

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: JANUARY 12, 2021
FROM: SAMUEL MARTINEZ, Executive Officer
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TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #5C: LAFCO 3243 – Reorganization to Include Annexation to the City of Fontana, the Fontana Fire Protection District, the West Valley Water District, and the San Bernardino Valley Municipal Water District, and Detachment from the San Bernardino County Fire Protection District, its Valley Service Zone, and its Zone FP-5, and County Service Area 70 (I-15 Logistics Project)

INITIATED BY:

Resolution of the City Council of the City of Fontana

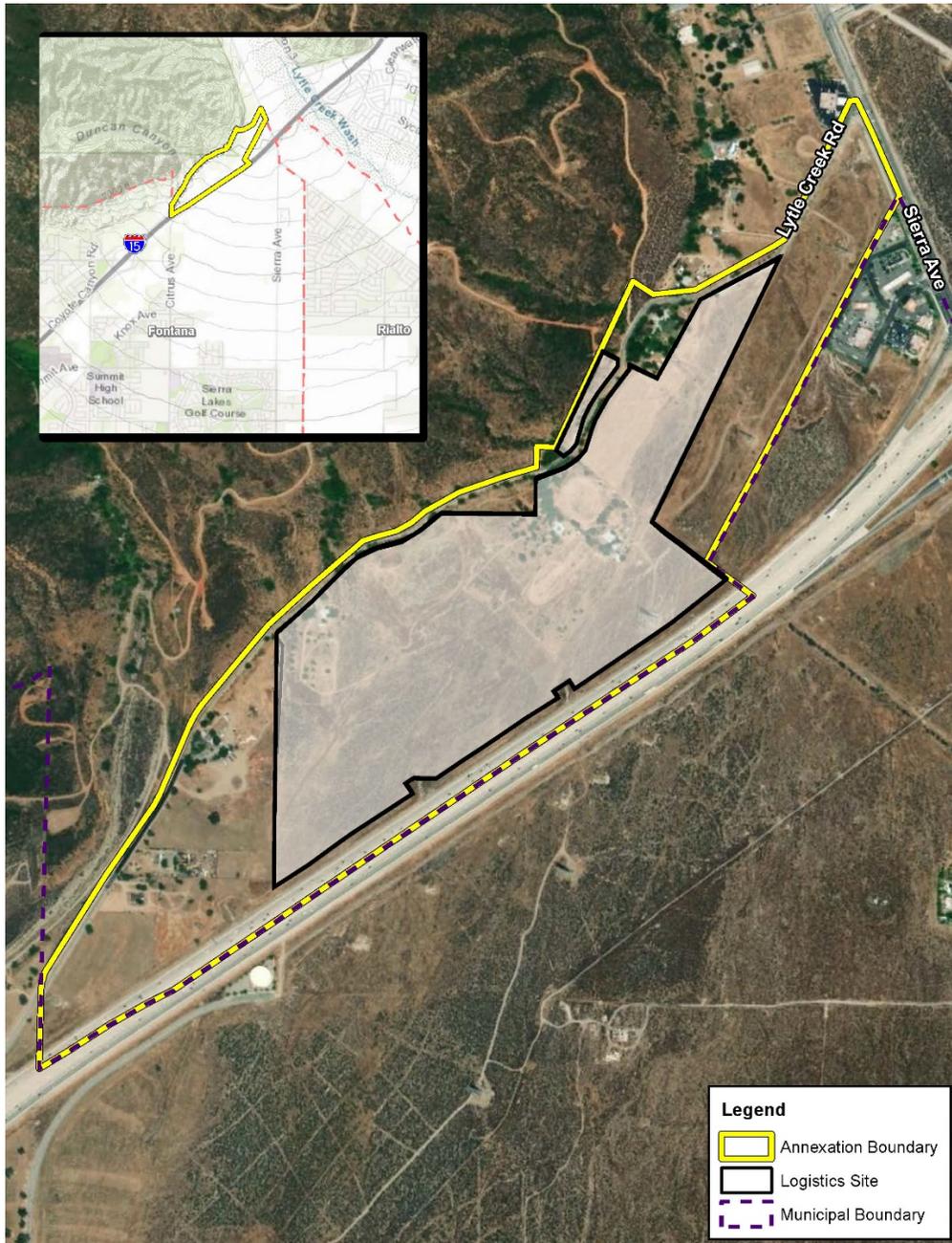
RECOMMENDATION:

The staff recommends that the Commission approve LAFCO 3243 by taking the following actions:

1. Approve LAFCO 3243, with the standard terms and conditions that include, but are not limited to, the “hold harmless” clause for potential litigation costs, continuation of fees, charges, assessments, and the identification that the transfer of utility accounts will occur within 90 days of the recording of the Certificate of Completion; and,
2. Adopt LAFCO Resolution No. 3325 setting forth the Commission’s determinations and conditions of approval concerning for LAFCO 3243.

LAFCO 3243 is a reorganization proposal initiated by the City of Fontana (hereafter the “City”) that includes annexation of approximately 152 acres to the City. The proposed reorganization also includes the annexation to the Fontana Fire Protection District (approximately 4.5 acres), the West Valley Water District and the San Bernardino Valley Water District (approximately 4.7 acres), and detachment from the San Bernardino County Fire Protection District, its Valley Service Zone and its Service Zone FP-5 (approximately 4.5 acres) and County Service Area 70 (approximately 152 acres). The entire

reorganization area is generally located northerly of the I-15 Freeway, westerly of Sierra Avenue, southerly of Lytle Creek Road and easterly of the natural extension of Citrus Avenue, within the northern portion of the City of Fontana’s sphere of influence. Below is a vicinity map of the reorganization area. Location and vicinity maps are also included as Attachment #1 to this report.



The City’s purpose in initiating this reorganization, as outlined in its application, is to annex a proposed development of a 1,171,788 sq. ft. high-cube warehouse facility. In order to provide for a logical boundary, the City not only proposes the inclusion of the project site

itself but is also proposing to include all the properties generally south of Lytle Creek Road from Sierra Avenue to the City’s existing boundaries along the natural extension of Citrus Avenue.

Also, to comply with the Commission’s policy that requires concurrent annexation of all community-based agencies (concurrent city/district annexations), this reorganization includes the annexation to the Fontana Fire Protection District, the West Valley Water District, and the San Bernardino Valley Municipal Water District, to ensure that the boundaries of all local agencies that serve the community of Fontana are consistent and that the entire reorganization area is within the boundaries of said agencies.

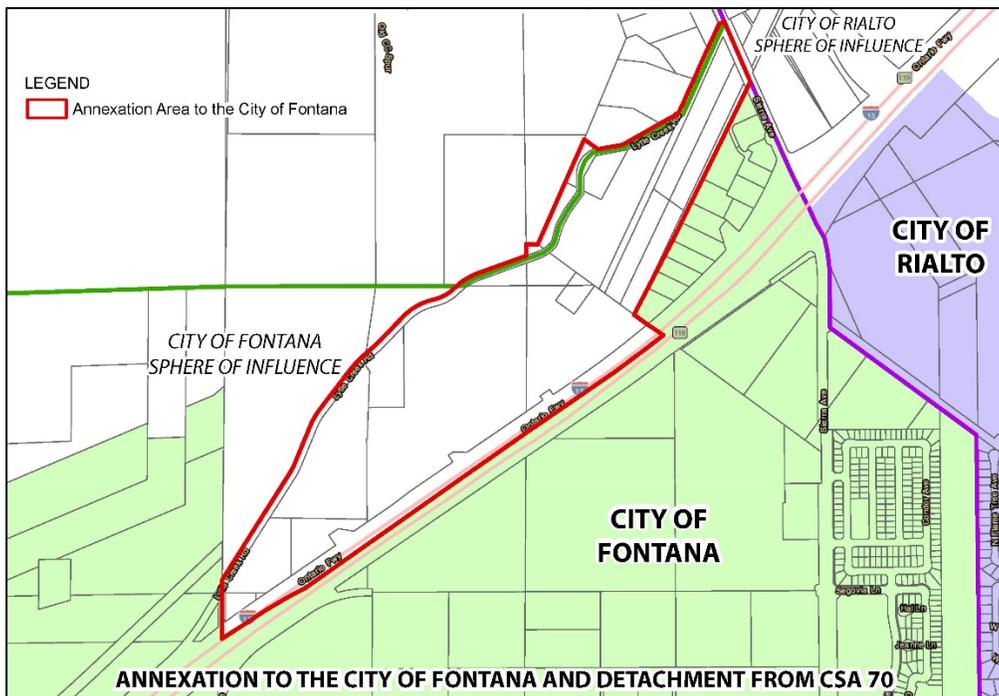
This report will provide the Commission with the information related to the four major areas of consideration required for a jurisdictional change – boundaries, land uses, service issues and the effects on other local governments, and environmental considerations.

BOUNDARIES:

The proposed reorganization area includes several changes of organization to ensure that the reorganization provides for a clear and efficient service delivery among all affected local agencies:

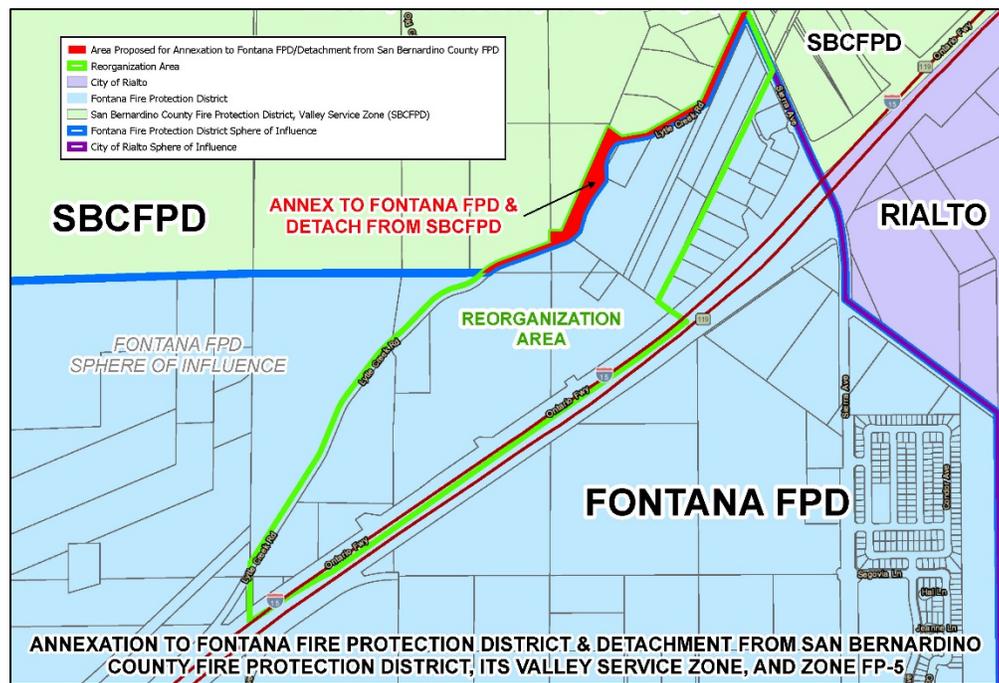
- *Annexation to the City of Fontana and Detachment from County Service Area 70*

The area proposed for annexation to the City and Detachment from CSA 70 encompasses approximately 152 acres and includes the entire reorganization area.



- *Annexation to the Fontana Fire Protection District and Detachment from the San Bernardino County Fire Protection District, its Valley Service Zone, and its Zone FP-5*

The area proposed for annexation to the Fontana Fire Protection District (hereafter “Fontana FPD”) and detachment from San Bernardino County Fire Protection District (hereafter “County Fire”), its Valley Service Zone, and its Service Zone FP-5, encompasses approximately 4.5 acres and includes the entirety of APN 0239-041-15 and portions of APNs 0239-041-02, 0239-091-13, and 0239-091-14, including the northerly right-of-way area of Lytle Creek Road from Sierra Avenue to the portion of Lytle Creek Road within APN 0239-041-02.



- *Annexation to the West Valley Water District*

The area proposed for annexation to the West Valley Water District (hereafter the “West Valley WD”) encompasses approximately 4.7 acres and includes the entirety of APNs 0239-041-15, 0239-041-17, and 0239-041-18, and a portion of APN 0239-041-02, including the entire right-of-way area of Lytle Creek Road associated with these parcels.

It is LAFCO staff's position that this reorganization proposal provides for a logical boundary since it includes not only the Project area proposed for development but also includes all the properties generally south of Lytle Creek Road (from Sierra Avenue to the City's existing boundaries along the natural extension of Citrus Avenue), which is an easily identifiable boundary for service delivery.

In addition, the proposed reorganization includes all the necessary changes in boundaries for all community-based local agencies to ensure that their boundaries are consistent with the City's boundary.

LAND USE:

The entire reorganization area is primarily undeveloped with a few single-family residences and a row of electric power transmission lines.



County Land Use Designations:

The County's current land use designations for the reorganization area are RC (Resource Conservation; open space, limited rural residential development), RL (Rural Living – one unit, minimum 2.5 acres), RS-1 (Single Residential, 1 unit, minimum 1 acre), and IN (Institutional; public and quasi-public uses and facilities).

City's General Plan and Pre-Zone Designations:

The City of Fontana, through its consideration and approval of the Project, adopted a General Plan Amendment and Pre-zone designations that assign the reorganization area

the following pre-zone and land use designations: Light Industrial (I-L), Public Utility (P-UC), Residential Estates (R-E) and General Commercial (C-G). These pre-zone designations are consistent with the City’s General Plan for the reorganization area and are also consistent with surrounding land uses.

Pursuant to the provisions of Government Code Section 56375(e), these zoning designations shall remain in effect for a period of two (2) years following annexation. The law allows for a change in designation if the City Council makes the finding, at a public hearing, that a substantial change has occurred in circumstances that necessitate a departure from the pre-zoning outlined in the application made to the Commission.

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 service providers within the bulk of the reorganization area are: Fontana Fire Protection District (City subsidiary district providing fire protection and emergency medical services), West Valley Water District (retail water service), and San Bernardino Valley Municipal Water District (wholesale water/State Water Contractor). San Bernardino County Fire Protection District, its Valley Service Zone, and its Service Zone FP-5 and County Service Area 70 (multi-function, unincorporated countywide entity) are the only County service providers within the reorganization area affected by the change. In addition, the Inland Empire Resource Conservation District overlays the entire reorganization area as a regional entity.

Plan for Service:

The City of Fontana has provided a “Plan for Service” for this proposal as required by law and Commission policy. The Plan includes a Fiscal Impact Analysis outlining its ability to provide its range of services to the area. Copies of the City’s certified Plan for Service and Fiscal Impact Analysis are included as a part of Attachment #2.

- Fire Protection/Emergency Medical Services:

The reorganization area is primarily within the boundaries of the city’s subsidiary district, the Fontana FPD, which serves the entire City and its sphere of influence. However, the area that is currently not within the City’s sphere, is being annexed into the Fontana FPD (and concurrently being detached from County Fire and its service zones) as a part of this reorganization.

The Fontana FPD operates six fire stations with Fire Station 79 (5075 Coyote Canyon Road) located approximately 1.3 miles from the project site and Fire Station 78 (7110 Citrus Avenue) located 4.7 miles south of the project.

- Law Enforcement:

Law enforcement responsibilities will shift from the San Bernardino County Sheriff’s Department and California Highway Patrol to the City of Fontana Police Department.

The City has indicated that there will be no additional police officers or facilities will be required through approval of this annexation and that it has sufficient personnel and equipment to adequately serve the area. The City's police department currently has 188 sworn officers.

- **Water Service:**

The reorganization area is primarily within the boundaries of the West Valley WD, which provides retail water service within the northerly and southeasterly portion of the City. A small section of the reorganization area, approximately 4.7 acres, is currently not within the West Valley WD's boundary. Therefore, the said area is being annexed into the West Valley WD as a part of this reorganization.

West Valley WD prepared a Water Supply Assessment (WSA) for the project. The WSA, approved in July 2018 (included as Attachment #5), concluded that West Valley WD has sufficient supplies available in normal, single, and multiple dry years to meet the projected demands of proposed Project, in addition to existing and planned future users within the West Valley WD's service area.

In addition, the reorganization area is primarily within the boundaries of San Bernardino Valley Municipal Water District (Valley District), which provides wholesale water service within the eastern San Bernardino Valley area, including the City. However, the same area not within the West Valley WD's boundary is also not within Valley District's boundary. Therefore, said same area is also being annexed into the Valley District as a part of this reorganization.

- **Sewer Service:**

The City provides for wastewater collection within its boundaries, while the treatment of wastewater is the responsibility of the Inland Empire Utilities Agency. Treatment of wastewater generated in Fontana is handled at the IEUA's Regional Plant No.1 in Ontario, which currently processes approximately 32 million gallons per day (mgd) with a capacity of 40 mgd, leaving a surplus capacity of approximately 8 mgd.

- **Solid Waste:**

Solid waste services are currently provided within the reorganization area and within the City of Fontana by Burrtec Waste Industries. No change in service provider will occur through the annexation.

As required by Commission policy and State law, the Plan for Service shows that the extension of its services will maintain, and/or exceed, current service levels provided through the County or other detaching entities.

CONCLUSION:

The City's purpose of initiating this reorganization is to annex the proposed I-15 Logistics Project, a proposed development of a 1,171,788 sq. ft. high-cube warehouse facility. In

order to provide for a logical boundary, the City is proposing to annex all the properties generally south of Lytle Creek Road from Sierra Avenue to the City's existing boundaries along the natural extension of Citrus Avenue, which is an easily identifiable boundary for service delivery.

In addition, the proposed reorganization includes all the necessary changes in boundaries for all community-based local agencies to ensure that the boundaries of all local agencies that serve the community of Fontana are consistent and that the entire reorganization area is within the boundaries of said agencies.

Therefore, for these reasons, and those outlined throughout the staff report, the staff supports the approval of LAFCO 3243.

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 County Registrar of Voters Office has determined that the reorganization area is legally inhabited containing 16 registered voters as of December 9, 2020.
2. The County Assessor's Office has determined that the total assessed value of land and improvements within the reorganization area is \$1,436,078 (land--\$1,175,329; improvements--\$260,749) as of September 17, 2020.
3. Through approval of the companion proposal, LAFCO 3242, the entire reorganization area is within the spheres of influence of the City of Fontana, Fontana Fire Protection District, West Valley Water District, and San Bernardino Valley Municipal Water District.
4. Legal advertisement of the Commission's consideration has been provided through publication in *The Sun*, a newspaper of general circulation within the reorganization area. As required by State law, individual notice was provided to affected and interested agencies, County departments, and those individual and agencies having requested such notice.
5. In accordance with State law and adopted Commission policies, LAFCO staff has provided individual notice to:
 - landowners (23) and registered voters (16) within the reorganization area (totaling 39 notices)
 - landowners (87) and registered voters (21) surrounding the reorganization area (totaling 108 notices).

To date, no written comments in support or opposition have been received. Comments from registered voters, landowners, and other individuals 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 Fontana pre-zoned the reorganization area as follows: Light Industrial (I-L), Public Utility (P-UC), Residential Estates (R-E) and General Commercial (C-G). These pre-zone designations are consistent with the City's General Plan and surrounding land uses within the City and in the County. Pursuant to the provisions of Government Code Section 56375(e), these pre-zone designations shall remain in effect for two years following annexation unless specific actions are taken by the City Council.
7. The Southern California Associated Governments (SCAG) recently adopted its 2020-2045 Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS) pursuant to Government Code Section 65080. LAFCO 3243 is adjacent to the I-15 Freeway, which is part of the RTP-SCS's regional express lane network that will be adding two express lanes in each direction for completion by 2040.
8. The City of Fontana approved and adopted its 2017 Local Hazard Mitigation Plan on August 14, 2018 that show the reorganization area is adjacent to both high and very high Fire Hazard Severity Zones.
9. As a CEQA responsible agency, the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, has reviewed the City's environmental documents for the reorganization proposal (LAFCO 3243) and has indicated that the City's environmental assessment for the I-15 Logistics Project (SCH No. 2018011008) is adequate for the Commission's use as CEQA responsible agency. Copies of the City's Complete Final EIR and all associated documents were previously provided to Commission members and are also included (as Web links) in Attachment 2 of Item 5A. Discussion and recommendations related to environmental assessment for LAFCO 3243 are outlined in the Item 5A staff report for the January 20, 2021 LAFCO meeting.
10. The areas in question are presently served by the following public agencies:

County of San Bernardino
Inland Empire Resource Conservation District
Fontana Fire Protection District (city subsidiary district)
West Valley Water District
San Bernardino Valley Municipal Water District
San Bernardino County Fire Protection District, its Valley Service Zone, and its Zone FP-5
County Service Area 70 (multi-function unincorporated area Countywide)

The area will be detached from County Service Area 70 and its sphere of influence reduced as a function of the reorganization. A portion of the reorganization area will also be detached from San Bernardino County Fire Protection District and its associated service zones.

11. A plan was prepared for the extension of services to the reorganization area, as required by law. The Plan for Service and the Fiscal Impact Analysis, as certified by the City, indicates that the City can maintain and/or improve the level and range of services currently available in the area. A copy of this plan is included as a part of Attachment #2 to this report.

The Plan for Service and Fiscal Impact Analysis have 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 and the Fiscal Impact Analysis conform to those adopted standards and requirements.

12. The reorganization proposal complies with Commission policies and directives and State law that indicate the preference for areas proposed for urban intensity development to be included within a City so that the full range of municipal services can be planned, funded, extended, and maintained.
13. The reorganization area can benefit from the availability and extension of municipal-level services from the City of Fontana, Fontana Fire Protection District, West Valley Water District, and San Bernardino Valley Municipal Water District, as evidenced by its Plan for Service certified by the City.
14. This proposal may or may not have an effect on the City of Fontana’s ability to achieve its fair share of the regional housing needs since the only project at this time is a proposed warehouse facility; however, there are areas within the reorganization area that are designated for low density residential development but no anticipated development at this time.
15. With respect to environmental justice, which is 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 following demographic and income profile was generated using ESRI’s Community Analyst for the City of Fontana and the reorganization areas (2020 data):

Demographic and Income Comparison	City of Fontana (%)	Reorganization Area (%)
Race and Ethnicity		
• African American Alone	10.0 %	12.5 %
• American Indian Alone	1.0 %	0 %
• Asian Alone	6.6 %	6.2 %
• Pacific Islander Alone	0.3 %	0 %
• Hispanic Origin (Any Race)	66.8 %	35.3 %
Median Household Income	\$76,225	\$117,097

Through future development of the warehouse facility, the reorganization area will benefit from the extension of services and facilities from the City including the other agencies that serve the community and, at the same time, the approval of the

reorganization proposal will not result in the unfair treatment of any person based on race, culture or income.

16. The County of San Bernardino and the City of Fontana have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this reorganization. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
17. The maps and legal descriptions, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

Attachments:

1. [Vicinity Maps and Reorganization Area Maps](#)
2. [City of Fontana Application, Plan for Service, and Fiscal Impact Analysis](#)
3. [Letter Response from the West Valley Water District](#)
4. [Letter Response from the San Bernardino Valley Municipal Water District](#)
5. [West Valley Water District Water Supply Assessment \(July 2018\)](#)
6. [Draft Resolution No. 3325](#)