

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: SEPTEMBER 11, 2017

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #9: LAFCO 3219 – Reorganization to include
Detachments from Cucamonga Valley Water District

INITIATED BY:

Resolution of the Board of Directors of the Cucamonga Valley Water District

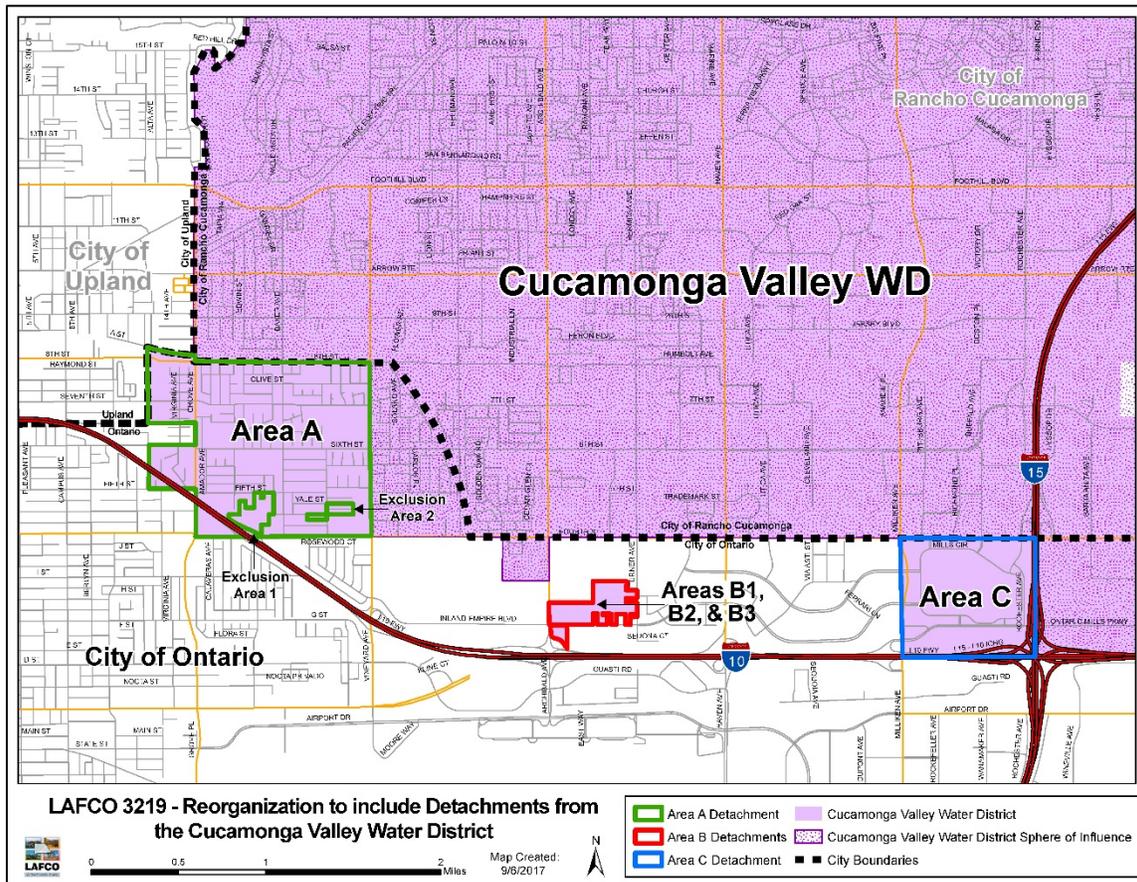
RECOMMENDATION:

The staff recommends that the Commission approve LAFCO 3219 by taking the following actions:

1. Certify that LAFCO 3219 is statutorily exempt from the provisions of the California Environmental Quality Act and direct the Executive Officer to file the Notice of Exemption within five (5) days;
2. Approve LAFCO 3219, with the standard terms and conditions that include the “hold harmless” clause for potential litigation costs by the applicant; and,
3. Adopt LAFCO Resolution #3250 setting forth the Commission’s determinations and conditions of approval concerning the reorganization proposal.

BACKGROUND:

In March 2017, the Cucamonga Valley Water District (hereafter shown as the “District or CVWD”) initiated a reorganization application that proposes to detach five (5) areas from the District. All five areas are located within the City of Ontario and are not currently within the sphere of influence assigned the CVWD. The map below provides a general location of the five areas that are proposed for detachment from the District.



The District’s sphere of influence, which was established in 1983 and reaffirmed through its service review in 2002, does not include some areas that are within the District’s actual boundaries but are located either in the City of Ontario or the City of Upland. The District identified that those areas were to be excluded from its sphere of influence signaling a later change of organization (detachment) since said areas were (primarily) served by the underlying cities. Some areas within the City of Upland—the Upland Hills Country Club area and the Colonies at San Antonio Specific Plan area—were previously detached from the District in the late 1990s. However, no action has ever been proposed to detach the areas within the City of Ontario. Therefore, the primary reason for LAFCO 3219 is to remove the overlap in service boundaries between the District and the City of Ontario (hereafter the “City”) by detaching these areas that currently receive water and/or sewer service from the City – not the District.

This report will provide the Commission with the information required to make the determinations necessary within the four major areas of consideration required for a jurisdictional change – boundaries, land uses, service issues and the effects on other local governments, and environmental considerations.

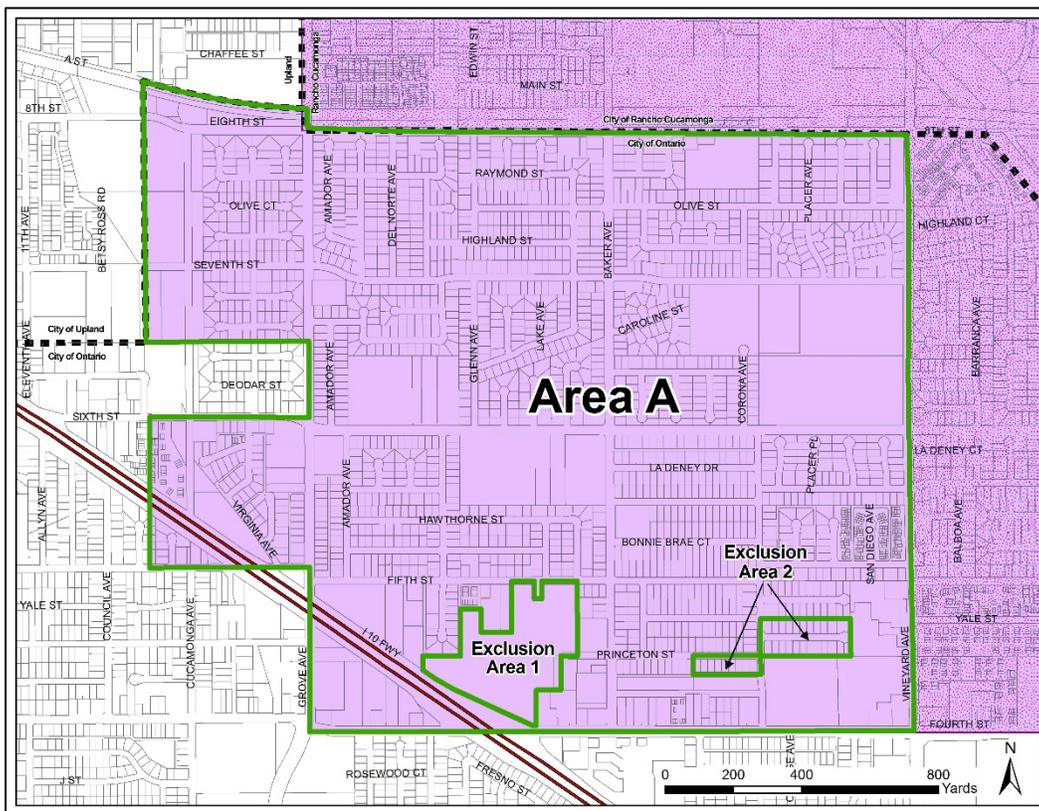
BOUNDARIES:

The territory proposed for detachment includes five (5) separate areas encompassing a total of approximately 1,111 acres generally described as follows:

Area A – includes a portion of land within the City of Ontario encompassing approximately 721 acres generally located south of Eight Street, west of Vineyard Avenue, north of Fourth Street, and west of a combination of Grove Avenue, Fifth and Sixth Streets, parcel lines, and a portion of the Metrolink right-of-way.

Area A has two exclusion areas encompassing a total of approximately 30 acres described as follows:

- o Exclusion Area 1 includes the entirety of the Fernwood Mobile Home Community; and,
- o Exclusion Area 2 includes a portion of Princeton Street located east and west of Corona Avenue

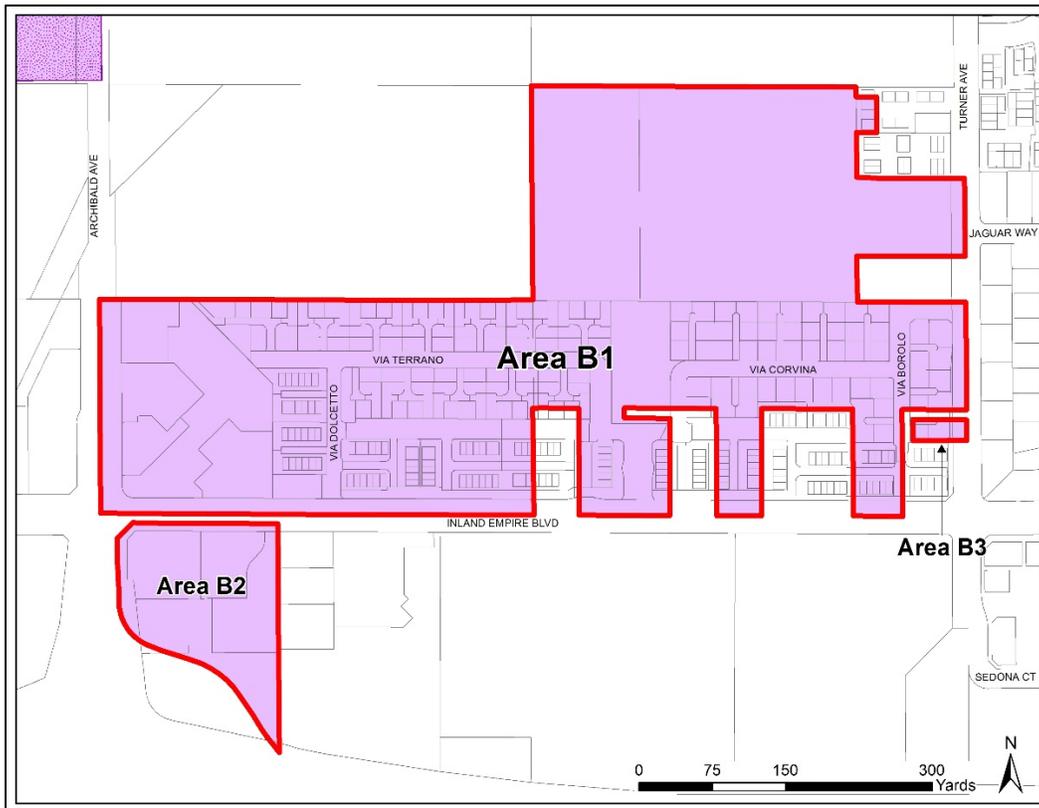


Justification for Exclusion Areas:

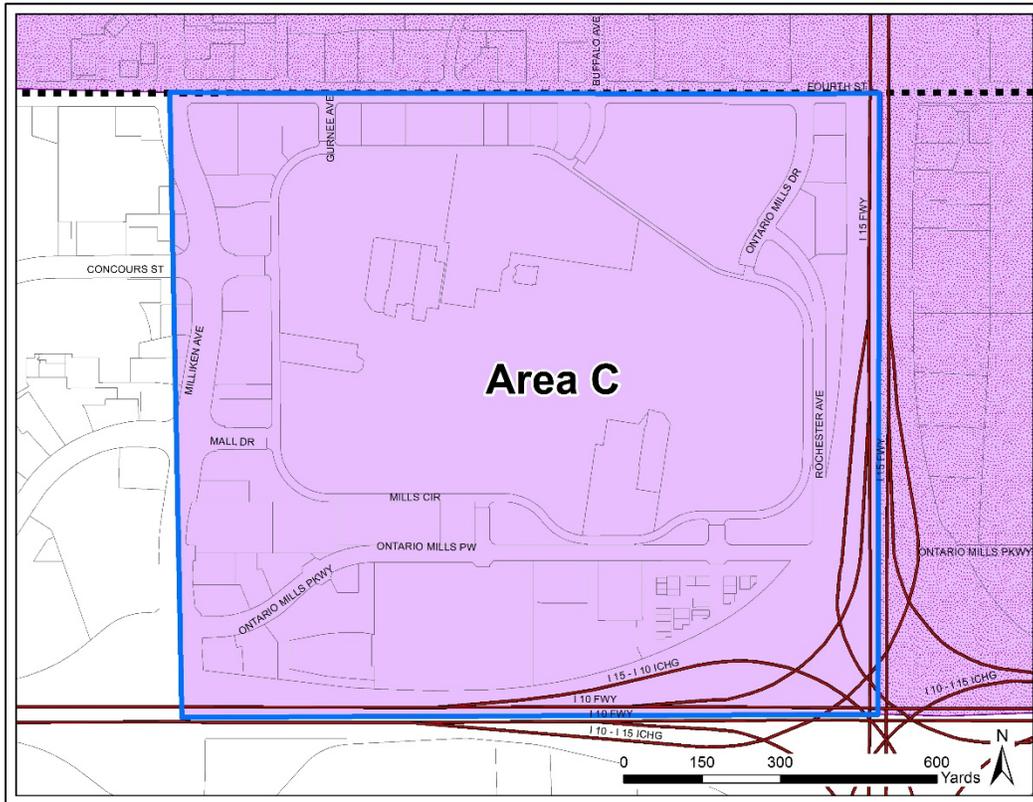
The District currently provides water service to the mobilehome park within Exclusion Area 1 and to 33 single-family residences within Exclusion Area 2; therefore, these exclusion areas will remain within the boundaries of CVWD until such time that the District can transfer over its water service obligation to the City of Ontario. Negotiations conue between the agencies to resolve this service issue.

Area B includes three separate areas that are in close proximity to each other located within the City of Ontario encompassing a total of approximately 57 acres:

- Area B1 is generally located north of Inland Empire Boulevard, west of Archibald Avenue, and east of Turner Avenue;
- Area B2 is located at the southeast corner of Inland Empire Boulevard and Archibald Avenue; and,
- Area B3 is a small separate area lying along the east side of Turner Avenue, just north of Inland Empire Boulevard.



Area C includes the Ontario Mills shopping mall located in the City of Ontario encompassing approximately 333 acres. The area is generally located south of Fourth Street, west of the I-15 Freeway, north of the I-10 Freeway, and east of Milliken Avenue.



The areas being detached from CVWD do not receive any services from the District. Detaching these areas will remove the overlap between the District and the City of Ontario, the existing water and/or sewer service provider. Therefore, the proposal presents no boundary concern.

LAND USE:

All areas being detached from the District are within the City of Ontario. The City's General Plan land use designations for the reorganization area are as follows:

- Area A includes a full range of land uses including low density, medium density, and high density residential, neighborhood commercial, business park, public schools, and open space – non recreational and parkland.
- Areas B1, B2, & B3 include office commercial and mixed use for residential/commercial (Ontario Festival Specific Plan) land use designations.

- Area C is designated mixed use (Ontario Mills Specific Plan).

No change in land use is anticipated as a result of the reorganization proposal. In addition, approval of the reorganization will have no direct impact on the City's land use designations assigned for the reorganization area. Therefore, there are no land use concerns related to this proposal.

SERVICE ISSUES AND EFFECTS ON OTHER LOCAL GOVERNMENTS:

In every consideration for jurisdictional change, the Commission is required to look at the existing and proposed service providers within an area. The City of Ontario provides municipal services, including water and sewer service, to the reorganization area. In addition, the following entities overlay the reorganization area: Chino Basin Water Conservation District, Inland Empire Resource Conservation District, Cucamonga Valley Water District, Inland Empire Utilities Agency and its Improvement District No. C (wastewater treatment services), and the Metropolitan Water District of Southern California (the State Water Contractor).

The only entity that is directly affected by this reorganization is the Cucamonga Valley Water District. The City of Ontario provides water and/or sewer services to the areas being detached from Cucamonga Valley Water District. The application includes a plan for the continuation of the services already provided by the City within the reorganization area, which is included as part of Attachment #2 to this report.

As required by Commission policy and State law, the Plan for Service shows that the provision of services will maintain current service levels.

ENVIRONMENTAL CONSIDERATIONS:

As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson from Dodson and Associates, has indicated that the review of LAFCO 3219 is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the fact that the existing serving entity, which is the City, will continue to provide water and/or sewer service which will not result in any physical impacts on the environment. Therefore, the proposal is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b)(3). It is recommended that the Commission adopt the General Rule Statutory Exemption for this proposal. A copy of Mr. Dodson's analysis is included as Attachment #4 to this report.

CONCLUSION:

The Cucamonga Valley Water District does not provide water and/or sewer services to the customers within any of the areas that proposed for detachment; however, the registered voters within these areas participate in elections related to the District even

though they do not benefit from being in the District. Upon completion of the detachment, said areas will continue to receive water and/or sewer services from the City of Ontario. Therefore, for these reasons, and those outlined throughout the staff report, the staff supports the approval of LAFCO 3219.

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 reorganization proposal is legally inhabited containing 3,579 registered voters within the five areas being detached from Cucamonga Valley Water District, as certified by the Registrar of Voters as of August 15, 2017.
2. The County Assessor's Office has determined that the total assessed value of land and improvements within the reorganization area is \$1,303,603,645 (land--\$361,012,042; improvements--\$942,591,603) as of June 19, 2017.
3. The areas proposed for detachment are not within the sphere of influence assigned the Cucamonga Valley Water District.
4. In compliance with Commission policies and State law, legal notice of the Commission's consideration of the proposal has been provided through publication of a 1/8th page advertisement in the *Inland Valley 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. Comments from landowners and any affected local agency in support or opposition will be reviewed and considered by the Commission in making its determination.
5. The City of Ontario's land use designation for the reorganization area includes a full range of land uses including residential, retail/service (commercial), public schools, mixed-use (Ontario Festival Specific Plan and Ontario Mills Specific Plan), and other land uses. This reorganization proposal has no direct effect on the City of Ontario's General Plan land use designations assigned for the area.
6. The Southern California Associated Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy pursuant to Government Code Section 65080. The detachment of the proposal areas from Cucamonga Valley Water District have no direct impact on SCAG's Regional Transportation Plan.

7. The Commission's Environmental Consultant, Tom Dodson and Associates, has recommended that this proposal is statutorily exempt from environmental review based on the finding that the Commission's approval of the reorganization has no potential to cause any adverse effect on the environment since the delivery of water and/or sewer services will continue to be provided by the existing service provider, which will not result in any physical impacts on the environment. Therefore, the proposal is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b)(3). Mr. Dodson recommends that the Commission adopt the Statutory Exemption and direct its Executive Officer to file a Notice of Exemption within five (5) days. A copy of Mr. Dodson's response letter is included as Attachment #3 to this report.
8. The reorganization areas are served by the following local agencies:
 - City of Ontario
 - Cucamonga Valley Water District
 - Chino Basin Water Conservation District
 - Inland Empire Resource Conservation District
 - West Valley Mosquito and Vector Control District
 - Inland Empire Utilities Agency and its Improvement District No. C (regional wastewater treatment provider)
 - Metropolitan Water District of Southern California (the State Water Contractor)

The only affected agency is Cucamonga Valley Water District. The areas being detached from Cucamonga Valley Water District will remain within the City of Ontario.

9. A plan was prepared for the provision of services to the reorganization area, as required by law. The Plan for Service indicates that the City of Ontario will continue to provide water and/or sewer service to the areas that are being detach, maintaining the level and range of services currently available within the reorganization area. The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that the Plan for Service conforms to those adopted standards and requirements.

It is the Commission's understanding that the Cucamonga Valley Water District and the City of Ontario will continue their negotiations on eventually transferring over to the City the District's service responsibilities within Exclusion Areas 1 and 2 and ultimately detaching said exclusion areas from the District's boundaries at some point in the future.

10. The District has not provided water and/or sewer services to the areas being detached but has overlain the reorganization area without benefit to the

landowners and/or registered voters within LAFCO 3219. The areas proposed for detachment will benefit from the removal of the District's boundary where it does not provide any services.

11. This proposal will not affect the fair share allocation of the regional housing needs assigned to the City of Ontario through the Southern California Association of Government's (SCAG) Regional Housing Needs Allocation (RHNA) process since the areas being detached from Cucamonga Valley Water District are already within the City of Ontario.
12. With respect to environmental justice, the reorganization proposal—which does not change the provision of water and/or sewer services by the City of Ontario to the reorganization area—will not result in the unfair treatment of any person based on race, culture or income.
13. The County of San Bernardino adopted a resolution determining there will be no transfer of property tax revenues. This resolution fulfills the requirement of Section 99 of the Revenue and Taxation Code.
14. The maps and legal descriptions prepared by the County Surveyor are in substantial compliance with LAFCO and State standards.

KRM/sm

Attachments:

1. Vicinity Map and Maps for the Reorganization Proposal
2. Cucamonga Valley Water District Application and Plan for Service
3. Tom Dodson's Environmental Response for LAFCO 3219
4. Draft Resolution No. 3250