

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

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DATE: OCTOBER 3, 2008

FROM: SAMUEL MARTINEZ, Senior LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #10: LAFCO 3105 – Reorganization to Include City of Redlands Annexation No. 90, and Detachment from the San Bernardino County Fire Protection District and its Valley Service Zone, and County Service Area 70 Improvement Zone P-7 (Jacinto)

INITIATED BY:

Property Owner Petition

RECOMMENDATION:

Staff recommends that the Commission approve LAFCO 3105 by taking the following actions:

1. With respect to environmental review:
 - a) Certify that the Commission, its staff and its Environmental Consultant have independently reviewed and considered the City's Initial Studies and Negative Declarations for Zone Change No. 433, Annexation No. 90, and Conditional Use Permit No. 928, including the Addendum prepared by LAFCO's Environmental Consultant;
 - b) Determine that the Addendum, together with the City's environmental assessment, are adequate for the Commission's use as a CEQA Lead Agency for its consideration of LAFCO 3105;
 - c) Adopt the Addendum, as presented by the Commission's Environmental Consultant, that addresses the acreage discrepancy between the total area identified in the City's environmental assessment and the actual acreage of the reorganization area;

- d) 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/or others, not the Commission; and,
 - e) Direct the Clerk to file the 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 has paid said fees for its environmental determination.
2. Approve LAFCO 3105, with the standard LAFCO terms and conditions;
 3. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner consent to the reorganization; and,
 4. Adopt LAFCO Resolution #3030, setting forth the Commission’s findings, determinations, and conditions of approval concerning this proposal.

BACKGROUND:

LAFCO 3105 is an annexation proposal that was submitted by a property owner, Mr. Larry Jacinto, who has requested annexation to the City of Redlands by submitting a property owner petition together with the application materials. The Certificate of Sufficiency was issued for the proposal on July 9, 2008, indicating that it possessed signatures of 100% of the landowners. The annexation proposal includes the detachment from the San Bernardino County Fire Protection District (SBCFPD) and its Valley Service Zone as well as detachment from County Service Area (CSA) 70 Improvement Zone P-7. CSA 70 P-7 is an inactive entity that was created by the County in 1991 to provide park and recreation services for the unincorporated Mentone community.

The reorganization area, which is contiguous to the City along its western and southern boundary, encompasses approximately 7.81 +/- acres generally located within the City of Redlands’ eastern sphere of influence, within the community of Mentone. Location and vicinity maps are included as Attachment #1 to this report.

The primary reason for the annexation request, as outlined in the application materials (which is included as part of Attachment #2 to this report), is to receive municipal services from the City for a proposed recreational vehicle (RV) storage facility. In order for the development to receive municipal services (i.e. water and sewer services) from the City of Redlands, the project area, which is contiguous to the City’s boundaries along Jasper and Nice Avenues, is required to annex to the City (See Chapter 13.62.030 of the City’s Municipal Code, which is included as Attachment #3 to this report). As the Commission is well aware, this annexation requirement is a result of the City’s “Measure U”, which was approved by its voters in 1997.

This report will provide the Commission with the information related to the four major areas of consideration required for a jurisdictional change – boundaries, land uses, service issues and the effects on other local governments, and environmental considerations.

BOUNDARIES:

The reorganization area is generally bordered by Jasper Avenue (existing City of Redlands boundary) on the west, Naples Avenue on the north, the Metropolitan Water District of Southern California property (former Atchison, Topeka and Santa Fe Railway western Right-of-Way) on the west, and Nice Avenue (existing City of Redlands boundary) on the south.

In reviewing the boundaries for the proposal, LAFCO staff took into consideration the Commissions direction to evaluate the expansion of any proposal in order to create a more logical and efficient boundary. The staff identified the expansion of the current proposal to include the railroad right-of-way along the eastern edge of the reorganization area. However, the expansion would create a peninsula of unincorporated County territory along its northern boundary based on the parcel configuration of the Metropolitan Water District of Southern California property (see Fig. 2 below).

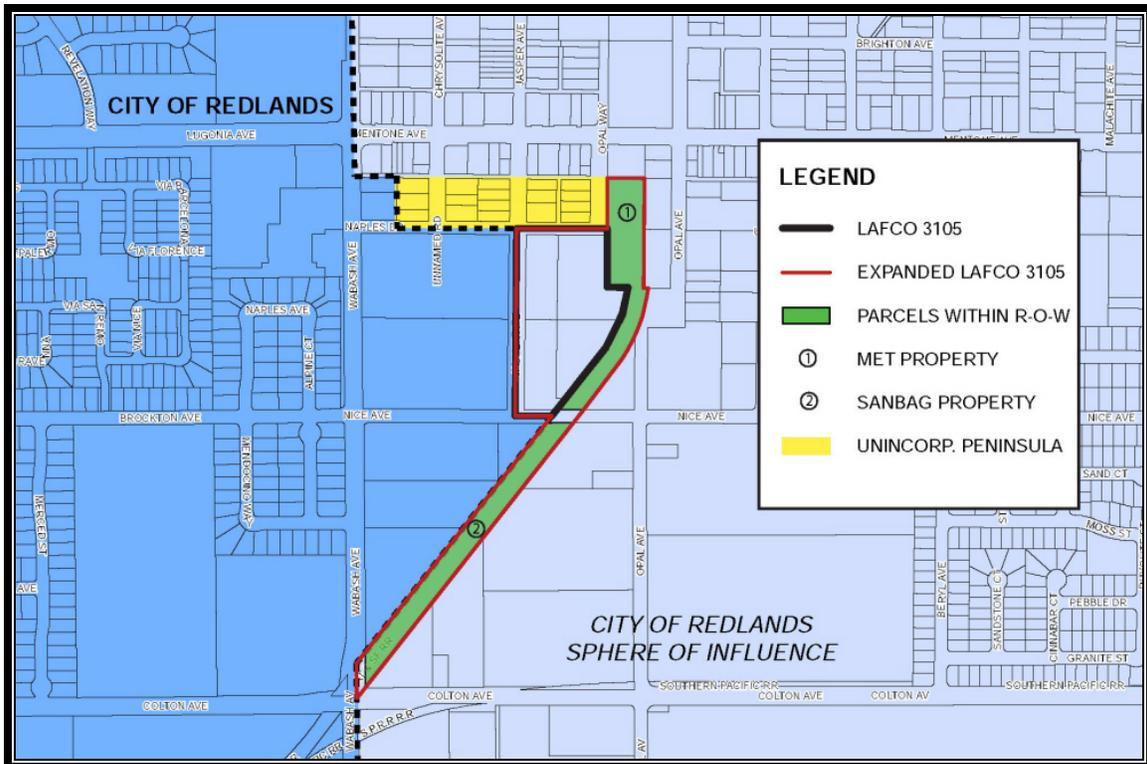


FIGURE 2

As shown on the map above, the peninsula area includes 17 single-family residential parcels. Given the historic stance of the Mentone community regarding annexations to the City, expansion of the reorganization area would most likely terminate the proposal. Therefore, staff does not recommend the expansion of this proposal since, in the staff's view, voter sentiment would terminate the annexation. Such a response would, in essence, deny the development proposal approved by the City for the RV storage facility.

Based on the current configuration of the reorganization proposal, it is LAFCO staff's position that LAFCO 3105 is a logical boundary since it currently follows the City's boundaries along Naples Avenue (which is being extended easterly) and along the railroad's westerly right-of-way boundary (which is being extended northeasterly), both of which are easily identifiable boundaries for service delivery.

LAND USE:

The reorganization area is currently vacant. Existing uses directly surrounding the area include: residential development to the north, vacant parcels (within the City) to the west, one of which is poised to be developed as a self-storage facility/industrial business park; industrial development (within the City) on the south; and the railroad right-of-way area on east.

County Land Use Designations:

The County's current land use designation for the reorganization area is IC (Community Industrial) which allows for light industrial uses such as light manufacturing, agriculture support services, incidental commercial and other similar and compatible uses.

City's General Plan:

The City's General Plan land use designation for the reorganization area is Light Industrial. This land use determination between the City and County is generally compatible.

City's Pre-Zone Designations:

The City of Redlands' pre-zone designation for the reorganization area is M-1 (Light Industrial). This pre-zone designation was determined through the City's consideration of Ordinance No. 2702, which was adopted on June 17, 2008. This land use designation is consistent with the City's General Plan designation for the area and is also consistent with surrounding land uses. Pursuant to the provisions of Government Code Section 56375(e), this zoning designation shall remain in effect for a period of two (2) years following annexation. The law allows for a change in designation if the City Council makes the finding, at a public hearing, that a substantial change has occurred in circumstance that necessitates

a departure from the pre-zoning outlined in the application made to the Commission.

SERVICE ISSUES AND EFFECTS ON OTHER LOCAL GOVERNMENTS:

In every consideration for jurisdictional change, the Commission is required to look at the existing and proposed service providers within an area. Current County service providers within the reorganization area include the SBCFPD and its Valley Service Zone, CSA 70 (multi-function entity) and Improvement Zone P-7 of CSA 70. In addition, the following regional agencies overlay the area: Inland Empire Resource Conservation District, San Bernardino County Flood Control District, San Bernardino Valley Water Conservation District, and San Bernardino Valley Municipal Water District (the State Water Contractor).

The application includes a plan for the extension of services for the reorganization area as required by law and Commission policy (included as part of Attachment #3 to this report). The Plan for Service, which was prepared by Urban Environs and was certified by the City, includes a Fiscal Impact Analysis indicating that the project will have a positive financial effect for the City. In general, the Plan identifies the following:

- Fire protection is currently provided by the SBCFPD and its Valley Service Zone and would be replaced by the City of Redlands Fire Department upon annexation.

However, the County is anticipated to be the first responder to any emergency or non-emergency calls within the reorganization area as provided in the City and County's automatic aid agreement (included as Attachment #4 to this report). This agreement, through the provisions of Amendment 2, specifically outlines that the County will provide "first response" within the six areas identified in the agreement, one of which is LAFCO 3105. The County's closest fire station, Station No. 9, is generally located at the northeast corner of Mentone Boulevard and Crafton Avenue, approximately one (1) mile from the reorganization area.

Paramedic services are currently funded within the City through a special paramedic tax assessment. Upon annexation, the proposed development will be charged approximately \$39.70 annually.

- Law enforcement responsibilities will shift from the San Bernardino County Sheriff's Department to the City of Redlands. The City of Redlands has indicated that it can provide law enforcement service to the reorganization area efficiently and effectively.
- Sewage collection services will be provided by the City of Redlands. Sewer system treatment and trunk sewer capital costs are offset by development impact fee charges, while operation and maintenance costs will be offset by

user fees. Upon annexation, sewer service will be extended to the proposed development.

- Water service will be provided by the City of Redlands. Water system production and transmission capital costs are offset by development impact fee charges, while operation and maintenance costs will be offset by user fees. Again, upon annexation, water service will be extended to the proposed development.
- Street sweeping will be provided by the City on a bi-weekly basis.
- Upon annexation, the reorganization area will also have an additional special tax assessment of 0.0103 percent (for Fiscal Year 2007-08) 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 preservation within the City.

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

ENVIRONMENTAL:

The City prepared an Initial Study and Mitigated Negative Declaration for Zone Change No. 433, Annexation No. 90, and Conditional Use Permit No. 928. It is to be noted that the City's environmental assessment identifies that the proposed reorganization area encompasses 7.51 acres. However, the actual acreage of the reorganization area is 7.81 acres. In light of this, the Commission's Environmental Consultant, Tom Dodson and Associates, prepared an Addendum to the City's environmental assessment that addresses the acreage discrepancy between what was identified in the City's documents and the actual acreage of the reorganization area. Mr. Dodson has determined that if the Commission approves LAFCO 3105, the Addendum, together with the City's environmental assessment, are adequate for the Commission's use as a lead agency under CEQA.

Mr. Dodson has indicated that the necessary environmental actions to be taken by the Commission are as follows:

- a) Certify that the Commission, its staff and its Environmental Consultant, have independently reviewed and considered the City's environmental assessment and Negative Declaration, including the Addendum prepared by LAFCO's Environmental Consultant;
- b) Determine that the Addendum, together with the City's environmental assessment, are adequate for the Commission's use as a CEQA Lead Agency for its consideration of LAFCO 3105;

- c) Adopt the Addendum as presented by the Commission’s Environmental Consultant that addresses the acreage discrepancy between the total area identified in the City’s environmental assessment and the actual acreage of the reorganization area;
- d) 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/or others, not the Commission; and,
- e) Direct the Clerk to file the 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 has paid said fees for its environmental determination.

Waiver of Protest Proceedings:

The Registrar of Voters has certified that the reorganization area is legally uninhabited. In addition, it has been verified that the reorganization area possesses 100% landowner consent. Therefore, if the Commission approves LAFCO 3105 and none of the affected agencies have submitted written opposition to a waiver of protest proceedings, staff is recommending that further protest proceedings be waived and that the Executive Officer be directed to complete the action following exhaustion of the mandatory reconsideration period of 30-days.

CONCLUSION:

LAFCO 3105 was submitted in response to a proposed RV Storage facility, which requires receipt of water and sewer services from the City of Redlands. LAFCO staff supports the reorganization proposal since the City’s Municipal Code clearly states that all projects that are contiguous to the City’s boundaries must annex prior to receiving service and the application responds to this requirement.

For these reasons, and those outlined throughout the staff report, the staff supports the approval of LAFCO 3105.

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 Registrar of Voters Office has certified that the reorganization area is legally uninhabited, containing no registered voters as of September 9, 2008.

2. The County Assessor has determined that the total assessed value of land and improvements within the reorganization area is \$553,527 (land - \$550,219 -- improvements - \$3,308).
3. The reorganization area is within the sphere of influence assigned the City of Redlands, within the Mentone community.
4. Commission review of this proposal has been advertised in *The Sun* and the *Redlands Daily Facts*, newspapers of general circulation within the reorganization area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
5. LAFCO has provided individual notices to landowners and registered voters surrounding the reorganization area (totaling 148 notices) in accordance with State law and adopted Commission policies. To date, no written comments in support or opposition have been received regarding the consideration of this proposal.
6. The City of Redlands has pre-zoned the reorganization area M-1 (Light Industrial). This zoning designation is consistent with the City's General Plan and is generally compatible with the surrounding land uses in the area. 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 Initial Study and Negative Declaration prepared by the City for the Zone Change, Annexation, and Conditional Use Permit for the reorganization area. In addition, Mr. Dodson prepared an Addendum to the City's environmental assessment to address the acreage discrepancy between the total acreage identified in the City's documents and the actual acreage of the reorganization area. Mr. Dodson recommends that, if the Commission approves the proposal, the Addendum together with the City's environmental assessment, are adequate for the Commission's review of the reorganization proposal as lead agency. A copy of the Addendum 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
 - San Bernardino County Fire Protection District and its Valley Service Zone (fire protection)

County Service Area 70 Improvement Zone P-7 (inactive park and recreation district within the Mentone community)
County Service Area 70 (multi-function unincorporated area Countywide)

The proposal will detach the territory from the SBCFPD and its Valley Service Zone and CSA 70 Improvement Zone P-7 as a function of the reorganization. Detachment 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 as they are regional in nature.

9. A plan was prepared for the extension of services to the reorganization area, as required by law. The Plan for Service, which was prepared Urban Environs, was certified by the City indicating that it can maintain and/or improve the level and range of services currently available in the area.

As a result of the negotiations between the City and the County regarding fire protection within the area, the automatic aid agreement has been modified, through approval of Amendment No. 2, which was signed by both parties, identifying that both the City and the County will provide emergency fire response to the reorganization area and that County Fire will be the first to respond to any emergency or non-emergency calls within LAFCO 3105.

10. The reorganization 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.
11. The reorganization 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 entire reorganization area is zoned for commercial and light industrial uses.
13. With respect to environmental justice, LAFCO staff believes that the reorganization area, which is currently vacant, would benefit from the extension of services and facilities from the City and, at the same time, will not result in unfair treatment of any person based on race, culture or income.
14. 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 reorganization. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.

15. The map and legal description, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

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Attachments:

1. Vicinity Maps and Reorganization Area Maps
2. Application, Plan for Service, and Fiscal Impact Analysis
3. Chapter 13.62 of the City's Municipal Code
4. Amendment No. 2 to Automatic Aid Agreement No. 06-435 Including Amendment No. 1 and the Automatic Aid Agreement No. 06-435 Between the County and the City for Fire Protection
5. Landowner Consent Form
6. Addendum prepared by Tom Dodson and Associates including the City's Environmental Assessment and Mitigated Negative Declaration for Annexation No. 90
7. Draft Resolution No. 3030