

June 28, 2018

Mr. Samuel Martinez  
Local Agency Formation Commission  
1170 W. Third Street, Unit 150  
San Bernardino, CA 92415

**SUBJECT: Plan For Services and Fiscal Impact Analysis:  
664-acre South Hills Preserve Annexation and Pre-Zone**

Dear Mr. Martinez:

This letter report presents the Plan for Services and Fiscal Impact Analysis for the approximately 664-acre South Hills Preserve annexation to the City of Loma Linda. The project site is located in the County of San Bernardino unincorporated area adjacent to the current boundary of the City of Loma Linda and within the City's sphere of influence.

The purpose of this letter report is to satisfy the requirements of the Local Agency Formation Commission (LAFCO) for San Bernardino County which requires that a Plan for Services and Fiscal Impact Analysis be prepared when a jurisdiction is affected by a proposed change of organization or reorganization. The annexation/pre-zone proposal will annex land into the City of Loma Linda, which requires the City to show that the necessary infrastructure improvements and services can be provided to the area. This summary of the City's Plan For Services and Fiscal Impact is being submitted for the 664-acre area which is owned by the City of Loma Linda and for which no development or extension of services is proposed.

Per the LAFCO August 2012 Policy and Procedure Manual, the Plan for Services 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 affect 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 imposed upon the affected territory.
- d. The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the services and a description of how the services 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.

- e. An indication of whether the affected territory is or will be proposed for inclusion within the 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 35652.5.

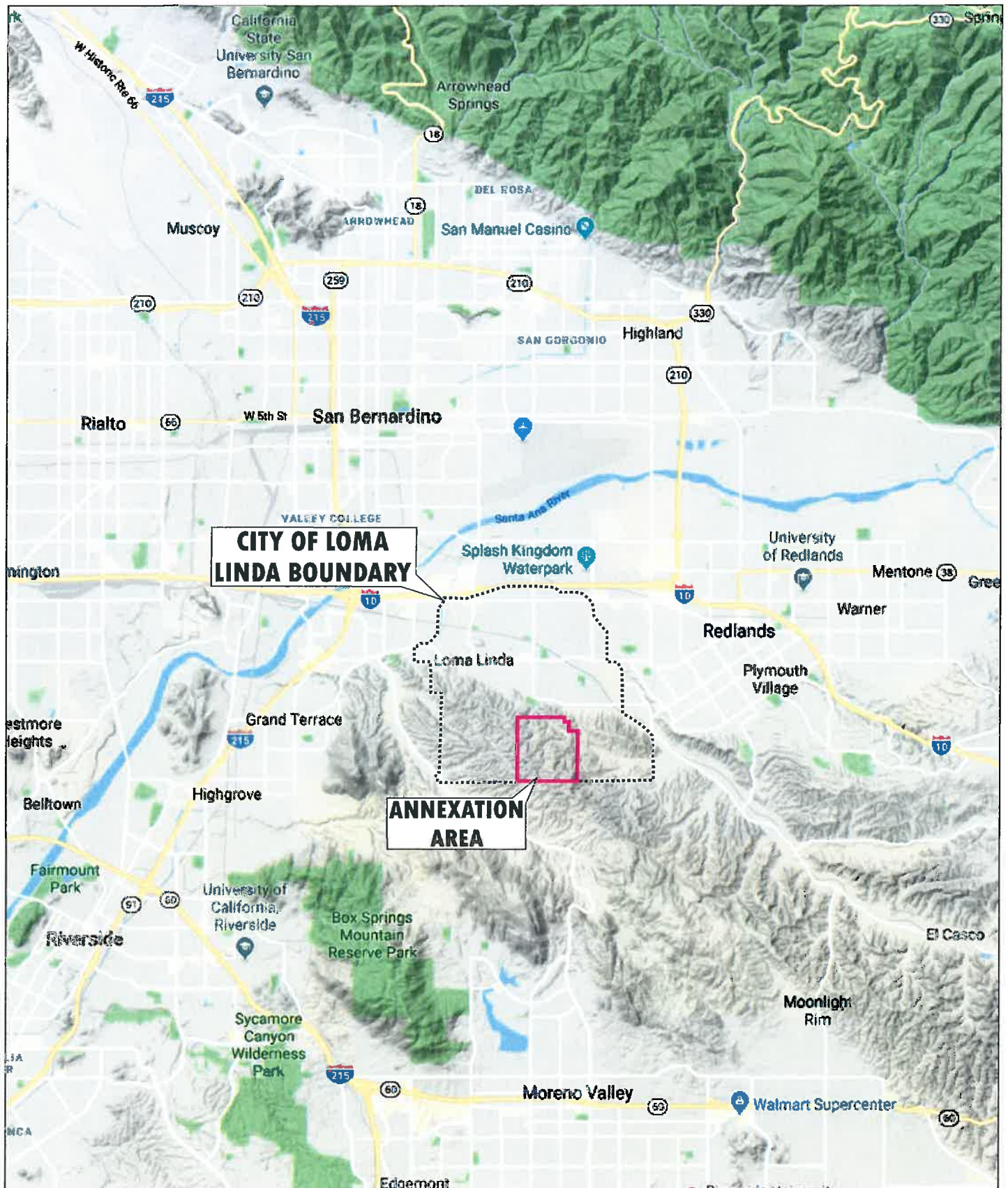
A description of the project, existing conditions and a response to each of the above components is provided herein.

**Project Location:** The 664-acre area is located within the unincorporated portion of San Bernardino County within the City of Loma Linda's Sphere of Influence and encompasses an area generally located east of Whittier Avenue, west of Mountain View Avenue, north of the Riverside/San Bernardino county line, and south of Beaumont Avenue (see Figure 1 – Regional Location and Figure 2 –Annexation Area With Proposed Pre-Zone). The approximate 664-acre Annexation area is currently vacant, owned by the City of Loma Linda, and includes 11 parcels (APNs 0294-011-01, 02, 30, 31, 32, 33, 34, 35, 0294-021-020, 21, and 22).

**Project Description:** The City of Loma Linda is initiating the annexation of an approximate 664-acre City-owned property located near the existing southern City limit boundary and within the City's Sphere of Influence. The Annexation proposal includes the Pre-Zoning of the property by Loma Linda. The area occurs within an area designated by the County of San Bernardino as Rural Living (RL-10) and by the City's General Plan Amendment adopted by the 2006 Measure V Initiative as: Hillside Conservation (HR-C) for approximately 3 acres: and Low Density Hillside Preservation (HR-LD) for approximately 288 acres (see Figure 3 – Existing County of San Bernardino Land Use Zoning Districts). The City of Loma Linda is initiating the Pre-Zone of the Annexation area to include approximately 374 acres of HR-C (0 to 1 dwelling unit per 10 acres) for the western two-thirds of the Annexation area and approximately 290 acres of HR-LD (0 to 1 dwelling unit per 10 acres) for both the eastern one-third of the Annexation area and a 12-acre area located at the southwest corner of the Annexation area (see Figure 4 City of Loma Linda Pre-Zone Map). The Pre-Zone is in accordance with Measure V (a growth-restricting initiative passed by city voters in November 2006) which established the proposed land use designations within the City's Sphere of Influence including the Annexation area.

The Annexation area is currently vacant and in accordance with Measure V is used strictly for passive recreational activities including unmaintained trails for pedestrian and bicycle use. No future development could be permitted in the annexation area unless Measure V is rescinded. The Annexation area does not receive public services or utilities that involve infrastructure (e.g. fire and police services only), nor would the area require an extension of any services upon annexation. The Proposed Project does not include development and the Annexation area would continue to be used for passive recreational activities including unmaintained trails for pedestrian and bicycle use.

Access to the Annexation area is provided along the northern property boundary via Mountain View Avenue/Canyon Road and from Whittier Avenue. Internal roadways are unpaved and provide dual function as fire access and hiking/bicycle trails.

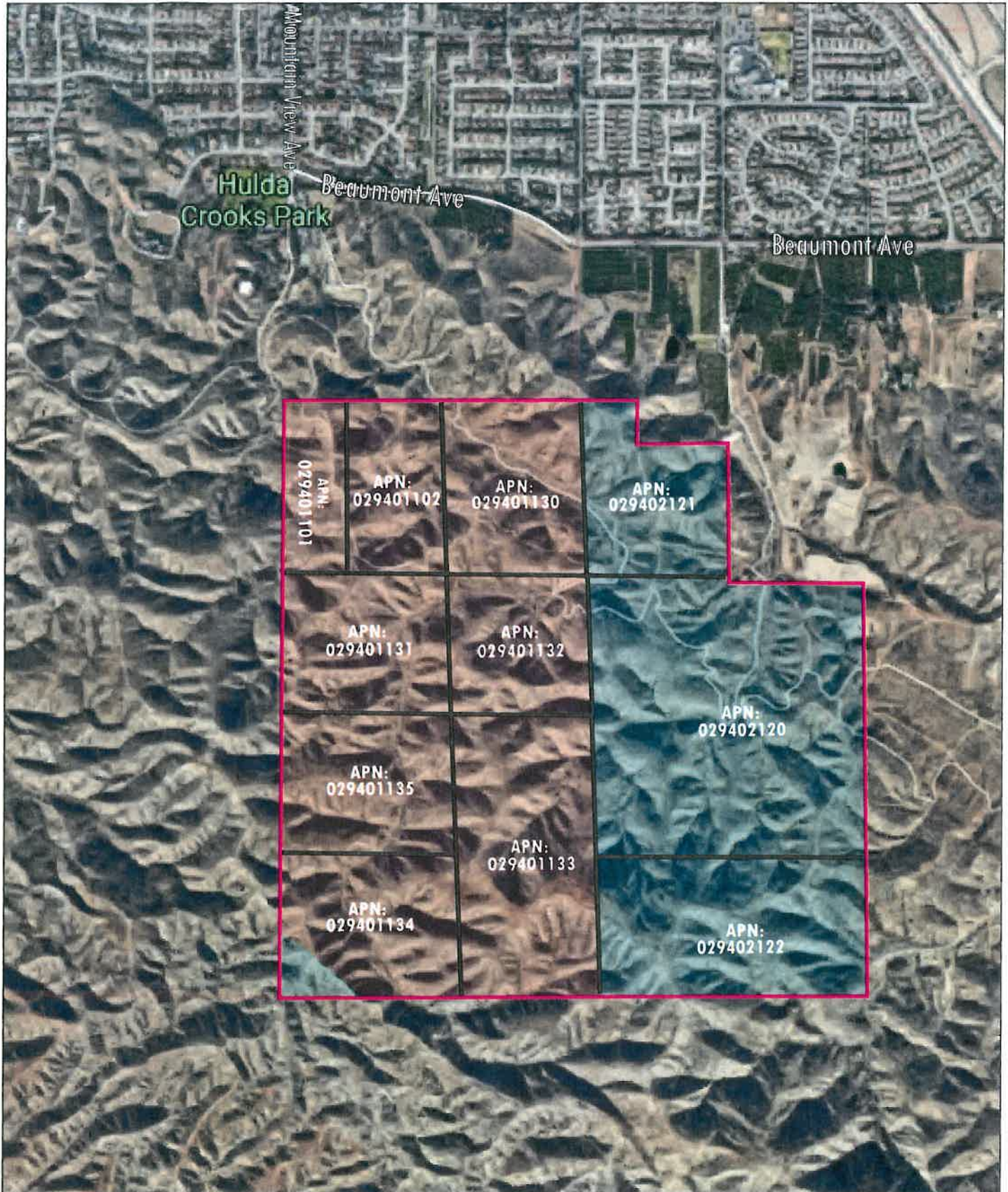


**REGIONAL LOCATION**  
**South Hills Preserve Annexation**

**FIGURE 1**

0  2.1  
 Miles  
 Source: Lilburn Corp., June, 2019.  
**LILBURN**  
 CORPORATION





Source: Lilburn Corp., June, 2019.

**LILBURN**  
CORPORATION

## ANNEXATION AREA WITH PROPOSED PRE-ZONE

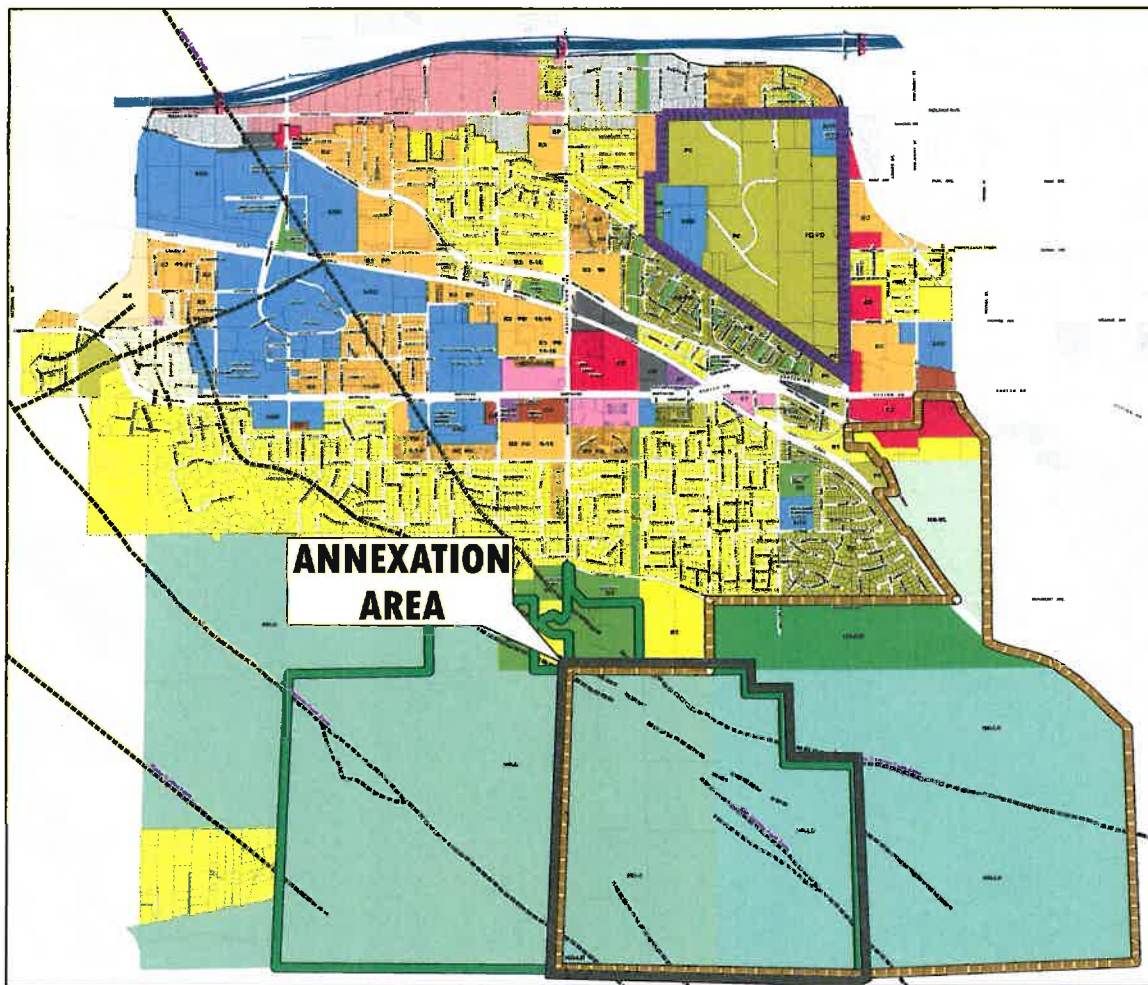
### South Hills Preserve Annexation

- Annexation Boundary and General Plan Designation: South Hills Preserve
- Low Density Hillside Preservation (HR-LD)
- Hillside Conservation (HR-C)

Measure "V" D, Principle Four, 1: City-owned land cannot be developed, may only be traded for other undevelopable land with some very strict conditions which would impose the ban on development on the acquired land for a net zero development change.

**FIGURE 2**





Source: Lilburn Corp., June, 2019.

**PROPOSED PRE-ZONE MAP**  
**South Hills Preserve Annexation**

**FIGURE 3**

**Existing Service Conditions:** The 664-acre Annexation area occurs within the San Bernardino County Fire District Service Zone FP-5 and County Service Area 70, and currently receives fire protection services from the City of Loma Linda. Police protection is currently provided by the County of San Bernardino. Since the City of Loma Linda provides police protection under contract with the County, police services would remain unchanged upon annexation. The Annexation area does not receive water or sewer service, or any other public/private utility services and since no development is proposed no extension of any services to the annexation area is proposed.

Concurrent with the proposed Pre-Zone Application, an Annexation application was filed on June 26, 2019. All parcels within the 664-acre area are required to be pre-zoned before annexation can occur. The Annexation area is adjacent to the City's southern boundary and annexation of the 664-acre area would not result in the formation of an island of territory.

**A description of the level and range of each service to be provided to the affected territory.**

General government services (i.e., finance division, human resources division, business registration, and economic development and community development) are currently provided by the County of San Bernardino and will be provided by the City of Loma Linda upon annexation.

The 664-acre property occurs within the San Bernardino County Fire District Service Zone FP-5 and County Service Area 70, and Fire and Paramedic services are currently provided by the Loma Linda Fire Department (automatic and agreement) and will continue to be provided by the City of Loma Linda Fire Department upon annexation. Sheriff/Police services are currently provided by the San Bernardino County Sheriff and will be provided by the City through contract with the San Bernardino County Sheriff.

Because the property is currently vacant and is intended to remain vacant upon annexation to the City, there are no current or proposed services provided related to: 1) Library services; 2) Parks and Recreational services; 3) Animal control services; 4) School services; 5) Health and Welfare services; or 6) Local flood control and drainage.

Currently no street lighting or traffic signals, landscape maintenance, water, sewer, utilities, or solid waste management is provided for the annexation area, and upon annexation no change in the need for these services would be required as no development is proposed.

**An indication of when those services can feasibly be extended to the affect territory.**

As previously stated, fire and paramedic services are currently provided by the Loma Linda Fire Department (automatic and agreement) and will continue to be provided by the City of Loma Linda Fire Department upon annexation. Sheriff/Police services will be provided immediately following annexation into the City by the City through contract with the San Bernardino County Sheriff.

**An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affect agency would imposed upon the affected territory.**

No changes including improvements or upgrades to any structures, roads, water or sewer facilities, other infrastructure, or other conditions would be imposed upon the 664-acre area upon annexation.

**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.**

Annexation of the approximate 664-acre area would not incur costs associated with the extension of service as no development is proposed. The annexation would result in the transfer of property tax revenue from the County of San Bernardino to the City of Loma Linda. A total of 11 parcels occur within the South Hills Preserve annexation area. For fiscal year 2019 a total of \$18,470.33 was paid to San Bernardino County by the City of Loma Linda as part of the general tax levy paid by landowners through their property taxes. Upon annexation the payment of property taxes to the County of San Bernardino would cease and the City would thereby realize an increase in current assets. No other fiscal impact associated with the annexation or de-annexation would result.

**An indication of whether the affected territory is or will be proposed for inclusion within the existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.**

Deannexation of the approximately 664-acre area would result in the removal of the property from San Bernardino County Fire District Service Zone FP-5 and County Service Area 70 is not proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district or community facilities district.

**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 35652.5.**

No water service or extension of water service is proposed.

**CERTIFICATION**

As a part of this application, the city of LOMA LINDA, or the \_\_\_\_\_ 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 city of LOMA LINDA or the \_\_\_\_\_ 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 XIIC and XIID 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.

7-2-19  
DATE

T. John Thomas  
SIGNATURE OF APPLICANT