LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO

175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490 • (909) 387-5866 • Fax (909) 387-5871
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE September 20, 2004

FROM Debby Chamberlin, Clerk to the Commission

TO Brent Rolf, Manager, GIMS

SUBJECT LAFCO 2925-SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR CITY OF SAN BERNARDINO

Attached is a copy of the Resolution and map affirming the sphere of influence of the City of San Bernardino as it currently exists.

Please update the City and Sphere boundaries map for the City of San Bernardino and provide our office with two copies of the 3' by 3' map. Also, please provide one copy of the updated map in the 11" by 17" size.

Since the actual boundaries have not changed, the only changes to the map will be the date of map preparation, the date as of which the boundaries are current, and the updated information in the activity box

If you have any questions, please contact me at 387-5868.

Thank you.

/dc
Attachment

CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 2925; AND (2) LAFCO 2925 - SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR CITY OF SAN BERNARDINO - APPROVE STAFF RECOMMENDATION

LAFCO conducts a public hearing to consider a service review and sphere of influence update for the City of San Bernardino (hereinafter referred to as "the City"). Notice of this hearing has been advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual notice of this hearing was provided to affected and interested agencies, County departments and those individuals requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Ms. McDonald outlines the City's existing boundaries and sphere on the map provided in the powerpoint display. She says that attached to the staff report is an outline of what services a City can perform, as well as a Summary City Profile Sheet and Survey Response provided by the City, which included maps of land use planning within the City. She reports that the known communities within the City's sphere are Muscoy, Arrowhead Suburban Farms, and Arrowhead Springs (the Campus Crusade facility), and says there is no family of districts serving the general San Bernardino community under the Commission's purview other than the East Valley Water District. She notes there are a number of mutual and private water companies and improvements zones of county service areas that provide services in the sphere and says there is a map of the City's Municipal Water Department Service Area and the surrounding water agencies included in the material provided by the City and attached to the staff report.

Ms. McDonald discusses Devore and says that in the early 1990's, that staunchly independent community north of the City requested that the Commission exclude any portion of the Devore Mutual Water Company from the City's sphere, which it did. She reports that this community looked at incorporation but could not meet the minimum threshold of 500 registered voters in the area they proposed to incorporate. Ms. McDonald discusses Muscoy, which she says is also a very independent community of rural residential land uses which has opposed annexation repeatedly. She notes that a number of areas in

Muscoy receive sewer service from the City through out-of-agency service contracts. She reports that Muscoy is in the direct path of the 210 Freeway arterial and says the County is addressing that by identifying the community as a redevelopment study area. She says that Attachment 5 to the staff report includes a copy of a Board of Supervisors agenda item releasing a Request for Proposal to look at the feasibility of a redevelopment area for the Muscoy community, the Glen Helen Corridor and the area at the intersection of the I-15 and I-215 Freeways in the southern Devore area. She says the redevelopment area has been reviewed with City staff and they had no concerns with that process.

Ms. McDonald says that the City's response to the factors and findings required for a service review is outlined in the staff report. She summarizes the major points of consideration in the survey response provided by the City and says the City does not anticipate any sphere changes in the next five years. She summarizes the services the City currently provides outside its corporate limits by contract, which are outlined in the staff report. She notes an error on page 4 of the staff report in Item 2(c) and says the City provides the housing of animals to the Cities of Colton and Grand Terrace and not to the City of Loma Linda as listed. She reports that none of the adjacent or overlaying agencies have expressed any concerns with the City's sphere as it is presently configured.

Ms. McDonald states that the staff recommendation is that the Commission: (1) determine that LAFCO 2925 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five working days; (2) make the findings related to a service review required by Government Code Section 56430 and determine that the existing sphere of influence for the City of San Bernardino should be affirmed as presently configured; and (3) adopt LAFCO Resolution No. 2846 setting forth the Commission's findings and determinations on this proposal.

Commissioner Biane asks whether any of the islands within the City's sphere are 150 acres or less. Ms. McDonald says many of them are larger, noting that Arrowhead Suburban Farms has 400 plus acres.

She says that, as Mr. Martinez mentioned, staff is working with the GIMS Department to put together a presentation identifying entirely surrounded islands and those determined to be substantially surrounded. Commissioner Biane asks if there will be dialogue with all the cities that have islands that qualify for annexation under the new legislation. Ms. McDonald says that while the legislation increasing the acreage limitation to 150 acres was going through, staff sent a copy of the pending legislation to all cities that have potential islands that would qualify for annexation.

Chairman Bagley asks for the history as to how the two islands to the northwest of the City's sphere came into being. Ms. McDonald explains that those are municipally-owned properties, containing well fields owned by the City since the early 1970's, which are part of the City's overall Municipal Water Department system. She explains that a city can annex noncontiguous territory it owns and uses for municipal services, noting that the City does not provide any service there, but uses them as well fields only. Chairman Bagley notes that this whole issue would have to be addressed if someone asked for an extension of service by the City and they were outside the City's sphere, which he says is problematic. He says that one of these City-owned property areas is just northwest of Devore and says that since they are conducting this service review, it seems to be the appropriate time to discuss whether there should be a sphere area connecting the City to the municipally-owned properties. Ms. McDonald discusses that the Devore Mutual Water Company has a defined service area in between the existing service boundary for the City and those properties and she says that Company provides service to that area. She discusses the issue of laws of parallel lines that came about in the late 60's and early 70's due to a conflict between the City of San Bernardino and the Devore Mutual Water Company. She says litigation resulted in a law which said that an agency could not lay parallel lines and go through another agency's service area.

Commissioner Biane states that he represents that area and would not support anything that furthers the City of San Bernardino's sphere of influence into the Devore area. He points out that with the growth occurring in that area, Devore may incorporate someday.

Chairman Bagley says he assumes the areas on the map of the City's Municipal Water Department Service Area are adjudicated areas and that a watermaster governs them. Ms. McDonald responds that the watermaster is the San Bernardino Valley Municipal Water District. Chairman Bagley comments that the Baseline Garden Mutual Water Company is a "red flag" to him. He says part of the service review is to look at agencies like that and question why they still exist. Ms. McDonald says that area is part of the East Valley Water District, which is working closely with that Company to make sure it remains viable. She says private water companies are governed by the Public Utilities Commission (PUC) and that mutual water companies are governed by the Department of Corporations. She says she provided this map to the Commissioners so they would have information about other "players" in the water field, which do not come under the purview of the Commission.

Commissioner Pearson asks if Ms. McDonald is saying that the Commission has no jurisdiction to make any changes related to those mutual water companies on the City's map. Ms. McDonald responds that the City has taken over a number of small mutual water companies that were failing, but she says the Commission can do nothing to force that.

Commissioner Sedano comments that he thought that Victoria Farms Mutual Water Company was being dissolved and merged with the City's Water Department. Ms. McDonald responds that she does not know for sure, but says the City may be in the process of doing that.

Commissioner Hertzmann asks for clarification as to why the area northwest of Muscoy, up to the well sites, is not included in the City's sphere. Ms. McDonald explains that the community of Devore and the other area he is referring to, which is an area of major flood control facilities, have not been included in any agency's sphere of influence.

Chairman Bagley opens the public hearing and asks if there is anyone wishing to speak on this item. There is no one and he closes the hearing.

Commissioner Biane moves approval of staff recommendation, seconded by Commissioner Pearson. Chairman Bagley calls for further discussion. There being none, he calls for a voice vote on the motion and it is as follows: Ayes: Bagley, Biane, Colven, Cox, Pearson, Williams. Noes: None. Abstain: None. Absent: Young.

(It is noted that Commissioner Biane leaves the hearing at 11:05 a.m.)

DECLARATION OF SERVICE BY MAIL

LOCAL AGENCY FORMATION COMMISSION
County of San Bernardino
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490 (909) 387-5866

I hereby declare that I am a citizen of the United States, over the age of 18 years, employed in the County of San Bernardino, State of California. I am familiar with this office's normal practice for collection and processing of documents for mailing with the United States Postal Service. In the ordinary course of business, any documents designated for mailing with the United States Postal Service and placed by me in the designated "out" box in the office of my employer, the Local Agency Formation Commission, located at 175 West Fifth Street, Second Floor, San Bernardino, California, are deposited the same day with the United States Postal Service.

On the date shown below, at the request of and under the direction of the LAFCO Executive Officer, I deposited in the designated "out" box an envelope or envelopes for collection and mailing on that date, which contained a true copy of each document listed below, addressed as follows:

LAFCO ACTION #8: Consideration of: (1) CEQA Statutory Exemption for LAFCO 2925; and (2) LAFCO 2925 – Service Review and Sphere of Influence Update for City of San Bernardino

DATE OF MAILING: September 8, 2004

DOCUMENTS MAILED: Staff Report & Agenda

NAME(S) AND ADDRESS(ES): See attached mailing lists.

At the time of said mailing, there was regular communication by mail between the place of mailing and the place so addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 8, 2004 at San Bernardino, California.

Angela M. Schell

ANGELA M. SCHELL
Deputy Clerk to the Commission

LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO

175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490 • (909) 387-5866 • Fax (909) 387-5871
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: September 6, 2004

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #8** – LAFCO 2925: Service Review and Sphere Of Influence Update for the City of San Bernardino

INITIATED BY:

San Bernardino County Local Agency Formation Commission

RECOMMENDATION:

1. Determine that LAFCO 2925 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five days;

2. Make the findings related to a service review required by Government Code Section 56430 and determine that the existing sphere of influence for the City of San Bernardino should be affirmed as presently configured; and,

3. Adopt LAFCO Resolution #2846 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. In general, LAFCO 2925 is a routine, non-controversial service review and sphere of influence update for the City of San Bernardino.

Included as Attachment #1 to this report is a map which identifies the boundaries and sphere of influence for the City of San Bernardino. Attachment #2 is general description of what services a City can perform and how it may be expanded. Attachment #3 to this report is a summary profile of the City of San Bernardino, a

copy of the survey response provided by the City to the service review factors required by Government Code Section 56430 including maps of the land use designations within the sphere, a map of the City of San Bernardino Municipal Water Department definition of its service area and an outline of its Board of Water Commissioners.

LAFCO staff has reviewed the current City of San Bernardino sphere of influence against the policies and procedures established by the Commission for its sphere of influence program (copy included as Attachment #4). One of the guiding principles in these documents is that the sphere of influence should be based upon a community-by-community approach, and that the family of agencies serving a community should, unless unique circumstances warrant, maintain a coterminous sphere of influence. The known communities which are included within the City of San Bernardino sphere at the present time are Muscoy, Arrowhead Suburban Farms, and Arrowhead Springs (the Campus Crusade facility). There is no family of districts which address service delivery in the general San Bernardino community under the purview of the Commission other than the East Valley Water District (portion of the City generally easterly of Waterman Avenue and northerly of Third Street). This agency also serves the City of Highland and its sphere of influence update and service review were conducted at the August 18, 2004 Commission hearing. There are a number of mutual water companies, private water companies and improvement zones to County Service Areas that provide service within the City's assigned sphere of influence.

In reference to known communities, immediately to the north of the City's sphere of influence along I-215 and I-15 is the community of Devore. During the early 1990's, this community objected to the inclusion of any of their area within the City's sphere of influence and the Commission complied by approving a reduction in the City's sphere to exclude the territories within the Devore Mutual Water Company service area. The Devore community is staunchly independent and has maintained its rural designations outside the City sphere of influence. Also during this period a group of citizens from this community looked into the possibility of incorporation, but did not have the minimum 500 registered voters within the unincorporated area that were required by state law.

The community of Muscoy, as generally defined by the Muscoy Mutual Water Company boundaries, is wholly within the City of San Bernardino western sphere of influence. This community has also adamantly resisted annexation to the City over the years as they have felt that their rural lifestyle would be affected by such a transition. However, those parcels requiring sewer service within this community have been allowed to connect to existing City facilities that traverse the area through Out-of-Agency Service contracts. The most recent of these was signed between the County of San Bernardino/Central Valley Fire Protection District for sewer service to their new station.

Over the past several years, as the 210 Freeway construction inched its way to the east end of the Valley, it has been acknowledged that the Muscoy community would be in the direct path of future development associated with this major arterial. In

response to this, the County of San Bernardino has identified the Muscoy community as a redevelopment study area and on August 17th authorized the circulation of a Request for Proposal (RFP) seeking consultants to work on plans and related studies for creation of a Redevelopment Project Area. The boundaries of the recommended survey area include the Muscoy community along Highland Avenue, easterly of the Lytle Creek Wash, includes the Cajon Blvd. area (a part of the City sphere of influence) and extends into the Devore Mutual Water Company area northerly of the City's sphere of influence adjacent to the Hyundai Pavilion and County Regional Park. A map of the area along with the County's authorization for the study are included as Attachment #5 to the staff report. The position from the City of San Bernardino, as provided to LAFCO staff, is that it has no concern regarding the proposed Muscoy Redevelopment Study Area at this time.

The major points of consideration within the survey response provided by the City of San Bernardino are outlined as follows:

1. The City of San Bernardino is not proposing any change to its sphere of influence. The City has indicated that it does not anticipate proposing a sphere of influence amendment within the next five years. The City Council has considered the response to the service review factors in a public hearing, and concurs with staff findings that no sphere amendments will likely be contemplated in the foreseeable future.

   The City is currently surrounded by the City of Rialto and its sphere of influence on its western and northwestern boundaries, the National Forest boundary on the north, the City of Highland and City of Redlands and its sphere of influence on the east, and the Cities of Redlands, Loma Linda, and Colton on the south.

2. The City of San Bernardino is a full-service city providing the services of general government, law enforcement, animal control, fire protection, land use planning, code enforcement, building and safety functions, refuse collection, cemetery, recreation services, roads, water and sewer services within its corporate limits.

   The City currently provides the following services outside its corporate limits through individual contract. For the most part, the existing contracts were entered into prior to the implementation of Government Code Section 56133.

   a. The City and County Service Area 38 entered into an agreement that provides fire protection and paramedic services to the unincorporated islands within the City's sphere of influence. This agreement was entered into in July 1999, when the City of Highland detached from County Service Area 38 and removed the fire stations and personnel previously used to support these island areas.

b. The City provides water and/or sewer service into areas outside its existing boundaries upon receipt of a signed irrevocable agreement to annex. Such agreements are reviewed by the Commission under the auspices of Government Code Section 56133 – the most recent of which was the agreement between the City and County, on behalf of the Central Valley Fire Protection District, to receive sewer service to its new fire station within the Muscoy community.

c. The City provides Animal Control services to the City of Fontana and the City of Loma Linda by contract. In addition, the City provides the housing of animals to the City of Colton and City of Loma Linda by contract.

3. The City currently receives the following services through outside service providers/contractors:

SERVICE	PERFORMED BY
Water/Sewer	Retail water and sewer services provided by the East Valley Water District within the City boundaries, generally Easterly of Waterman Avenue, northerly of Third Street. There are several mutual and private water companies within the boundaries of the city.
Ambulance	Inland Counties Emergency Medical Authority (ICEMA) granted exclusive operating area to America Medical Response (AMR)
Vector Control	Contract with the County of San Bernardino Vector Control Program for the provision of service. Area included in the benefit assessment authorized by County Resolution No. 3103

4. The City of San Bernardino is currently overlaid by the following public agencies:

East Valley Water District (portion)
San Bernardino Valley Municipal Water District
East Valley Resource Conservation District (portion)
Inland Empire West Resource Conservation District (portion)
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)

The City's sphere of influence is overlaid by the following additional agencies:

Central Valley Fire Protection District (Muscoy community and portions of the Cajon Blvd. area)
County Service Area 38 (fire protection)
CSA 38 Improvement Zone L (rescue (paramedic) service) -- portion of the City sphere of influence area generally east of Waterman Avenue
CSA SL-1 (street lighting)
County Service Area 70 (multi-function county service area)
CSA 70 Improvement Zone R-30 (road maintenance) identified as the Verdemont area located northerly of the Muscoy community. This agency provides road grading for two unpaved roads within the area, Roadrunner Trail and 5th.

None of the adjacent or overlaying agencies have identified any concerns with the City of San Bernardino sphere of influence as it is presently configured.

CONCLUSION

Based on the information outlined above, and the response provided by the City of San Bernardino, staff recommends that the Commission uphold and affirm the existing sphere of influence determination for the City. In addition, staff recommends that the Commission adopt Resolution #2846 which sets forth written responses to the statutory factors related to service reviews and sphere of influence studies.

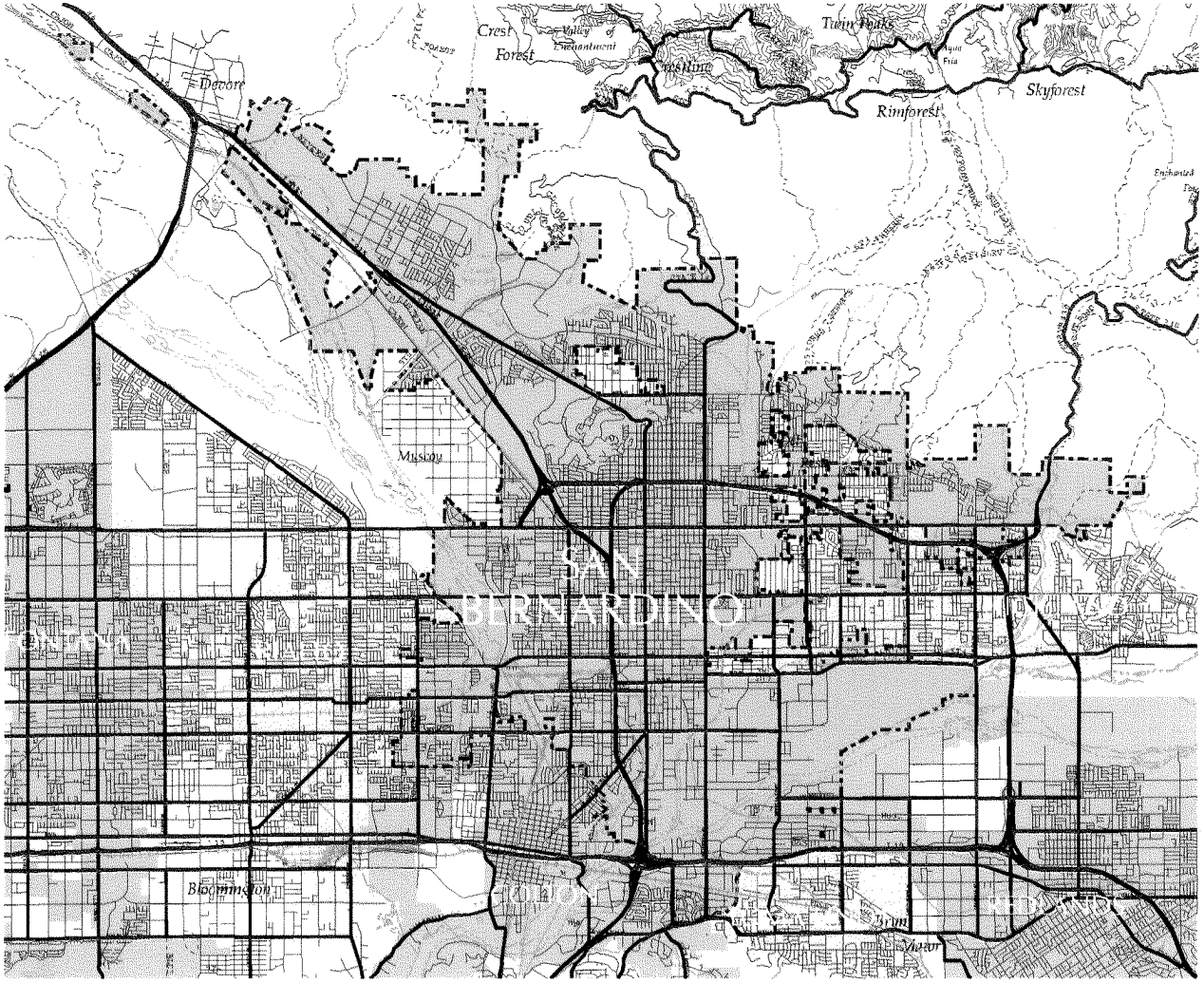
/krm

Attachments:

1. Location Map of the Existing Sphere of Influence of the City of San Bernardino
2. Outline of a City/Town
3. Summary City Profile Sheet and Survey Response Provided by the City of San Bernardino, Land Use Maps
4. Sphere of Influence Policies and Guidelines
5. Muscoy Redevelopment Study Area
6. Response from Tom Dodson and Associates
7. Draft Resolution #2846

Location and Vicinity Map of the Existing Sphere of Influence of the City of San Bernardino

Attachment 1



City of San Bernardino
San Bernardino Sphere
City of Redlands
City of Highland
City of Loma Linda
City of Rialto
Loma Linda Sphere
Rialto Sphere
City of Colton
Colton Sphere
City of Fontana
Fontana Sphere
City of Grand Terrace

CITY OF SAN BERNARDINO

City Limit & Sphere of Influence

Map Prepared On August 31, 2004

N

/gis/gn/app/lafco/plot/misc_1117/sbnc_map.plt luesday August 31, 2004 12:22 PM MAPSCALE: 1" = 7110477272727ft

Outline of a City/Town

Attachment 2

LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO

175 West Fifth Street, Second Floor, San Bernardino, CA 92415-0490
• (909) 387-5866 • FAX (909) 387-5871
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

CITY AND TOWN

(Government Code Sections 34000 et seq.)

WHAT IS A CITY/TOWN?

State law indicates that Cities are general purpose government agencies incorporated under provisions of the California State Constitution and Government Code. Webster's Collegiate Dictionary defines the word City as "an inhabited place of greater size, population, or importance than a town or village". Most all agree that a City represents an organized form of government providing services to a cohesive, generally urbanized or urbanizing area.

The State Legislature has granted municipalities the ability to be called either "City" or "Town". This choice is made either: (a) at the time of incorporation and is an element voted upon during the election; or (b) at a later date the name change can be accomplished through election. The laws which govern a City or Town are the same and in a legal context they are the same type of government agency. Many communities select the distinction of "Town" to provide permanence to the perception of a rural lifestyle enjoyed by the area's inhabitants.

All cities or towns incorporate as a "general law city", which means that they are limited in their powers to those expressly conferred upon them by the State legislature along with those powers "incident, essential, or granted to the object and purposes of a city". Following incorporation any City may propose a "charter" according to the procedures outlined in the government code. A City charter is a kind of local "constitution" wherein general state laws are made more locally-specific. A charter cannot contain provisions which attempt to override or counter the state laws and constitution; instead, the charter is intended to supplement the state laws based upon local circumstances and needs.

WHO GOVERNS A "CITY"?

A City Council or Town Council composed of at least five members is a

municipality's governing body. The term of office is four years, except for the original city council elected at incorporation.

The membership of the council can be elected at-large or by districts (or "wards"). A by-district council involves the division of the city territory into five districts of approximately equal population. Voters within each district vote for one candidate to represent their views to the entire council and the candidate must reside within the district. A charter city may propose, as one element of its charter, increasing the size of the council.

WHAT KINDS OF POWERS DOES A "CITY" HAVE?

Cities exercise two types of legal powers -- corporate powers and police powers.

- Corporate powers give the city the ability to raise, spend, and invest public funds in order to provide municipal service to city residents. The types of services which a city is able to provide are any kind of public service desired by residents including public safety, streets, parking, parks and recreation, water, sewage disposal, refuse collection and disposal, public landscaping, etc.

- Police powers regulate or restrict the activity of private parties. Such powers include: (1) planning and land-use control, including the adoption of general plans, zoning and subdivision controls, building regulations, etc.; (2) traffic and parking control; (3) animal control; (4) issuing utility franchises; (5) maintaining health and safety; (6) legal authority to condemn land for public purposes; (7) authority to enter into Joint Powers Agreements with other public agencies; (8) authority to sue and be sued.

A City or Town Council may act as the ex-officio governing body of a special district. This special district is established as a "subsidiary" district of the city. The independent District retains its boundaries, its employees, its separate budget but the Council is empowered to act as the board of directors of the special district. A special district may be established as a subsidiary district if it meets two specific criteria: (a) 70% or more of the district's land area is within the boundaries of the city; and (b) 70% or more of the district's registered voters reside within the boundaries of the city.

The listings outlined above are not all inclusive and are intended to provide an illustration of the range of activities in which a city may participate.

HOW CAN YOU BE ANNEXED INTO AN EXISTING CITY?

Once formed, a city's boundaries can be expanded to include additional territory within its sphere of influence which is:

- contiguous territory;
- noncontiguous territory if it is owned by the municipality and used for municipal purposes; for example, well sites, treatment plants, etc. (The requirement for inclusion within the city's sphere of influence does not apply in this circumstance).

Proceedings for the annexation process are handled under the provision of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Govt. Code Section 56000 et seq) which is administered by the Local Agency Formation Commission.

HOW CAN YOU FORM A CITY/TOWN?

The process involved in considering and reviewing the incorporation of a City/Town is outlined in a separate booklet prepared by the Local Agency Formation Commission entitled "Incorporation Guidelines".

Summary City Profile Sheet and Survey Response Provided by the City of San Bernardino, Land Use Maps

Attachment 3

CITY OF SAN BERNARDINO

CITY PROFILE SUMMARY SHEET

CONTACT PERSON: Lazlo "Les" Fogassy (Real Property Section) or Fred Wilson, City Administrator

ADDRESS: 300 North "D" Street

Mailing Address: Post Office Box 1318
San Bernardino, CA 92402
Phone: (909) 384-5002
FAX: (909) 384-5158 (City Clerk's office)

E-MAIL ADDRESS: webcomments@sbcity.org
WEBSITE LOCATION: www.ci.san-bernardino.ca.us

DATE OF MUNICIPALITY FORMATION: August 10, 1869
ESTABLISHED AS COUNTY SEAT: 1854 upon formation of San Bernardino County

CHARTER/DATE: January 6, 1905

REDEVELOPMENT AGENCY: __XX__ YES _____NO

If yes, please indicate name and define area of service.

Central City Projects -- Meadowbrook, adopted August 22, 1958
Central City, adopted March 27, 1965
Central East, adopted May 3, 1976
Central City South, adopted May 3, 1976
Projects merged in 1983 – 1,008 acres
Central City North, adopted August 6, 1973, 278 acres
State College Plan, adopted April 27, 1970, 1,800 acres
Central City West Plan, adopted February 17, 1976, 4 acres
Tri-City, adopted June 20, 1983, 378 acres
South Valle, adopted July 9, 1984, 289.3 acres
Uptown, adopted June 16, 1986, 432 acres
Northwest, adopted July 6, 1982, 1,500 acres
Mt. Vernon Corridor, adopted June 25, 1990, 1,983 acres
Southeast Industrial Park, adopted June 21, 1976, 870 acres

GOVERNING BODY:

Seven member city council elected by Ward; Mayor elected at-large

MEMBERSHIP (Mayor Pro Tem rotates monthly):

Judith Valles	Mayor
Esther Estrada	1st Ward
Susan Lien-Longville	2nd Ward
Gordon McGinnis	3rd Ward
Neil Derry	4th Ward
Chas Kelley	5th Ward
Rikke Van Johnson	6th Ward
Wendy J. McCammack	7th Ward

PUBLIC MEETINGS: City Council meets 1st and 3rd Monday of each month, beginning at 3:00 p.m., City Council Chambers, 300 North "D" Street.

SERVICES PROVIDED:

AREA SERVED 59 square miles (37,760 acres)
Sphere of Influence area estimated at 6,500 acres

POPULATION 185,272 (Defined by 2000 Census);
194,120 (Estimated for 2003)

SERVICE PROVIDED BY THE CITY DIRECTLY TO ITS PUBLIC:

Police protection; fire protection (with paramedics); land use planning, code enforcement, building and safety; park and recreation; roads; general government (City Council, finance, etc.); water service (retail – domestic, irrigation industrial); sewer service (collection and disposal); refuse collection; public landscaping; animal control, cemetery service

SERVICES PROVIDED TO THE CITY THROUGH A CONTRACTUAL RELATIONSHIP:

SERVICE	PROVIDED BY WHOM	DATE OF CONTRACT	SUNSET DATE
Ambulance	American Medical Response	Franchise granted by City in response to ICEMA directive	None identified
Vector Control	County of San Bernardino, EHS, Vector Control Program	Original contract for provision of service and overlay of benefit assessment Resolution No. 3103, August 18, 1987	None identified

SERVICES PROVIDED OUTSIDE AGENCY BOUNDARIES:

SERVICE	PROVIDED TO WHOM	DATE OF CONTRACT	SUNSET DATE
Fire Protection	Island areas within City sphere of influence easterly of I-15 through contract with the County and County Service Area 38	July 1999	None – termination allowed by terms of contract
Water Service	Properties outside city boundaries within sphere of influence	Unknown	Perpetual, City Municipal Water Department has Water Service area defined
Sewer Service	Provided by City to property owners within the sphere of influence through signing of an irrevocable agreement to annex	Dependent upon recordation date	Perpetual until annexed
Sewer Service	Territory within East Valley Water District not a part of the City of San Bernardino	Joint Powers Authority was entered into in 1957 for sewage treatment	Perpetual
Animal Control	Animal Control services provided to the Cities of Fontana and Loma Linda; housing of animals provided to the Cities of Colton and Grand Terrace	Unknown	Until contract amended to terminate service

Special Charges for service outside boundaries: None identified

SUBSIDIARY DISTRICTS ___YES __XX___ NO

SPHERE OF INFLUENCE:

ESTABLISHED:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	LOCATION
LAFCO 1459	Resolution No. 1133 June 11, 1975	Included areas of unincorporated territory to the north, east, south and west

CHANGES:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	TYPE OF CHANGE	LOCATION
LAFCO 1865	Resolution No. 1481 DECEMBER 13, 1978	EXPANSION	East of Boulder Avenue, north of Highland Avenue to the National Forest (known as the Hansen property)
LAFCO 2149	Resolution No. 1788 FEBRUARY 10, 1982	EXPANSION	Westerly of existing City sphere (Pacific Railroad) between communities of Muscoy and Devore
LAFCO 2260A	Resolution No. 1906 APRIL 11, 1984	EXPANSION	Area known as East Highlands -- north of Redlands sphere, east of Boulder, south and east of National Forest
LAFCO 2425A	Resolution No. 2098 JUNE 10, 1987	REDUCTION	Removal of territory proposed for incorporation into the City of Highland from sphere
LAFCO 2598	Resolution No. 2259 MAY 16, 1990	EXPANSION	Northwest of community of Muscoy, westerly of railroad
LAFCO 2788	Resolution No. 2483 MAY 19, 1995	REDUCTION	Removal of Devore Tract area generally southerly of the I-15 I-215 intersection encompassing approximately 157 acres
LAFCO 2808	Resolution No. 2528 SEPTEMBER 18, 1996	EXPANSION	Area commonly known as "Martin Ranch", generally northwest of Little League Drive
LAFCO 2813	Resolution No. 2532 OCTOBER 16, 1996	EXPANSION	Arrowhead Springs area properties owned by Campus Crusade encompassing approximately 1125 acres

TOTALLY SURROUNDED ISLANDS WITHIN BOUNDARY/SPHERE:

There are seven (7) totally surrounded islands within the City of San Bernardino sphere of influence and one (1) substantially surrounded island area. How many comply with provisions of Government Code 56375.3? At the time of this review, none of the islands comply with the size provisions of Government Code Section 56375.3. However, as of January 1, 2005, the acreage definition increases to 150 acres which may make several areas eligible for these provisions. Research currently in progress regarding acreage of islands.

BUDGETARY INFORMATION: (Not provided but available for review at City offices.)

OFFICE OF THE MAYOR
JUDITH VALLES

300 North "D" Street • San Bernardino • CA 92418-0001
909.384.5133 • Fax: 909.384.5067
www.ci.san-bernardino.ca.us

December 9, 2003

File No. 12.01-345

Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415

Re: Sphere of Influence/ Service Review Survey

Enclosed is a Sphere of Influence/Service Review Survey response for the City of San Bernardino, in conformance with Government Code Sections 56425 and 56430. I have reviewed the survey response and concur with and approve the findings stated therein. I understand that the survey response will be submitted to the Commission for their action at a future commission meeting.

Please contact Mr. Les Fogassy in the Development Services Department, (909) 384-5026 if you need additional information.

Sincerely,

JUDITH VALLES, Mayor
City of San Bernardino

JV/ls

Enclosure

DEC 0 2003

CITY OF SAN BERNARDINO
SPHERE OF INFLUENCE OF SERVICE REVIEW

Prepared in compliance with Government Code Section 56325 and 56430

SPHERE OF INFLUENCE

The City of San Bernardino is not anticipating an expansion of its current Sphere of Influence within the next five years. In the event that an opportunity for a sphere expansion does become available, it will be submitted under separate review subject to the requirements of Government Code Section 56425.

SERVICE REVIEW ISSUES

I. Infrastructure Needs and Deficiencies.
The City of San Bernardino's five-year Capital Improvement Plan (CIP) was adopted on 09-15-2003. The CIP outlines the City's present and future needs for capital improvements. The various projects are administered by the either the City's Public works Division or the Public Services Department. Copies of the CIP are maintained in the Development Services Department and are available for public review.

II. Growth and Population.
The City's population based on 2000 Census Data is 185,272. The estimated 2003 population is 194,120. The City's primary growth will be commercial development in the Tri-City area industrial and commercial development within the San Bernardino International Airport area; and residential in the North Verdemont area..

III. Financing Opportunities and Constraints

City revenues are derived from various sources, including the City's share of property tax revenue, sales tax, development and permit fees, motor vehicle in-lieu fees, grants, franchise fees, and Measure I (gas tax). Additionally, the City also levies a Utility User's Tax on various utility charges. A complete list of sources of City revenues is contained with the City budget, copies of which are maintained in the Finance Department and is available for public review.

IV. Cost Avoidance Opportunities.

The City of San Bernardino receives water primarily from two sources: The City of San Bernardino Municipal Water Department and the East Valley Water District within its corporate boundaries and sphere area. The City of San Bernardino cooperates with other local agencies on a variety of projects and services. No specific cost avoidance opportunities are identified for this review.

V. Rate Restructuring.

The City of San Bernardino's cost of services are evaluated periodically and adjusted to meet it's present costs of delivery of services. Copies of the City's rate structures are maintained in various City offices and available for public review.

VI. Opportunities for Shared Facilities.

The City of San Bernardino shares certain facilities with other local agencies such the Mill Center and the Center for Individual Development (CID). The City is also reviewing partnering with the San Bernardino City Unified School District for shared school facilities for recreational purposes. The City of San Bernardino will review and encourage future shared facilities as the opportunities become available.

VII. Government Structure Options

1. Agency Recommendation:
   a. Government structure options: The City continually explores the use of government structures that are result in optimal service delivery at a minimal cost. For example, the City currently provides fire protection services to County islands, and provides animal control field and shelter services for a number of surrounding cities. As a customer, the City contracts with the City of Inglewood for parking citation processing. Where appropriate, the private sector partners are engaged to perform certain functions. The City will continue to take an entreprenurial approach to government structure.
   b. Benefits to customers: Customers' needs are best served by using the structure option that acheives the best results for the least amount of costs. These benefits are enjoyed by the City's residents and businesses, as well as the residents and businesses in partnering communities.

2. Hurdles to Consolidation/Reorganization:

   There are a number of hurdles encountered in implementing alternative government structures for the provision of services. Chief among them is the issue of cost, and the need for all parties to benefit financially from any proposed change. Given financial constraints encountered by all local governments, it is difficult to support any change that may result in reduced revenues or increased costs, even when such change will result in service improvements.

   In addition to the cost hurdle, political hurdles are also another consideration. The lected officials involved may represent different constituencies that hold differing goals and desire differing outcomes.

3. Recommended Options:

The City recommends that East Valley communities continue to explore alternative government structure options that would improve service delivery and maximize resources.

a. Benefit to customers: As stated above, customers benefit by receiving improved services. Communities may benefit by achieving cost savings.
b. Services to be provided: Possible services include public safety (police and fire); animal control; maintenance services; IT functions.

VIII. Evaluation of Management Effciencies

1. Training opportunities:

East Valley cities can benefit through the use of joint employee training. The City has participated in the County's employee training program, and belongs to a regional consortium of cities that provides joint employee training in supervisory skills and other HR issues. Law enforcement agencies have long-standing training partnerships, such as the County Fire training facility in San Bernardino.

2. Staffing levels:

By exploring the alternative government structures as outlined in item VII above, staffing levels can be managed more effectively. Management efficiencies are achieved in this area by reducing the amount of overhead and management required in a given functional area. Higher staff/supervisor ratios are possible in a larger consortium than would be in a smaller agency.

3. Technology:

Shared technology is one area in which area cities may achieve management efficiencies. Some such partnerships are in place, such as the shared public safety radio system and related system through the County. Further efficiency opportunities should be explored for technology applications such as desktop computer support.

a. Billing systems: All agencies currently have separate billing and accounting systems. Implementation of a shared system would be extremely difficult, given the lack of standarization among the various computer platforms used by East Valley agencies.

4. Budget

a. Policies: The City's budget is developed in accordance with the City Charter and by past practice. Each year, the Finance Department provides a budget schedule and budget directions to all departments.
b. Preparation/public involvement: The City Budget is prepared annually. Each Department provides a preliminary submittal, which is reviewed first by the City Administrator and Director of Finance. A preliminary budget document is then prepared for the consideration of the Mayor and Common Council. The Preliminary Budget is discussed during a series of 3-4 Budget Workshops, which are held in June. All of these workshops

are public, and at least two (2) workshops are generally held during the evening hours. Members of the public are invited and encouraged to provide testimony and feedback to the Mayor and Council regarding the budget proposal.

c. Analysis – revenues/reserves/expenditures: See attached memo entitled "Detail Budget Overview" from Barbara Pachon, Director of Finance, dated June 2, 2003.

5. Joint Powers Agreements

a. Identify and describe: The City is party to a number of Joint Powers Agreements. Most significantly:

- Inland Valley Development Agency/San Bernardino International Airport Authority (IVDA/SBIAA): This entity consists of the City, County, and cities of Colton, Loma Linda, and Redlands. Created by special legislation in the 1990's, it is a redevelopment agency that is charged with the redevelopment of the former Norton Air Force Base.
- Water Resources Joint Powers Authority: This entity consists of the City, County, and the San Bernardino Valley Municipal Water District. The Water Resources JPA has been formed to develop a strategy to mitigate the problem of high groundwater in the downtown area. The JPA's goal is to use this water as an asset, creating a catalyst for downtown revitalization.

IX. Local Acconuntability and Governance:

1. Governing Body
   a. Selection process: The Mayor and Common Council are elected by the citizens of San Bernardino.
   b. Representation: The Mayor is elected at-large; each of the seven (7) Councilmembers are elected by ward.
   c. Frequency of meeings: The Mayor and Council meet twice per month.
   d. Brown Act compliance: All public meetings are noticed and conducted in accordance with the Brown Act. Meeting agendas are posted well in advance of the 72-hour requirement, and are posted at the City's libraries as well as City Hall. All meetings are conducted in the City Council Chambers and EDA Board Room.
   e. Number of elections over the last decade: City elections for public offices are held every two (2) years; 5 elections have been held in the last ten (10) years.

2. Customer Feedback
   a. Surveys: Regular customer feedback is solicited via the Mayor's Suggestion Boxes, which are located at City facilities. Customer comment forms are also available at the City Clerk's Office and Development Services Department, where most customer contact occurs. Results of customer comment cards are tabulated and distributed to the Mayor and Council on a monthly basis.

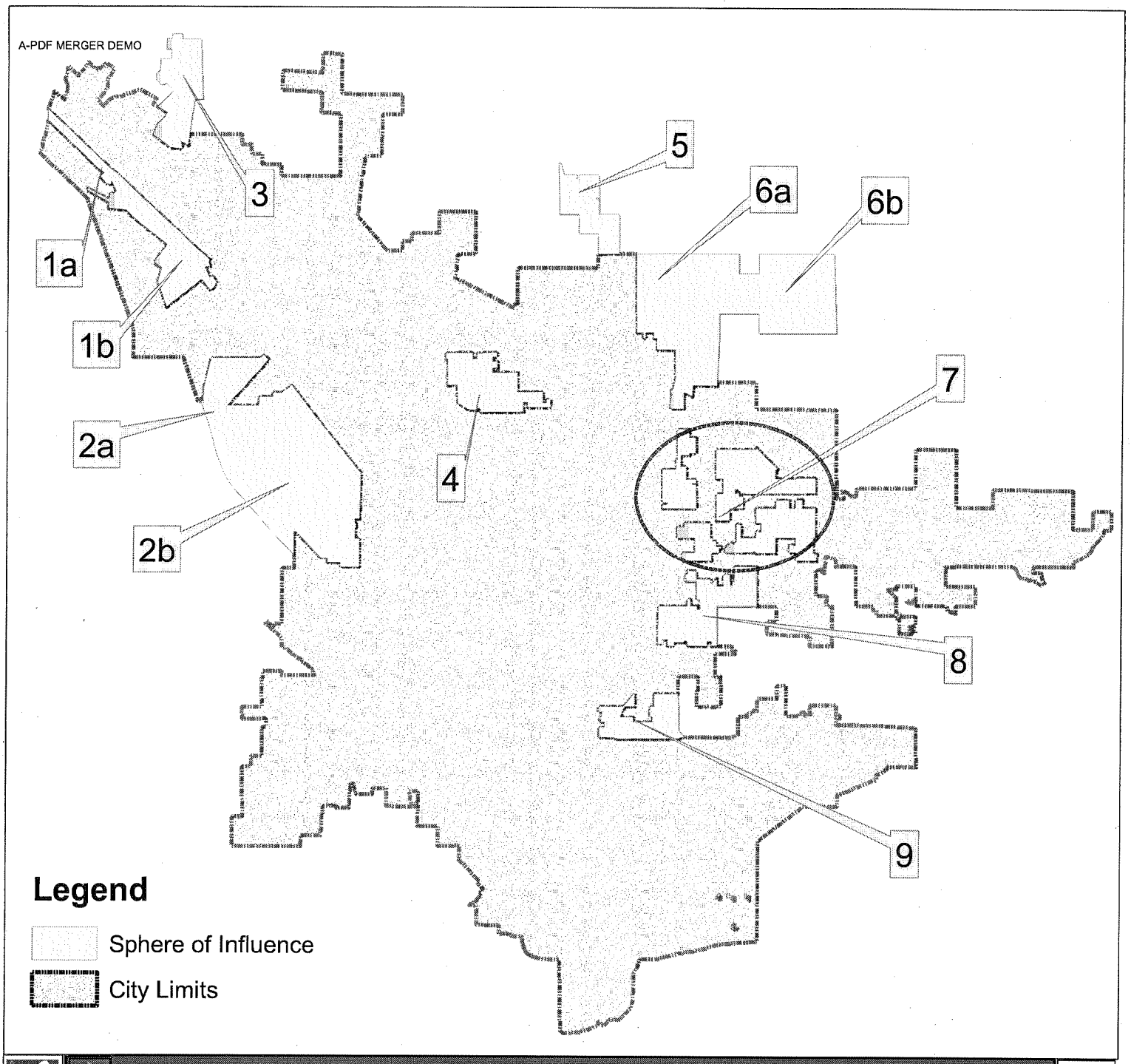
Additionally, the City occasionally conducts scientific surveys of the community to guage citizen satisfaction with City services, and evaluate community priorities. The Institute for Applied Research at CSUSB is used to conduct these surveys.

b. Complaint tracking: Each Department is responsible for tracking citizen complaints and requests for service. The City does not have a centralized complaint tracking system.

3. Access
   a. Hours: City offices are open extended hours (7:30 – 5:30) Monday through Thursday. City offices close at 4:30 on Fridays. Certain public safety facilities are open on weekends.
   b. Newsletters: The City publishes a quarterly newsletter entitled "News of the City". This informative newsletter is published and distributed through the Press-Enterprise newspaper, and is also available at all City facilities free of charge.
   c. Website: The City's website www.sbcity.org has a great deal of information available for any interested party. A major website update is planned in the coming months.
   d. Media coverage: City issues are covered in depth by reporters from both the Sun and the Press Enterprise.
   e. Cable/public access TV: The City has a public access channel, Channel 3, which is staffed by the City's Telecommunications Division. Channel 3 broadcasts Council meetings, Water Resources JPA meetings, the Mayor's Weekly Community Update, and other meetings and events.

4. Regular Progress Reports

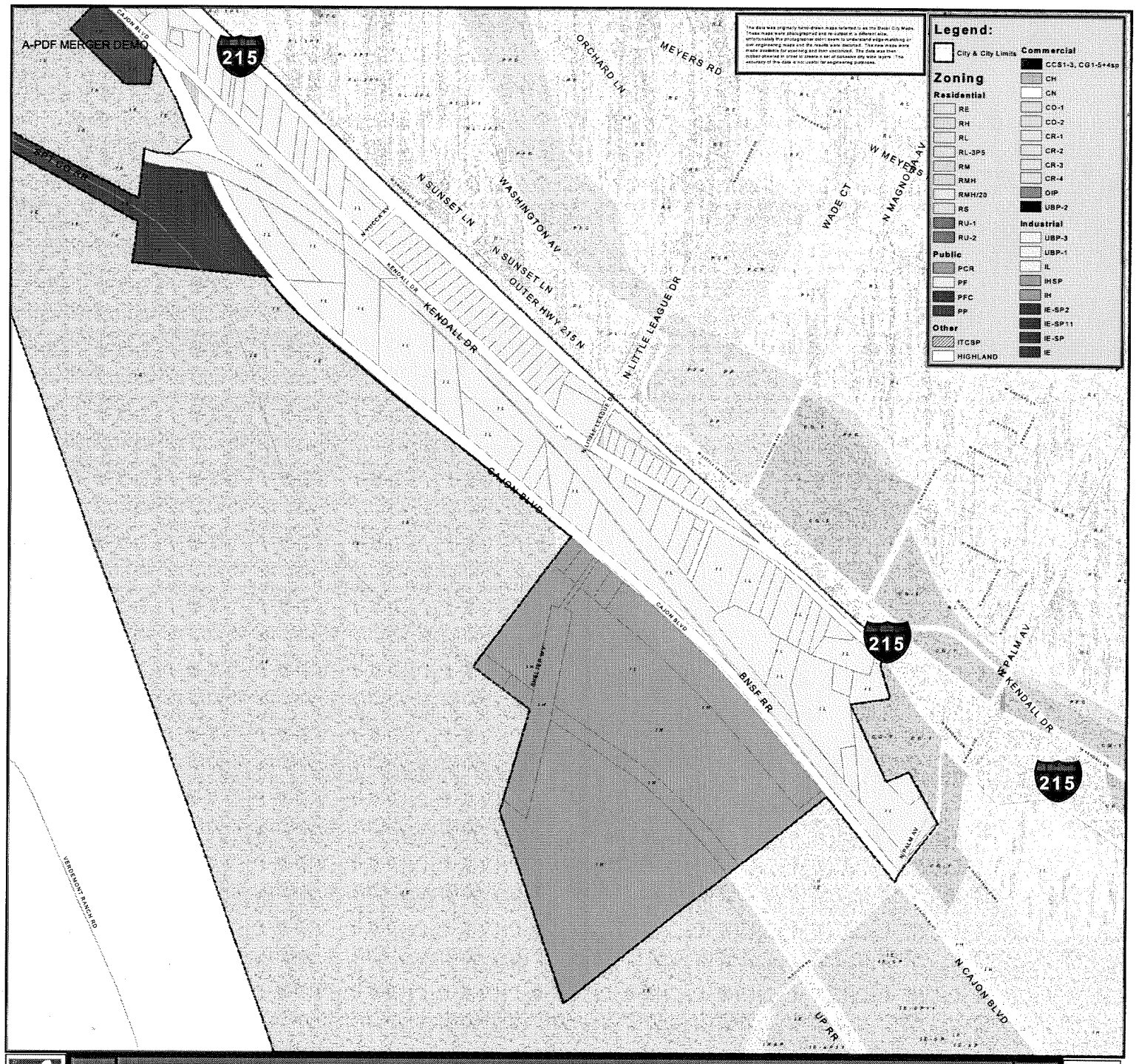
   a. Budget – major projects: Reports regarding the status of budget and major projects are provided on an ongoing basis throughout the year. Quarterly budget reports are presented and discussed with the Council's Ways and Means Committee. Major projects are discussed at each Council meeting. The Mayor's annual State of the City event also serves as an important venue to update the public concerning issues of interest.
   b. Operations: See above
   c. Voter participation: Participation is encouraged at Councilmeetings and neighborhood group meetings. Voter participation rates are reported at the Council meeting following each election.



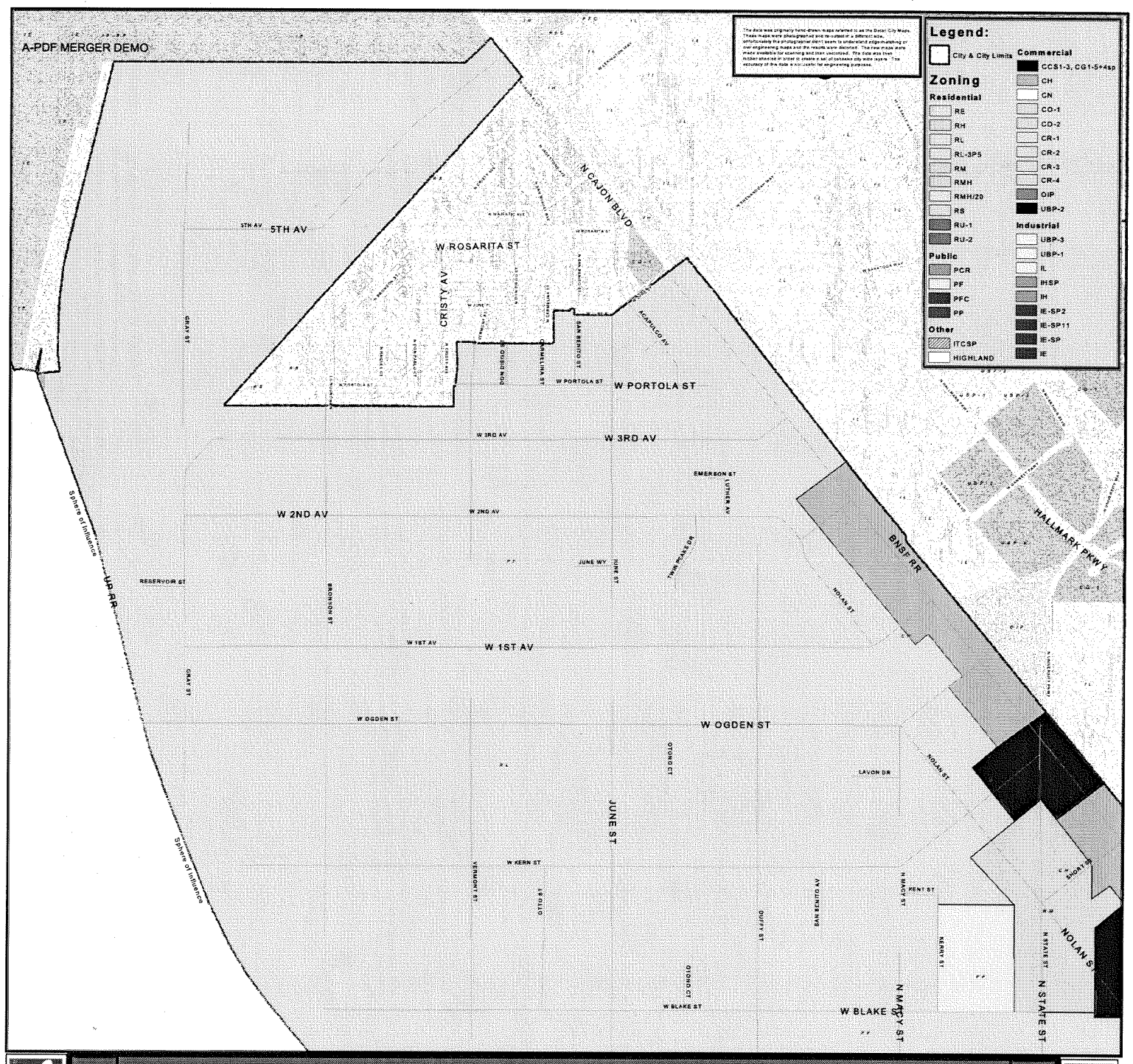
City of San Bernardino
Sphere of Influence Land Use Designations - Key Map

A-PDF MERGER DEMO

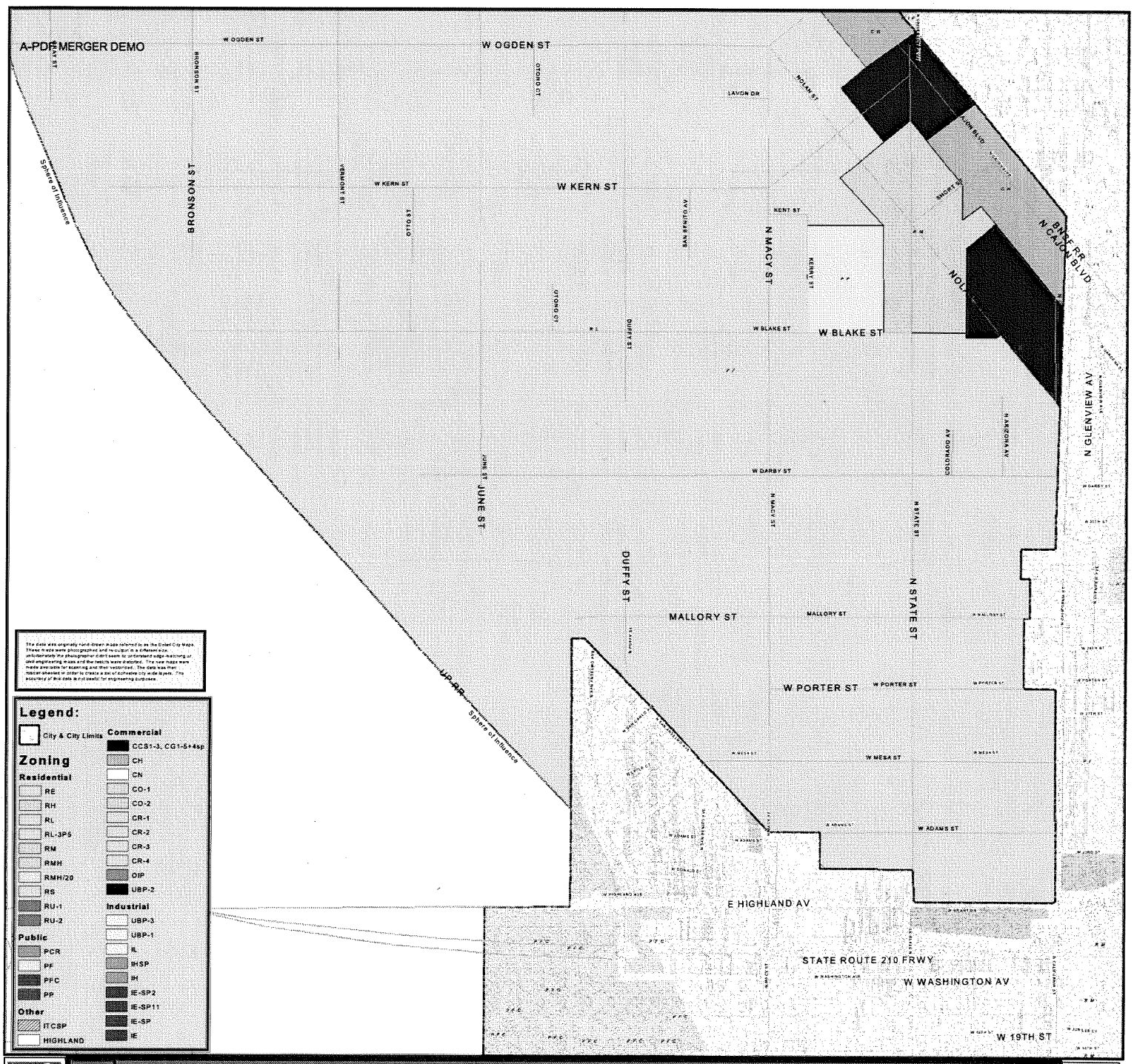
City of San Bernardino
Sphere of Influence Land Use Designations - Map 1a



City of San Bernardino
Sphere of Influence Land Use Designations - Map 1b

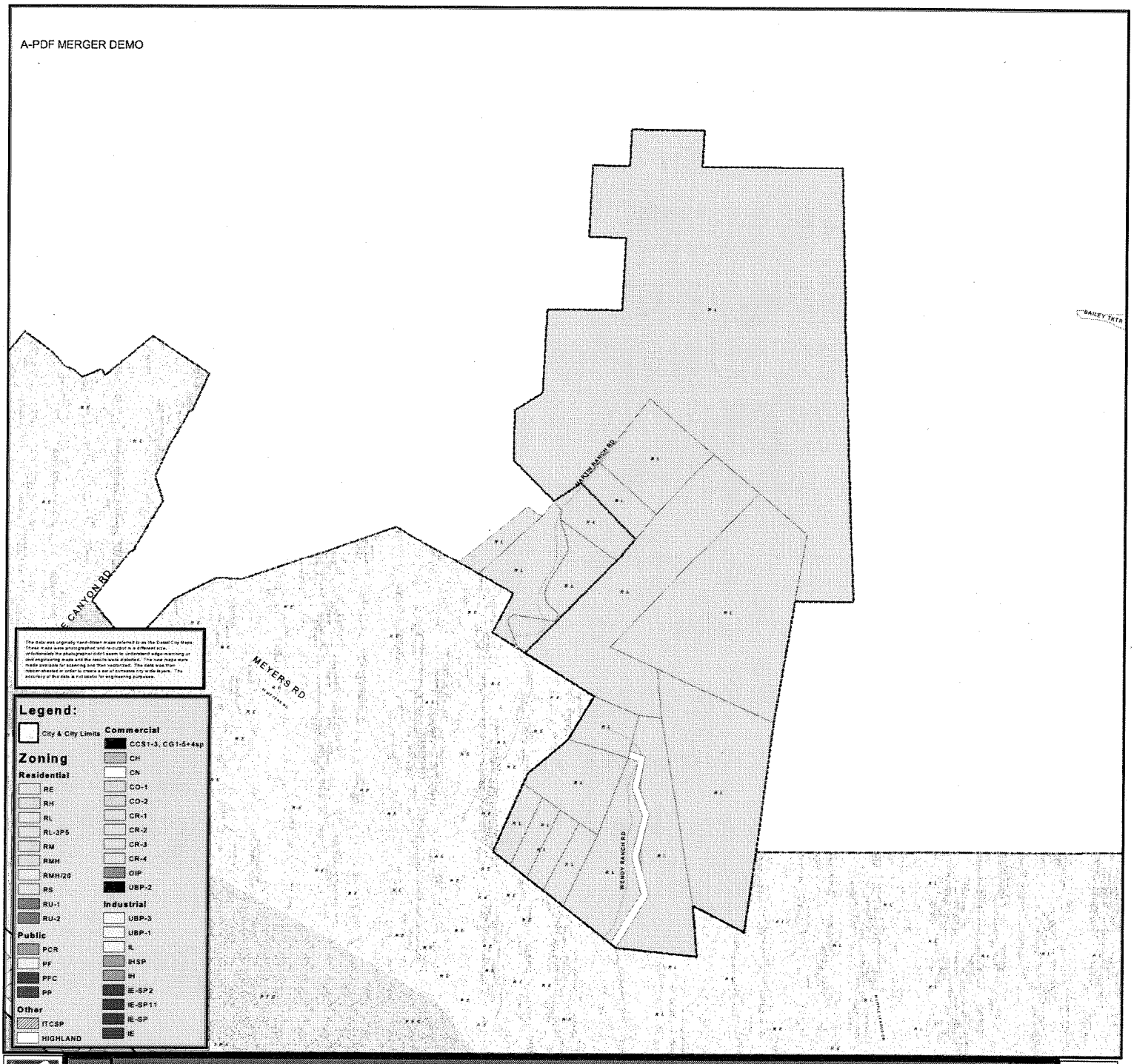


City of San Bernardino
Sphere of Influence Land Use Designations - Map 2a

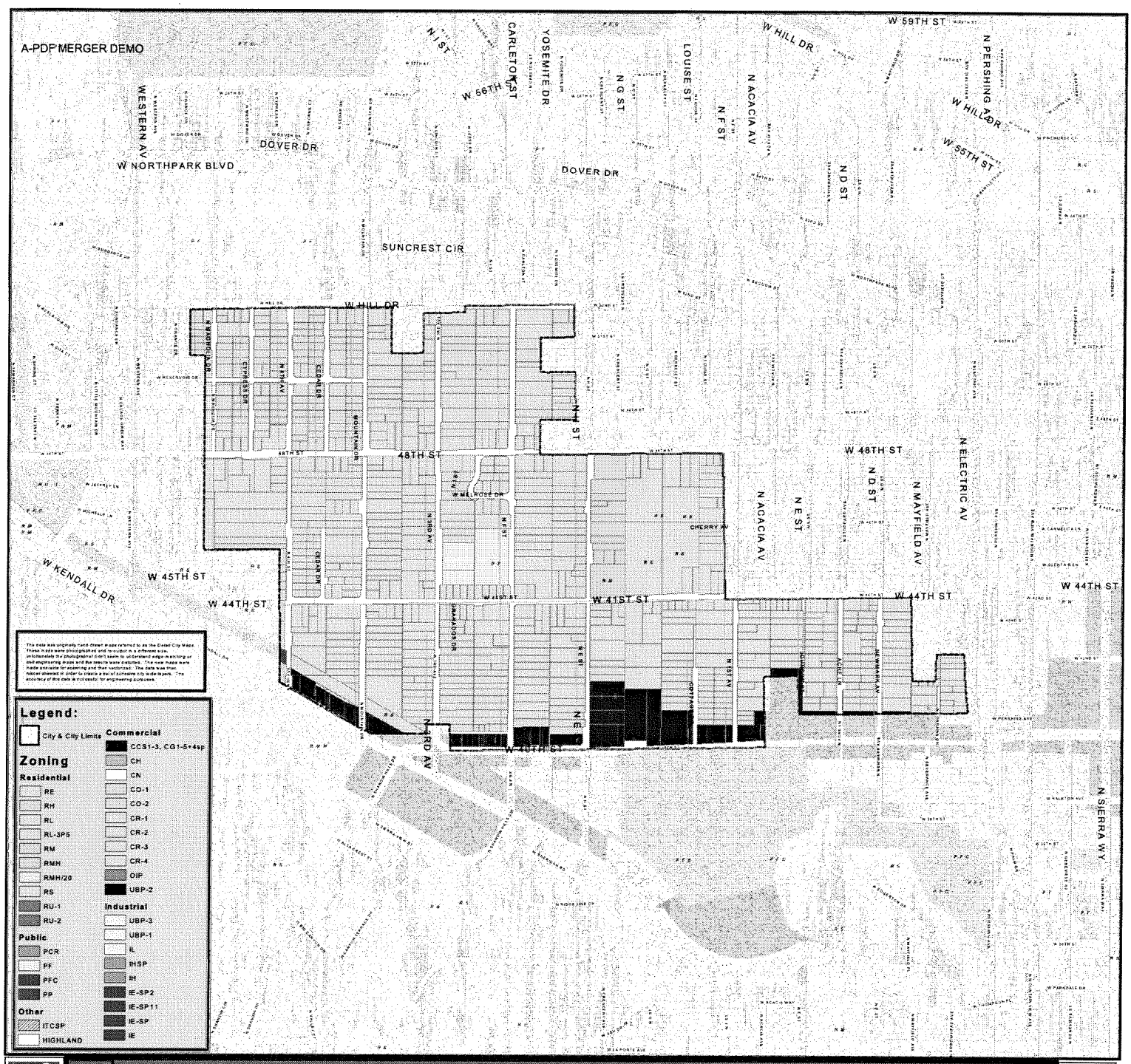


City of San Bernardino
Sphere of Influence Land Use Designations - Map 2b

A-PDF MERGER DEMO



City of San Bernardino
Sphere of Influence Land Use Designations - Map 3



City of San Bernardino

Sphere of Influence Land Use Designations - Map 4

A-PDF MERGER DEMO

The data was originally hand-drawn maps referred to as the Detail City Maps. These maps were photographed and re-scaled in a different size, unfortunately the photographer didn't seem to understand edge-matching or line engineering maps and the results were distorted. The new maps were made available for scanning and then vectorized. The data was then hubbed-stretched in order to create a set of cohesive city wide layers. The accuracy of this data is not useful for engineering purposes.

Legend:

City & City Limits

Zoning

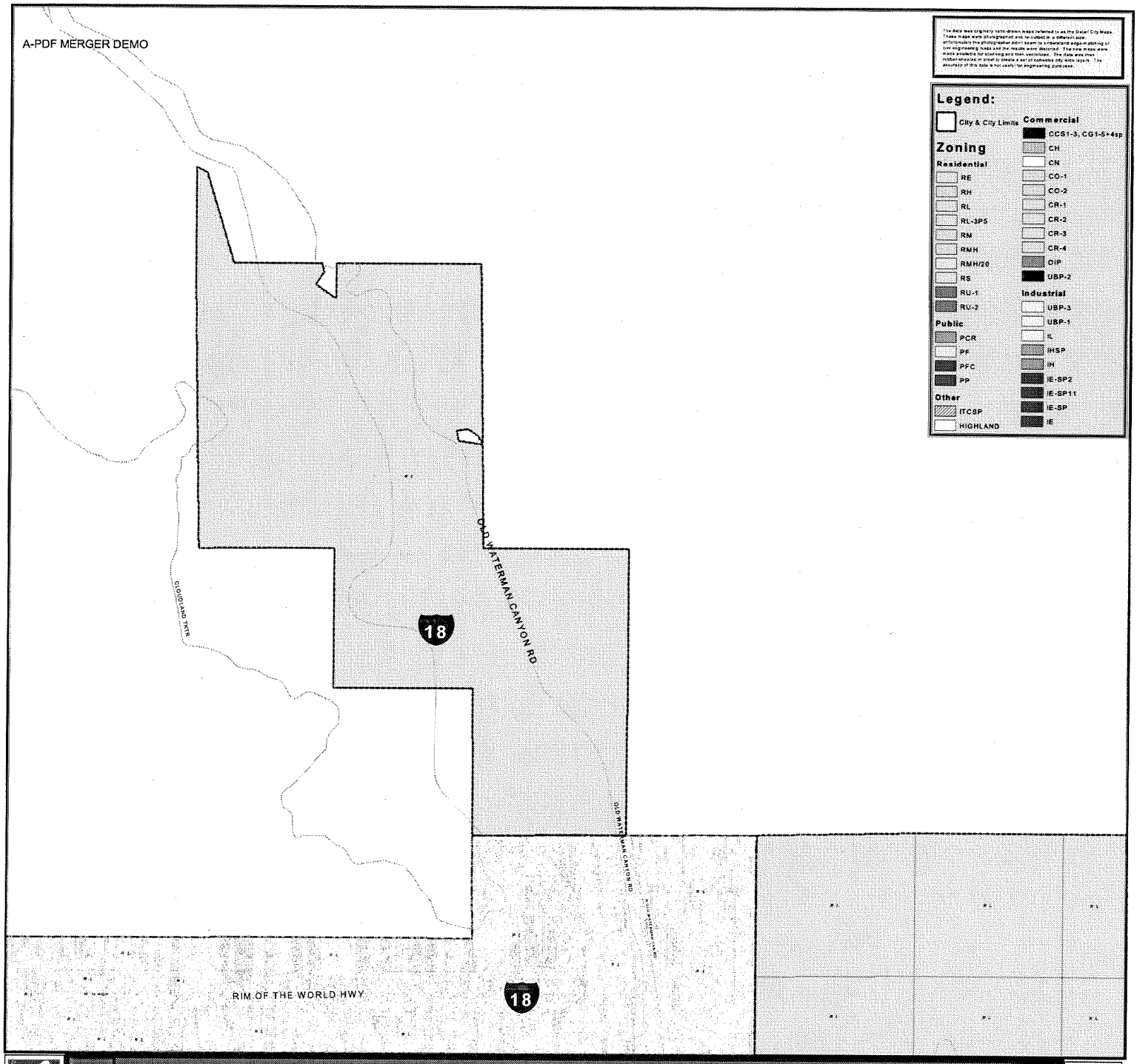
Residential
- RE
- RH
- RL
- RL-3P5
- RM
- RMH
- RMH/20
- RS
- RU-1
- RU-2

Public
- PCR
- PF
- PFC
- PP

Other
- ITCSP
- HIGHLAND

Commercial
- CCS1-3, CG1-5+4sp
- CH
- CN
- CO-1
- CO-2
- CR-1
- CR-2
- CR-3
- CR-4
- OIP
- UBP-2

Industrial
- UBP-3
- UBP-1
- IL
- IHSP
- IH
- IE-SP2
- IE-SP11
- IE-SP
- IE



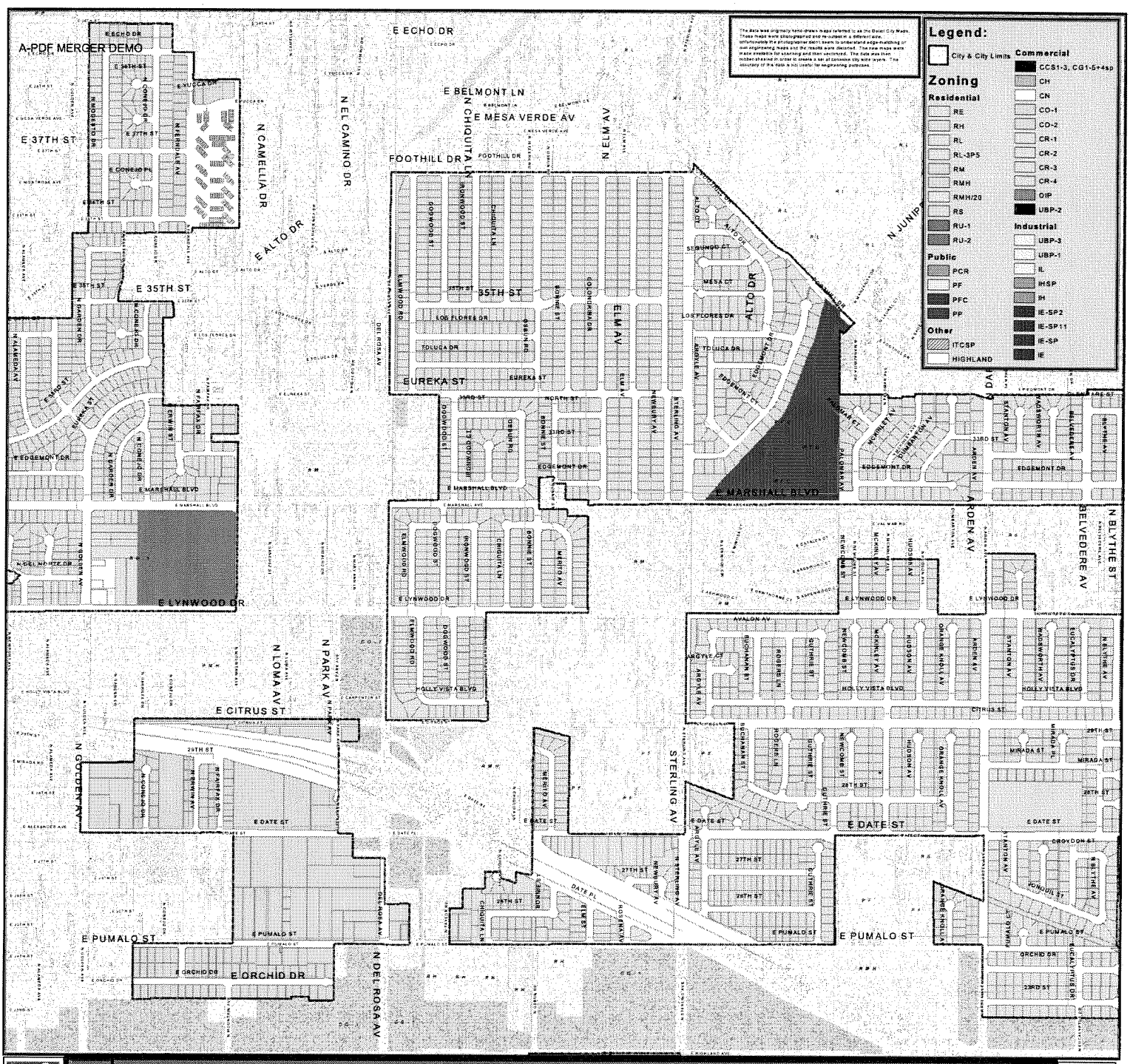
City of San Bernardino
Sphere of Influence Land Use Designations - Map 5

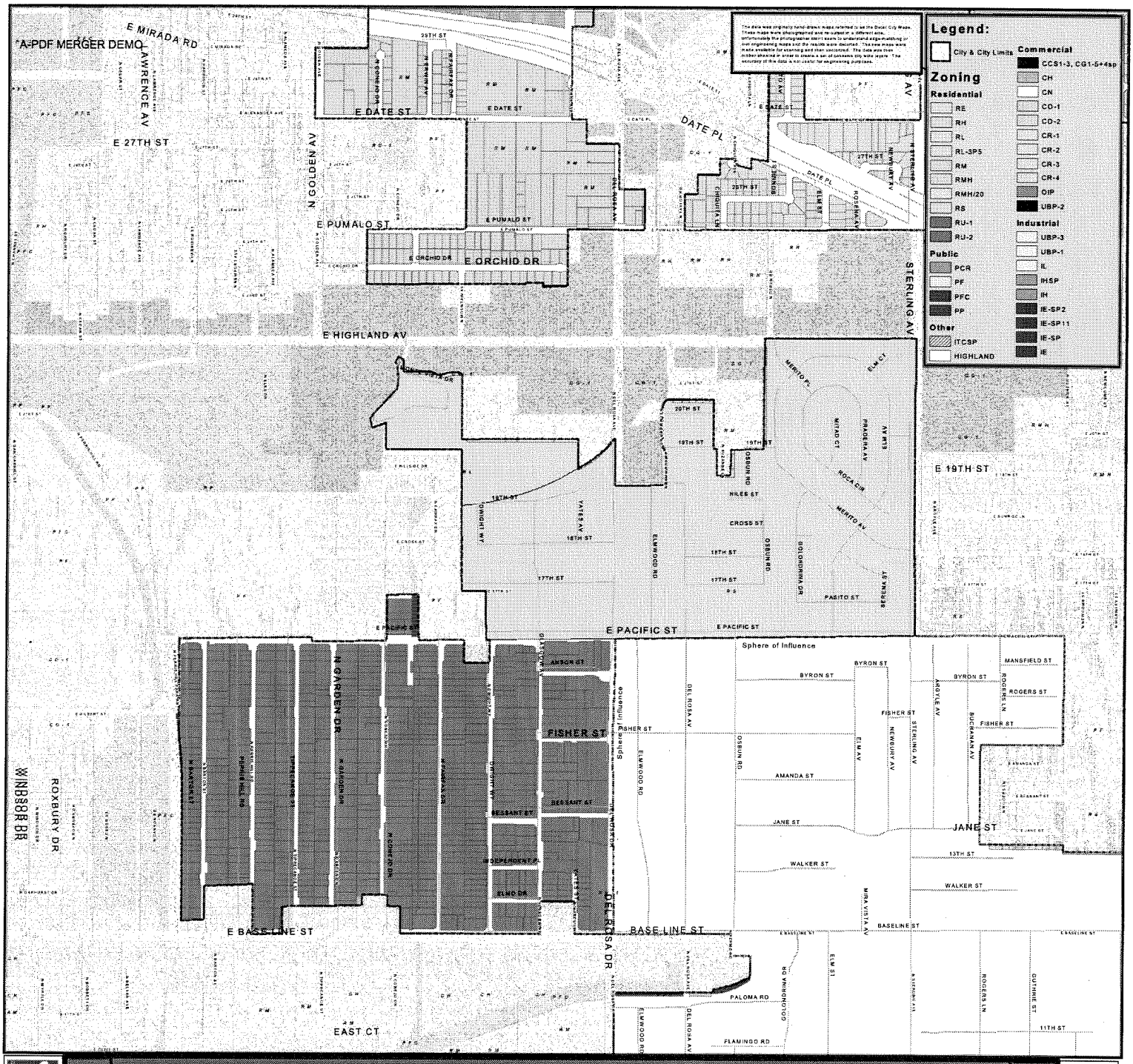
A-PDF MERGER DEMO

City of San Bernardino
Sphere of Influence Land Use Designations - Map 6a

City of San Bernardino

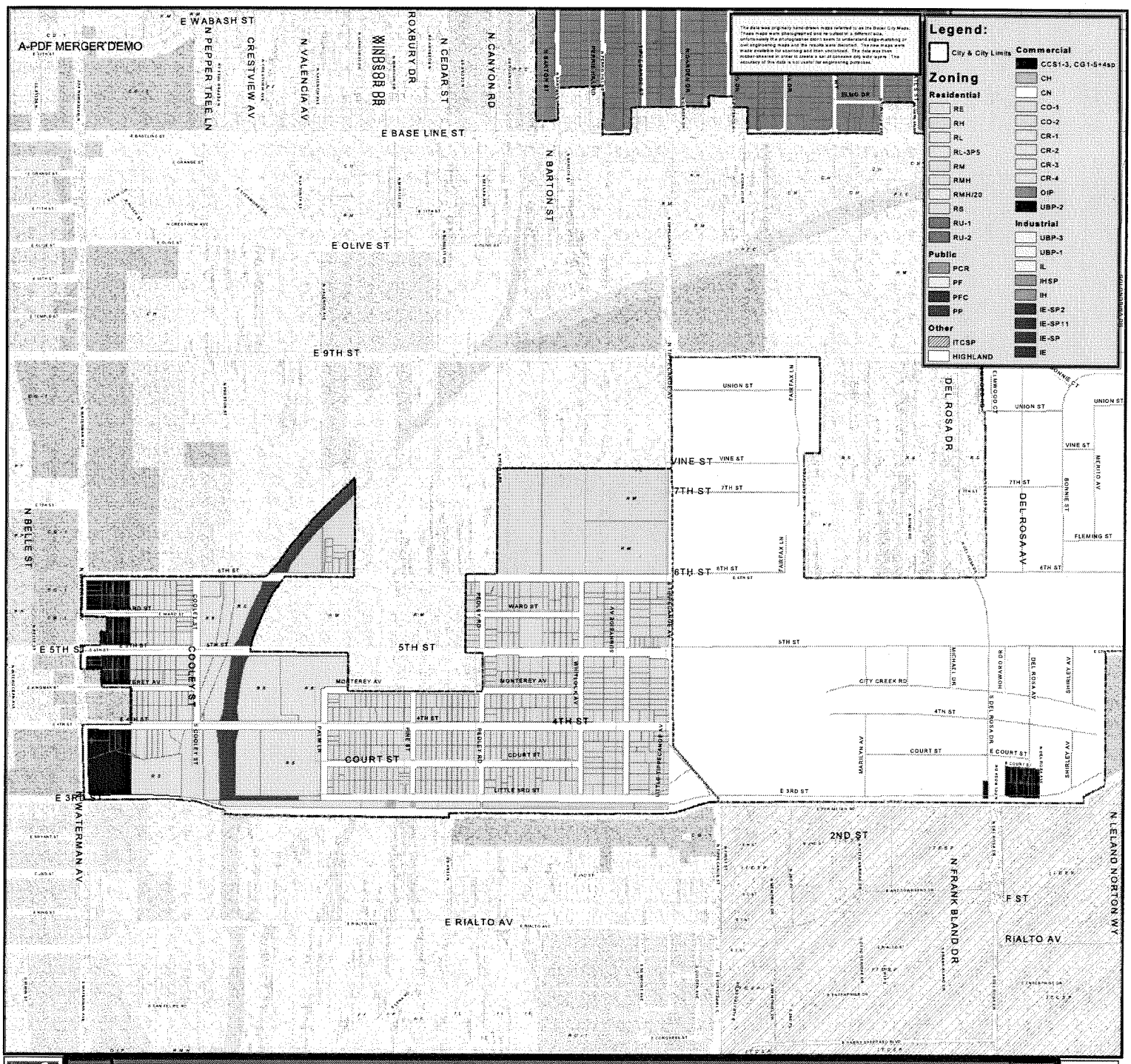
Sphere of Influence Land Use Designations - Map 6b


A-PDF MERGER DEMO
The data was originally hand-drawn maps referred to as the Detail City Maps. These maps were photographed and re-sized in a different size, unfortunately the photographer didn't seem to understand edge-matching or over engineering maps and the results were decomed. The new maps were made available for scanning and then vectorized. The data was then rectified based in order to create a set of consistent city wide layers. The accuracy of the data is not useful for engineering purposes.
Legend:
City & City Limits
Zoning
Residential
RE
RH
RL
RL-3P5
RM
RMH
RMH/20
RS
RU-1
RU-2
Public
PCR
PF
PFC
PP
Other
ITCSP
HIGHLAND
Commercial
CCS1-3, CG1-5+4sp
CH
CN
CO-1
CO-2
CR-1
CR-2
CR-3
CR-4
OIP
UBP-2
Industrial
UBP-3
UBP-1
IL
IHSP
IH
IE-SP2
IE-SP11
IE-SP
IE
E ECHO DR
E BELMONT LN
E MESA VERDE AV
FOOTHILL DR
N CHIQUITA LN
N ELM AV
N CAMELLIA DR
N EL CAMINO DR
E ALTO DR
E 37TH ST
E 35TH ST
EUREKA ST
E MARSHALL BLVD
E LYNWOOD DR
N LOMA AV
N PARK AV
E CITRUS ST
N GUDEN AV
E DATE ST
STERLING AV
E PUMALO ST
E ORCHID DR
N DEL ROSA AV
N JUNIPER AVE
ARDEN AV
BELVEDERE AV
N BLYTHE ST
AVALON AV
HOLLY VISTA BLVD
MIRADA ST
CROYDON ST
PONDOLA ST
ORCHID DR
EDGEMONT DR
TOLUCA DR
LOS FLORES DR
SEQUOIA CT
MESA CT
ALTO CT
DATE PL
27TH ST
28TH ST
29TH ST
30TH ST
33RD ST
35TH ST
37TH ST
CGIS
City of San Bernardino
Sphere of Influence Land Use Designations - Map 7
Legend
San Bernardino



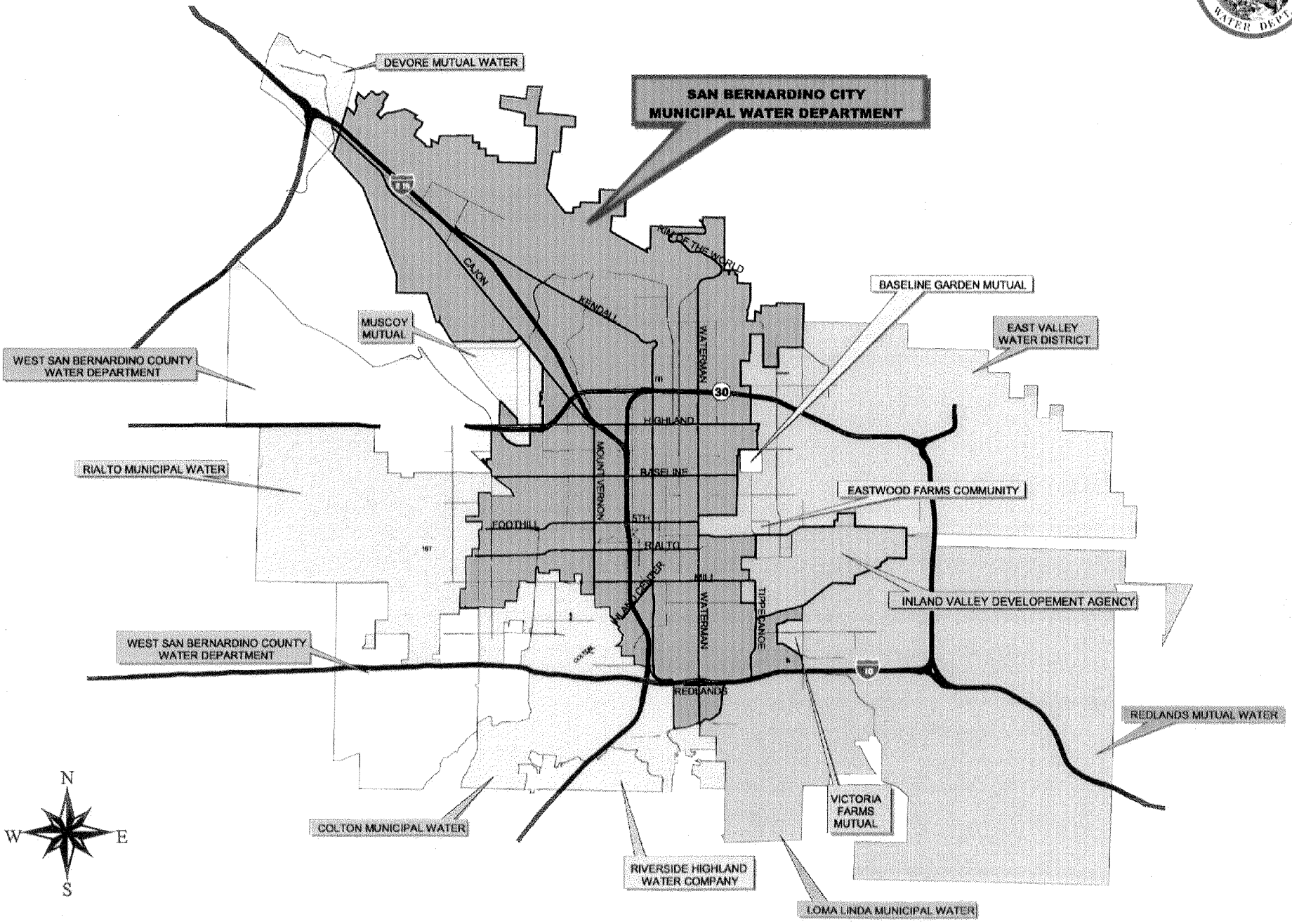
City of San Bernardino

Sphere of Influence Land Use Designations - Map 8



City of San Bernardino
Sphere of Influence Land Use Designations - Map 9

City of San Bernardino Municipal Water Department Service Area And Surrounding Water Agencies



Board of Water Commissioners

The City of San Bernardino Charter, Article IX, established the Board of Water Commissioners and granted it the authority and power to establish and collect all water rates, regulate and control the water system for the City of San Bernardino. Additionally, the Board of Water Commissioners was granted the authority and power, through the Mayor and Common Council and under the Charter, to regulate and control the City's wastewater treatment facilities. Members of the Board of Water Commissioners are appointed by the Mayor, subject to confirmation by the Common Council, and serve a six-year term. The Board meets twice monthly, on the first and third Tuesdays of the month.

President:

B. Warren Cocke

Commissioners:

Judith W. Battey
Toni Callicott
Martin A. Matich
Norine L. Miller

Agendas and Minutes

Agendas and Minutes

Copyright © 2004 City of San Bernardino Municipal Water Department. All rights reserved.

Sphere of Influence Policies and Guidelines

Attachment 4

SPHERE OF INFLUENCE

PURPOSE

(Adopted January 18, 1995, by LAFCO Resolution #2499)

Government Code Section 56076 defines a sphere of influence as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." It is an area within which a city or district may expand, over an undefined period of time, through the annexation process. In simple terms, a sphere of influence is a planning boundary within which a city or district is expected to grow into over time.

The purpose of a sphere of influence is to encourage the "logical and orderly development and coordination of local government agencies so as to advantageously provide for the present and future needs of the county and its communities." The following enumerated items comprise the statement of purpose adopted by San Bernardino LAFCO for spheres of influence:

1. To promote orderly growth of communities, whether or not services are provided by a city or district (board governed or independently governed);

2. To promote coordination of cooperative planning efforts among the county, cities, special districts, and identifiable communities by encouraging compatibility in their respective general plans;

3. To guide timely changes in jurisdiction by approving annexations, reorganizations, etc., within a sphere of influence only when reasonable and feasible provision of adequate services is assured;

4. To encourage economical use and extension of facilities by assisting governmental agencies in planning the logical and economical extension of governmental facilities and services, thereby avoiding duplication of services;

5. To provide assistance to property owners in relating to the proper agency to comprehensively plan for the use of their property;

6. To review, update, and/or change existing spheres of influence periodically to reflect planned, coordinated changes in factors which impact on spheres of influence; and

7. To encourage the establishment of urban-type services only within an adopted sphere of influence.

The Commission emphasizes that a sphere of influence is a planning tool and the establishment of a sphere of influence, or the inclusion of territory within a sphere of influence of an existing governmental entity, does not automatically mean that the area is being proposed for annexation or development.

Establishment of a Sphere:

As outlined under state law, the Commission is designated as the public body responsible for determining spheres of influence for each city and district within its jurisdiction.

As a function of incorporation and as outlined in Government Code Section 56426.5, the Commission must establish a sphere of influence for a newly-incorporated city within one year of its incorporation effective date. Usually within six months of a city's effective date, the LAFCO staff notifies the city of the requirement pursuant to state law. The sphere proposal may be initiated by the Commission, the city council, or the County Board of Supervisors, through adoption of a resolution of the governing body.

State law also stipulates that a sphere of influence will not be established or changed without specific review and study independent of any action before the Commission at the time. Public hearings are held to review sphere of influence proposals such as establishment, amendment, or in connection with any proposed annexation, which may or may not involve another agency's sphere of influence.

Factors of Consideration:

As part of a sphere of influence review and as outlined in Government Code Section 56425, LAFCO is required to review four "factors of consideration" in connection with any sphere of influence proposal. The factors of consideration are as follows:

1. The present and probable land uses within the area, including agricultural and open space lands;

2. The present and probable need for public facilities and services in the study area;

3. The present capacity of public facilities and the adequacy of public services that the agency provides or is authorized to provide; and

4. The existence of any social or economic communities of interest in the study area.

In these categories of review, a city or district must show that its planning activities can be beneficial to the area, and that the initiation of those activities is appropriate. None of the above factors by themselves shall be deemed to be a determining factor in the establishment or revision of a sphere of influence for a city, district, or community area, but shall be reviewed as part of the total project.

The factors of consideration noted above are addressed individually within the staff's report for each sphere of influence proposal.

COMMISSION POLICY GUIDELINES FOR SPHERES OF INFLUENCE

The approaches and/or methods listed below are policies adopted by San Bernardino LAFCO. The policies guide the Commission's review in its determination of spheres of influence, periodic reviews and/or updates, and any amendments of those sphere boundaries.

Concurrent Sphere Reviews:

The Commission may include additional agencies as part of its review of a sphere of influence proposal. In considering the sphere of influence of a community, the Commission will concurrently evaluate all agencies serving that community, and as a policy guideline, it will need to establish a single, coterminous sphere for all such agencies.

Community-by-Community Approach:

As previously mentioned, the community-by-community approach is a guide used to establish spheres of influence. The idea was adopted by San Bernardino LAFCO prior to the mandate for spheres of influence, and includes the practice of looking at a total area, which could be considered a community, and defining its boundaries. This approach also considers the existence of inter-related economic, environmental, geographic, and social interests, and attempts to harmonize the conflicting plans and services of the various service entities. Under this approach, an attempt is made to keep the spheres of influence of the various service districts as nearly the same as possible.

Coterminous Boundaries:

The Commission may establish a sphere of influence which is coterminous with existing city/district boundaries when it is not feasible for the public agency to expand beyond its present boundaries. However, as outlined in state law, a sphere of influence must be established for each city and district, regardless whether the sphere boundary is the same as the city or district boundary.

Environmental Review for a Sphere:

A sphere of influence proposal requires review of the environmental aspects of the proposed sphere. The environmental review process is a requirement outlined in the California Environmental Quality Act (CEQA) that applies to the review of sphere of influence proposals. In compliance with CEQA and the State CEQA Guidelines, San Bernardino LAFCO adopted its own

Guidelines and Policies Implementing CEQA on June 22, 1990 with a subsequent amendment adopted on January 18, 1995. The Commission's Guidelines and Policies tailor the general provisions of CEQA to LAFCO's specific functions as both a "Responsible" and a "Lead" agency. The Guidelines and Policies also provide specific procedures used by San Bernardino LAFCO to implement CEQA.

Each sphere of influence proposal involving establishment, expansion, reduction, or submitted as part of the annexation proposal, must be reviewed by the Commission's environmental consultant. As a requirement of LAFCO's review, the environmental assessment must be completed prior to the Commission's review of the item.

Exclusion of Territory:

Under certain circumstances, a sphere of influence may exclude portions of the existing boundaries of a city or district. The Commission encourages reorganization and special studies in this situation to make final determination of which city or district should serve.

For example, certain portions of the City of San Bernardino are surrounded on three sides by the City of Highland, as there are certain portions of the City of Highland that are surrounded on three sides by the City of San Bernardino. In these situations, a sphere of influence study may be initiated to determine which public agency could better serve the area of review. The sphere of influence study would include a review of the possibility of excluding territory from one jurisdiction and the placement of the same territory in another jurisdiction's sphere of influence. The purpose of excluding territory would be an attempt to straighten irregular boundaries, and eliminate confusion arising from multiple jurisdictions.

Modification of a Sphere Review Area:

During the review of a sphere of influence proposal, the Commission may modify the area of review by expanding or reducing the area of review. The expansion or reduction of a sphere can be for several reasons, such as to include areas that may be better served by a public agency, or exclude areas that may be better served by another public agency.

Periodic Review/Update of a Sphere:

As a function of its duties and responsibilities, LAFCO is required to periodically review and/or update spheres of influence. Government Code Section 56425 requires the Commission to review and update, if necessary, all spheres of influence for cities and special districts at least once every five years.

The periodic sphere review does not preclude a public agency (city or district), or an individual from initiating a sphere proposal. The purpose of the periodic sphere review plan is to keep abreast of changes occurring within the public agencies under the jurisdiction of LAFCO.

Requirement for a Sphere Review in Relationship to Annexation:

State law precludes the Commission from approving annexation proposals lying outside of current sphere of influence boundaries for the affected city or district. If an annexation proposal lies outside the sphere of influence of a city or district, the annexation proposal must also include a sphere review. The joint sphere and annexation review is to maintain consistency in city or district boundaries and their sphere boundaries, for the extension and provision of services as it relates to proposed annexation sites.

Responsibility/Obligation for a Sphere Area:

When a sphere of influence is assigned, a city or district is required to commence long range land use and service planning activities, thereby enabling it to respond to any annexation requests it might receive from landowners or residents within the sphere. By accepting a sphere of influence, a city or district agrees to plan for the provision of services.

Urban Development within a City Sphere:

LAFCO takes the position that any new urban development which occurs within a city sphere of influence should take place as close to the city's urban area as possible. This position is emphasized for two reasons: First, so that contiguous areas may easily be annexed to the city; and secondly, so that the new urban area can be served by reasonable extension of the city's already developed municipal services.

Muscoy Redevelopment Study Area

Attachment 5

REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
COUNTY OF SAN BERNARDINO [redacted], CALIFORNIA
AND RECORD OF ACTION

August 17, 2004

72

FROM: **JOHN E. NOWAK, Redevelopment Administrator**

SUBJECT: **REQUEST FOR PROPOSALS FOR PREPARATION OF PLANS AND RELATED STUDIES FOR CREATION OF REDEVELOPMENT PROJECT AREAS IN THE BLOOMINGTON AND MUSCOY AREAS**

RECOMMENDATION: Approve the issuance of a Request for Proposal (RFP) for the preparation of plans and related studies for creation of redevelopment project areas in the Bloomington and Muscoy areas of San Bernardino County.

BACKGROUND INFORMATION: On November 18, 2003 (Item No. 76) the Redevelopment Agency Board approved a contract with GRC Redevelopment Consultants, Inc. to conduct an Initial Feasibility Study of various areas in San Bernardino County to determine if they would qualify as redevelopment project areas under California Community Redevelopment Law (CRL). Two of the areas studied were Bloomington and Muscoy, located in the Fifth Supervisorial District.

The Initial Feasibility Study determined that both areas would qualify under the significant blighted conditions and the 80% urbanization criteria of CRL, and would generate sufficient tax increment over the 35-year life of the Plan to be able to ameliorate the blighted conditions. The District Supervisor desires to proceed with the creation of redevelopment project areas for both the Bloomington and Muscoy areas.

There is a formal process required under CRL to establish a redevelopment project area and adopt a redevelopment plan. The required actions include preparation of an Environmental Impact Report, detailed blight determinations, fiscal analysis, preparation of legal meets and bounds, reviews by taxing entities in the proposed area, establishment of a Project Area Committee, preparation of preliminary reports and redevelopment plans, actions by the Planning Commission, community outreach, and legal noticing on a variety of topics. Because of the complexity of preparing a redevelopment plan, a consultant firm with experience in creating redevelopment plans will need to be contracted to work with Agency staff.

The attached RFP outlines the Scope of Services to be performed by the consultant. The tasks are those required under CRL. Plan adoption will take from 12 to 16 months to complete. The RFP will be sent to firms pre-qualified by Agency staff and posted on the California Redevelopment Association's website. The deadline for proposals to be submitted is 3:00 p.m. on Thursday, September 9, 2004. Firms are allowed to submit proposals for either project area, or for both project areas. Proposals will be evaluated on the firm's prior experience in preparing a similar Redevelopment Plan, qualifications of staff, ability to provide requested services in a

Record of Action of the Board of Directors

timely manner, and the proposed cost for the services. A contract for services will be presented for the Agency Board's consideration after evaluation of the proposals received.

REVIEW AND APPROVAL BY OTHERS: This report has been reviewed by County Counsel (Michelle D. Blakemore, Deputy County Counsel, 387-5455) on August 9, 2004; and by the County Administrative Office (Tom Forster, Administrative Analyst, 387-4635) on August 9, 2004.

FINANCIAL IMPACT: There are no costs associated with the issuance of the RFP. Funding for the plan preparations will be identified when the contract is presented for approval.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item, concurs with the department's proposal, and recommends this action because the creation of redevelopment project areas for Bloomington and Muscoy will facilitate the revitalization of two areas within the County experiencing blighted conditions. In addition, consultant services are needed to prepare the new redevelopment project area plans. Further, no County General Funds will be used to contract for these services.

SUPERVISORIAL DISTRICT(S): Fifth

PRESENTER: John E. Nowak, Redevelopment Administrator, (909) 381-7983.

REQUEST FOR PROPOSAL

PREPARATION OF PLANS AND RELATED STUDIES for the ESTABLISHMENT OF NEW REDEVELOPMENT PROJECT AREAS in the BLOOMINGTON AND MUSCOY AREAS of SAN BERNARDINO COUNTY

(RFP # RDA 2004-03)

Requested by:

County of San Bernardino Redevelopment Agency
215 N "D" Street, Suite 301
San Bernardino, CA 92415

Request for Proposal
Preparation of Redevelopment Project Area Plans
And Related Studies

Section 1: PURPOSE

The San Bernardino County Redevelopment Agency ("CoRDA") is issuing this Request for Proposal ("RFP") for the purpose of selecting a firm to prepare Redevelopment Project Area Plans and related studies for the establishment of two (2) redevelopment project areas within unincorporated San Bernardino County.

Section 2: PROPOSED PROJECT AREAS

The **Bloomington** area is located north and south of the I-10 Freeway between the cities of Rialto and Fontana. It comprises approximately 4,400 +/- acres with residential, commercial, public and vacant land uses. (See attached map.) The area is a mix of recent development interspersed with older residential and commercial uses. Residential development south of the Freeway has minimal infrastructure development.

The **Muscoy** area is located west of the I-215 Freeway and east of Lytle Creek Wash, and is substantially surrounded by the City of San Bernardino. It comprises approximately ----- acres with predominately residential and commercial land uses. (See attached map.) This potential project area is comprised of two non-contiguous areas. The area's residential parcels have older structures with minimal public infrastructure. Commercial areas are limited and contain primarily small businesses. Few large industries exist in the proposed area, while surrounding areas have seen recent residential and commercial growth.

Section 3: PROPOSED REDEVELOPMENT PROJECT AREA PLANS

The CoRDA is proposing the creation of two new Redevelopment Project Areas pursuant to the California Community Redevelopment Act (Health and Safety Code Sections 34000 et seq). Initial feasibility studies were conducted for each area and found to qualify under the urbanization and blighted criteria set forth in the Act. They are also projected to generate sufficient tax increment financing as to be fiscally viable project areas. Due to the makeup of the residential communities and the intent to retain the use of eminent domain for residential properties, Project Area Committees will need to be established for both the Bloomington and the Muscoy areas.

For both proposed Project Areas, it is the CoRDA's intent to use the 2005-06 Assessment Roll as the base year for the project areas. The adoption date of the proposed plans shall be no later than November 30, 2005 to provide for the tax

increment to start being collected in FY 2006-07. Firms must base their proposals on meeting this critical deadline.

Section 4: SCOPE OF SERVICES

The selected firm will be required to provide the following services in response to this RFP.

1. Prepare a detail schedule for adoption of the Plan for use by County agencies. The schedule shall not only address the November 2005 adoption date, but also provide for the public hearing for adoption of a PAC to be held in December 2004.

2. Prepare all necessary documents and reports for approval to establish the area as part of a redevelopment study area. The documents shall include all resolutions, ordinances and staff reports required for Planning Commission, Board of Supervisors, and Agency Board of Directors actions. Includes the firm attending meetings as needed and directed by the CoRDA. (Estimated at 2 at the Planning Commission, 4 at the Board / Agency, 3 community meetings, and 4 PAC meetings.)

3. Work with County Counsel and Special Agency Counsel on legal issues and documents related to the Plan adoption.

4. Work with County departments on activities related to the Plan adoption.

5. Prepare all necessary maps and legal descriptions for the Plan.

6. Work with County departments and Supervisor District staff to identify public improvements and public facilities to be included in the Project Plan.

7. Prepare notification letters and mail documents to property owners, businesses and other taxing entities within the proposed Project Area related to the PAC, Plan preparation, and other reports in the manner prescribed by CRL.

8. Prepare required documents for establishment of a Project Area Committee (PAC) in each of the areas; assist in structuring the PAC, holding elections and in conducting meetings of the PAC. Four meetings are anticipated, including one initial orientation meeting for the elected members.

9. Conduct all required environmental reviews, including preparation of an Environmental Impact Report (EIR) for the Plans.

10. The EIR shall specifically include an assessment of the existing infrastructure conditions and establish infrastructure needs to support future redevelopment of the project area. Development shall be based on the land use proposed in the draft General Plan currently being prepared for the two areas. Focused attention shall be on roads, sewers and/or on-site sewage disposal, and water supply and distribution.

11. Provide support for three (3) community meetings on the proposed plan adoption, including preparation of informational materials and arranging for mailings.

12. Prepare all necessary documents to other taxing entities and respond to inquiries

13. Prepare the Preliminary Report, Project Plan, Report to Participating Entities, and Implementation Plan for the Project Area.

14. Prepare all public notices and mailings required for the Plan adoption.

15. Such other actions as are required under California Redevelopment Law for adoption of a Redevelopment Plan.

Section 5. <u>TENTATIVE SCHEDULE</u>

Following is a tentative schedule related to this RFP.

Release of RFP	Thursday, August 19, 2004
Submittal Deadline	Thursday, September 9, 2004
Review of Proposals	September 10 - 21, 2004
Interviews (if needed)	Thursday, September 16, 2004
Board approval of contract	Tuesday, October 5, 2004
Commencement of contract	Thursday, October 7, 2004
Completion of Plan adoptions	November 2005

Time is of the essence for the Plan adoption. An expedited process is anticipated where possible. The actual completion date will be determined following discussion with the selected firm.

Section 6. <u>SELECTION PROCESS</u>

A committee comprised of County staff will review proposals received in response to this RFP. Criteria to be used in evaluating the proposals will include, but are not limited to:

- Prior experience in preparing a similar Redevelopment Plan.

- Depth of staff capabilities and support to complete the amendment.
- Qualifications of principal staff and any sub-consultants in their areas of expertise. Principals may not be changed without prior approval by the CoRDA.
- Ability to provide the requested services in a timely manner.
- Proposed cost for the scope of work (both not-to-exceed fee and hourly rates).

Some or all of the firms submitting a proposal may be invited to make a presentation before the review committee. The purpose of the presentation will be to provide detailed information on specific aspects of the proposal and to answer questions from the committee. Firms invited to provide a presentation will be advised of areas where additional information is requested at the time the presentation is scheduled. The firm proposed for recommendation will be subject to a full review by the CoRDA.

The Agency reserves the right to award a contract to prepare the redevelopment plans either separately or both to a single firm. A contract for the selected firm will be presented to the Redevelopment Agency Board of Directors for approval. The contract shall include provisions for substantial penalty if there is a delay in adoption of the Plan as a direct result of solely the firm's actions or failure to take appropriate action.

Section 7: GENERAL REQUIREMENTS

Former County Officials

Provide information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent your business. The information provided must include a list of former county administrative officials who terminated county employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information should also include the employment and/or representative capacity and the dates these individuals began employment with or representation of your business. For purposes of this Section, "county administrative officer" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

Failure to provide this information may result in the response to this RFP being deemed non-responsive.

Inaccuracies or Misrepresentations

If in the course of the RFP process or in the administration of a resulting contract, the county determines that the firm has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to

the county, the firm may be terminated from the RFP process or in the event a contract has been awarded, the contract may be immediately terminated.

In the event of a termination under this provision, the county is entitled to pursue any available legal remedies.

Disclosure of Criminal and Civil Proceedings
The County reserves the right to request the information described herein from the firm selected for contract award. Failure to provide the information may result in a disqualification from the selection process and no award of contract to the firm. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected firm also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected firm may be asked to disclose whether the firm, or any of its partners, principals, members, associated or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firms business, or whether the firm, or any of its partners, principals, members, associated or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the firm will be asked to describe any indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected firm may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil action filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the firm will be asked to describe any such legal proceedings (and the status and disposition thereof), and the surrounding circumstances in detail.

For purposes of this provision, "key employees" includes any individual providing direct service to the county. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

Insurance Requirements
The selected firm must provide proof of insurance to the County prior to approval of a contract. Professional liability insurance shall be in an amount of not less than one million dollars with a qualified firm licensed to do business in the State

of California. Automobile insurance shall be provided for the firm's staff assigned to the project in an amount of not less than one million dollars aggregate per occurrence. Workers compensation insurance shall be provided in an amount required by law.

Section 8: <u>SUBMITTAL INFORMATION AND REQUIREMENTS</u>

Firms are required to provide the following information with its submittal in response to this RFP. Material shall be provided in proposal in the order indicated below. Failure to provide the materials shall be grounds for declaring the proposal non-responsive.

1. The Firm information form attached to this RFP.

2. The Sub-consultant information form attached to this RFP. A separate form is to be provided for each sub-consultant working on this project.

3. Statement of qualifications for the firm and each sub-consultant.

4. List of principals, including for sub-consultants, with their qualifications and resumes. Principals must be those who will do the actual work pursuant to this RFP. Upon award of contract, principals may not be changed without approval of the CoRDA.

5. A proposed time schedule from award of contract through final adoption, indicating the nature of the activity, the various entities involved, and any special actions that will be required.

6. Identify three (3) redevelopment plans prepared and adopted within the past five years for which the firm was the lead agent. Identify the nature of the project.

7. Provide reference information for each of the plans identified in 5 above, including name, title, mailing address and current phone number.

8. Schedule of rates for all principals, including those of sub-consultants that will be assigned to the project. Also indicate rates for other charges. (*These rates shall be valid for the term of the contract.*)

9. The Bid Sheet attached to this RFP with an estimated "not-to-exceed" cost for providing the services described in Section 5. A cost breakdown must be attached to the Bid Sheet. The breakdown is to include the cost for the firm, the costs for the various subconsultants indicated, and the estimated cost for reimbursable expenses (printing, mailing, travel, BOE filing fees, etc.) Firms should provide such detail as they feel is necessary. Consideration will be given only to the total estimated cost.

The costs are to be submitted as follows: (1) for the two Areas if the firm is awarded a contract for that Plan preparation separately; and (2) the total cost for that Plan if the firm is awarded a contract for preparation of both plans.

If a firm does not wish to be considered for doing both Plans for staffing, scheduling or other concerns, please indicate such on the Bid sheet. Making such a request will not affect the firm's review.

10. Any other relevant materials the firm desires to submit to support its qualifications.

Six (6) copies of the complete proposal shall be submitted to:

John E. Nowak
Redevelopment Administrator
County of San Bernardino Redevelopment Agency
215 North "D" Street, Suite 301
San Bernardino, California 92415

One copy shall have original signatures and be so noted on the cover.

All copies of the proposal must be placed in a sealed envelope or box with a label clearly stating: **"RFP - RDA 2004-03 Project Area Plan Preparation"**.

Proposals must be received ***No Later Than 3:00 p.m., Thursday, September 9, 2004.*** The CoRDA is not responsible for late deliveries or other actions of the postal service or private carriers. Late submittals will not be accepted.

Section 9: CONTACT INFORMATION

Questions regarding any aspect of this RFP are to be addressed to:

John E. Nowak, Redevelopment Administrator
909.381.7983
jnowak@rda.sbcounty.gov

VII. MUSCOY STUDY AREA CHARACTERISTICS

The Muscoy area is characterized as urbanized, except for the portion west of the railroad lines. According to the Census data the population density is over 2,501 persons per square mile. The area is developed primarily with single-family homes in the south, and a mix of residential and industrial/service commercial in the north.

Existing and Proposed Land Uses

As Table 21 shows, land use in the Muscoy Study Area is mixed, with residential development accounting for approximately 37% of the area's acreage, commercial development make up more than 37% of the area, industrial accounts for over 5% and agriculture accounts for less than 1% of the area's acreage.

Table 21
San Bernardino County: Muscoy Study Area
EXISTING LAND USE

Legend	Acres	Percent
Residential	1,322.70	36.72%
Commercial	1,340.57	37.22%
Industrial	183.45	5.09%
Public/Institutional	254.80	7.07%
Agriculture	26.72	0.74%
Vacant	113.66	3.16%
Sub-Total	3,241.90	90.00%
Street	360.21	10.00%
Total	3,602.11	100.00%

Table 22
San Bernardino County: Muscoy Study Area
GENERAL PLAN LAND USE

Legend	Acres	Percent
Residential	1,705.49	47.35%
Commercial	278.09	7.72%
Industrial	315.03	8.75%
Public/Institutional	943.30	26.19%
Sub-Total	3,241.90	90.00%
Street	360.21	10.00%
Total	3,602.11	100.00%

Table 22 shows General Plan land uses in the Study Area. Residential development will account for approximately 47% of the Study Area's land, while the proportions devoted to commercial will decrease, and industrial development will increase to less than 8% of the Study Area's land. Overall, however, land use patterns will not change. Rather, there will be a significant amount of infill development in the future.

Urbanization

The Muscoy Study Area is predominantly urbanized. According to the Census data, the population density is over 2,501 persons per square mile. A majority of the homes are one-story ranch style homes with long narrow lots. The rear of the property is used for recreational horses, various other small animals, or storage.

Most vacant land is in undeveloped parcels substantially surrounded by parcels developed for urban uses. There did not appear to be any significant amount of agricultural production.

Blighting Conditions

The following summary matrix shows observed blighting conditions in the Study Area. There is sufficient blight to justify designation of a formal redevelopment Survey Area and more detailed blight analysis.

Table 23
MUSCOY BLIGHT SUMMARY MATRIX

(Physical Conditions)

Condition	Presence	Extent	Comments
Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.	Yes	Moderate to Extensive	Dilapidation and deterioration among residential properties is extensive in portions of the Study Area, though the visual impact of such conditions is pronounced. Deterioration among commercial properties is evident, especially along and near Highland. Affected building elements commonly observed include roofs, roofing materials, exterior finishes, and exposed exterior wiring. Due to the mature character of development in older neighborhoods, the presence of asbestos and lead-based paint is highly probable.
Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by a substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.	Yes	Moderate to Extensive	Significant obsolescence affects portions of commercial areas; obvious piecemeal development beginning decades age with no overall plan. Signage, on- and off-site parking, etc., are inconsistent. Only marginal new investment is evident.
Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the area.	Yes	Minor	Some residences do not conform to the uses designated in the General Plan. Such residences commonly exhibit high levels of building deterioration. Also, some residential properties affected by adjacent
The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.	Yes	Moderate	Parcel configuration appears to be antiquated in portions of the commercial neighborhoods. Conversion of nonconforming uses to those that are consistent with General Plan designations may require parcel assembly in order to meet zoning requirements relative to minimum lot area and minimum street frontage.

Table 24
MUSCOY BLIGHT SUMMARY MATRIX
(Economic Conditions)

Condition	Presence	Extent	Comments
Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of Agency-assisted remediation.	Yes	Moderate	Significant new investment in commercial properties is not evident in large portions of the Study Area. Further studies of property values is expected to show that portions of the commercial and residential neighborhoods are affected by market values that are significantly lower than similar properties elsewhere in the San Bernardino County communities. Studies will likely also reveal lower improvement-to-land value ratio, indicating relative decline in building values.
Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.	Yes	Moderate to Extensive	High occupancy rates among commercial properties, but portions are characterized by obsolescence, "low-end" or marginal uses, and poor building conditions. Such conditions are generally indicative of low lease rates.
A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.	Yes	Moderate to Extensive	It appears that neighborhood commercial facilities, while old, obsolete, and much of which in need of maintenance, exist in the area. There are no major banking institutions in the area.
Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.	Yes	Moderate to Extensive	Overcrowding appears to be apparent in areas of residential neighborhoods. Illegal occupancy is suspected.
A high crime rate that constitutes a serious threat to the public safety and welfare.	Yes	Moderate	Graffiti observed in isolated areas of the Study Area. General building conditions, including numerous dwellings with barred-up windows, and suspected lower income levels in portions of residential neighborhoods may reveal crime rates that exceed County averages. Future discussions with law enforcement representatives are needed to determine the extent to which crime affects the Study Area.

Tax Increment Projections

Due to its size, Muscoy has the second largest tax base of all the Study Areas. Its location next to I-215 near the confluence with I-15 would indicate that it has tremendous potential for future development. However, the prevailing lotting pattern, the lack of larger vacant tracts, and potential flooding near the wash limits its potential for long-term new investment. Due to these limiting factors, major growth in assessed valuation will likely result from turn over in existing dwellings, and some new construction along Highland Boulevard. This kind of development pattern elsewhere in Southern California has typically yielded a long-term growth rate of about 4% per annum.

In any event, Table 25 indicates that, based on a 4% per annum average annual assessed valuation growth rate, the area could generate $127.4 million in net tax increment revenues over its lifetime, and nearly $1.0 million in net tax increment revenue by its tenth year. As such, it could support bonded indebtedness of approximately $9 million.

Figure 5 shows recommended redevelopment survey area boundaries for Muscoy. These boundaries differ from the original Study Area boundaries in two ways. First, the recommended boundaries are primarily east of the existing railroad tracks. At present all major development is east of the tracks. Second, the boundaries at the northwestern end of the Study Area have been expanded to take into consideration the surrounding neighborhood to the east of the I-15 and I-215 interchange.

Table 25

County of San Bernardino

Muscoy Redevelopment Study Area
Preliminary Tax Increment Projections

Based on annual assessed valuation growth rate of 4%

Year	Fiscal Year	Assessed Valuation	Tax Levy	Tax Increment	Pass Through Payments	County Administrative Fee	Net to Agency	Housing Set-Aside	Available for Non-Housing Projects
Base	2004	251,890,079	2,518,901	0	0	0	0	0	0
1	2005	261,965,682	2,619,657	0	0	0	0	0	0
2	2006	272,444,309	2,724,443	205,542	41,108	4,111	160,323	32,065	128,258
3	2007	283,342,082	2,833,421	314,520	62,904	6,290	245,326	49,065	196,260
4	2008	294,675,765	2,946,758	427,857	85,571	8,557	333,728	66,746	266,983
5	2009	306,462,796	3,064,628	545,727	109,145	10,915	425,667	85,133	340,534
6	2010	318,721,308	3,187,213	668,312	133,662	13,366	521,284	104,257	417,027
7	2011	331,470,160	3,314,702	795,801	159,160	15,916	620,725	124,145	496,580
8	2012	344,728,966	3,447,290	928,389	185,678	18,568	724,143	144,829	579,315
9	2013	358,518,125	3,585,181	1,066,280	213,256	21,326	831,699	166,340	665,359
10	2014	372,858,850	3,728,588	1,209,688	241,938	24,194	943,556	188,711	754,845
11	2015	387,773,204	3,877,732	1,358,831	296,822	27,177	1,034,832	206,966	827,866
12	2016	403,284,132	4,032,841	1,513,941	353,903	30,279	1,129,759	225,952	903,807
13	2017	419,415,497	4,194,155	1,675,254	413,266	33,505	1,228,483	245,697	982,786
14	2018	436,192,117	4,361,921	1,843,020	475,004	36,860	1,331,156	266,231	1,064,925
15	2019	453,639,802	4,536,398	2,017,497	539,211	40,350	1,437,936	287,587	1,150,349
16	2020	471,785,394	4,717,854	2,198,953	605,987	43,979	1,548,987	309,797	1,239,189
17	2021	490,656,810	4,906,568	2,387,667	675,434	47,753	1,664,480	332,896	1,331,584
18	2022	510,283,082	5,102,831	2,583,930	747,659	51,679	1,784,593	356,919	1,427,674
19	2023	530,694,405	5,306,944	2,788,043	822,772	55,761	1,909,510	381,902	1,527,608
20	2024	551,922,182	5,519,222	3,000,321	900,891	60,006	2,039,424	407,885	1,631,539
21	2025	573,999,069	5,739,991	3,221,090	982,134	64,422	2,174,535	434,907	1,739,628
22	2026	596,959,032	5,969,590	3,450,690	1,066,626	69,014	2,315,050	463,010	1,852,040
23	2027	620,837,393	6,208,374	3,689,473	1,154,499	73,789	2,461,185	492,237	1,968,948
24	2028	645,670,889	6,456,709	3,937,808	1,245,886	78,756	2,613,166	522,633	2,090,533
25	2029	671,497,724	6,714,977	4,196,076	1,340,929	83,922	2,771,226	554,245	2,216,981
26	2030	698,357,633	6,983,576	4,464,676	1,439,773	89,294	2,935,609	587,122	2,348,487
27	2031	726,291,938	7,262,919	4,744,019	1,542,571	94,880	3,106,567	621,313	2,485,254
28	2032	755,343,616	7,553,436	5,034,535	1,649,481	100,691	3,284,363	656,873	2,627,491
29	2033	785,557,361	7,855,574	5,336,673	1,760,668	106,733	3,469,271	693,854	2,775,417
30	2034	816,979,655	8,169,797	5,650,896	1,876,302	113,018	3,661,576	732,315	2,929,261
31	2035	849,658,841	8,496,588	5,977,688	2,033,162	119,554	3,824,972	764,994	3,059,977
32	2036	883,645,195	8,836,452	6,317,551	2,196,297	126,351	3,994,903	798,981	3,195,923
33	2037	918,991,003	9,189,910	6,671,009	2,365,957	133,420	4,171,632	834,326	3,337,306
34	2038	955,750,643	9,557,506	7,038,606	2,542,403	140,772	4,355,431	871,086	3,484,345
35	2039	993,980,668	9,939,807	7,420,906	2,725,907	148,418	4,546,581	909,316	3,637,265
36	2040	1,033,739,895	10,337,399	7,818,498	2,916,751	156,370	4,745,377	949,075	3,796,302
37	2041	1,075,089,491	10,750,895	8,231,994	3,115,229	164,640	4,952,125	990,425	3,961,700
38	2042	1,118,093,071	11,180,931	8,662,030	3,321,646	173,241	5,167,143	1,033,429	4,133,714
39	2043	1,162,816,794	11,628,168	9,109,267	3,536,320	182,185	5,390,761	1,078,152	4,312,609
40	2044	1,209,329,465	12,093,295	9,574,394	3,759,581	191,488	5,623,325	1,124,665	4,498,660
41	2045	1,257,702,644	12,577,026	10,058,126	3,991,772	201,163	5,865,191	1,173,038	4,692,153
42	2046	1,308,010,750	13,080,107	10,561,207	4,233,251	211,224	6,116,731	1,223,346	4,893,385
43	2047	1,360,331,180	13,603,312	11,084,411	4,484,389	221,688	6,378,333	1,275,667	5,102,667
44	2048	1,414,744,427	14,147,444	11,628,543	4,745,573	232,571	6,650,400	1,330,080	5,320,320
45	2049	1,471,334,204	14,713,342	12,194,441	5,017,204	243,889	6,933,348	1,386,670	5,546,679
		Totals	317,055,472	203,604,181	72,107,686	4,072,084	127,424,412	25,484,882	101,939,529

Notes: The first tax increment payments are not received until the fall of the year following the adoption of the redevelopment plan. This scenario assumes that the plan is adopted in July 2005, so tax increment will not be received until fall 2006 at the earliest. The entire study area is used as the base for these projections. These numbers will be refined as the study is finished.
Source: CD Data based on San Bernardino County Assessor, 2003.

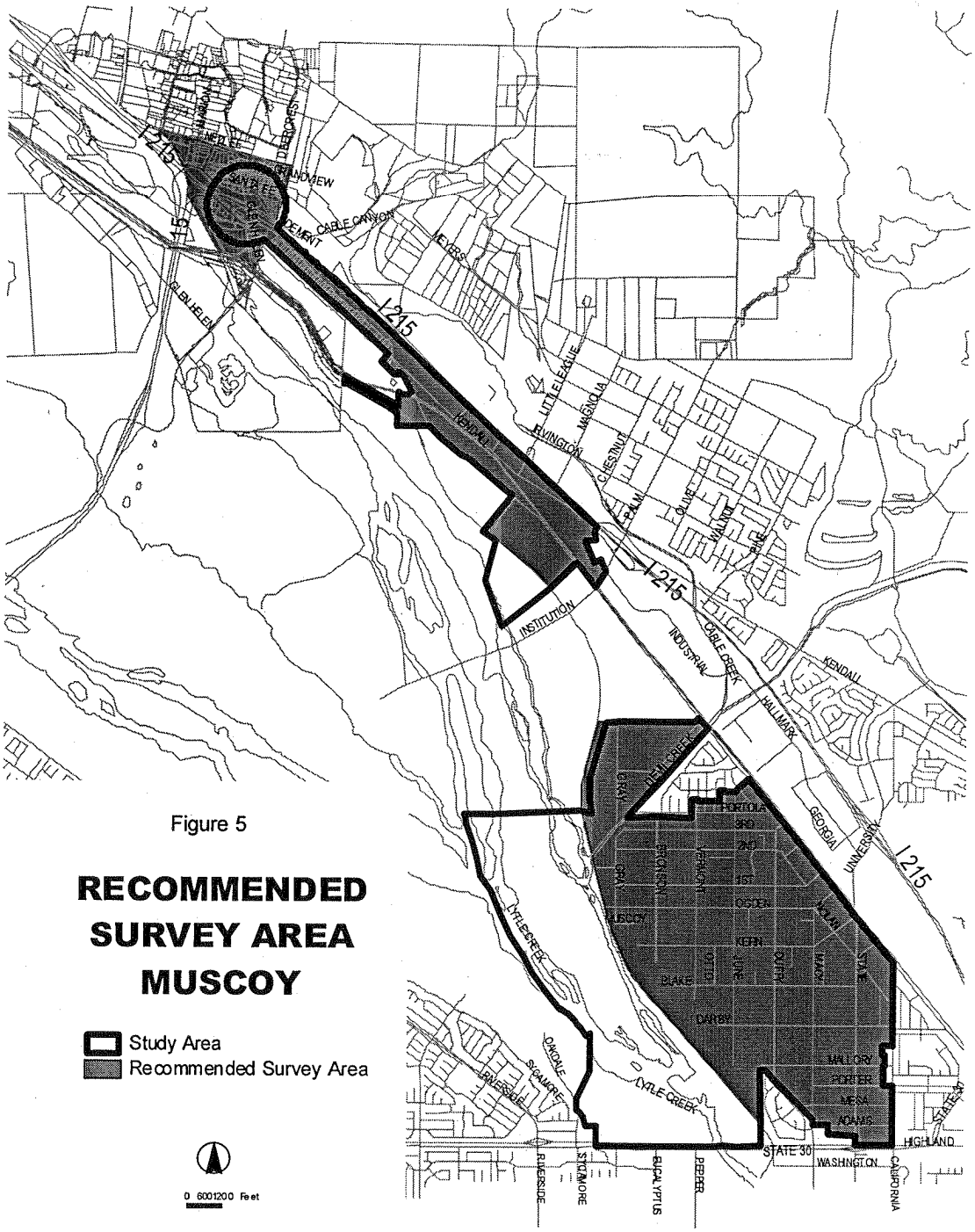


Figure 5

RECOMMENDED SURVEY AREA MUSCOY

Study Area
Recommended Survey Area

0 600 1200 Feet

Response from
Tom Dodson & Associates

Attachment 6

TOM DODSON & ASSOCIATES
2150 N. ARROWHEAD AVENUE
SAN BERNARDINO, CA 92405
TEL (909) 882-3612 • FAX (909) 882-7015
E-MAIL tda@tstonramp.com

RECEIVED
SEP 03 2004
LAFCO
San Bernardino County

September 2, 2004

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

Dear Kathy:

LAFCO 2925 consists of a service review for the City of San Bernardino (City) pursuant to Government Code Section 56430 and Sphere of Influence Study Pursuant to Government Code 56425. If approved by the Commission, the service and Sphere review would not result in any change to the services or the Sphere of Influence for the City. Based on the above proposal, it appears that LAFCO 2925 can be implemented without causing any physical changes to the environment or any adverse environmental impacts. The service and Sphere review does not appear to have any potential to alter the existing physical environment in any manner. Since no projects are pending or will occur as a result of approving this review, no physical changes in the environment are forecast to result from approving the action before the Commission.

Without a potential for causing physical changes in the environment, I recommend that the Commission find that a Statutory Exemption applies to LAFCO 2925 under the Section 15061 (b) (3) which states: "A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." It is my opinion, and recommendation to the Commission, that this circumstance applies to LAFCO 2925.

Based on a review of LAFCO 2925 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 2925 does not constitute a project under CEQA and adoption of the Statutory Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with the CEQA process for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO 2925 as statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed.

A copy of this exemption should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

Tom Dodson

Tom Dodson

Draft Resolution No. 2846

Attachment 7

PROPOSAL NO.: LAFCO 2925

HEARING DATE: SEPTEMBER 15, 2004

RESOLUTION NO. 2846

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 2925, A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CITY OF SAN BERNARDINO.

On motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, a service review mandated by Government Code Section 56430 and a sphere of influence update mandated by Government Code Section 56425 have been conducted by the Local Agency Formation Commission of the County of San Bernardino (hereinafter referred to as "the Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including his recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in an order or orders continuing the hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the review, in evidence presented at the hearing; and,

WHEREAS, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that this service review and sphere of influence update are statutorily exempt from CEQA and such exemption is

hereby adopted by this Commission. The Clerk is directed to file a Notice of Exemption within five working days of adoption of this resolution; and,

WHEREAS, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the sphere of influence for the City of San Bernardino should be affirmed as it currently exists, as more specifically described on the map attached to this resolution and on file in the LAFCO staff office; and,

WHEREAS, the following findings are made in conformance with Government Code Section 56430 and local Commission policy:

1. **Infrastructure Needs and Deficiencies.** The City of San Bernardino's five-year Capital Improvement Plan (CIP) was adopted on September 15, 2003. The CIP outlines the City's present and future needs for capital improvements. The various projects are generally administered by the City's Public Works Division, the Public Services Department, or the San Bernardino Municipal Water Department. Copies of the City's master plans are maintained in City offices and are available for public review.

2. **Growth and Population.** The City's population based on 2000 Census data is 185,272. The estimated 2003 population is 194,120. The City's primary growth will be in commercial development in the Tri-City area, industrial and commercial development within the area of the San Bernardino International Airport, and residential development in the north Verdemont area.

3. **Financing Opportunities and Constraints.** The City's revenues are derived from a variety of sources including, but not limited to, the City's share of property tax revenues, sales tax revenue, development and permit fees, motor vehicle in-lieu fees, grants, franchise fees, and Measure I (gas tax) revenues. Additionally, the City also levies a Utility User's Tax on various utility charges. The current rate for this tax is 8%. A complete list of the sources of City revenues is contained within the City budget, copies of which are maintained on file in the City's Finance Department and available for public review.

4. **Cost Avoidance Opportunities.** The City of San Bernardino receives water service from the City of San Bernardino Municipal Water Department and the East Valley Water District within its corporate boundaries. The City of San Bernardino also takes a cooperative approach and encourages coordination with other local agencies on a variety of projects. Beyond that, the City of San Bernardino did not identify any specific cost avoidance opportunities relevant to this review.

5. **Rate Restructuring.** The City of San Bernardino's cost of providing services is evaluated periodically and adjusted to meets its cost of delivery of services. Copies of the City's rate structures are maintained in various City offices and are available for public review. No other relevant issues related to this factor were identified by the City of San Bernardino.

6. **Opportunities for Shared Facilities.** The City of San Bernardino shares certain facilities with other local agencies such as the Mill Center and the Center for Individual

Development (CID). The City is also reviewing partnering with the San Bernardino City Unified School District for shared school facilities for recreational purposes. The City of San Bernardino will review and encourage future shared facilities as opportunities become available.

7. **Government Structure Options.** The City continually explores the use of government structures that will result in optimal service delivery at the lowest cost. Examples of such options are: (a) City currently provides fire protection to the County islands east of the I-215 freeway within its sphere of influence, and (b) City provides animal control field and shelter services for a number of surrounding cities. As a customer, the City contracts with the City of Inglewood for parking citation processing. Where appropriate, private sector partners are engaged to perform functions. The City will continue to take an entrepreneurial approach to government structure and the provision of the service option that provides the best result at the least cost. No other options for governmental structure were identified by the City of San Bernardino.

8. **Management Efficiencies.** The City of San Bernardino provides for on-going training of employees through the use of joint employee training programs. The City belongs to a regional consortium of cities that provide joint employee training in supervisory skills and other human resource issues. By exploring the alternative government structure options identified in #7 above, the City staffing levels can be managed more effectively. Shared technology is an area through which cities may achieve management efficiencies. An example of such a partnership currently in place is the shared public safety radio system. The City also identified use of various joint powers agreements that have already been implemented as ways to promote management efficiency. Examples provided are the Inland Valley Development Agency/San Bernardino International Airport Authority. This entity consists of the City of San Bernardino, County, and Cities of Colton, Loma Linda, and Highland for the reuse and redevelopment of the closed Norton Air Force Base facility. The Water Resources Joint Powers Authority consists of the City, County and the San Bernardino Valley Municipal Water District. The Water Resources JPA has been formed to develop a strategy to mitigate the high groundwater problem in the downtown area. The JPA's goal is to use this water as an asset, creating a catalyst for downtown revitalization.

9. **Local Accountability and Governance.** The City is governed by a City Council elected by wards, all of which serve four-year terms in office. The Mayor is elected by citizens of the City at-large for a four-year term. The City Council meets twice a month and complies with the requirements of the Brown Act for posting of agendas and open meetings. The City maintains a web site, and provides surveys, newsletters, complaint tracking services, and periodic progress reports on City programs and projects.

WHEREAS, the following findings are made in conformance with Government Code Section 56425 and local Commission policy for a sphere of influence update:

1. **PRESENT AND PLANNED LAND USES**

The full range of urban, suburban, and rural land uses are included within the boundaries and current sphere of influence of the City of San Bernardino. This sphere of influence update and service review have no potential to change present

or planned land uses within the City sphere, since no changes to the sphere of influence are contemplated. The City of San Bernardino endorses this approach by indicating that no sphere of influence changes are contemplated within the next five years.

2. **PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA**

No changes to the City sphere of influence are proposed or contemplated through this review. The City has adopted a master plan for service which addresses this issue for the services which it directly provides. Said plan is on file in the City offices.

3. **PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES PROVIDED**

No changes to the City sphere of influence are proposed or contemplated through this review. The City has adopted a master plan for service which addresses this issue, and is on file in the City offices.

4. **COMMUNITIES OF INTEREST IN THE AREA**

No changes to the City sphere of influence are proposed or contemplated through this review. The Commission, therefore, determines that this factor of determination is not relevant to this review, as permitted by Government Code Section 56425.

5. **OTHER FINDINGS**

A. Notice of this hearing has been published as required by law in The Sun, newspaper of general circulation in the area. As required by state law, individual notification was provided to affected and interested local agencies, County departments, and those individuals wishing mailed notice.

B. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination.

WHEREAS, having reviewed and considered the findings as outlined above, the Commission affirms and upholds the sphere of influence for the City of San Bernardino as it currently exists, as depicted on the map attached and on file in the office of the San Bernardino Local Agency Formation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Local Agency Formation Commission of the County of San Bernardino, State of California, that this Commission shall consider the territory described on the attached map as being within the sphere of influence of the City of San Bernardino, it being fully understood that establishment of such a sphere of influence is a policy declaration of this Commission, based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

BE IT FURTHER RESOLVED that the Local Agency Formation Commission of the County of San Bernardino, State of California, does hereby determine that the City of San Bernardino shall indemnify, defend, and hold harmless the Local Agency Formation Commission of the County of San Bernardino from any legal expense, legal action, or judgment arising out of the Commission's affirmation of this sphere of influence, including any reimbursement of legal fees and costs incurred by the Commission.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission of the County of San Bernardino by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

****

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission of the County of San Bernardino, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of September 15, 2004.

DATED:

_____
KATHLEEN ROLLINGS-McDONALD
Executive Officer

DRAFT