

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

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PROPOSAL NO.: LAFCO 2927

HEARING DATE: AUGUST 18, 2004

RESOLUTION NO. 2837

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 2927, A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CITY OF HIGHLAND.

On motion of Commissioner Smith, duly seconded by Commissioner Biane 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

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influence for the City of Highland should be: (a) expanded to the north to include the parcel currently owned by the East Highlands Ranch Company and within the East Valley Water District; (b) expanded to the east to include the parcels of privately-owned lands surrounded by City boundaries and within the East Valley Water District sphere; and (c) affirmed for the balance of its area, as more specifically described on the map attached to this resolution; and,

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

1. **Infrastructure Needs and Deficiencies.** A comprehensive capital improvement plan has been adopted by the City setting forth recommendations for a variety of projects. This plan is updated on an annual basis. A copy of the City's master plan is maintained in City offices.
2. **Growth and Population.** Based on 2000 census data, the population of the City of Highland is identified as 44,450. Significant growth areas for industrial and commercial development are anticipated along the Fifth Street corridor due to the development of the San Bernardino International Airport. A copy of the General Plan is maintained in the LAFCO staff office and in City offices available for review.
3. **Financing Opportunities and Constraints.** The City receives a share of the general levy of property tax revenue, but the bulk of its revenue is derived from fees for service, sales and use revenue, development fees, state subventions, grants, community facilities districts, redevelopment project funds, and other revenues. Revenues for the City, as is the case for all other local agencies, are constrained by a variety of state laws that govern revenue generation. A complete list of the sources of City revenues is contained within the City budget, which is on file and available for public review in City offices.
4. **Cost Avoidance Opportunities.** The City of Highland did not identify any specific cost avoidance opportunities relevant to this review.
5. **Rate Restructuring.** No relevant issues related to this factor were identified by the City of Highland.
6. **Opportunities for Shared Facilities.** No relevant issues related to this factor were identified by the City of Highland.
7. **Government Structure Options.** No relevant issues related to this factor were identified by the City of Highland.
8. **Management Efficiencies.** No relevant issues related to this factor were identified by the City of Highland.
9. **Local Accountability and Governance.** The City is a general law city with a City Manager appointed by the City Council. The City is governed by five-member City Council elected at large, all of which serve four-year terms in office. The Mayor is elected for a one-year term by members of the Council. The City conforms to provisions of the Brown Act requiring open meetings. In addition, the City operates a website with a variety of pages including access to agendas of the City Council, Planning Commission and various City Boards and Committees.

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

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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 Highland. This sphere of influence update and service review propose minor expansions of the City of Highland sphere of influence to correspond with areas currently a part of the East Valley Water District sphere of influence (a municipal service provider for water and sewer). The sphere of influence designation will require that the City of Highland include this area within its General Plan assigning an anticipated land use.

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

The City has adopted master plans for the service which addresses this issue for the services which it directly provides. Said plans are on file in the City offices.

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

The sphere of influence change contemplated by this action will bring the City of Highland sphere of influence into contiguity with the East Valley Water District sphere of influence. The East Valley Water District is a municipal level service provider. The City has adopted master plans for the services it provides which addresses this issue, and is on file in the City offices.

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

The changes proposed for the City sphere of influence are intended to provide a definition of the community of interest for Highland, acknowledging the family of service agencies – the City of Highland and the East Valley Water District.

5. **OTHER FINDINGS**

- A. Notice of this hearing has been published as required by law in The Sun, and the Highland Community News, newspapers 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 determines: (a) to expand the City sphere of influence to include 120 acres to the north (APN 288-151-05), (b) to expand the City sphere of influence to include approximately 80 acres to the northeast of existing City boundaries (including APNs 297-011-09, 297-011-10, and 297-011-11) and (c) to affirm and uphold the balance of the sphere of influence for the City of Highland as it currently exists, and is depicted on the map attached to this resolution.

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 Highland, it being fully

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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 Highland 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 determinations on 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: Bagley, Biane, Colven, Pearson, Smith, Williams

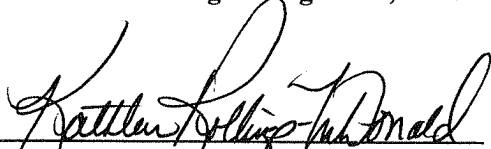
NOES: COMMISSIONERS: None

ABSENT: COMMISSIONERS: Young

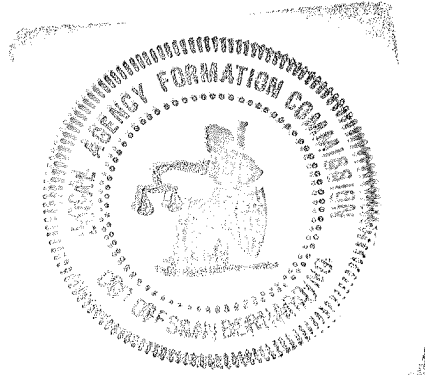
STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

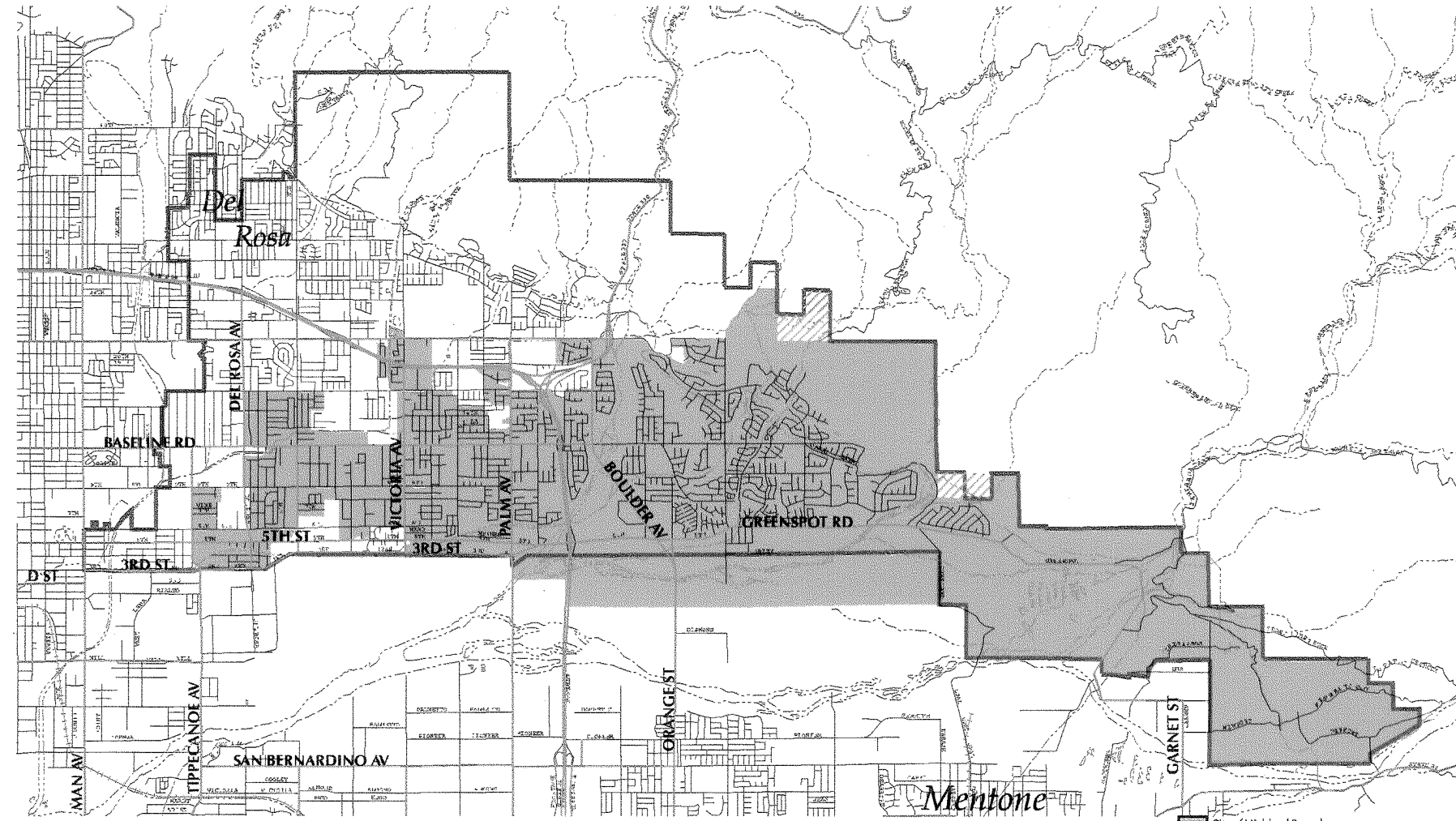
I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission of the County of San Bernardino, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of August 18, 2004.

DATED: August 19, 2004






KATHLEEN ROLLINGS-McDONALD
Executive Officer





CITY OF HIGHLAND
Proposed Sphere Expansion

Map Prepared On June 25, 2004

-  City of Highland Boundary
-  Prop. City Sphere Expansion
-  EWWD Boundary

