

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

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DATE: JANUARY 8, 2008

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

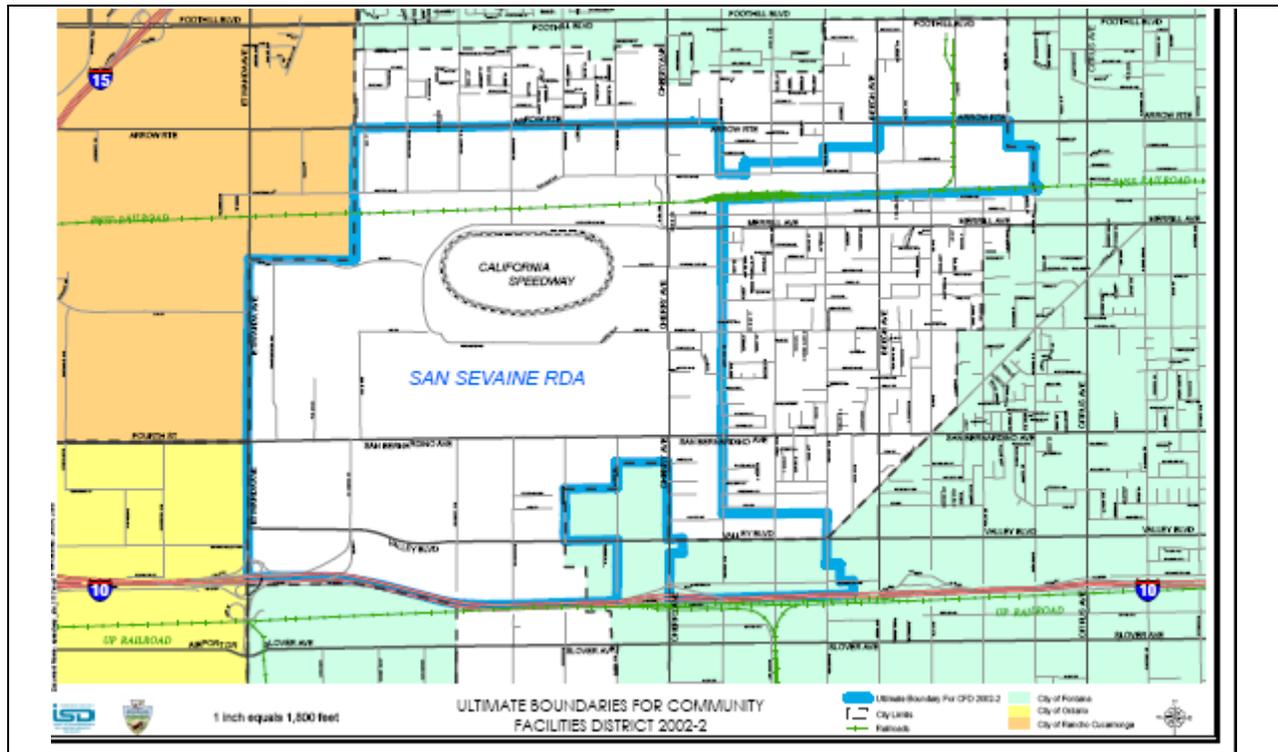
SUBJECT: AGENDA ITEM #7 – LAFCO 3000 – the County Fire Reorganization

At the November hearing the Commission made the significant policy determinations related to the approval of the County Fire Reorganization (LAFCO 3000). Those included determinations related to the City of Fontana alternative, issues regarding County General Fund support, distribution of existing property tax to the new fire entities, etc. Today's hearing will deal with the remaining issues required for approval of this proposal. Standard conditions of approval for items such as maps and legal descriptions, indemnification of the Commission, and items already discussed at the prior hearings included in the Draft Resolution No. 2989 (copy included as Attachment #1 to this report) will not be discussed individually. However, each of the unique determinations required to be made by the Commission through adoption of Conditions of Approval will be listed in this report with an identification of the rationale for the LAFCO staff recommendation.

The only concern requiring further review with the Commission relates to the issues surrounding the transfer of Community Facilities District (CFD) 2002-2. This entity was created by the County in 2002 to provide for augmented funding for fire protection services within the West Fontana sphere of influence a part of the Central Valley Fire Protection District. LAFCO staff has been working with representatives from the County Administrative Office, County Fire, County Redevelopment Agency, and Land Use Services to resolve the transfer issues and the implementation of future annexations to this agency. Condition No. 30 of the resolution has been drafted to provide for transfer of the administration of this entity from the County to the Fontana Fire Protection District and to outline the requirements for future annexations. The language of the resolution is outlined as follows:

Condition No. 30. *Upon the effective date of this reorganization, the administration of County Community Facilities District 2002-2 shall transfer to the Fontana Fire Protection District. The County of San Bernardino, through its Land Use Services Department, shall continue to implement Conditions of Approval upon new development within the San Sevaine Redevelopment Area to annex to CFD 2002-2 for funding of fire protection services and to pay the annual special tax outlined in the formation documents of Community Facilities District No. 2002-2 for operation and maintenance funding for fire service within this area pursuant to Government Code Section 56886(t). Exhibit OO provides a map of the area in which new development projects shall be required to annex to CFD 2002-2 to provide funding for operation and maintenance.*

The map below is the exhibit identified in the condition above. The County has acknowledged that for those areas in which “new development” occurs in the future, the County Land Use Services Department will require as a condition of approval the annexation to this entity. “New development” has been identified to be development of vacant lands or the demolition or razing of existing structures for development of new structures. However, it is noted that the annexation condition has only been applied three times in the five (5) years that the agency has existed. Based upon that fact, there are a number of new developments which have not been required to participate in this funding mechanism. The only mechanism to correct this oversight would be for the County to undertake an annexation procedure for each of the development proposals, but it would require a positive response to the annexation and the payment of the current \$623 per acre tax for Fiscal Year 2007-08. Staff is not optimistic that those developments in this area defined as “new development” since the 2002 effective date of the CFD will respond in the affirmative to this special tax. However, future implementation will be more comprehensive in its approach.



An additional concern is that in reviewing the past application of the Special Tax for CFD 2002-2 LAFCO staff has discovered some administration discrepancies. The table included as Attachment #2 to this report attempts to depict the parcels involved with CFD 2002-2 from its inception through the resubdivision of parcels within the boundaries of CFD 2002-2 to the current tax period. As the attached table notes, there are missed assessments from these parcels and there are parcels where the acreage determination is in question due to the combining of parcels and/or resubdivision. County Fire, County Administrative and Special Districts Lien Administration will be working to resolve these discrepancies prior to the completion of LAFCO 3000.

The balance of the conditions presented in Resolution No. 2989 have been reviewed with the Commission over the last two (2) years in its discussion of the County Fire Reorganization. The conditions are taken in order as they appear in the Resolution as follows:

Condition No. 8. *The following multi-purpose entities shall have the function/services of fire protection, ambulance and/or disaster preparedness removed upon the effective date of this reorganization. Pursuant to the provisions of Government Code Section 56824.12, the functions and services for these agencies thereafter shall be considered to be those identified on Exhibit "MM".*

In addition, the County Board of Supervisors, as governing body for the above-described County Service Areas and their affected Improvement Zones; County Service Area 53 Improvement Zone B, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zones HL (Havasu Lake), M (Wonder Valley) and W (Hinkley), shall, prior to the issuance of the Certificate of Completion, take the actions described in Government Code Section 25210.39 et seq. to eliminate the function and services of fire protection, ambulance, and/or disaster preparedness from the listing of miscellaneous extended powers authorized these districts.

As identified in the Plan for Service and discussed in prior reviews with the Commission, the fire/paramedic/ambulance/disaster preparedness powers were to be removed from the many multi-function County Service Areas and their responsibilities and property tax revenues for those purposes transferred to the San Bernardino County Fire Protection District (hereinafter SBCFPD) or its respective Service Zone. The Commission's Exhibit "A" within its Policy and Procedure Manual, Special Districts Section sets forth the active functions and services of special districts in our County. Condition No. 8, as proposed, will require the amendment of those function and services by LAFCO and the official acknowledgement of the elimination of these services by the County through the process defined in current County Service Area law requiring a public hearing and adoption of appropriate resolutions. The Condition requires that the County's process be completed prior to the issuance of the Certificate of Completion.

Condition No. 9. *Upon the Effective Date of this reorganization through dissolution, the legal existence of the Lake Arrowhead Fire Protection District, Forest Falls Fire Protection District, County Service Area 38 and its respective improvement zones shall cease, except as otherwise required by law and this resolution. All property tax revenues attributable to the dissolving entities, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the District to be dissolved, shall accrue and be transferred to the Successor District and/or its respective Service Zones pursuant to the provisions of Government Code Section 56810. The Successor District for each entity, identified below, shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of dissolving entities:*

DISSOLVING ENTITY
Lake Arrowhead FPD
Forest Falls FPD

SUCCESSOR SERVICE ZONE
Mountain Service Zone
Mountain Service Zone

County Service Area 38

Apportioned based upon its location to:
Valley, Mountain, North Desert or South
Desert Service Zones

CSA 38 Improvement Zones:

B (Angelus Oaks)	Mountain Service Zone
D (Victorville)	North Desert Service Zone
E (Summit Valley)	North Desert Service Zone
H (Colton)	Valley Service Zone
I (Needles)	South Desert Service Zone
J (Big River)	South Desert Service Zone
K (Spring Valley Lake)	North Desert Service Zone
O (Baldwin Lake)	Mountain Service Zone
Q (Helendale)	North Desert Service Zone

Implementation of Condition No. 9 will provide for the transfer of the property revenues and all assets and liabilities of the dissolving fire suppression entities to the appropriate SBCFPD Service Zone for future funding of these activities.

Condition No. 13. *As of the Effective Date of this reorganization, all full-time employees of County Service Area 70 (also sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District) or the dissolving entities of the Forest Falls Fire Protection District, Lake Arrowhead Fire Protection District, or County Service Area 38 and its improvement zones shall become full-time employees of the Successor District, San Bernardino County Fire Protection District. Current rates of pay, accrued vacation and sick leave, vacation and sick leave accrual rates, employee rights, seniority rights, insurance, retirement benefits, and all other benefits and programs now provided employees pursuant to existing contracts shall continue at a level not less than that currently enjoyed for the duration of the contract period.*

As of the Effective Date of this reorganization contracts for all contract employees, temporary or limited term employees with ongoing contracts, shall be transferred to the San Bernardino County Fire Protection District for the duration of the contract period.

All obligations of the predecessor agency County Service Area 70 (also sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District) to the San Bernardino County Employees Retirement Association (SBCERA) for retirement payments shall continue through the San Bernardino County Fire Protection District, including but not limited to costs associated with contract benefits, payment of retirement bonds for unfunded retirement liabilities, and administrative costs.

Condition No. 13 provides for the mechanism to transfer the existing full-time, contract, and limited term employees of County Service Area 70 or dissolving fire entities which are associated with the County Fire operations. The language of this condition is intended to identify the transfer of all fire related employees. Existing contracts will remain in effect through the end of their term and standard negotiations would be undertaken to develop a new contract for San Bernardino County Fire Protection District employees in the future. The language identifies that the current obligations of the CSA 70 and other special district fire employees to the San Bernardino County Employees Retirement Association will continue without break in service.

Condition No. 17. *Upon the Effective Date of this reorganization, the appropriation limit base year amounts for the Successor District and its Service Zones shall be the amounts identified as follows based upon calculations for Fiscal Year 2007-08.*

San Bernardino County Fire Protection District (Formerly Yucca Valley FPD and CSA 70)	\$76,771,336
Valley Service Zone of SBCFPD	\$41,770,028
Mountain Service Zone of SBCFPD	\$18,279,043
North Desert Service Zone of SBCFPD	\$25,114,713
South Desert Service Zone of SBCFPD	\$17,024,477
Service Zone FP-1 (Red Mountain)	\$ 1,048,121
Service Zone FP-2 (Windy Acres)	\$ 473,153
Service Zone FP-3 (El Mirage)	\$ 1,148,169
Service Zone FP-4 (Wonder Valley)	\$ 406,584
Service Zone FP-5 (Helendale)	\$ 953,516
Service Zone PM-1 (Lake Arrowhead Paramedic)	\$ 1,094,631
Service Zone PM-2 (Highland Paramedic)	\$ 2,689,857
Service Zone PM-3 (Yucaipa Paramedic)	\$ 55,035

The governing body of the Successor District and each of the respective Service Zones shall be required to annually adjust the appropriation limit pursuant to the procedures contained within Article XIIB of the California Constitution

The Commission is required, for the formation of new entities, to provide for an appropriation limit calculation, Government Code Section 56811. The Table which follows identifies the calculations for these new limits. In addition, the Commission is required to look at the changes to the existing entities where fire responsibilities have been transferred and adjust the appropriation limit accordingly. LAFCO staff has taken the existing Appropriation Limits identified by the County by resolution dated October 2007 and applied them to the individual districts within LAFCO 3000. Specifically, for the parent district, Yucca Valley Fire Protection District, 90% of its appropriation limit has been retained under the parent district, 10% of its appropriation limit has been assigned to the South Desert Service Zone for suppression activities.

It is the position of LAFCO staff that the appropriation limits can be modified as follows pursuant to the provision of Section 3(a) of the California Constitution which allows for a declaration of a modified limit without the requirement for elections every four years thereafter. The Section reads as follows:

Section 3. The appropriations limit for any fiscal year pursuant to Section 1 shall be adjusted as follows:

(a) In the event that the financial responsibility of providing services is transferred, in whole or in part, whether by annexation, incorporation or otherwise, from one entity of government to another, then for the year in which such transfer becomes effective the appropriations limit of the transferee entity shall be increased by such reasonable amount as the said entities shall mutually agree and the appropriations limit of the transferor entity shall be decrease by the same amount.

The Table which follows outlines the calculation for these appropriation limits:

LAFCO 3000
County Fire Reorganization
January 8, 2008

	APPROPRIATION LIMIT (AL) DETERMINATIONS MADE OCTOBER 2007	PROPOSED 2007-08 APPROPRIATION LIMIT FOR LAFCO 3000	2007-08 PROPERTY/SPECIAL TAX REVENUES
YUCCA VALLEY FPD (to become San Bernardino County Fire Protection District -- umbrella agency -- 90% of prior AL)	\$85,302,518	\$76,771,336	\$0
CSA 70	\$0	\$0	\$7,600,000
TOTAL PARENT		\$76,771,336	\$7,600,000
VALLEY SERVICE ZONE			
CSA 38 (43% of total prior AL)	\$33,909,564	\$14,581,113	\$4,870,195
CSA 38 ZONE H	\$297,303	\$297,303	\$106,192
CENTRAL VALLEY (detachments transferred to SBCFPD -- 22% of prior AL)	\$122,234,601	\$26,891,612	\$3,825,507
TOTAL VALLEY		\$41,770,028	\$8,801,894
MOUNTAIN SERVICE ZONE			
CSA 38 (4% of total prior AL)	\$33,909,564	\$1,356,383	\$453,041
CSA 53 B	\$2,500,123	\$2,500,123	\$700,000
CSA 79	\$1,076,484	\$1,076,484	\$171,517
FOREST FALLS FPD	\$570,319	\$570,319	\$213,278
LAKE ARROWHEAD FPD	\$12,775,734	\$12,775,734	\$7,215,000
TOTAL MOUNTAIN		\$18,279,043	\$8,752,836
NORTH DESERT SERVICE ZONE			
CSA 38 (47% of total prior AL)	\$33,909,564	\$15,937,494	\$5,323,236
CSA 38 D	\$0	\$0	\$159,380
CSA 38 K	\$0	\$0	\$115,000
CSA 29	\$5,584,199	\$5,584,199	\$904,100
CSA 56	\$2,571,867	\$2,571,867	\$1,513,453
CSA 56 ZONE F-1	\$194,361	\$194,361	\$229,884
CSA 70 ZONE W	\$0	\$0	\$96,831
CSA 82 SV-1	\$8,267	\$826,792	\$98,000
TOTAL NORTH DESERT	\$826,792	\$25,114,713	\$8,439,884
SOUTH DESERT SERVICE ZONE			
Yucca Valley FPD (10% of prior AL for suppression purposes; all revenues)	\$85,302,518	\$8,530,152	\$4,001,894
CSA 38 (6% of total prior AL)	\$33,909,564	\$2,034,574	\$679,562
CSA 38 ZONE J	\$2,649,476	\$2,649,476	\$154,000
CSA 70 ZONE HL	\$99,137	\$99,137	\$116,069
CSA 20 (50% of AL shown under Streetlighting)	\$7,422,276	\$3,711,138	\$1,078,008
TOTAL SOUTH DESERT		\$17,024,477	\$6,029,533
SPECIAL TAX ENTITIES:			
SERVICE ZONE FP-1 (prior CSA 30)	\$1,048,121	\$1,048,121	\$7,300
SERVICE ZONE FP-2 (prior CSA 70 Zone FP-1)	\$473,153	\$473,153	\$6,667
SERVICE ZONE FP-3 (prior CSA 38 Zone N)	\$1,148,169	\$1,148,169	\$30,000
SERVICE ZONE FP-4 (prior CSA 70 Zone M)*	\$265,387	\$406,584	\$268,500
SERVICE ZONE FP-5 (prior CSA 70 Zone FP-5)	\$953,516	\$953,516	\$886,744
SERVICE ZONE PM-1 (prior CSA 70 Zone PM-1)	\$1,094,631	\$1,094,631	\$275,000
SERVICE ZONE PM-2 (prior CSA 38 Zone L)	\$2,689,857	\$2,689,857	\$129,000
SERVICE ZONE PM-3 (prior CSA 38 Zone M)	\$55,035	\$55,035	\$6,500

*Service Zone FP-4 Appropriation Limit has been increased to acknowledge the increased special tax adopted by election in June 2005, an increase of \$141,197.

Condition No. 18. *Prior to issuance of the Certificate of Completion for this reorganization, the County Board of Supervisors, as the governing body for County Service Area 20, County Service Area 29, County Service Area 30, County Service Area 53 Improvement Zone B, County Service Area 56, County Service Area 56 Improvement Zone F-1, County Service Area 70 and its Improvement Zone W, County Service Area 79 and County Service Area 82 and any affected improvement zones thereof, shall commence and complete a property tax transfer process, as outlined in Section 99.02 of the Revenue and Taxation Code, to transfer the fire related ad valorem property tax revenues.*

For County Service Area 70 the revenues are to be transferred to the parent district, the San Bernardino County Fire Protection District, and for the other agencies the revenues shall be transferred to the appropriate fire suppression service zone as shown on Exhibit LL attached.

This condition requires the County to take the steps necessary to implement the transfer of the fire share of the ad-valorem property tax from multi-function County Service Areas and to take the actions necessary to transfer the County Service Area 70 revenues to the parent district for administrative purposes. For multi-purpose districts the transfers are listed as follows:

NAME OF DISTRICT	RECOMMENDED FIRE SPLIT	RECOMMENDED REMAINING ENTITY SPLIT
CSA 20 – JOSHUA TREE	50%	50%
CSA 29 – LUCERNE VALLEY	65%	35%
CSA 30 – RED MOUNTAIN	100%	0
CSA 53 ZONE B – FAWNSKIN	99%	1%
CSA 56 – WRIGHTWOOD/PINON HILLS	90.3%	9.7%
CSA 56 ZONE F-1 – PINON HILLS	72%	28%
CSA 70 ZONE HL – HAVASU LAKE	100%	0
CSA 70 ZONE M – WONDER VALLEY	100%	0
CSA 70 ZONE W -- HINKLEY	89%	11%
CSA 79 – GREEN VALLEY LAKE	100%	0
CSA 82 SV-1 – SEARLES VALLEY (TRONA)	100%	0

As discussed at the prior hearings, this condition requires that the County undertake the procedures outlined in Revenue and Taxation Code Section 99.02 which will allow for the transfer of CSA 70 revenues from within the areas of independent fire protection districts to the San Bernardino County Fire Protection District for administrative purposes (for such items as Hazmat, Training, maintenance facilities, etc.). The following Table identifies the estimated amounts to be transferred from County Service Area 70 to the parent district, San Bernardino County Fire Protection District.

SUMMARY OF REVENUE ALLOCATED TO CSA 70*
 Prepared by Bob Wright 2/27/07

	Assessed Value in CSA 70	1% General Tax Levy	CSA 70 Revenue	Independent District Revenue	# TRAs
Crest Forest Fire Protection District	1,368,861,644	13,688,616.44	323,282.27	3,248,324.64	52
Chino Valley Independent Fire District	438,657,966	4,386,579.66	111,192.51	644,285.16	21
Apple Valley Fire Protection District	919,969,619	9,199,696.19	261,868.80	914,490.28	90
Barstow Fire Protection District	271,329,791	2,713,297.91	59,506.45	663,640.71	25
Rancho Cucamonga Fire Protection District	92,986,681	929,866.81	24,993.45	117,115.79	13
Arrowbear Park County Water District	109,185,352	1,091,853.52	29,580.76	224,409.90	2
Running Springs County Water District	530,926,431	5,309,264.31	134,376.95	1,450,365.16	19
Big Bear Lake Fire Protection District	11,153,693	111,536.93	2,886.69	18,388.82	2
Big Bear City Community Services District	1,886,320,591	18,863,205.91	532,325.71	1,725,718.50	17
Morongo Valley Community Services District	200,630,602	2,006,306.02	52,124.25	363,395.32	21
Twentynine Palms Water District	1,162,534	11,625.34	388.27	0.00	4
Yermo Community Services District	78,014,587	780,145.87	25,277.40	78,008.05	8
Daggett Community Services District	23,336,338	233,363.38	6,439.71	55,730.25	16
Newberry Community Services District	161,113,077	1,611,130.77	52,174.36	162,401.48	14
Baker Community Services District	37,565,171	375,651.71	11,182.79	66,264.78	1
Central Valley Fire Protection District			63,063.00		
	6,131,214,077	61,312,140.77	1,690,663.37	9,732,538.85	305
REMAINING UNINCORPORATED AREA			4,534,982.00		

Condition No. 21. Through its consideration of LAFCO 3070, the fire functions, contracts, equipment, assets and liabilities currently a part of County Service Area 56 Improvement Zone F-1 are to be transferred to the Successor District, the San Bernardino County Fire Protection District. If LAFCO 3000 is not completed upon the effective date of LAFCO 3070, the fire functions, including property tax revenues associated with CSA 56 and CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 (fire administration) to allow for continued operation and protection of identified revenues. That transfer shall take place as follows:

1. Fire protection revenues currently a part of the property tax allocation for County Service Area 56 Improvement Zone F-1, determined to be \$191,749 for Fiscal Year 06-07 shall be transferred to the San Bernardino County Fire Protection District as a function of LAFCO 3000. The effective date for LAFCO 3000 is July 1, 2008; therefore, the fire functions, including property tax revenues, associated with CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues until the effective date of this reorganization.
2. Fire protection revenues currently a part of the property tax allocation of County Service Area 56, determined to be \$626,426 for Fiscal Year 2006-07, shall be distributed to the San Bernardino County Fire Protection District as a function of the review of LAFCO 3000. The effective date for LAFCO 3000 is July 1, 2008; therefore, the fire functions, including property tax revenues, associated with CSA 56 within the reorganization shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues until the effective date of this reorganization.

During the consideration of the reorganization to include formation of the Phelan Pinon Hills Community Services District a condition was imposed to protect the fire revenues and functions if the County Fire Reorganization was not completed prior to the completion of the CSD formation. The election for the CSD will take place on February 5th with an anticipated completion date, if successful, of on or about March 10th. The processing of LAFCO 3000 does not anticipate that the protest proceeding will be completed until the end of March and the effective date has been deferred to July 1, 2008. Therefore, this condition will transfer the responsibilities and revenues from the dissolving and detaching agencies for fire protection within this area to CSA 70 temporarily until the fire reorganization is effective, protecting the revenue stream and service provision.

Condition No. 22. *Upon the Effective Date of this reorganization, the facilities identified on Exhibit OO shall be transferred to the San Bernardino County Fire Protection District for use in providing fire protection services. Prior to issuance of the Certificate of Completion, the County Board of Supervisors, as the governing body of the Successor Agency, shall take the actions necessary to provide for lease arrangements for facilities retained in the ownership of multi-function agencies and provide a copy to the Local Agency Formation Commission.*

This condition will transfer the facilities for fire protection purposes to the reorganized Fire Protection District. In addition, it requires that the County enter into lease arrangements with the various County Service Areas where fire facilities share parcels with park or other facilities. It is anticipated that lot line adjustments or other changes in parcel boundaries will be pursued to allow for the transfer of the facilities where possible.

The following lists the conditions related to actions affecting the Central Valley Fire Protection District.

Condition No. 24. *Upon the effective date of this reorganization, the County Board of Supervisors as the governing body of the San Bernardino County Fire Protection District, Valley Service Zone, shall maintain the existing service level at Station No. 76 within the Bloomington Community.*

Condition No. 28. *Upon the Effective Date of this reorganization, service levels for Stations Nos. 72 and 73 cannot be reduced by the governing body of the Fontana Fire Protection District unless and until the service levels of all other stations within the Fontana Fire Protection District are commensurately reduced.*

Conditions 24 and 28, outlined above, implement the direction of the Commission at the request of the City of Fontana and the County of San Bernardino to require the maintenance of service levels at fire facilities serving the incorporated and unincorporated areas of Fontana and Bloomington.

Condition No. 29. *Upon the Effective Date of this reorganization, the Fontana FPD shall be required to construct Station No. 80 within three years of the effective date of this reorganization. The construction cost for Station No. 80 is to be funded by revenue sources through the Fontana Fire Protection District, and the Fontana Fire Protection District shall staff and man Station No. 80 within*

the San Sevaine Redevelopment Area. The County of San Bernardino, through its San Sevaine Redevelopment Agency, shall transfer ownership of Assessor Parcel No. 0238-031-29 purchased for construction of Central Valley Fire Protection District Station No. 80 to the successor Fontana Fire Protection District.

The County and the City of Fontana have agreed that the County shall continue to provide for the construction of Station No. 80 as they are close to releasing the bids for construction. LAFCO staff has not included this as a requirement of the condition of approval; however, a finding has been included identifying this position.

Condition No. 31. *Upon the Effective Date of this reorganization, the appropriation limit base year amounts for the residual Central Valley Fire Protection District (to become the Fontana Fire Protection District) and Community Facilities District 2002-2, shall be the amount identified as follows based upon calculations for Fiscal Year 2007-08:*

<i>Fontana Fire Protection District (formerly the Central Valley Fire Protection District)</i>	<i>\$95,342,989</i>
<i>Community Facilities District 2002-2</i>	<i>\$ 2,606,636</i>

The governing body of the district shall be required to annually adjust this appropriation limit pursuant to the procedures contained within Article XIII B of the California Constitution.

As outlined above for other entities, the Commission is required to establish the modified appropriation limit for the Central Valley Fire Protection District based upon the detachments and transfers of responsibilities.

FINDINGS:

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

1. The reorganization area has been certified by the County Registrar of Voters office as being legally inhabited, with a total of 198,962 registered voters, as of September 6, 2007. The certification as to the number of voters within the individual service zones and the Central Valley Fire Protection District (to become a subsidiary district of the City of Fontana) within the proposal are outlined as follows:

a.	Valley Service Zone	35,321
b.	Mountain Service Zone	7,709
c.	North Desert Service Zone	31,126
d.	South Desert Service Zone	17,344
e.	Service Zone FP-1 (Red Mountain)	52
f.	Service Zone FP-2 (Windy Acres)	93
g.	Service Zone FP-3 (El Mirage)	248
h.	Service Zone FP-4 (Wonder Valley)	458
i.	Service Zone FP-5 (Helendale)	3,030
j.	Service Zone PM-1 (Lake Arrowhead Paramedic)	5,633

k.	Service Zone PM-2 (Highland Paramedic)	5,939
l.	Service Zone PM-3 (Yucaipa Paramedic)	379
m.	Fontana Fire Protection District	53,731

2. The County Assessor has indicated that the valuation of land and improvement during Fiscal Year 2006-07 for the reorganization area is \$32,654,975,825. Individual valuations for the Service Zones and the Central Valley Fire Protection District (to become a subsidiary district of the City of Fontana) are as follows :

a.	Valley Service Zone	\$ 7,642,292,721
b.	Mountain Service Zone	\$ 3,922,296,704
c.	North Desert Service Zone	\$ 6,307,075,505
d.	South Desert Service Zone	\$ 2,576,510,451
e.	Service Zone FP-1 (Red Mountain)	\$ 1,418,749
f.	Service Zone FP-2 (Windy Acres)	\$ 6,471,306
g.	Service Zone FP-3 (El Mirage)	\$ 125,079,429
h.	Service Zone FP-4 (Wonder Valley)	\$ 52,479,019
i.	Service Zone FP-5 (Helendale)	\$ 728,278,151
j.	Service Zone PM-1 (Lake Arrowhead Paramedic)	\$ 3,158,301,246
k.	Service Zone PM-2 (Highland Paramedic)	\$ 674,688,881
l.	Service Zone PM-3 (Yucaipa Paramedic)	\$ 105,831,063
m.	Fontana Fire Protection District	\$ 12,206,800,444

3. The reorganization area is within the sphere of influence of the Yucca Valley Fire Protection District or the Central Valley Fire Protection District as assigned through approval of the companion proposal identified as LAFCO 3001.

4. Notice of the original hearing was published as required by law in The Sun, the Daily Press, the Big Bear Life & Grizzly, the Desert Dispatch, the Daily Bulletin, Hi-Desert Star, Needles Desert Star, Lucerne Valley Leader, Mountain News, Mountaineer Progress Bulletin, Alpenhorn, Fontana Herald News, Crestline Courier, Parker Pioneer, and the Today's News-Herald, newspapers of general circulation in the area. As required by State law and Commission policy a 1/8th page legal ad was provided for this consideration in-lieu of individual notice pursuant to the provisions of Government Code Section 56157. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification. Comments from landowners, registered voters, and any affected local agency have been reviewed and considered by the Commission in making its determination.

5. The reorganization proposal has no direct effect on the County General Plan or the General Plans of the City of Fontana, City of Grand Terrace, or Town of Yucca Valley.

6. The proposed annexation to the Yucca Valley FPD and the formation of the Valley and South Desert Service Zones affected the tribal lands of the San Manuel Band of Mission Indians (Valley Service Zone), Colorado River Indian Tribes, commonly identified as the CRIT, (South Desert Service Zone), Chemehuevi Indian Tribe (South Desert Service Zone) and Fort Mojave Indian Tribe (South Desert Service Zone). The Tribal Council of each Tribe has consented to the overlay of the Yucca Valley FPD on their tribal lands by adoption of a resolution, a complete copy of which is on file in the LAFCO office and the

Federal Bureau of Indian Affairs has filed no opposition.

7. Upon reorganization, the successor district, the San Bernardino County Fire Protection District, will extend its services to residents, landowners and governments within its boundaries. The Plan for Providing Service, submitted by the County of San Bernardino, provides a general outline of the delivery of service as mandated by Government Code Section 56653. The Plan indicates that the District can maintain and/or improve the level and range of services available to the reorganized area. The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Plan conforms to those adopted standards and requirements.

Upon reorganization, the Fontana Fire Protection District (formerly the Central Valley Fire Protection District) shall extend its services to the residents, landowners and governments within its boundaries. The Plan for Providing Services, submitted by the City of Fontana as its alternative proposal to LAFCO 3000, provides a general outline of the delivery of service as mandated by Government Code Section 56653. The Plan indicates that the district can maintain and/or improve the level and range of services available through its contract with the County for providing the service. The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Plan conforms to those adopted standards and requirements.

8. The area in question is presently served by a number of local agencies outside the affected fire entities, a complete listing of which is on file in the office of the Local Agency Formation Commission. None of these other agencies will be directly affected by the completion of this reorganization through an adjustment in their boundaries.
9. Pass-through funding required by State law (AB 1290) from the San Sevaire Redevelopment Area currently provided to the Central Valley Fire Protection District and County Service Area 70 shall continue to be provided to the Fontana Fire Protection District following this reorganization.
10. Construction of Station No. 80 is intended to be accomplished through the County of San Bernardino by contract with the Fontana Fire Protection District.
11. The reorganization proposal complies with Commission findings in its service review/sphere of influence update for the affected agencies that a single fire protection district serving the communities through the creation of regional service zones would be the most effective and efficient delivery mechanism for fire protection/emergency response/disaster preparedness services.
12. The Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, has prepared an environmental assessment and Mitigated Negative Declaration for the reorganization pursuant to the provisions of the California Environmental Quality Act (CEQA), which indicate that approval of the reorganization, as modified, will not have a significant adverse impact on the environment. The Commission certifies that it reviewed and considered the Mitigated Negative Declaration and environmental effects as outlined in the Initial Study on September 16, 2007, prior to

reaching a decision on the project and finds the information substantiating the Mitigated Negative Declaration adequate for its use in making a decision as a CEQA lead agency.

The Commission hereby adopts the Mitigated Negative Declaration and the related California Department of Fish and Game De Minimis Impact Finding. The Commission determines that it does intend to adopt mitigation measures for the project. The Commission directed its Clerk to file a Notice of Determination within five (5) working days of its decision on September 16, 2007.

13. The reorganization area can benefit from the clarification of fire protection providers for a more efficient and effective mechanism for fire protection, emergency response, paramedic, ambulance and/or disaster preparedness services.
14. The County of San Bernardino has determined the exchange of property tax revenues for the reorganization. This negotiated agreement fulfills the requirements of Section 99 of the Revenue and Taxation Code. Condition Nos. 18, 19, and 21 above further refine the distribution of property tax revenues following completion of this proposal as authorized by Government Code Section 56886.
15. Maps and legal descriptions, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

RECOMMENDATION:

LAFCO staff recommends that the Commission adopt Resolution No. 2989 as presented setting forth the conditions of approval and the determinations related to LAFCO 3000 as modified.

KRM/

Attachments:

- 1- [Draft Resolution No. 2989](#)
- 2- [Community Facilities District 2002-2 Assessment History Table](#)