

**Phelan Piñon Hills Community Services
District Application for Sphere of Influence
Expansion Including Supplemental Data**

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: Phelan Piñon Hills Community Services District Sphere of Influence Amendment (Expansion) and Reorganization to Include Annexation of Selected Properties into the Phelan Piñon Hills Community Services District and Detachment from County Service Area 70 Zone P-6

2. NAME OF APPLICANT: Phelan Piñon Hills Community Services District (CSD)
 MAILING ADDRESS: 4176 Warbler Road
Phelan, CA 92371
 PHONE: (760) 868-1212
 FAX: (760) 868-2323
 E-MAIL ADDRESS: dbartz@pphcsd.org

3. GENERAL LOCATION OF PROPOSAL:

The Phelan Piñon Hills CSD's sphere of influence (SOI) expansion proposal includes an area located within the unincorporated San Bernardino County, adjacent to the existing CSD's northern boundary. The annexation would also require an expansion of the existing CSD sphere of influence boundary and would include five properties within the SOI expansion area: 0457-102-06, 0457-102-10, 0457-112-01, 0457-161-10, and 0457-102-09.

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.

The Phelan Piñon Hills CSD obtained ownership of former dairy farm lands for additional water rights. Currently, property taxes of \$29,264 are being paid for these properties that are outside of the current CSD boundary. One parcel is still in the process of being transferred to Phelan Piñon Hills CSD ownership. Upon the transfer, the Phelan Piñon Hills CSD property taxes would become \$31,359. Upon expansion of the CSD's Sphere of Influence and annexation of the five (5) subject properties into the district, the

CSD can apply for property tax exempt status since these parcels would be within a governmental boundary. Also, the CSD would be able to provide a higher level of services to the annexation area for management of collection, transfer, and disposal of solid waste and parks and recreation, and would extend water service and street lighting service under the appropriate economic conditions only when extension of these services would be feasible.

- 6. Would the proposal create a totally or substantially surrounded island of unincorporated territory? YES X NO If YES, please provide a written justification for the proposed boundary configuration.

The annexation of the five (5) subject properties are only for the purposes of additional water rights for the PPHCSD and not for the purpose of development or urbanization.

LAND USE AND DEVELOPMENT POTENTIAL

- 1. Total land area (defined in acres):

Estimated acres in the proposed sphere expansion/reorganization area totals 2.078.

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

Census 2010 estimated four (4) single family detached housing units for the sphere expansion/reorganization area.

- 3. Approximate current population in area:

U. S. Census 2010 total estimated population in the proposed sphere expansion/reorganization area is six (6).

- 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):

Agriculture

Industrial

Rural Living-5 (5 acre minimum lot size)

Rural Living (2.55 acre minimum lot size)

- 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.

- Dairy – 157 acres
- Field Crops – 240 acres
- Heavy Industrial – 112 acres
- Misc. Residential Structure – 5 acres
- Stable – 5 acres
- Vacant Land – 1.195 acres
- Water Well Site – 364 acres

What is the proposed land use?

No proposed land use changes although the Dairy is no longer operating and the property will be used to provide water rights to PPHC SD.

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

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:

- Agricultural Land Uses
- Williamson Act Contract
- Any other unusual features of the area or permits required: _____
- Agricultural Preserve Designation
- Area where Special Permits are 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 within the sphere expansion/reorganization area, according to the Williamson Act map of San Bernardino County (north) from the California Department of Conservation, Division of Land Resource Protection.

- 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 Phelan Piñon Hills CSD currently practices environmental justice in providing the following four (4) public services within its existing boundaries: 1) water; 2) solid waste management; 3) parks and recreation; and, 4) street lighting. The CSD will continue to practice the principals of environmental justice upon annexation into the CSD.

Currently, the CSD provides domestic water and water quality services to residents within the CSD boundaries, except for residents or businesses within the Sheep Creek Mutual Water Company boundary. These services are not anticipated to be extended to the properties within annexation area. However, if they are extended, it would only be under the proper economic and development conditions, and would be the cost responsibility of the affected property owners.

Phelan Piñon Hills CSD provides street lighting in the business district and on selected public rights-of-way and intersections generally in and around the downtown Phelan area. While the annexation area will have access to the street lighting services that the Phelan Piñon Hills CSD operates, no street lighting services are anticipated to be provided at this time. These services would only be extended under the proper economic and development conditions, and with future residents of these areas subject to any applicable costs.

ENVIRONMENTAL INFORMATION

- 1. Provide general description of topography.

The sphere expansion/reorganization area is located in a relatively level area of the High Desert region in San Bernardino County.

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

Residential	<u>0.00%</u>	Agricultural	<u>0.001%</u>
Commercial	<u>0.00%</u>	Vacant	<u>0.00%</u>
Industrial	<u>1.10%</u>	Other	<u>0.80%</u>

- 3. Describe the surrounding land uses:

NORTH Agricultural and Vacant
 EAST Residential and Vacant
 SOUTH Vacant

WEST Residential and Vacant

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.).
5. Will service extensions accomplished by this proposal induce growth on this site? YES ___
NO Adjacent sites? YES ___ NO Unincorporated ___ Incorporated ___
6. Are there any existing out-of-agency service contracts/agreements within the area? YES
NO ___ If YES, please identify.

The proposed sphere expansion/reorganization area currently relies on San Bernardino County Solid Waste Management Division (SWMD) under contract with AVCO/Burrtec for solid waste disposal services. source reduction, recycling and composting activities. The Phelan Piñon Hills CSD contracts with CR&R to provide these same services within the Phelan Piñon Hills CSD boundary. After the annexation, the Phelan Piñon Hills CSD would arrange for the waste handling services within the proposed annexation area within the legislatively specified time period.

7. Is this project a part of a larger project or series of projects? YES ___ NO 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 Don Bartz, General Manager

TELEPHONE NO. (760) 868-1212

ADDRESS: 4176 Warbler Road
Phelan, CA 92371

CERTIFICATION

As a part of this application, the Phelan Piñon Hills Community Services District (the applicant) agrees 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 Phelan Piñon Hills Community Services District may result in the imposition of taxes, fees, and assessments existing within the 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 01/21/2015



SIGNATURE OF APPLICANT

DON BARTZ

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 SPHERE OF INFLUENCE CHANGE

INTRODUCTION: The questions on this form are designed to obtain data about the specific sphere of influence change proposal to allow the Commission, staff and others to adequately assess the project. You may also include any additional information that you believe is pertinent. Use additional sheets where necessary, and/or include any relevant documents.

1. Please provide an identification of the agencies involved in the proposed sphere of influence change(s):

SPHERE EXPANSION

Phelan Piñon Hills Community
Services District

SPHERE REDUCTION

2. Provide a narrative description of the following factors of consideration as outlined in Government Code Section 56425. (If additional room for response is necessary, please attach additional sheets to this form.)

The present and planned land uses in the area, including agricultural and open-space lands.

The existing land uses are shown below and no change in use is anticipated. Also, the former agricultural uses will not be continued on the existing parcels.

Dairy – 157 acres
 Field Crops – 240 acres
 Heavy Industrial – 112 acres
 Misc. Residential Structure – 5 acres
 Stable – 5 acres
 Vacant Land – 1,195 acres
Water Well Site – 364 acres
 Total Acres – 2,078 acres

General Plan land uses are:

Agriculture (AG) – 475 acres
 Rural Living (RL) – 842 acres
 Rural Living -5 (RL_5) – 650 acres
Industrial (IR) – 112 acres
 Total Acres – 2,078 acres (total does not add exactly due to rounding)

Currently, the proposed sphere expansion area includes 57 parcels.

The current expectations regarding the projected five-year growth in the proposed sphere expansion area is that no significant change will occur over the next five years, based on discussions with the Phelan Piñon Hills CSD staff. Also, there are no plans to develop the five (5) Phelan Piñon Hills CSD properties, since the recent land acquisitions were intended to expand the CSD's water rights capacity.

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

Current parks and recreation services are provided by Improvement Zone P-6 and solid waste disposal services by Burrtec under contract; these services are provided at the level of service the community is willing to fund. Improvement Zone P-6 (P-6) was formed to provide recreation and park services and called a special tax and appropriations limit election. The election provided for a special tax with an annual rate not to exceed \$9 per parcel for the El Mirage community. In 1991, the voters approved the formation of P-6 by more than the two-thirds required approval. The Phelan Piñon Hills CSD is currently responsible for providing these selected public services within its boundary, including water services; management of collection, transfer, and disposal of solid waste; parks and recreation; and street lighting services. These services would be authorized to be extended by the Phelan Piñon Hills CSD to the sphere expansion area upon annexation under appropriate conditions; however, there is no current need for expansion of such facilities or services.

The present capacity of public facilities and adequacy of public services that the agency to be expanded provides or is authorized to provide.

The CSD would be able to provide a higher level of services to the sphere expansion area upon annexation for management of collection, transfer, and disposal of solid waste and parks and recreation, and would extend water service and street lighting service under the appropriate economic conditions only when extension of these services would be sought by the affected properties and determined to be feasible.

The existence of any social or economic communities of interest in the area.

The area is a part of the community identified as EL Mirage. The El Mirage community extends westward to the County line and includes the El Mirage Off-Highway Vehicle Area which is managed by the Bureau of Land Management. The El Mirage community is generally defined by the boundaries of the two overlaying service providers - County Service Area 70, Improvement Zone P-6 for park and recreation and San Bernardino County Fire Protection District (County Fire) Service Zone FP-3 for fire protection and paramedic response. According to the service review, the population of the County Service Area 70, Improvement Zone P-6, had about 1,598 persons in 2010. While the absolute increase in population is nominal, it is projected to grow to 2,455 persons in 2030, or a 54 percent increase. Within the proposed sphere expansion area specifically, there is a limited residential population (6), one (1) industrial property, and a number of vacated agricultural properties.

The present and probable need for public facilities or services related to sewers, municipal and industrial water, or structural fire protection for any disadvantaged unincorporated community, as defined by Govt. Code Section 56033.5, within the existing sphere of influence.

Structural fire protection is provided to the area through the auspices of the San Bernardino County Fire Protection District (SBCFPD), its North Desert Service Zone and Fire Zone FP-3. No effect on this services provider through the sphere of influence change requested is anticipated as SBCFPD is the service provider for the Phelan Pinon Hills community. There is no immediate need for sewers or municipal or industrial water. Residences or businesses within the sphere expansion area rely on individual septic systems for sewer services. The same applies to most residents and businesses within the Phelan Piñon Hills CSD. The Phelan Shopping Center does have several properties in which the tenants have their own

package treatment systems, which are operated and maintained privately. These approaches are expected to be continued upon annexation. The Phelan Piñon Hills CSD provides water services within the CSD boundaries, except for properties within the Sheep Creek Mutual Water Company, which is within the CSD boundaries. Properties outside the CSD boundaries generally rely on underground water wells.

3. If the proposal includes a city sphere of influence change, provide a written statement of whether or not agreement on the sphere change between the city and county was achieved as required by Government Code Section 56425. In addition, provide a written statement of the elements of agreement (such as, development standards, boundaries, zoning agreements, etc.) (See Government Code Section 56425)

Not applicable

4. If the proposal includes a special district sphere of influence change not considered to be minor, provide a written statement: (a) specifying the function or classes of service provided by the district(s) and (b) specifying the nature, location and extent of the functions or classes of service provided by the district(s). (See Government Code Section 56425(i))

The current services authorized for the PPHCSD are:

Phelan Piñon Hills
(District formed 3/18/08;
amended 2/16/12)

Water

Supply water for any beneficial use as outlined in the Municipal Water District law of 1911 (commencing with Section 71000) of the Water Code

Park and Recreation

Acquire, construct, improve, maintain and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code

Streetlighting

Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements

Solid Waste and Recycling

Collect, transfer, and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

No change is anticipated.

5. For any sphere of influence amendment either initiated by an agency or individual, or updated as mandated by Government Code Section 56425, the following service review information is required to be addressed in a narrative discussion, and attached to this supplemental form (See Government Code Section 56430):

a. Growth and population projections for the affected area.

There is no increase in population or employment anticipated for the next five years.

b. Location and characteristics of disadvantaged unincorporated communities within or contiguous to the sphere of influence.

None identified for the sphere expansion area, which has an estimated four (4) housing units.

c. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies, including those associated with a disadvantaged unincorporated community.

Minimal infrastructure is needed, including no expansion of water service, and orn parks and recreation services.

d. Financial ability of agencies to provide services.

It has been evaluated, based on the separate fiscal impact report, that the Phelan Piñon Hills CSD has financial capacity to provide for services when required.

e. Status of, and opportunities for, shared facilities.

Not applicable.

f. Accountability for community service needs, including governmental structure and operational efficiencies.

Analysis shows a positive fiscal impact to the PPHCSD due to the avoidance of property taxes on owned properties because of the Phelan Piñon Hills CSD's future anticipated property tax exempt status for these properties. No additional operations and maintenance costs are anticipated.

If additional sheet are submitted or a separate document provided to fulfill Item #5, the narrative description shall be signed and certified by an official of the agency(s) involved with the sphere of influence review as to the accuracy of the information provided. If necessary, attach copies of documents supporting statements.

CERTIFICATION

As a part of this application, the Phelan Piñon Hills 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.

I hereby certify that the statements furnished above 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 6/22/2015



SIGNATURE OF APPLICANT

DON BARTZ

PRINTED NAME

GENERAL MANAGER

TITLE