jurisdiction, which is the City of Chino Hills, in order to facilitate the development of the proposed Project.

WAIVER OF PROTEST PROCEEDINGS:

Initially, there was some confusion as to the landowner of record for the areas being annexed into the City of Chino Hills. As part of the process of getting the purchase agreement finalized and the Grant Deed executed, the subject of ownership became an issue.

Landownership Issue:

When the City of Chino sold its wastewater treatment plant to the Inland Empire Utilities Agency (IEUA, formerly the “Chino Basin Municipal Water District”) in 1986, it excluded the areas that lied westerly of the Flood Control Channel’s easterly right-of-way. Thus, the lands that were excepted from the sale of the wastewater treatment plant, remained the property of the City of Chino. The subdivision of parcels normally would go through a Subdivision Map Act process that clearly delineate where the parcel lines are being divided. However, since the sale of the property was between two government agencies, there was no requirement to file a Certificate of Compliance (COC). The filing of a COC would have clearly identified the remainder parcel as a separate parcel. However, as it stands today, the parcel database still show the area lying westerly of the easterly right-of-way line as part of the bigger parcel, which is the wastewater treatment plant facility owned by IEUA.

Based on the evidence provided to LAFCO staff, which includes the City of Chino’s Resolution No. 83-52 dated June 21, 1983, which declared its intention to dispose of its surplus properties, including the parcels identified as the “Old Sewer Treatment Plant Site” (APNs 1021-551-02, 03, 04, and 1021-561-02) and the Grant Deed with Title Order #665413-1 dated July 9, 1986 identifying the sale of the wastewater treatment plant to IEUA with the exceptions stipulated, it has been verified that the City of Chino is still the landowner of record for the area lying westerly of the easterly right-of-way line of the improved channel, which includes Areas 1 and 2.

The City of Chino as the current land owner of the reorganization area, has submitted a signed Landowner Consent Form and the Registrar of Voters has certified that the study area is legally uninhabited. Therefore, if the Commission approves LAFCO 3184, staff is recommending that it waive further protest proceedings, and direct the Executive Officer to complete the action after completion of the mandatory reconsideration period of 30-days has concluded.

REORGANIZATION DETERMINATIONS:

The following determinations are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/reorganization proposal:

1. The Registrar of Voters Office has determined that the reorganization area is legally uninhabited, containing no registered voter as of April 15, 2015.
2. Through approval of the companion proposal, LAFCO 3183, Areas 1 and 2 will be within the sphere of influence assigned the City of Chino Hills.
3. The County Assessor's Office has determined that the total assessed value of land and improvements within the reorganization area is \$0 as of April 9, 2015. The zero value is based on the reorganization area being tax exempt property owned by a public agency.
4. Commission consideration of this proposal has been advertised in *The Inland Daily Bulletin*, a newspaper of general circulation within the reorganization area. As required by State law, individual notification was provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notice.
5. LAFCO staff has provided individual notices to landowners and registered voters surrounding the reorganization area (totaling 227 notices) in accordance with state law and adopted Commission policies. Comments from registered voters and landowners and any affected local agency in support or opposition will be reviewed and considered by the Commission in making its determination.
6. The City of Chino Hills designates the Project area as Business Park (BP) but is proposing a zone-change for the northern portion of the overall Project site, which includes the areas identified for the reorganization, from Business Park to Very High Density Residential (RM-3). However, the two areas, which are currently vacant, will generally remain vacant as ancillary to parking and landscape facilities for the overall Project.

The Southern California Associated Governments (SCAG) adopted its 2012-2035 Regional Transportation Plan and Sustainable Communities Strategy pursuant to Government Code Section 65080. LAFCO 3184 has no direct impact on SCAG's Regional Transportation Plan.

7. As a function of its review for the General Plan Amendment 14GPA01, Zone Change 14ZC01, Tentative Parcel Map 19539, Site Plan Review 14SPR02, Major Variance 14MJV02, Minor Variance 14MNV06, and Development Agreement to create 346 very high density residential apartment units on 14.73 acres and a 326,641 square foot industrial park (3 buildings) on 17.37 acres, the City of Chino Hills acted as the lead agency for the environmental assessment for the reorganization proposal.

The Commission's Environmental Consultant, Tom Dodson and Associates, reviewed the City's Initial Study and Mitigated Negative Declaration and has indicated that it is his recommendation that the City of Chino Hills' Initial Study and Mitigated Negative Declaration are adequate for the Commission's review of LAFCOs 3183 and 3184 as a responsible agency under CEQA. The necessary actions to be taken by the Commission, as a responsible agency, are outlined in the Environmental Considerations portion of this report. Mr. Dodson's response and the City's environmental assessment for the Fairfield Ranch Commons Project are included as Attachment #3 to this report.

8. The reorganization areas are served by the following local agencies:

- City of Chino
- Chino Valley Independent Fire Protection District
- Inland Empire Resource Conservation District
- Chino Basin Water Conservation District
- West Valley Vector Control District
- Metropolitan Water District of Southern California
- Inland Empire Utilities Agency (formerly known as Chino Basin Municipal Water District) and its Improvement District C

The City of Chino will be detached as a function of the reorganization. None of the other agencies are affected by this proposal as they are regional in nature.

9. The City of Chino Hills submitted a plan for services as required by law. This plan is included as a part of Attachment #2 to this report indicating that there will be no change in the level and range of any of the existing public services. The reorganization proposal simply places the two areas within the appropriate jurisdiction, which is the City of Chino Hills, in order to facilitate the development of the proposed Project.
10. This proposal will not affect the ability of the City of Chino Hills to achieve its fair share of the regional housing needs since the reorganization only includes areas that will remain generally vacant as ancillary to the parking and landscape facilities for the overall Project.
11. With respect to environmental justice, the reorganization area—which will remain generally vacant upon completion of the overall Project—will not result in the unfair treatment of any person based on race, culture or income.
12. The Cities of Chino and Chino Hills have adopted tax resolutions, as required by law, outlining there will be no exchange of property tax revenues between cities upon completion of this reorganization. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
13. The maps and legal descriptions as revised are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

CONCLUSION:

LAFCOs 3183 and 3184 is a step towards fixing the boundaries between the Cities of Chino and Chino Hills along Chino Creek, particularly along the improved channel. It is LAFCO staff's hope that the Cities of Chino and Chino Hills continue to work with property owners along the creek in order to clarify the boundaries and to ultimately adjust the boundaries to match the present-day delineation, which is along the Flood Control Channel.

As outlined within the narrative portions of this report, staff supports the sphere amendment to remove Areas 1 and 2 from the City of Chino's sphere and added to the City of Chino Hills' sphere, and the reorganization that subsequently detaches the two areas from the City of Chino and annexed into the City of Chino Hills:

- Through approval of the sphere of influence amendment, Areas 1 and 2 will be a part of the City of Chino Hills' sphere, a requirement for annexation;
- Through approval of the reorganization proposal, the entirety of the proposed Project will now be within the City of Chino Hills, which will facilitate the development of the proposed Project; and,
- The City of Chino Hills will continue the level and range of services for the area.

For these reasons and those outlined in the staff report, staff recommends approval of LAFCOs 3183 and 3184.

KRM/sm

Attachments:

1. [Vicinity Maps for the Sphere of Influence Amendment/Reorganization](#)
2. [City of Chino/City of Chino Hills Application \(Sphere and Reorganization\) and Plan for Service](#)
3. [Tom Dodson's Environmental Response for LAFCO 3183 and 3184 and the City of Chino Hills' Environmental Assessment and Mitigated Negative Declaration for the Fairfield Ranch Commons Project](#)
4. [Draft Resolution No. 3198 \(Sphere of Influence Amendment\)](#)
5. [Draft Resolution No. 3199 \(Reorganization\)](#)