

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

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DATE: NOVEMBER 3, 2006

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #10 -- LAFCO 3067 – REORGANIZATION TO
INCLUDE CITY OF SAN BERNARDINO ANNEXATION NO. 361
(SIX ISLANDS)**

INITIATED BY:

City Council Resolution, City of San Bernardino

RECOMMENDATION:

Staff recommends that the Commission approve LAFCO 3067 by taking the following actions:

1. Adopt the Statutory Exemption that has been recommended for this proposal, and direct the Clerk to file a Notice of Exemption within five (5) days of this action;
2. Modify Island #1 and Island #4 to expand their boundaries to include the Flood Control Channels as more specifically described on the modified map and legal descriptions for the reorganization;
3. Approve LAFCO 3067 – Reorganization to Include City of San Bernardino Annexation No. 361 as island annexations, as defined in Government Code Section 56375.3, with the following conditions:
 - a. That the City of San Bernardino's 7.93% utility tax will not be extended to the reorganization area;
 - b. That the City of San Bernardino shall succeed to the special tax authorized County Service Area 38 (CSA 38) Improvement Zone L for paramedic services upon successful completion of this reorganization. The

City shall succeed to all rights, duties and powers for the administration of this special tax as a function of this reorganization, as more specifically identified in the attached draft resolution;

- c. All streetlights currently the responsibility of County Service Area SL-1 (CSA SL-1) within the reorganization area shall be transferred to the City of San Bernardino upon successful completion of the reorganization. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights, LAFCO staff shall verify the data, and the City of San Bernardino shall sign the authorization form requesting Southern California Edison to transfer the specific lights to the City of San Bernardino accounts; and,
 - d. The standard terms and conditions of approval that include the “hold harmless clause for potential litigation.
4. Waive the protest proceedings, as required by Government Code Section 56375.3; and,
 5. Adopt LAFCO Resolution #2948 setting forth the Commission’s findings and determinations concerning this proposal.

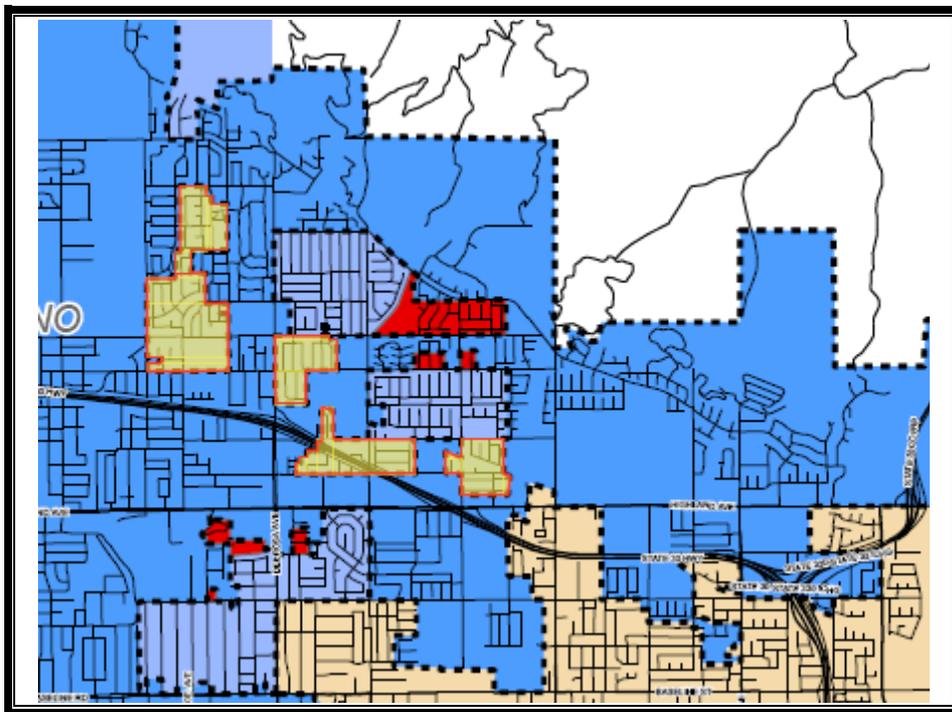
BACKGROUND:

LAFCO 3067 is a proposal to annex six substantially-surrounded unincorporated islands of territory located in the northeastern sphere of influence of the City of San Bernardino. The annexations, as initiated by the City, included approximately 97 +/- acres. Following submission of the application, LAFCO staff, in consultation with City staff, expanded the areas of Island #1 and Island #4 to include the San Bernardino Flood Control facilities to provide for a clearer delineation of City boundaries. With the expansions, the total acreage involved in the reorganization proposal is now 131 +/- acres.

LAFCO 3067 was initiated by the City of San Bernardino in response to directives of the Commission. These directives were officially outlined at its April 2006 hearing regarding LAFCO 3050 (Arrowhead Springs Specific Plan). At that hearing, the Commission indicated its intention to require the City to address its island areas as a part of the consideration of LAFCO 3050, a development-related annexation. It was noted that it would apply this directive through imposition of a condition of approval requiring initiation of the annexation of the City’s island areas prior to completion of LAFCO 3050. At that hearing the City committed to addressing the thirteen islands which met the Commission’s criteria for being totally or substantially surrounded islands areas, as well as meeting the City’s criteria of being at least 75% surrounded.

At the May 2006 hearing, the Commission approved the annexation of the totally-surrounded Del Rosa Island (LAFCO 3049) to the City of San Bernardino, which became effective in June 2006. At the July 11, 2006 City Council meeting, the City initiated the annexation of six of the remaining twelve islands (the proposal under consideration today) and outlined a schedule to address five additional island areas. The thirteenth island, located along Third Street, has not been included in these ongoing discussions due to issues related to water, identified as being the City’s Federal Court Consent Decree governing its containment of a contaminant plume, the City ordinance implementing those provisions, and their effects upon the City of Riverside wells within the area. City staff has indicated that there are ongoing discussions related to this area, but they will need to be addressed at a later time following resolution of the water issues.

The illustration below shows the six islands under consideration as LAFCO 3067 in red. The yellow areas identify the remaining five islands to be initiated by the City, in two phases, by no later than January 2008 as outlined in City Resolution No. 2006-348.



The reorganization as presented is intended to clarify the City’s boundaries for the provision of services. Location and vicinity maps and the City’s application are included as Attachments #1 and #2 respectively to this report.

In the staff’s view, the reorganization proposal before the Commission is a ministerial action. This position is taken on the basis of the provisions within Government Code Section 56375(a) which requires the Commission to approve the annexation of “islands”

of unincorporated territory and Government Code Section 56375.3 which requires the Commission to approve the annexation of island territory without the ability of protest if several basic findings are made concerning the size of the island, the configuration of city boundaries, the lack of prime agricultural land within the island area, the presence of development in the area, and the ability of the study area to benefit from or use municipal services from the City. Copies of these Code Sections are included for Commission review as Attachment #3 to this report.

A response to each of the mandatory determinations required by Section 56375.3 and the Commission's policies is provided below for each of the islands:

- Area 1 encompasses approximately 84 +/- acres generally located north of Marshall Blvd. (City of San Bernardino boundary), east of the San Bernardino County Flood Control property line, south of a combination of Foothill and Piedmont Drives (City of San Bernardino boundary), and west of parcel lines (City of San Bernardino boundary). This area was modified by LAFCO staff to include the territory to the westerly boundary of the Flood Control Channel.
 - The area is 84 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;
 - The area is substantially surrounded. The modified island is 79% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department. However, the island would be considered 100% surrounded utilizing the Commission's policy definition of impediments to service delivery, the westerly boundary of the island, as modified, being placed along the Flood Control Channel;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;
 - The City of San Bernardino has conducted an outreach program prior to the Commission consideration of the reorganization application; and,
 - The area is not included within a County Redevelopment Area.
- Area 2 encompasses approximately 10 +/- acres generally located north of Lynwood Drive, and west, south and east of parcel lines (City of San Bernardino boundary), including territory east and west of McKinley Avenue.

- The area is 10 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;
 - The area is substantially surrounded. The island is 68% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;
 - The City of San Bernardino has conducted an outreach program prior to the Commission's consideration of the reorganization application; and,
 - The area is not included within a County Redevelopment Area.
- Area 3 encompasses approximately 6 +/- acres generally located north of Lynwood Drive, and west, south and east of parcel lines (City of San Bernardino boundary), including territory east and west of Stanton Avenue.
 - The area is 6 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;
 - The area is substantially surrounded. The island is 78% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;
 - The City of San Bernardino has conducted an outreach program prior to the Commission's consideration of the reorganization application; and,
 - The area is not included within a County Redevelopment Area.

- Area 4 encompasses approximately 21+/- acres generally located east of Monte Vista Drive, south of Highland Avenue, and west of Del Rosa Avenue. The island area is generally bordered by parcel lines (existing City boundary) on the west, north, and east, and the Flood Control Channel on the south. This area was modified by LAFCO staff expand to include Flood Control properties to the south.
 - The area is 21 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;
 - The area is substantially surrounded. The modified island is 78% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department. However, the island would be considered 100% surrounded utilizing the Commission's policy definition of impediments to service delivery, the southerly boundary of the island, as modified, being placed at the Flood Control Channel boundary;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;
 - The City of San Bernardino has conducted an outreach program prior to the Commission's consideration of the reorganization application; and,
 - The area is not included within a County Redevelopment Area requiring consent pursuant to Commission policy. The area is a part of the Inland Valley Development Redevelopment Project area, as certified by the County Assessor; however, this is a joint redevelopment area of which the County and City are both participants.

- Area 5 encompasses approximately 8.16+/- acres generally located east of Elmwood Road and south of 21st Street. The island area is generally bordered by Elmwood Road (existing City boundary) on the west, parcel lines (existing City boundary) on the north and east, and Del Rosa Avenue on the south.
 - The area is 8 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;

- The area is substantially surrounded. The island is 78% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;
 - The City of San Bernardino has conducted an outreach program prior to the Commission's consideration of the reorganization application; and,
 - The area is not included within a County Redevelopment Area requiring consent pursuant to Commission policy. The area is a part of the Inland Valley Development Redevelopment Project area, as certified by the County Assessor; however, this is a joint redevelopment area of which the County and City are both participants.
- Area 6 encompasses approximately 2.15+/- acres generally located north of Pacific Street and east of Conejo Drive. The island area is generally bordered by Pacific Street on the south, Conejo Drive (existing City boundary) on the west, parcel lines (existing City boundary) on the north and the Flood Control Channel on the east.
 - The area is 2 +/- acres in size as verified by the County Surveyor's Department, within the 150 acre threshold and encompasses the entire substantially-surrounded island;
 - The area is substantially surrounded. The island is 79% surrounded by existing City of San Bernardino boundaries as verified by the County Surveyor's Department;
 - The study area is substantially developed or developing, on the basis that public utilities are available in the area, there are public improvements in the area, and there are physical improvements on many, if not most, of the properties;
 - The study area does not contain prime agricultural land as such is defined by LAFCO statutes;
 - The study area will benefit from the annexation or is receiving benefits from the annexing city, on the basis that the area currently receives its structural fire protection and paramedic service through the City by contract with CSA 38 and its Improvement Zone L;

- The City of San Bernardino has conducted an outreach program prior to the Commission’s consideration of the reorganization application; and,
- The area is not included within a County Redevelopment Area requiring consent pursuant to Commission policy. The area is a part of the Inland Valley Development Redevelopment Project area, as certified by the County Assessor; however, this is a joint redevelopment area of which the County and City are both participants.

Based upon the information outlined above, it is staff’s position that the mandatory determinations are clearly made. Therefore, the Commission is:

1. Required by Government Code Section 56375(a) to approve the reorganization proposal as submitted by the City of San Bernardino; and,
2. Required by Government Code Section 56375.3 to approve LAFCO 3067 without the ability of protest by landowners and registered voters.

The following provides abbreviated responses to the balance of the issues which the Commission reviews and considers in all reorganization proposals – land use, service effects and the effect on other levels of government and environmental considerations.

LAND USE:

The existing County land uses for this area are predominantly residential in nature. The City of San Bernardino’s recent General Plan Update, adopted in November 2005, carried forward the pre-zoning for the areas established by the 1991 General Plan. The land use designations between the County and City are in general consistent.

The land use designations assigned by the City and County are shown on the following chart:

ISLAND IDENTIFICATION	COUNTY LAND USE DESIGNATION	CITY LAND USE DESIGNATION/PRE-ZONE
AREA 1	RS-9M (Residential, Single-family minimum 9,000 sq. foot lot size)	RS (Residential Suburban) Single-family units 4.5 dwelling units per acre, 7,200 sq. ft. minimum lot size
AREA 2	RS-9M	RS
AREA 3	RS-9M	RS
AREA 4	RS (Residential, Single-family)	RL (Residential Low) Single-family residential units allowing 3.1 dwelling units per acre, 10,800 sq. ft. minimum lot size
AREA 5	RS (Residential) and CO (Office Commercial)	RS
AREA 6	RS	RU-1 (Residential Urban) Multi-family units -- allows for up to 9 dwelling units per acre (7,200 sq. ft. minimum lot size, 5,200 sq. ft.

		minimum lot size in planned unit developments)
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The City’s pre-zone designations will need to be maintained for a two-year period following reorganization (required by Government Code Section 56735 (e)) unless specific determinations are made by the City Council at a public hearing.

In addition, LAFCO staff and members of the City and County Planning staffs have met to review issues related to the handling of the transition of land use projects from the County to the City. It has been identified that there is one project currently in process at the County affected by this action. The City, by letter included as Attachment #4 to this report, outlines that it will honor the County’s land use approvals for these projects and will assume responsibility for assurance of compliance with the County’s conditions of approval reserving, however, the right to require compliance with City design standards and on-site improvement plans. The City’s letter also indicates that if there are other projects not identified specifically, they will be treated in the same manner by City staff.

SERVICE ISSUES AND EFFECTS ON OTHER LEVELS OF GOVERNMENT:

The City of San Bernardino has provided a “Plan for Service” for this proposal as required by law and as modified by Commission policy. A copy of the Plan is included as part of Attachment #2 to this report. Highlights of the Plan and related information include the following:

- Sewage collection services are currently provided within the areas by the East Valley Water District. No change in this service will take place on the basis of the reorganization.
- Water service is provided to the island areas by the East Valley Water District. No change in this service will take place on the basis of the reorganization.
- Law enforcement responsibilities will shift from the County Sheriff’s Department, which operates out of the downtown Sheriff facility, to the City of San Bernardino Police Department. The City indicates that its Police Department will absorb this territory into its existing beat system surrounding the areas. However, the letter from the City Manager, dated November 1, 2006 clarifies that public safety personnel will be needed to provide service to the islands, but that the four personnel will be added upon completion of the annexation of all twelve islands. The financing of this service will be through the ad valorem property tax received by the City from within the reorganization area as well as Motor Vehicle In-Lieu and revenues from the passage of AB 1602 (\$50 per capita backfill funding for annexations completed after 2004).

- Solid waste services are currently provided within the reorganization area by Jack's Disposal which charges \$44.22 every two months for its services (waste, yard waste and recyclables). Pursuant to City policy, residents of newly-annexed areas may continue to use their current refuse hauler for up to five years. Residents may choose to transition at any time during this period. The City's current residential rate is \$19.86 per month for once-a-week pick up and includes the provision of containers for normal, recyclable and green waste. Commercial rates vary depending on the type and frequency of pick up.
- Fire protection services are currently the responsibility of CSA 38 and its Improvement Zone L for paramedic service. However, the County has contracted with the City of San Bernardino since 1998 to provide fire protection and paramedic services within the seven (7) large unincorporated islands in the City's sphere of influence which are a part of CSA 38, which includes the territory of LAFCO 3067.

In addition, paramedic service is funded through a special tax associated with CSA 38 Improvement Zone L. Upon reorganization (including detachment of this area from CSA 38 and its Improvement Zone L), this service will officially transition to the responsibility of the City of San Bernardino Fire Department. As a condition of approval, the staff is recommending that the City succeed to the special tax imposed by CSA 38 Improvement Zone L for future funding of paramedic services. Currently the rate charged is: \$19 per dwelling unit (charges are assessed by number of units for apartments/multi family dwellings) and \$38 for commercial properties.

- Streetlights are currently funded in the area through CSA SL-1 within this area. The Plan for Service indicates that this service will transition to the City and it will assume payment for lighting costs. In compliance with existing Commission policy, a condition of approval has been included which requires documentation of the transfer of this responsibility through verification of lighting facilities to be transferred and requiring the submission by the City of a signed form authorizing the transfer upon completion of the reorganization. There are an estimated 58 lights to be transferred and it is estimated that the annual cost of operation is \$5,800 (approximately \$100 per year energy costs). The property tax transfer from CSA SL-1 to the City is \$7,130, which exceeds the estimated cost of continuing this service.

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

The territory of LAFCO 3067 within Islands 4, 5, and 6, is included in the Inland Valley Development Authority (hereinafter IVDA), the redevelopment agency for the San

Bernardino International Airport (former Norton Air Force Base facility). The annexation of the territory within LAFCO 3067 to the City of San Bernardino has no effect on this agency as it is regional in nature. However, staff has requested clarification from the County Auditor/Controller-Recorder's Property Tax Division regarding the effect of the annexation on the distribution of the Redevelopment Agency revenues. Property Tax Division staff have indicated that the existing pass-through agreements between the City of San Bernardino and the IVDA will be applied to this proposal, so that a share of the property tax increment from the area will be provided to the City along with the frozen property tax base being transferred as a function of this reorganization.

ENVIRONMENTAL CONSIDERATIONS:

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed this proposal and has indicated that it is his recommendation that the reorganization to include these island annexations is statutorily exempt from the California Environmental Quality Act (CEQA). This determination is based on the fact that the Commission has no discretion in its review of this proposal and must approve the project. Such a "ministerial action" is exempt from environmental review pursuant to Section 15268 of the State CEQA Guidelines. A copy of Mr. Dodson's analysis is included as Attachment #5 to this report. It is recommended that the Commission adopt the Statutory Exemption for this proposal and direct the Clerk of the Commission to file a Notice of Exemption with the appropriate agency within five days.

FINDINGS:

The following findings are required to be provided by Commission policy and Government Code Section 56668 for all proposals considered:

1. The Registrar of Voters Office has determined that the study areas are legally inhabited, containing a combined 501 registered voters as of August 15, 2006. Each individual island is identified below:

Area 1	315 Voters	Area 4	28 Voters
Area 2	60 Voters	Area 5	9 Voters
Area 3	44 Voters	Area 6	45 Voters

2. The study area is within the sphere of influence assigned the City of San Bernardino.
3. The County Assessor's Office has determined that the assessed valuation of land and improvements for the combined areas is \$47,641,399 (\$11,581,801 land; \$36,059,598 improvements). The values by individual island are identified as follows:

Island Identification	Land Value	Improvement Value	Total Value
Area 1 (as modified)	\$7,806,285	\$23,560,645	\$31,366,930
Area 2	\$1,416,771	\$4,661,440	\$6,078,211
Area 3	\$709,438	\$2,389,298	\$3,098,736
Area 4 (as modified)	\$494,835	\$1,620,975	\$2,115,810
Area 5	\$923,890	\$2,910,808	\$3,834,698
Area 6	\$230,582	\$916,432	\$1,147,014

4. Legal advertisement of the Commission’s consideration has been provided through publication in *The Sun*, a newspaper of general circulation within the study area. As required by State law, individual notification was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

5. All notices required by State law and local Commission policies have been provided. Individual notice has been provided to registered voters and landowners within the reorganization area (totaling 799), and to all voters and landowners located within roughly 1,350 feet of the exterior boundaries of the reorganization area, divided into northern region (2,201) and southern region (1,461). Comments from landowners, registered voters, and any affected local agency have been reviewed and considered by the Commission in making its determination. To date verbal expression of opposition has been received in the LAFCO staff office; however, no written opposition to this reorganization or the island annexation provisions has been received. This determination will be updated at the hearing.

6. The City of San Bernardino pre-zoned its sphere of influence in May, 1991, when it consolidated its General Plan Land Use Map and Zoning Map. These land use determinations were carried forward with the adoption of the City’s Updated General Plan in November 2005. The land use designations to be applied to these areas upon annexation include the following: “RS” residential suburban single-family residential allowing for up to 4.5 dwelling units per gross acre, “RL” residential low single-family residential allowing for 3.1 dwelling units per acre and “RU-1” residential urban multi-family residential allowing for up to 9 dwelling units per acre (7,200 sq. ft. minimum lot size, 5,200 sq. ft. within a planned unit development).

Pursuant to the provisions of Government Code Section 56375(e), these zoning designations shall remain in effect for two years following reorganization unless specific actions are taken by the City Council at a public hearing.

7. The Commission's Environmental Consultant, Tom Dodson and Associates, has indicated that the review of this island reorganization is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the Commission's approval of this application is ministerial, in that based upon the findings required by Government Code Section 56375(a), the Commission has no discretion in its action on the proposal other than approval. Therefore, a Statutory Exemption as authorized under Section 15268 of the State CEQA Guidelines is appropriate. A copy of Mr. Dodson's response is included for the Commission's review as Attachment #5 to this report.
8. Upon completion of the reorganization, the City of San Bernardino will extend its services as required by the existing and anticipated land use. The City has submitted a "Plan for Service" as required by law which indicates that revenues are anticipated to be sufficient to provide the level of services identified by the City for such items as law enforcement, fire protection, planning, street maintenance, etc. The Plan notes that no additional personnel would be required for provision of law enforcement services and other services to the reorganization area upon annexation; however, additional public safety employees will be required upon completion of the twelve island areas proposed by the City in response to directives of the Commission.

Water and sewer service to this area is currently provided by the East Valley Water District and will not be changed following this reorganization.

The City of San Bernardino has indicated in its application and Plan for Service that its 7.93% utility tax will not be extended to these areas upon reorganization, and staff has included a condition in its recommendation for approval that indicates that the utility tax will not be applied to the island annexation areas.

The existing special tax authorized for CSA 38 Improvement Zone L (paramedics) will be transferred to the City of San Bernardino upon completion of its detachment as the successor to this service. This special tax, authorized by the voters within CSA 38 Improvement Zone L, will be required to be identified on behalf of and transferred to the City Fire Department for the provision of paramedic service in future fiscal years.

The Property Tax Division of the County Auditor/Controller-Recorder's office has indicated that the existing pass-through agreements related to the Inland Valley Development Agency and City of San Bernardino shall apply to this area upon completion of the reorganization.

9. The area in question is presently served by the following public agencies:

County of San Bernardino
Inland Empire Resource Conservation District
East Valley Water District
San Bernardino Valley Municipal Water District
San Bernardino Valley Water Conservation District
CSA SL-1
CSA 38 and its Improvement Zone L
CSA 70
Inland Valley Development Agency (portion of area – Islands 4, 5, and 6)

CSA SL-1, CSA 38, CSA 38 Improvement Zone L, and CSA 70 will be detached from the area upon successful completion of the reorganization as required by Government Code Section 25210.90. None of the other agencies will be directly affected by the completion of this proposal through an adjustment in their boundaries as they are regional in nature.

10. The reorganization proposal complies with Commission policies and directives and State law that indicate the preference for all island areas to be included within the boundaries of the City surrounding them to provide for a more efficient and effective service delivery system.
11. The study area can benefit from the availability of municipal-level services from the City of San Bernardino.
12. This proposal will have minimal effect on the City of San Bernardino's ability to achieve its fair share of the regional housing needs as it is primarily built-out residential uses. The undeveloped residential lands represent less than 7% of the total territory within the reorganization.
13. The County of San Bernardino and the City of San Bernardino have successfully negotiated a transfer of property tax revenues that will take effect upon completion of this reorganization. This negotiated agreement fulfills the requirements of Section 99 of the Revenue and Taxation Code. Renegotiation of the property tax transfer will be required due to the modification to expand the boundaries of Islands #1 and #4. This process is outlined in Revenue and Taxation Code Section 99(b) (7).
14. The map and legal description, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

CONCLUSION:

It is the staff's position that LAFCO 3067 is a ministerial action, one which the Commission is required to approve. This position is based on the requirements set forth in Government Code Section 56375(a) that state "a Commission shall not have the power to disapprove an annexation to a city, initiated by resolution, of contiguous territory that is ... (1) surrounded or substantially surrounded by the city to which annexation is proposed." In addition, it is the staff's position that if the Commission makes the mandatory determinations outlined in Section 56375.3 and its supplemental policies, no protest will be allowed. We believe that those findings are easily made in this case as outlined in the staff report:

- The six (6) annexation areas individually are less than 150 acres each, meeting the defined statutory threshold of less than the 150 acres;
- Each area is substantially surrounded by City boundaries as defined by Commission policy and State law;
- Each area is within the City of San Bernardino sphere of influence;
- Each is substantially developed or developing;
- None contains prime agricultural land as defined by LAFCO statutes; and,
- Each has benefited and/or can benefit from the availability of municipal services from the City of San Bernardino.

Approval of this proposal will provide a clear delineation of law enforcement responsibility; it will solidify the provision of fire protection and paramedic service with the agency currently providing it and that agency will receive the property tax and special tax revenues and growth in value for those services; and it will define the responsible agency to turn to for needed road improvements. Approval of this proposal addresses the needs for service delivery now and in the future.

For all the reasons outlined above, and throughout the staff report, LAFCO staff recommends approval of LAFCO 3067. If the Commission concurs with the staff determinations related to the statutorily required factors, then it is required to approve this proposal, regardless of any protest that might be submitted for this item

KRM

Attachments:

- 1 -- Maps – Vicinity and Location
- 2 -- City of San Bernardino Application:
 - City Resolution No. 2006-247 Initiating Annexation No. 361
 - Justification for Proposal Form

- Supplement Form for Annexations
 - Plan for Service
 - City Letter Dated November 1, 2006 Providing Additions to the Plan for Service
 - City of San Bernardino Council Item Dated September 25, 2006 Related to Filing Additional Island Annexations
- 3 -- Government Code Sections 56375(a) and 56375.3
- 4 -- Letter Dated November 3, 2006 from City of San Bernardino Development Services Department
- 5 -- Letter from Tom Dodson and Associates
- 6 -- Draft Resolution No. 2948