

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

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DATE: September 6, 2004
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #10** – LAFCO 2930: Service Review and Sphere Of Influence Update for County Service Area 110 (East Valley Corridor)

INITIATED BY:

San Bernardino County Local Agency Formation Commission

RECOMMENDATION:

1. Determine that LAFCO 2930 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five days;
2. Determine that none of the service review factors outlined within Government Code Section 56430 are applicable for County Service Area 110 since the District provides no services;
3. Approve a sphere of influence reduction for County Service Area 110 to a zero-sphere of influence, with the finding that the agency should be dissolved;
4. Initiate proceedings for the dissolution of County Service Area 110 making the following findings required by Government Code Section 56881:
 - a. Public service costs through dissolution of County Service Area 110 are likely to be substantially similar to the costs of alternative means since the District provides no service at the present time; and,

- b. The proposed dissolution promotes public access and accountability for community service needs and financial resources; and,
5. Adopt LAFCO Resolution #2843 setting forth the Commission’s findings and determinations on this issue.

BACKGROUND INFORMATION:

This proposal was initiated by the Commission on January 15, 2003 in response to state mandates requiring service reviews and sphere of influence updates for all cities and special districts on a five-year schedule. LAFCO 2930 is a service review and sphere of influence update for County Service Area 110.

Included as Attachment #1 to this report is a map which identifies the boundaries and sphere of influence for County Service Area 110. Attachment #2 is general description of what services a County Service Area can provide and an outline how its boundaries can be expanded. Attachment #3 to this report is a copy of the survey response provided by the County Special Districts Department, administrator of County Service Area 110, to the service review factors required by Government Code Section 56430.

To summarize this agency, County Service Area 110 was formed in 1984 as a mechanism to fund a Specific Plan for the East Valley Corridor area along I-10 and to provide a means of implementing the East Valley Corridor study. At its formation, County Service Area 110 was authorized the powers to provide for the following services -- planning, water, sewer, road, streetlights, park and recreation, fire and soil conservation. As proposed, the County Service Area was to include unincorporated territory along with territory within the Cities of Loma Linda and Redlands comprising approximately 4,300 acres. In each case, a resolution adopted by the majority of each City Council consented to the overlay of the County Service Area with specific conditions. One of those conditions was that an agreement be signed between the County and the Cities outlining that CSA 110 would not construct or operate any service facilities within City boundaries except pursuant to a written agreement with the affected City. In addition, the formation required that an advisory body be installed composed of three members appointed by each entity, the County of San Bernardino, the City Council of the City of Loma Linda and the City Council of the City of Redlands.

The East Valley Corridor Specific Plan was funded, studied and adopted by the County and the Cities of Loma Linda and Redlands in 1989. Subsequent to that adoption, CSA 110 became, for all intents and purposes, a paper district

only accruing the receipts of unpaid assessments for the preparation of the Specific Plan. Thus, the District's existence is not easily recognized by the property owners and voters within its boundaries, nor by the governments which it overlays.

As such, virtually every finding required by law for a service review is not applicable to this agency; it provides no services, it has no budget, and it has no source of revenues. Government Code Section 56375(a) authorizes the Commission to initiate dissolution proceedings if it makes findings that the proposal would result in service costs that are less than or substantially equal to available alternatives and that the proposal would promote public access and local accountability. Staff would submit that these findings can easily be made, as follows:

- a. No change in service costs is applicable, as CSA 110 provides no service and accrues no revenues.
- b. The change would promote public access and local accountability since it will remove an agency which has held no election, has had no public discourse, and has had no budget in over ten years.

Existing service providers with responsibility within the territory of County Service Area 110 include the following public agencies:

City of Redlands
City of Loma Linda
San Bernardino Valley Municipal Water District
East Valley Resource Conservation District
San Bernardino Valley Water Conservation District (portion)
Inland Valley Development Authority (Redevelopment agency for reuse of the former Norton Air Force Base, now known as San Bernardino International Airport)
County Service Area 38
County Service Area 70 (multi-function county service area)
CSA 70 Improvement Zone EV-1 (water, sewer, streetlighting, park and recreation, maintenance, drainage control)

The District's sphere of influence is coterminous with its boundaries so there are no additional overlaying agencies. None of the adjacent or overlaying agencies have identified any concerns with the CSA 110 as it is presently configured.

CONCLUSION

Based on the information outlined above, and the response provided by the County Special District Department, it is the staff's position that the factors and findings required for a service review support Commission initiation of a proposal to dissolve County Service Area 110. The bottom line is that CSA 110 does not serve a useful purpose since it can not provide service within either of the Cities it overlays and the services it is authorized are provided by other entities within the unincorporated area.

It should, however, be identified that the staff recommendation only initiates a proposal for future Commission consideration. It does not mean that it is a foregone conclusion since an official process must be undertaken. However, staff would submit that most of the residents and property owners within the boundaries of this agency are unaware of its existence.

Accordingly, staff recommends that the Commission designate a zero sphere of influence for County Service Area 110 and initiate proceedings pursuant to Government Code Section 56375(a) to dissolve the agency. In addition, staff recommends that the Commission adopt Resolution #2843 which sets forth written responses to the statutory factors related to a service review and sphere of influence study as required by law.

/krm

Attachments:

1. Location Map of County Service Area 110
2. Outline of County Service Areas
3. Survey Response Provided by the County Special Districts
Department
4. Response from Tom Dodson and Associates
5. Draft Resolution #2843