

**LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO**

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DATE: MARCH 5, 2004
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #7** – LAFCO SC#221 City of Redlands OSC 03-06
for Water Service (Tentative Parcel Map 15941)

SUBMITTED BY:

City of Redlands on behalf of property owner/developer

RECOMMENDATION:

- 1) For environmental review, take the following actions:
 - a. Certify the Commission has reviewed and considered the environmental assessment and Negative Declaration prepared by the County of San Bernardino for Tentative Parcel Map 15941 for the three (3)-lot development on 8.67 acres and found them to be adequate for Commission use;
 - b. Determine that the Commission does not intend to adopt alternatives for this project, that all mitigation measures are the responsibility of the County of San Bernardino, not the Commission, and are self-mitigating through implementation of the adopted Conditions of Approval for the project; and,
 - c. Direct the Clerk to file the Notice of Determination within five working days.
- 2) Approve SC#221 authorizing the City of Redlands to extend water service outside its boundaries to Tentative Parcel Map 15941, a three (3) residential lot subdivision, on APN #0299-231-22;

- 3) Adopt LAFCO Resolution #2810 setting forth the Commission’s findings, determinations and approval of the agreement for service outside the City of Redlands’ boundaries.

BACKGROUND:

The City of Redlands has submitted an application for authorization to provide water service outside its corporate boundaries as permitted by Government Code Section 56133. The City has submitted this proposal in response to an application for water service by the developer of the project described as “Tentative Parcel Map 15941”. The project to be served involves the subdivision of a single parcel, totaling 8.67 acres, into two (2) parcels and a remainder for ultimate development as single-family residences.

The County of San Bernardino Land Use Services Department has processed Tentative Parcel Map 15941 which proposes the three (3) residential lots. The Conditions of Approval placed upon this project include the requirement for connection to the City of Redlands water system. At the present time, the City has a water line located within Walnut Street fronting the parcel proposed for subdivision (Attachment 1 includes a Location Map identifying this area). The proposed contract would allow the developers of the project to connect to this existing infrastructure.

The developer of this project, Gerald Zigrossi et al, has signed an Agreement for Annexation with the City of Redlands in order to receive water service. The procedure for utility services outside the City boundaries requires that the developer contact the City’s Municipal Utilities Department to assure that the City requirements, as defined in the City’s Municipal Code Section 13.60, are met. The requirements include that the area has been reviewed by the appropriate planning authority; it requires that the development proposed be in concert with the City of Redlands General Plan for the area; and that all fees applied by the City of Redlands have been paid.

The developer of this project completed the County land use process for a Tentative Parcel Map in August 2003. The City of Redlands Community Development Department has reviewed the project indicating that the anticipated development is in concert with the City’s General Plan designation of Rural Living, allowing one dwelling unit per 2.5 acres. In addition, the City prepared a Socio-Economic Impact Analysis for the Pre-Annexation Agreement for Tentative Parcel Map 15941 which shows a positive cost/revenue effect should the area be included in the City. The City’s review of the pre-annexation agreement also included an environmental assessment of the

project which determined that there was no adverse effect from extending the service.

Pursuant to Commission policy, applications for service contracts require the inclusion of information regarding all financial obligations for the extension of these services. The provisions of Measure U within the City of Redlands require that the developer pay an amount equivalent to all development fees of the City of Redlands as a condition for access to water and sewer service. This item is identified in the Agreement between the City and Developer under Item #6 on page 3 (a copy of the Agreement is included as an attachment), which has been signed by all parties. In addition, the future residents of the residential units will be charged premium rates for water and sewer service (1.5 times the in-city rate).

The application materials indicate that the following amounts are required from the developer prior to connection to the City's water facilities:

Water Fees	\$26,745
Solid Waste (listed as equivalent sum to City Impact Fee)	\$ 1,950
Public Improvement (listed as equivalent sum to City Impact Fee)	\$27,789
Park (listed as equivalent sum to City Impact Fee)	\$ 5,907
Total charges to be paid for receipt of Water Connection	\$62,391

Staff's comment and/or concern in regard to the items outlined above is that it appears that those not tied to a service to be actively provided by the City following contract authorization would need to be accounted for in such a manner that they can be easily identified in the future. These concerns have been addressed to the City in the past and it has been indicated that the sums charged are negotiated by the property owner/developer with the City for the receipt of its water service outside its corporate limits.

Authorization of this agreement by the Commission is required before the City of Redlands can take the final actions to implement the agreement, which will apply to the developer and future property owners of the three (3) lots. In order for this development project to proceed to record the final parcel map, etc., the developer must show proof of his ability to connect to the City of Redlands' water infrastructure (County Conditions of Approval, Items #10 and

#11), which will be the Commission's authorization for the agreement with the City Council.

The staff has reviewed this application against the criteria established by Commission policy and Government Code Section 56133. The area is within the sphere of influence assigned the City of Redlands for the Crafton community, and is anticipated to become a part of that City sometime in the future. The City and developer have entered into an Annexation Agreement that specifies the requirements of both parties regarding future annexation and the extension of service. The area has been zoned for residential uses by both the City of Redlands General Plan and the County's General Plan addressing the Crafton community. The development application requires the connection to the City's water infrastructure, as identified in the adopted Conditions of Approval. The developer will be required to extend the necessary infrastructure to the individual lots at his expense and the future residents of the area will be required to pay premium rates to the City for water service.

The staff supports the City's request to provide water service by contract to the proposed residential development since its facilities are adjacent to the anticipated development, and there is no other existing entity available to provide the level of service required by the tentative tract within the area.

FINDINGS:

1. The proposed Tentative Parcel Map provides for a three (3)-lot subdivision. The County's review of the tentative parcel map was approved on August 21, 2003. The tentative parcel map approval included within its "Conditions of Approval" the requirement for connection to the water facilities of the City of Redlands.

The agreement for extension of service and annexation between the Developer and the City of Redlands was signed by Gerald Zigrossi et al on January 9, 2004, approved by the City Council on February 3, 2004, and signed by the Mayor on the same date. The City Council's approval included the Socio-Economic Impact Study and environmental assessment of the Agreement.

2. The service contract being considered is for the provision of water service to a three (3)-lot, single-family residential tract by the City of Redlands to fulfill the Conditions of Approval imposed by the County. This contract will remain in force for the future property owners of these anticipated parcels in perpetuity, or until such time as the area is

annexed. The approval of this application will allow the property owner and City of Redlands to proceed to finalize the contract for the extension of water service.

3. The “sums equivalent to the City’s development impact fees” charged this project by the City of Redlands, pursuant to the provisions of its Municipal Code Section 13.60 et seq., are identified as totaling \$62,391. These fees are required to be paid by the developer, Gerald Zigrossi Trust et al, as indicated in the Requirements and Approvals for OSC 03-06, during the calendar year of 2004.
4. In July 2003, acting as the CEQA lead agency, the County prepared an environmental assessment for the Tentative Parcel Map for the overall development and adopted a Negative Declaration. This document indicates that the project would not have a significant effect upon the environment through its development under the Conditions of Approval imposed.

LAFCO Environmental Consultant, Tom Dodson and Associates, has provided a review of the County’s initial study and Negative Declaration issued for this Tentative Parcel Map. Mr. Dodson’s analysis has indicated that the County’s initial study and Negative Declaration are adequate for the Commission’s use as a CEQA responsible agency. The Commission will not be adopting alternatives or mitigation measures for this development, as these are the responsibility of the County. Attachment #4 provides a copy of Mr. Dodson’s response and recommendation regarding the Commission’s review and necessary actions to be taken.

KRM:

- 1 -- Vicinity map and map of the contract area
- 2 -- City of Redlands Application, Cost Worksheet and Contract
- 3 -- County Conditions of Approval for Tentative Parcel Map 15941
- 4 -- Tom Dodson and Associates response
- 5 -- Draft Resolution No. 2810