

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

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DATE: OCTOBER 11, 2005

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #6: LAFCO 2990 – City of Redlands Annexation No. 83

INITIATED BY:

City Council Resolution, City of Redlands

RECOMMENDATION:

The staff recommends that the Commission take the following actions:

1. With respect to environmental review:
 - a) Certify that the Commission has reviewed and considered the City's environmental assessment and Mitigated Negative Declaration and the Addendum prepared by LAFCO's Environmental Consultant;
 - b) Determine that the City's environmental assessment and Mitigated Negative Declaration for this proposal and the Addendum prepared by the Commission's Consultant, taken together, are adequate for the Commission's use as a CEQA Responsible Agency for its consideration of LAFCO 2990;
 - c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; that the mitigation measures identified in the City's environmental documents are the responsibility of the City and others, not the Commission;

- d) Adopt the Addendum as presented by the Commission’s Environmental Consultant, Tom Dodson and Associates, that addresses the CALTRANS right-of-way area to provide for the environmental assessment of the entire 6.42-acre annexation area.
 - e) Direct the Clerk to file a Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required by the Commission’s approval since the City, as lead agency, has paid said fees;
2. Approve LAFCO 2990 – City of Redlands Annexation No. 83, with the following conditions:
 - a) Further processing of this proposal shall be held in abeyance, for a period not to exceed six months, and the City of Redlands is required to initiate an annexation proposal for the four parcels north of LAFCO 2990. Failure to submit the required supplemental annexation proposal within the time period specified would require the termination of LAFCO 2990.
 - b) Standard terms and conditions that include 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.
 3. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner support and concurrence from the City of Redlands; and,
 4. Adopt LAFCO Resolution #2900, setting forth the Commission’s findings, determinations, and conditions of approval concerning this proposal.

BACKGROUND:

The City of Redlands has initiated an application which proposes to annex approximately 6.42 +/- acres. The annexation proposal was submitted in response to a proposed development of a religious institution to be constructed on 4.89 +/- acres of the site. The annexation area is generally located at the northwest corner of the intersection of Mentone Boulevard and Amethyst Street. The area is within the City of Redlands eastern sphere of influence, within the community of Mentone, and is contiguous to existing City boundaries along its eastern boundary. Location and vicinity maps are included as Attachment #1 to this report.

In order for the proposed development of the church to proceed it requires receipt of water service from the City of Redlands. Chapter 13.62.030 of the City's Municipal Code (included as Attachment #2 to this report) requires that all projects located on property contiguous to the City's boundaries annex prior to receiving services. A Conditional Use Permit (CUP) has been processed and approved by the City of Redlands for the construction of a 16,030 sq. ft. religious facility, which will become effective upon completion of the annexation.

BOUNDARIES:

The annexation site is generally bordered by parcel boundaries on the north, Amethyst Street (existing City of Redlands boundary) on the east, a combination of parcel lines and Mentone Boulevard on the south and parcel lines on the west.

Following the circulation of LAFCO 2990 for review and comment, LAFCO staff received seven letters in opposition to this annexation from landowners and/or voters surrounding the site. These letters identified two main areas of concern summarized as follows: (1) the belief that there is no requirement to annex in order to receive service from the City; and (2) the piecemeal approach to annexation. A sample of the letters is included as Attachment #3 to this report.

In response to the first concern outlined, as noted earlier in this report, the proposed development of this site as a religious institution requires water service which is only available in this area from the City of Redlands. The City's existing Municipal Code, amended following adoption of Measure "U", states "all projects located on property contiguous to the City's boundaries shall annex to the City prior to, and as a condition of, receiving water and/or sewer connection to the City's water and/or sewerage system". Therefore, the proponents of the project are required to annex in order to receive water service. This City's application responds to this requirement.

As to the second concern, the City submitted the proposal for only the development project submitted to it as it was required under the terms of Municipal Code Chapter 13.62.030. However, the annexation boundary as presented creates a peninsula of substantially surrounded territory to the north. The Commission is required to consider the creation of peninsulas or corridors of unincorporated territory by Government Code Section 56668 and determine their appropriateness. The Commission in other areas of the County has indicated its position that it wishes to see a comprehensive approach to annexation. Therefore, in order to address this boundary concern, the Commission has the following options:

1. It can expand LAFCO 2990 to include the four (4) parcels to the north. Such a modification would be in keeping with the Commission's

- directives to the Cities that they address the most logical and efficient service boundary. Two of the parcels to the north currently receive City water service outside its corporate boundaries and have since the 1980's without the requirement for a pre-annexation agreement. The City of Redlands opposes this option since it does not wish to force annexations within the Mentone community, which has historically opposed annexations, and because the larger area is not required to annex at this time pursuant to its Municipal Code.
2. It can deny the application on the basis that the boundary presented does not provide for a logical and efficient service boundary. The City, on behalf of the property owner, opposes this option since the development of the religious facility is contingent on the receipt of water service from the City and the Municipal Code will not allow for service extension.
 3. It can approve LAFCO 2990 with the condition that the City of Redlands initiates annexation proceedings for the four parcels to the north prior to completion of the annexation. The City of Redlands opposes this option on the basis that it will delay the construction of the church facility and require that parcels annex which have expressed no interest in annexation.
 4. It can accept the City's proposal as presented. This option is supported by the City and the property owner since it allows for the development of the project to proceed and does not force annexation of neighboring parcels which have expressed no interest in annexation.

The Commission is confronted with a dilemma on this annexation which staff believes it will face repeatedly in the future and to which there is no easy solution. As development is proposed along the periphery of the City's boundary, the implementation of the Municipal Code will require more and more single parcel or subdivision annexations.

In this case, staff believes that Option 3 outlined above would address the Commission's directives to address the most logical and recognizable boundary and, at the same time, provide for the immediate service needs of the church parcel. Therefore, staff's recommendation includes the condition that completion of LAFCO 2990 be held in abeyance, for a period not to exceed six (6) months, to require that the City of Redlands initiate the annexation of the four (4) parcels immediately north of the site, west of Amethyst Avenue, south of Madeira Avenue.

LAND USE:

The annexation site is currently vacant and is surrounded by vacant land to the east (within the City of Redlands), a combination of single-family residential and vacant land to the north, a single-family residence and vacant land to the west and south (the territory to the north, west and south are within the unincorporated sphere of influence of the City of Redlands).

The City's General Plan land use designation for the area is Low Density Residential (single-family residential, 0 – 6 dwelling units per acre). The current County land use designation for the annexation area is 7m-RM (multiple residential, 1 dwelling unit per 7,000 sq. ft. and a 10,000 sq. ft. minimum lot size) which permits single or multiple dwelling units and other accessory uses. The County General Plan assigns an Improvement Level 1 designation to the area requiring the highest level and intensity of municipal services. The land use designations between the City and the County are generally compatible.

The City pre-zoned the area as R-1 (single-family residential, with a minimum lot size of 7,200 sq. ft.), which is consistent with the City's General Plan designation for the area and is also consistent with surrounding land uses. In conjunction with pre-zoning the City reviewed and approved a Conditional Use Permit (CUP) for development of the site as a religious facility. Such a land use is permitted in any land use district through a CUP review and approval process.

SERVICES:

Current service requirements for the area are minimal due to its undeveloped nature and generally consist of fire protection and road services. The City of Redlands has submitted a plan for the extension of municipal services as required by law and Commission policy (included as Attachment #4 to this report). In general, the Plan identifies the following:

- Fire protection is currently provided by County Service Area 38 through the San Bernardino County Consolidated Fire Agency and would be replaced by the City of Redlands upon annexation. The City indicates that its Fire Department, which is funded through the City's General Fund, has sufficient personnel and equipment to adequately serve the project area. However, the closest City fire station is Station #263 located at 10 West Pennsylvania more than 4 miles from the annexation area. The existing County fire station, Station No. 9, is located at 1300 Crafton Avenue approximately one (1) mile from the site. Ongoing fire response is anticipated to be provided through the existing City and County mutual aid and joint response agreements for the foreseeable future.

Paramedic services are currently funded within the City through a special paramedic tax assessment. Upon annexation, the religious facility

will be subject to this assessment which is approximately \$119.20 per year. For this particular project, the fee is calculated based on the actual square footage of the building facility.

- Law enforcement responsibilities will shift from the San Bernardino County Sheriff's Department to the City of Redlands. The City indicates that its Police Department, which is funded through the City's General Fund, has sufficient personnel and equipment to adequately serve the project area.
- Sewage collection services will not be available to the project site. Though the project would be within the City's wastewater service area, the existing sewer infrastructure is approximately one (1) mile away from the project site and extension of the service would be very costly for the applicant. Therefore, the proposed religious facility is to be developed (and has been approved by the City) using an on-site septic system. However, the project proponents are required to put in an 8-inch dry sewer line along the frontage of the parcel in Mentone Boulevard in order to accommodate eventual sewer service once the infrastructure is extended to the project site.
- Water service to the proposal will be provided by the City of Redlands from an existing 12-inch water main in Amethyst Street.
- For mosquito abatement and vector control, the current service provider is the County Vector Control program which has an annual per parcel assessment. The City of Redlands contracts with the San Bernardino County Vector Control Program to receive this service. The fee assessed will not change as a result of the annexation. Currently, the vacant parcel is charged a yearly assessment of \$1.00. However, upon the development of the proposed religious facility, the parcel will be charged \$9.96.
- Upon annexation, the parcel will also have an additional special tax assessment of 0.0155 percent of the assessed valuation of the property to fund the City's Measure "O" debt service. This bond measure was passed in 1987 to fund the purchase of land for parks, recreation, citrus preservation, and open space within the City.

As required by Commission policy and State law, the Plan for Services submitted by the City of Redlands shows that the extension of its services will maintain, and/or exceed, current service levels provided through the County. The Plan includes an outline of the fees and charges required for the development of the site.

The Registrar of Voters has certified that the study area is legally uninhabited. The County Assessor's Office has determined that the proposal possesses 100% landowner consent to the annexation through consent of Amethyst Bible Church and CALTRANS. As required by Government Code Section 56663, staff requested the City's concurrence in waiving the protest proceeding for this proposal. The City has indicated its consent; therefore, staff is recommending that the Commission approve this proposal, waive further protest proceedings, and direct the Executive Officer to complete the action upon fulfillment of the conditions as outlined in the staff's recommendation. Copies of the landowner consent forms and the City's response is included as Attachment #5 to this report.

ENVIRONMENTAL:

The City of Redlands has conducted the environmental assessment for its annexation (Annexation No. 83), pre-zoning (Zone Change No. 402), and Conditional Use Permit 818 for the proposed construction of the 16,030 sq. ft. religious institution on the 4.89-acre parcel. The assessment has been reviewed by the Commission's environmental consultant, Tom Dodson and Associates.

The City's environmental assessment addressed the development and annexation of 4.89 +/- acres of the overall project area. However, the entire annexation proposal includes the development site plus a portion of the right-of-way of State Highway 38. The parcel and the right-of-way area combined bring the total annexation area to 6.42 +/- acres. In order to provide for the environmental assessment for the entire annexation, Mr. Dodson prepared an Addendum to the City's environmental documents that addresses the inclusion of the CALTRANS right-of-way area. The Addendum provides substantiation that the additional acreage for the annexation will not require the preparation of a new negative declaration or environmental impact report. Thus, the City's environmental documents and the Addendum prepared by Mr. Dodson, taken together, are adequate for Commission's use as a responsible agency under CEQA and Mr. Dodson indicated that the following actions be taken by the Commission as a responsible agency:

- a) Certify that the Commission has reviewed and considered the City's environmental assessment and Mitigated Negative Declaration and the Addendum prepared by LAFCO's Environmental Consultant;
- b) Determine that the City's environmental assessment and Mitigated Negative Declaration for this proposal and the Addendum prepared by the Commission's Environmental Consultant, taken together, are adequate for the Commission's use as a CEQA Responsible Agency for its consideration of LAFCO 2990;

- c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; that the mitigation measures identified in the City's environmental documents are the responsibility of the City and others, not the Commission;
- d) Adopt the Addendum as presented by the Commission's Environmental Consultant, Tom Dodson and Associates, that addresses the CALTRANS right-of-way area to provide for the environmental assessment of the entire 6.42-acre annexation area.
- e) Direct the Clerk to file a Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees;

FINDINGS:

The following findings are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/reorganization proposal.

- 1. The Registrar of Voters Office has certified that the study area is legally uninhabited, containing zero (0) registered voters as of June 6, 2005.
- 2. The study area is within the sphere of influence assigned for the City of Redlands.
- 3. The County Assessor has determined that the assessed value of land within the annexation area is \$162,153 and that there is 100% landowner consent to the annexation.
- 4. Commission review of this proposal has been advertised in *The Sun* and the *Redlands Daily Facts*, newspapers of general circulation within the study area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
- 5. LAFCO staff has provided individual notices to landowners within the annexation area (totaling 3 notices), and to landowners and registered voters surrounding the study area (totaling 130 notices) in accordance with state law and adopted Commission policies. To date, seven (7) letters of protest have been received to the notice provided regarding the consideration of this proposal. The narrative discussion on pages 3 and 4 of the staff report identifies the two main areas of concern expressed in these letters, including staff's response and options to address these concerns.

6. The City of Redlands has pre-zoned the study area R-1 (single-family residential, with a minimum lot size of 7,200 sq. ft.). This zoning designation conforms to the adopted General Plan for the City of Redlands and is consistent with surrounding land uses. Pursuant to the provisions of Government Code Section 56375(e), this zoning designation shall remain in effect for two years following annexation unless specific actions are taken by the City Council.
7. The Commission's environmental consultant, Tom Dodson and Associates, has reviewed the City of Redlands' Initial Study and Mitigated Negative Declaration for the annexation (Annexation No. 83), pre-zoning (Zone Change No. 402), and Conditional Use Permit 818 for the proposed construction of a 16,030 sq. ft. religious institution. In addition, Mr. Dodson prepared an Addendum to the City's environmental assessment to address the CALTRANS Right-of-Way area that is a part of this proposal. Mr. Dodson has determined that these documents taken together are adequate for the Commission's review of the proposed annexation as a responsible agency. A copy of the Mr. Dodson's response, the Addendum prepared by Mr. Dodson, and the City's environmental assessment are included as Attachment #6 to this report.
8. The area in question is presently served by the following local agencies:
 - County of San Bernardino
 - San Bernardino Valley Municipal Water District
 - Inland Empire Resource Conservation District
 - San Bernardino Valley Water Conservation District
 - County Service Area 70 Improvement Zone P-7 (inactive park and recreation district within the Mentone community)
 - County Service Area 38 (fire protection)
 - County Service Area 70 (multi-function unincorporated area Countywide)

Detachment of County Service Area 70, County Service Area 38, and Improvement Zone P-7 of CSA 70 will automatically occur upon successful completion of this proposal pursuant to the provisions of Government Code Section 25210.90. None of the other agencies are affected by this proposal.
9. The City of Redlands has submitted a plan for the extension of municipal services to the study area, as required by law. This plan is included as a part of Attachment #4 to this report and indicates that the City can maintain and/or improve the level and range of services currently available in the area.

10. The annexation proposal complies with Commission policies that indicate the preference for areas proposed for development at an urban-level land use to be included within a City so that the full range of municipal services can be planned, funded, extended and maintained.

To address the peninsula this proposal creates on the north, staff has recommended options for the Commission to take in order to address this boundary concern.

11. The annexation area can benefit from the availability and extension of municipal services from the City of Redlands.
12. This proposal will not assist in the City's ability to achieve its fair share of the regional housing needs since the project proposal is for a religious facility.
13. The County of San Bernardino and the City of Redlands have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this annexation. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
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:

As noted in this report, the construction of the religious facility proposed by LAFCO 2990 requires water service from the City of Redlands, as the only existing source for this service in the area. In order to receive this service, since the site is contiguous to existing City of Redlands boundaries, it must annex to the City of Redlands. The dilemma for the Commission, the City, Amethyst Bible Church and the surrounding landowners and voters is how to allow for this development to occur. There has been no objection to the development of the church identified in documents before the Commission; the only concerns expressed relate to the requirement for annexation to the City of Redlands.

As outlined throughout this staff report, the staff supports the City's proposal on the basis that the City's Municipal Code clearly states that all projects that are contiguous to the City's boundaries must annex prior to receiving service. It does not, however, support the boundary configuration as a logical, efficient, and readily identifiable boundary for the City and it does not support the creation of the peninsula of unincorporated territory to the north. Expanding the proposal to include the four (4) parcels to the north will address the

creation of a peninsula. However, the question is how to best to address that issue and this proposal.

In the staff view, the Commission has two options, expansion of the existing proposal or conditional approval of LAFCO 2990 requiring the initiation of the expanded area. If the Commission chooses to expand the proposal at this hearing, it will require continuance of the proposal to allow for pre-zoning of the additional area, revised environmental assessment, preparation of a new Plan for Service, map and legal description, etc. The City and Church strongly oppose this option. However, a conditional approval of the proposal to require that the City initiate the annexation of the four (4) parcels as a separate action would also address the peninsula issues. The City and Church oppose this option as well.

In order to comply with directives of the Commission and State law, the staff is recommending that the Commission approve the annexation proposal as presented with the condition that the City of Redlands initiates annexation proceedings for the four parcels to the north of the proposal prior to the issuance of the Certificate of Completion for LAFCO 2990.

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Attachments:

1. Vicinity Maps and Annexation Area Map
2. Chapter 13.62.030 of the City of Redlands' Municipal Code
3. Sample Letter in Opposition
4. City of Redlands' Application, Plan for Service Including the Socio-Economic Analysis and Cost/Benefit Study Prepared for the Annexation Proposal
5. Landowner Consent Forms Including the City's Concurrence to Waive Protest Proceedings
6. Environmental Response and Addendum from Tom Dodson and Associates including the City of Redlands' Environmental Documents
7. Draft Resolution No. 2900