LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO

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PROPOSAL NO.: **LAFCO 3037**

HEARING DATE: **NOVEMBER 19, 2008**

RESOLUTION NO. 3043

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 3036 – A MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE HESPERIA FIRE PROTECTION DISTRICT (reduction/expansion along Bear Valley Road on the north; modifications to expand the eastern sphere of influence south of Bear Valley Road along the Mojave River; reduction to exclude the territory within the Crestline-Lake Arrowhead Water Agency along the south; and affirmation of the remainder of the existing sphere of influence as shown on the attached maps).

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

WHEREAS, a service review mandated by Government Code 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 the Commission on this matter; and,

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

WHEREAS, a public hearing by this Commission was called for October 15, 2008 and continued to November 19, 2008, 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 plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing;

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 was adopted by this Commission on November 19, 2008. The Clerk was directed to file a Notice of Exemption within five working days of its adoption; 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 following the sphere of influence determinations should be made for the Hesperia Fire Protection District (herafter identified as the "District"):

(1) Modify the sphere of influence along the northern boundary to expand and/or reduce the designation to correspond to the realigned centerline of Bear Valley Road;

(2) Modify the sphere of influence along the eastern boundary to expand the territory along the Mojave River south of Bear Valley Road;

(3) Modify the sphere of influence along the southern boundary to exclude the territory within the Crestline-Lake Arrowhead Water Agency, at Silverwood Lake; and,

(4) Affirm the balance of the existing sphere of influence designation.

as more specifically depicted on the maps attached hereto as Exhibit "A" , "A-1" , "A-2", and "A-3"; and,

WHEREAS, the determinations required by Government Code Section 56430 and local Commission policy are included in the report prepared and submitted to the Commission dated October 7, 2008, received and filed on October 15, 2008, and continued for consideration by the Commission on November 19, 2008, a complete copy of which is on file in the LAFCO office. The determinations of the Commission are:

1. Growth and population projections for the affected area.

The District's jurisdiction and sphere are coterminous with the City of Hesperia's jurisdiction and sphere which includes the unincorporated communities of Oak Hills and Summit Valley. Therefore, the growth and population projections for the City were used for the District outlined as follows:

Within the City

According to the State Department of Finance, the City had an estimated population of 85,876 in 2007. The City's population projections, which were developed using the Southern California Association of Government (SCAG) projections, are listed in five-year increments, as follows:

2010 – 95,800	2025 – 159,638
2015 – 117,568	2030 – 179,383
2020 – 139,049	

The City General Plan identifies the build-out population of the City at 253,968 persons. Given current land use designations, the City should not reach build-out by 2030.

Within Sphere of Influence

Located south of the City within its sphere, Summit Valley is an area of significant potential growth. The City's General Plan for this area requires comprehensively planned development. The area has few paved roads and little infrastructure; therefore the preferred method of development is through the specific plan or planned development process. Since the City's incorporation in 1988, three specific plans have been approved in Summit Valley: Rancho Las Flores, Summit Valley Ranch, and Bella Mesa. These plans combine for a total of 20,000 dwelling units. Another specific plan has been submitted, but not yet processed, known as Majestic Hills, which proposes 4,000 dwelling units. Further, the Oak Hills Community Plan sphere area could add an additional 12,000 persons (4,478 dwellings units) by 2030 according to City staff. Together, all four specific plans and Oak Hills could add 28,478 dwelling units. Utilizing the County General Plan's 2.68 persons per household for the Desert region calculates to an additional 76,321 persons.

Additionally, LAFCO staff has received project notices which anticipate General Plan Amendments, tentative tract developments, and Conditional Use Permits for increased residential development in the sphere area. A review of the project notices on file that have been submitted for County Land Use Planning review from 2004 through present indicate the potential for creation of 1,060 lots. The larger of these projects includes the following:

PROJECT NAME	YEAR SUBMITTED	NUMBER OF RESIDENTIAL UNITS/LOTS
Tract 17598	2006	216 lots
Tract 16902	2004	114 lots
Tract 18533	2007	60 lots
Tract 16544	2006	32 lots

Adding the 28,478 dwellings units for the four specific plans and Oak Hills, and the 1,060 lots for the projects submitted for County Land Use Planning review, calculates to 79,162 additional persons within the sphere.

Historical trends indicate moderate to high growth within this area, and significant growth continues within the District's boundaries and its sphere. In addition to residential development in the sphere, new industrial and service-oriented developments are planned, along with a major regional circulation improvement called the "Freeway Corridor". These future projects will increase the need for public services within the existing District boundaries as well as within the unincorporated sphere area.

2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.

Contract with County Fire

The District entered into a contractual relationship with County Fire in 2004. Pursuant to the contract, County Fire provides fire prevention, fire investigation, fire suppression, advanced life support services, ambulance transportation service, hazardous materials, and rescue services at a cost determined annually in consultation with City staff. County Fire also

provides administrative duties which include billing and collecting of advanced life support and ambulance transportation fees for the District. In turn, the District leases it real property, furniture and fixtures, and fire vehicles and equipment to the County for one dollar per year. The contract calls for County Fire to maintain insurance for worker's compensation, comprehensive general and automobile liability.

Stations and Personnel

The District pays for the employment of 53 safety staff and six non-safety staff on a full-time equivalent (FTE) basis. No additional staff is budgeted for the current year, but eight fire personnel were added in FY 2005-06. County Fire operates the four District-owned fire stations within the District's boundaries. The locations of these stations are identified as follows:

Station 301 9430 11th Avenue
This station is located in the Southwest portion of Hesperia. Daily staffing consists of one Captain, one Engineer, and one Firefighter/Paramedic on the engine while the Medic Ambulance is staffed with a Firefighter Paramedic and one Limited Term FF/EMT. This station houses an ICS Type 1 paramedic engine (ME301), a brush engine (BE301) which meets ICS requirements for Type 2 and Type 3, a "Heavy Rescue" response vehicle (R301), and a Paramedic Ambulance (MA301). In addition to the City of Hesperia and I-15, Station 301 also responds to assist units in the unincorporated County areas in Oak Hills.

Station 302 17228 Olive Street
This station is located in the southeast portion of Hesperia. Daily staffing consists of one Captain, one Engineer, and one Firefighter/Paramedic on the engine while the Medic Ambulance is staffed with a Firefighter Paramedic and one Limited Term FF/EMT. This station houses an ICS Type 1 paramedic engine (ME302), a Type 3 Brush Engine with four wheel drive (BE302), and a Paramedic Ambulance (MA302). In addition to the City of Hesperia, Station 302 also responds to assist units in the unincorporated County areas south and east of the City such as Summit Valley, the Town of Apple Valley, and Highways 173 and 138. Adjacent to the station are the administrative offices for the North Desert Division and High Desert Battalion. There is also a Fire Explorer post based here.

Station 303 17443 Lemon Street
This station is currently unstaffed and is the location of the Household Hazardous Waste Facility (HHW). Reserve fire apparatus are located at this station and are staffed as needed.

Station 304 15660 Eucalyptus Street
This station is located in the northern portion of Hesperia. Medic Truck 304 is staffed daily with a Captain, Engineer, and Firefighter-Paramedic. Medic Ambulance 304 is staffed with a Firefighter and a Firefighter-Paramedic. Medic Truck 304 features a 75' elevating ladder and hose stream. Water Tender 304 is also based here and carries 1,500 gallons and four-wheel drive to support firefighting in rural areas. The on duty crew will staff whichever vehicle is appropriate for the call type. In addition to Hesperia, this station also provides assistance to the City of Victorville.

The District's sphere is within the jurisdiction of County Fire and its North Desert Service Zone. Within the sphere, County Fire is responsible for fire service and operates out of two paid-call fire stations. Station 48 is in Summit Valley at 4691 Summit Valley Road and Station 40 is located at 6584 Caliente Road, west of Interstate 15.

Public Safety Needs Report

The City utilizes its Public Safety Needs Report to plan for future facilities and service. The City Council accepted the Report in 2006 and recommends the expansion of police and fire facilities. It also provides economic justification for increasing development impact fees. The Report takes into account future growth within the City as well as the developments in Summit Valley and the Freeway Corridor in Oak Hills. The Report addresses the need for additional fire stations and establishes a response time goal of six minutes.

Emergency Calls and Response Times

The number of emergency calls was identified in the materials as follows: In 1998 there were 5,706 calls and that number jumped to 8,249 in 2007.

In 2003/04, the response times District-wide averaged 8 minutes, 1 second (8:01) and averaged 9:02 in Las Flores and areas west of Maple. In the remote areas of the District, response times could take as much as 15 minutes and mutual aid from neighboring cities/districts was required to cover stations emptied by a call.

Since 2005 the average response times to all areas of the District have decreased to an average of 7:15. The District attributes this decrease to a streamlining of dispatching procedures and the large increase in equipment and manpower available through the District's contract with County Fire.

State Responsibility Areas

The territory of the southern City sphere of influence is within the area defined as "State Responsibility Area" by the California Department of Forestry and Fire Protection (hereinafter Cal Fire). The last three annexations to the City and the Fire District were designated as "State Responsibility Areas" for wildland fire protection purposes by Cal Fire. Upon annexation to the City, this designation was removed and the financial obligation for this type of fire protection transferred to the City. The City and the Fire District agreed to split the costs for wildland fire protection which would accrue through annexation of these areas.

Infrastructure Needs or Deficiencies

The District covers a large geographical area in comparison to other fire agencies of similar budget and resources. Therefore, consideration must be made for future facilities and their placement to accommodate anticipated future growth. An increase in the population will require additional fire fighting resources. More intense land use equals a greater potential for large fires and large dollar losses and requires a substantial increase in the efforts of fire prevention related activities. In addition, an increased population produces a correspondingly higher volume of emergency responses. Infrastructure needs will include roads and water improvements as well as fire station facilities.

Currently, the Freeway Corridor and Summit Valley lack the infrastructure to support growth. Future stations will be funded by new development in the Freeway Corridor and in the specific plan areas. In the Oak Hills area, the residential lot size is restricted to a minimum of 2 ½ acres and there is limited commercial activity. Therefore, there are no immediate plans for increased fire protection services in this area. As the specific plans within Summit Valley develop, the District will work with the developers to plan for future fire station locations as well as to prepare the necessary financing mechanisms. It was identified in the annexation applications that the development of community facilities districts (CFDs) could be required to provide funding for infrastructure development as well as maintenance and operation of emergency services.

3. Financial ability of agencies to provide services.

Unlike the City's other operating funds, the District's operating fund is not balanced with a surplus for FY 2008-09; rather it is budgeted with expenditures higher than revenues by slightly under $348,000. The same occurred in the prior year with both the original and revised budgets having higher expenditures than revenues.

Budget

Revenues

Revenues for FY 2008-09 are anticipated to increase 2% over the prior year to roughly $9.1 million. The District's primary sources of revenue are from property taxes, ambulance service fees, redevelopment pass through, and Community Facilities District 94-1. These four sources combined represent 95% of the District's revenue and are as follows:

- The District receives approximately 15% of the receipts collected from the general tax levy. The budgeted amount for FY 2008-09 is $4.3 million. This represents a 13% increase ($0.5 million) from FY 2005-06 and a $2.4% increase from FY 2007-08.

- Ambulance transportation fee revenue increased 13% in FY 2007-08, attributed to population growth and the addition of a fourth ambulance. A 6% increase ($100,000) is anticipated for FY 2008-09 with a budgeted amount of $1.9 million. In the materials provided, the District indicates that there are no plans to revise rates at this time.

- The District receives a pass through of tax increment received by the Hesperia Redevelopment Agency. This revenue source increased 26% in FY 2007-08 and is anticipated to increase about $75,000 in FY 2008-09 to $2.2 million. As noted under the City discussion, it was identified that the pass-through received from VVEDA has been distributed in lump sum to the City of Hesperia for itself and its subsidiary districts. As of the date of this report, City staff has not identified the share attributable to the Hesperia Fire Protection District; however, as noted the District's share of property tax is approximately 15% compared to the City's 1.3% share.

- Community Facilities District 94-1 was established within a portion of the Fire District west of Maple Avenue to assess new development for the increased cost burden on the District for providing fire service. For FY 2008-09, roughly $312,000 is anticipated.

Expenditures

The District operates with two funds: Operations and Community Safety, and Administration. The Administration Fund reflects District expenditures and projects that are non-County Fire contract expenditures. Activities include managing the County Fire contract, monitoring the District's funds, and managing worker's compensation claims and California Public Employees' Retirement System (CalPERS) issues. These worker's compensation claims and CalPERs issues are ongoing obligations from before 2004 - when the District actually provided service. The current fiscal year budgeted $240,632 for this fund and is comprised of additional employee benefits ($17,759), materials ($14,000), additional contractual obligations ($198,873), and other costs ($10,000). Compared with FY 2007-08, the sharp reduction in administration expenditures is primarily due to reduced expenditures for prior Worker's Compensation Claims and no proposed vehicle expenditures. Last year $1.39 million was spent for vehicle replacements, and the funds for these purchases were transferred from the Community Development Block Grant Fund ($503,703), RDA Capital Improvement Project Area #1 ($797,933), and RDA Capital Improvement Area #2 ($88,363).

The Operations and Community Safety Fund pays for the contract with County Fire. The contract with the County to provide fire protection, emergency medical response, and ambulance services increased for the current year by 13.9% ($1.1 million) to $9,217,872.

Reserves

The District's policy of maintaining 10% cash reserves as a percent of expenditures is anticipated to be met through the end of FY 2008-09 when 17% in reserves is anticipated.

Audit

For the FY 2006-07 audit, the District reported a balance of $2.5 million, which is an increase of about $0.4 million or 21.8% over the prior year's audit. Major revenues which increased during the year were Redevelopment Agency pass through ($0.5 million), property tax revenue ($0.3 million), and paramedic ambulance fees and assessment district revenue ($0.3 million). The property tax based revenues increased because of the City's recent population and development growth. Additionally, the addition of a fourth ambulance has increased the related ambulance revenue.

Revenue and Expenditure Trend

As shown in the chart below, the District has operated over the past three years with a surplus. However, the District is dependent upon transfers from the City's other funds and community development block grants to purchase capital goods. For example, last year $1.39 million was spent for vehicle replacements, and the funds for these purchases were transferred from the Community Development Block Grant Fund and RDA Capital Improvement Project Area #1 and #2.

The District is likely to experience financial challenges in the coming years. Costs for the County Fire contract have increased 71% since FY 2004-05 and annual increases are anticipated to continue. Additionally, the expanded stations and new stations anticipated to come on-line within a few years will result in additional costs for an increased level of service. Further, as mentioned above, the downturn in the housing market is affecting some of the District's primary sources of income: property tax revenues, community facilities district revenues, and development impact fees.

Hesperia Fire Protection District Revenue and Expenditure Trend

	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Revised Budget	FY 2008-09 Budget
Expenditures	**$5,728,000**	**$5,857,131**	**$8,091,306**	**$9,942,622**	**$9,458,504**
Operations and community safety	5,402,668	5,584,008	7,417,621	8,091,789	9,217,872
Administration	325,332	273,123	673,685	1,850,833	240,632
Revenues	**$5,720,715**	**$6,953,437**	**$8,546,530**	**$10,240,467**	**$9,111,219**
Property Taxes	3,582,644	3,816,789	4,117,561	4,298,000	4,298,000
RDA pass-through	548,785	1,050,909	1,547,876	2,016,221	2,177,519
Ambulance Fees	1,179,380	1,506,524	1,713,769	1,800,000	1,900,000
CFD 94-1	93,176	149,374	225,695	283,430	311,595
All other revenue	316,730	429,841	431,629	452,816	424,105
Transfers-In	0	0	510,000	1,390,000	0
Balance	**$988,280**	**$2,084,584**	**$2,539,810**	**$2,837,655 ***	**$2,490,370 ***

sources: City of Hesperia Budgets for FY 2007-08 and FY 2008-09
* Estimated year-end

Capital Improvement

To meet the facility requirements of the Public Safety Needs Report, the District plans to construct new stations and expand the current stations. The FY 2007-08 budget includes over $13 million for continued and new fire projects. The District is cooperating with the County to build a new station (Station 305). The following lists the planned improvements to the fire stations:

- Station 301 – expansion of an additional 12,000 square feet. The estimated cost of the project is $6 million and is anticipated to begin construction this fiscal year.
- Station 302 – relocate to north of Main Street to serve the northeast portion of the City and improve response times. Property acquisition and design is estimated to cost $2.1 million.
- Station 304 – The Safety Report identifies the need to add 8,800 square feet to this station by 2017. However, growth in this area necessitates adding a lesser amount of space sooner than 2017. The design and construction is estimated to cost $1.5 million and is anticipated to begin this fiscal year.
- Station 305 – The needs of the developing Freeway Corridor will require an additional fire station. The District and the County are jointly participating in the

construction. The new station is planned to be 22,000 square feet and located on the west side of Interstate 15, west of Caliente Road, south of Joshua Street. Construction is anticipated to begin this fiscal year, and the estimated cost of the project is $11 million.

Pass-Through

The materials submitted identify the pass-through amounts from the Hesperia Redevelopment Agency. However, as noted above, Hesperia Water District, and Hesperia Fire Protection District are eligible for receipt of pass-through revenues from VVEDA. As of the time of this report, LAFCO staff could not confirm the amount of the lump sum payment attributable to the Fire Protection District.

Debt

The Fire District currently does not have any debt secured by loans; however, it has claims against it prior to the takeover by County Fire, which remain its obligation.

Appropriation Limit

Action taken on June 17, 2008 by the Board of Directors set the appropriation limit for the District at $14,962,743 for Fiscal Year 2008-09.

4. Status of, and opportunities for, shared facilities.

The City consolidates the management of the Hesperia Water District, Redevelopment Agency, and Hesperia Fire Protection District at the new City Hall. When the new Public Works building is completed, it will house the Hesperia Water District, street maintenance operations, and record archives. As mentioned above, Station 305 is being jointly constructed by the District and the County.

5. Accountability for community service needs, including governmental structure and operational efficiencies.

Local Government Structure and Community Service Needs

The City of Hesperia City Council, as the ex-officio governing board of the District, is governed by five council members elected at large to four-year staggered terms. Below is the composition of the current council/board, their positions, and terms of office:

Council/Board Member	Title	Term
Mike Leonard	Mayor	2008
Thurston Smith	Mayor Pro Tem	2010
Tad Honeycutt	Council Member	2008
Ed Pack	Council Member	2010
Rita Vogler	Council Member	2010

City council meetings are held the first and third Tuesday of each month at the Hesperia City Hall at 6:30 p.m. The City complies with the Brown Act, and the public is welcome. The City Council convenes separate meetings as the Board of the District for items related solely to the District. For certain items of common interest, joint meetings are held. Meetings are available on the City website.

Each year the proposed City budget (which includes its subsidiary districts) is presented to the City Council during a public hearing, and the budget is adopted each year by the Council. The Council also convenes as the Board of the District and passes the budget and annual appropriations limits through resolution. To foster transparency, LAFCO staff would recommend either separate budget documents for the subsidiary districts identifying that they are separate units of government or that the consolidated budget document isolate the City's subsidiary districts into independent sections. City staff has indicated their opposition to this change as the current budget process requires the City to look at its operations in total rather than a piecemeal approach.

The City publishes a quarterly newsletter that includes information related to the District and fire safety, which is mailed to all of the postal addresses within the City and District.

Operational Efficiency

The City provides administrative services such as budgeting, accounting, and legal services to the District, and the City is refunded for this support. As for actual fire service and related planning, economies of scale are realized as County Fire has an existing administrative structure for personnel administration, purchasing, training, and maintenance

The needs of the developing Freeway Corridor will require an additional fire station. The District and the County are jointly participating in the station's construction as it will be designed to serve incorporated and unincorporated territory. Construction is currently underway and the estimated cost of the project is $11 million. Staffing costs have not, as yet, been determined.

Government Structure Options

There are two types of government structure options:

Out-of-Agency Service Agreements:

The District provides for service outside its boundaries through automatic and mutual aid agreements. It has automatic aid agreements with the City of Victorville and Town of Apple Valley and the newly reorganized San Bernardino County Fire Protection District and its North Desert Service Zone which succeeded to agreements with CSA 38 and CSA 29.

The District has contracted with the County for County Fire to provide fire and emergency medical services within its boundaries since 2004.

Government Structure Options:

While the discussion of some government structure options may be theoretical, a service review should address possible options.

- Expansion of the District to encompass the entirety of its sphere, whereby it would be responsible for fire protection and emergency medical response. Since the District contracts with County Fire to provide services within the jurisdiction of the District, expansion to encompass the sphere would result in the same fire provider that currently provides service - County Fire. Implementation of this option would result in the District being ineligible for subsidiary status and would require action to become an independent special district governed by an elected board.

- Dissolution of the District with County Fire as the successor. Since County Fire is the contracted agency to provide actual fire support, one possibility would be to dissolve the district, expand the sphere of influence of the San Bernardino County Fire Protection District and concurrently annex the territory to County Fire and its North Desert Service Zone. This option would require consent from the City of Hesperia to a board governed fire protection district overlaying its territory as that district is governed by the Board of Supervisors as the ex-officio board of directors. The District has no employees and its only real function, at this time, is to receive the property tax share, administer the contract and coordinate with County Fire. While there are benefits to regionally providing services such as fire protection and potential economies of scale that could be achieved, neither the District nor the City has indicated support for this option. However, the Commission would support this option as it would recognize the current fire provider, it would alleviate the need for the contract and the annual budgeting requirements for the Hesperia Fire Protection District and it would allow residents of the City of Hesperia to participate on the advisory board for determining levels of service for the North Desert. In the end, though, without support from the City this option could not be achieved.

- Dissolution of the District with the City as the successor. The Commission identified questions as to why the District exists as a subsidiary district and not as a City department when its boundaries almost completely mirror those of the City (territory along the Mojave River the only variation), the District has no employees and its only real function is to administer the contract and coordinate with County Fire. If this option were to occur, the only fiscal impact would be that the City's share of property tax revenues would go from 1.3+/- percent to 16 +/- percent eliminating it from the County's revenue enhancement program. The District responded to this option stating that this is not a current issue that has been evaluated by the District Board. Therefore, until a comprehensive analysis is conducted on this option, the District is not in a position to comment for or against such a change.

  In addition, during the County Fire Reorganization, the territory within the District's sphere of influence was included within the boundaries of the San Bernardino County Fire Protection District. It was noted that the County would not oppose the expansion of fire agencies through the annexation process.

- Consolidation with the surrounding fire agencies (Barstow and Apple Valley) is also an option. However, there are geographical and political hurdles relating to local control, which have proven to be the main sticking points in previous discussions with surrounding agencies.

- Maintenance of the Status Quo – in this scenario the District would continue to operate as a subsidiary district of the City of Hesperia with the City Council as the ex-officio members of the board of directors. Pursuant to Commission Policy, concurrent annexations with the City would continue to occur.

If support were to be received from the City of Hesperia, the Commission would recommend either the dissolution of the district with assumption of service by the City or by the San Bernardino County Fire Protection District and its North Desert Service Zone. At the November 19, 2008 hearing no support from the City, as the governing body of the Hesperia Fire Protection District, for either of these actions was provided; therefore, the Commission determines to maintain the existing government structure.

Based upon its evaluation, the Commission supports the modification of the current sphere of influence determination for the Hesperia Fire Protection District as identified above with no recommended change in status.

WHEREAS, the following determinations are made in conformance with Government Code Section 56425 and local Commission policy:

1. Present and Planned Uses

Overall, the District's boundaries and sphere include the full range of densities from high density to non-developable land. Land uses also include the full range which includes open space, rural living, and residential. There are existing Williamson Act contracts within the sphere area which restrict the land uses to either open space or agriculture for a minimum period of 10 years. The City is also currently updating its General Plan, which is expected to be completed by Fall 2009 along with the City's environmental review. The landownership breakdown of the community is as follows:

Land Owner	Sq Miles	Percentage
Private	109.8	93.4
U.S. Army Corps of Engineers	4.1	3.5
US Bureau of Land Management	3.0	2.6
San Bernardino National Forest	0.5	0.4
California Dept. of Parks and Recreation	0.2	0.2
Total	**117.6**	**100.0**

Oaks Hills Community Plan

The Oak Hills Community Plan was a joint effort between the County and the City, and the Community Plan recognizes the existence of the Oak Hills community. An Advisory Committee oversaw the development of the Oak Hills Community Plan which consisted of both landowners and residents. The boundaries of the Community Plan were structured around CSA 70 Zone J. The primary intent for this area is to continue to develop homes on 2

½ acres lots and maintain its rural character. The Oak Hills Community Plan established a Freeway Corridor to be developed with retail and job producing industrial and office uses on the large parcels adjacent to the freeway. The Community Plan also delineates open space areas within the Oro Grande Wash as well as another wash on the east side of the freeway. These washes form buffer zones for the rural area lying outside the freeway corridor. Overall, the Oak Hills area could add an additional 12,000 persons or 4,478 dwelling units by 2030.

Summit Valley

Located south of the District within its sphere, Summit Valley is an area of significant potential growth. The City's General Plan for this area requires comprehensively planned development. The area has few paved roads and little infrastructure; therefore the preferred method of development is through the specific plan or planned development process. Since the City's incorporation in 1988, three specific plans have been approved in Summit Valley: Rancho Las Flores, Summit Valley Ranch, and Bella Mesa. These plans combine for a total of 20,000 dwelling units. Another specific plan has been submitted, but not yet processed, known as Majestic Hills, which proposes 4,000 dwelling units. Utilizing the County General Plan's 2.68 persons per household for the Desert region calculates to an additional 64,320 persons. Further, the Oak Hills Community Plan sphere area could add an additional 12,000 persons or 4,478 dwelling units by 2030 according to City staff. Combined, Summit Valley and Oak Hills could add 68,798 persons by 2030 to the present day sphere area, or 80% of the City's 2007 population.

2. Present and Probable Need for Public Facilities and Services

At this time, the District is meeting the needs of the community. However, as the population increases and the uses of the land intensify, the area will require additional fire fighting resources. Therefore, consideration must be made for future facilities and their placement to accommodate anticipated future growth. In addition, an increased population produces a correspondingly higher volume of emergency responses. Infrastructure needs will include roads and water improvements as well as fire station facilities.

In the unincorporated sphere area, Oak Hills is limited in its growth due to the Oak Hills Community Plan designating a rural character of the area. The area is served water by CSA 70 Zone J but lacks sewer capacity at present. There is development activity in Summit Valley but the area currently lacks the necessary infrastructure to support growth. The specific plans anticipate urban-type levels of services as the population increases. Given the anticipated growth within the sphere, residential projects will require the development of schools, parks, medical facilities, and police and fire services. Additionally, large scale residential projects will require all municipal level services.

The District plans to construct new stations and expand the current stations. The FY 2007-08 budget includes over $13 million for continued and new fire projects. The District is cooperating with the County to build a new station (Station 305). The following lists the planning improvements to the fire stations:

- Station 301 – expansion of an additional 12,000 square feet.

- Station 302 – relocate to north of Main Street to serve the northeast portion of the City and improve response times.

- Station 304 – The Safety Report identifies the need to add 8,800 square feet to this station by 2017. However, growth in this area necessitates adding a lesser amount of space sooner than 2017.

- Station 305 – The needs of the developing Freeway Corridor will require an additional fire station. The District and the County are jointly participating in the station's construction. The new station is planned to be 22,000 square feet and located on the west side of Interstate 15, west of Caliente Road, south of Joshua Street.

3. Present Capacity of Public Facilities and Adequacy of Public Services

Current facilities and services delivered are adequate. County Fire operates from four stations within the City to serve the community. There are also two paid-call stations within the sphere area. Staffing levels meet the needs of the community with 53 paid safety staff.

The funding of facilities and services to developing areas within its boundaries will possibly require development-driven funding sources such as the formation of community facilities districts.

4. Social and Economic Communities of Interest

The City of Hesperia is the core of the social and economic community of interest for the Hesperia community. Within the unincorporated sphere, there are two distinct social communities. The Oak Hills Community Plan recognized the existence of the Oak Hills community through the appointment of an Advisory Committee that oversaw the development of the Community Plan. The other community is Summit Valley and is much smaller. The specific plans for this area will guide development in the future. The majority of the community is within the Hesperia Unified School District with a portion of the area west of Interstate 15 being within the Snowline Joint Unified School District.

In addition, the Mojave River presents an easily definable boundary for community identification and service delivery; however, its present location splits parcels. The Commission determines that the sphere of influence should be amended to realign the sphere of influence/community definition along the parcels recognizing their service relationship.

5. **Additional Determinations**

- Legal advertisement of the Commission's original consideration was provided through publication in *The Daily Press* through publication of a 1/8 page legal ad and in *The Hesperia Resorter*, as required by law. In accordance with Commission Policy #27, a 1/8th page legal ad was provided in lieu of individual notice because the Municipal Service Review Sphere of Influence update for the Hesperia Fire Protection District would have exceeded 1,000 notices.

- As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.

- Comments from landowners/registered voters and any affected agency were reviewed and considered by the Commission in making its determinations.

WHEREAS, pursuant to the provisions of Government Code Section 56425(h) the range of services provided by Hesperia Fire Protection District shall be limited to the following:

FUNCTIONS	***SERVICES***
Fire Protection	Structural, watershed, suppression, prevention, ambulance, paramedic

WHEREAS, having reviewed and considered the findings as outlined above, the Commission determines to:

(1) Modify the District sphere of influence along the northern boundary to expand and/or reduce the designation to correspond to the realigned centerline of Bear Valley Road;

(2) Modify the sphere of influence along the eastern boundary to expand the territory along the Mojave River south of Bear Valley Road;

(3) Modify the sphere of influence along the southern boundary to exclude the territory within the Crestline-Lake Arrowhead Water Agency, at Silverwood Lake; and,

(4) Affirm the balance of the existing sphere of influence designation.

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 this to be the sphere of influence for the Hesperia Fire Protection District; 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 Hesperia Fire Protection District 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 designation of the modified 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:**	**Biane, Colven, Cox, Hansberger, McCallon, Nuaimi, Pearson**
NOES:	**COMMISSIONERS:**	**None**

ABSENT: **COMMISSIONERS:** None

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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 November 19, 2008.

DATED: November 20, 2008

KATHLEEN ROLLINGS-McDONALD
Executive Officer

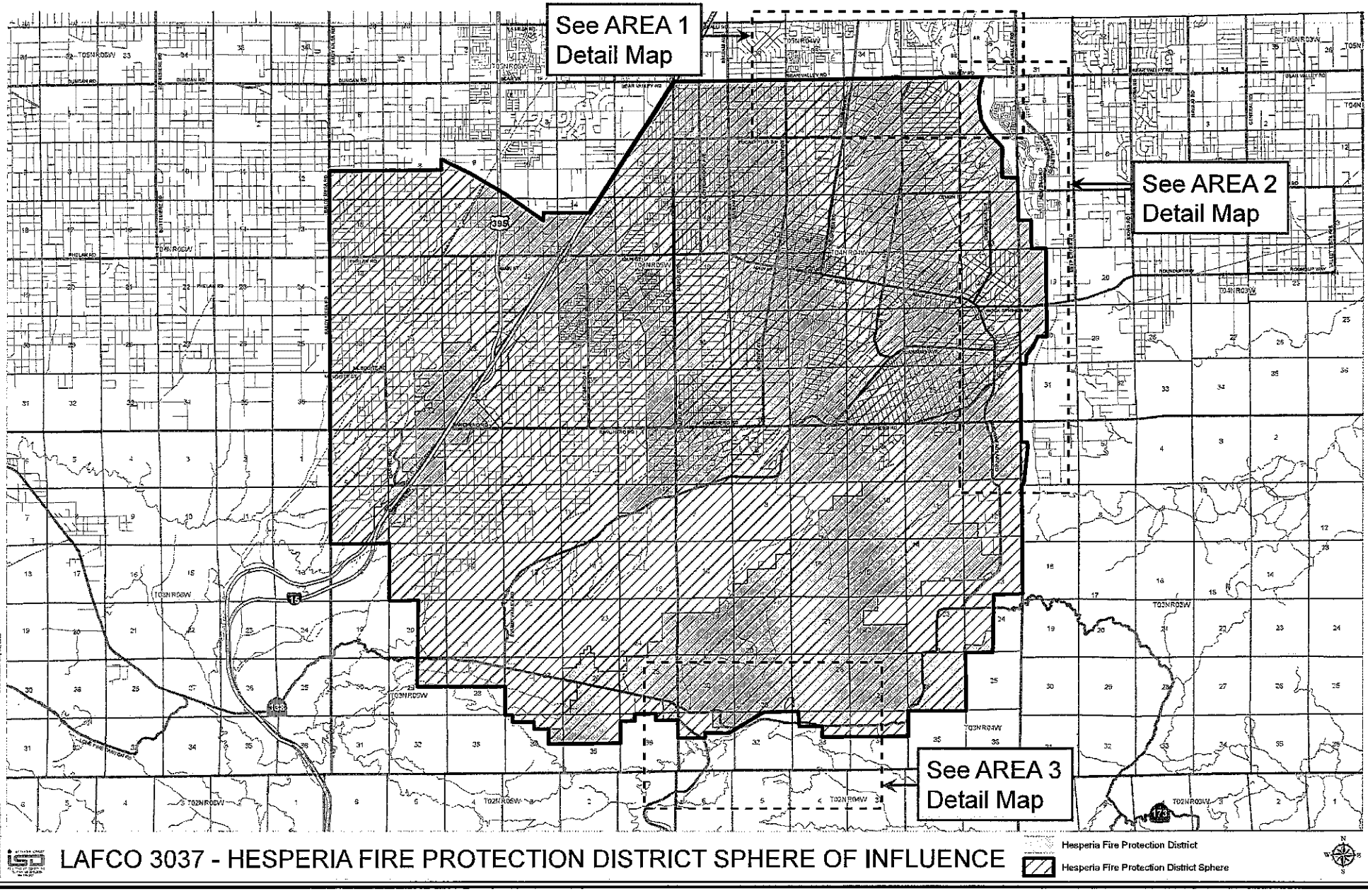
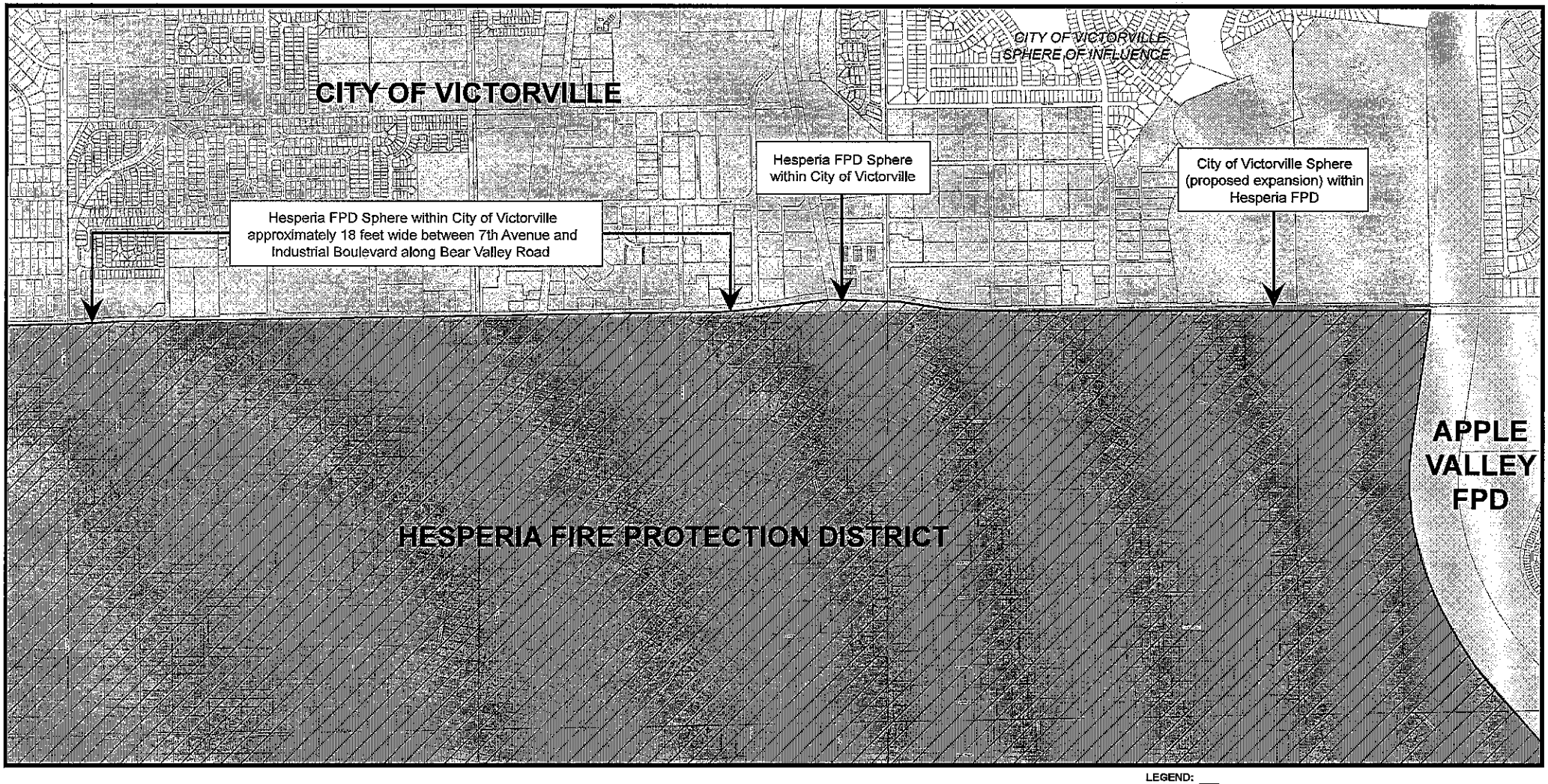


EXHIBIT A

EXHIBIT A



LAFCO 3037 - AREA 1 DETAIL MAP

HESPERIA FIRE PROTECTION DISTRICT'S NORTHERN SPHERE OF INFLUENCE BOUNDARY

(Hesperia FPD sphere designation is along the new centerline of Bear Valley Road)

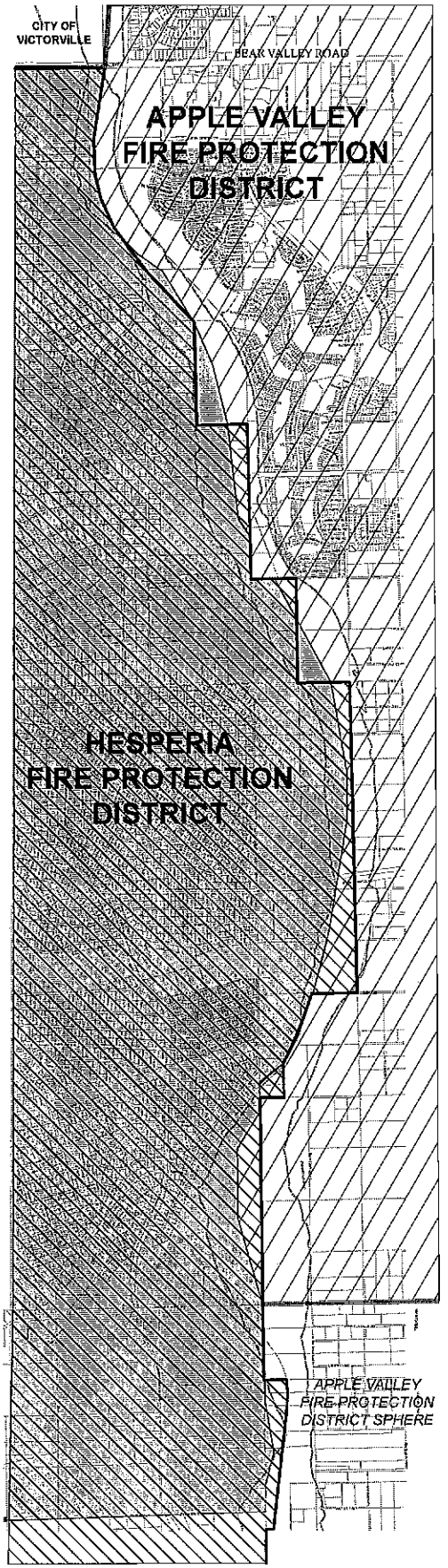
LEGEND:
- Hesperia FPD Sphere
- Hesperia FPD
- City of Victorville
- Apple Valley FPD
- Section Lines

N W E S

Date Created: Oct. 2, 2008

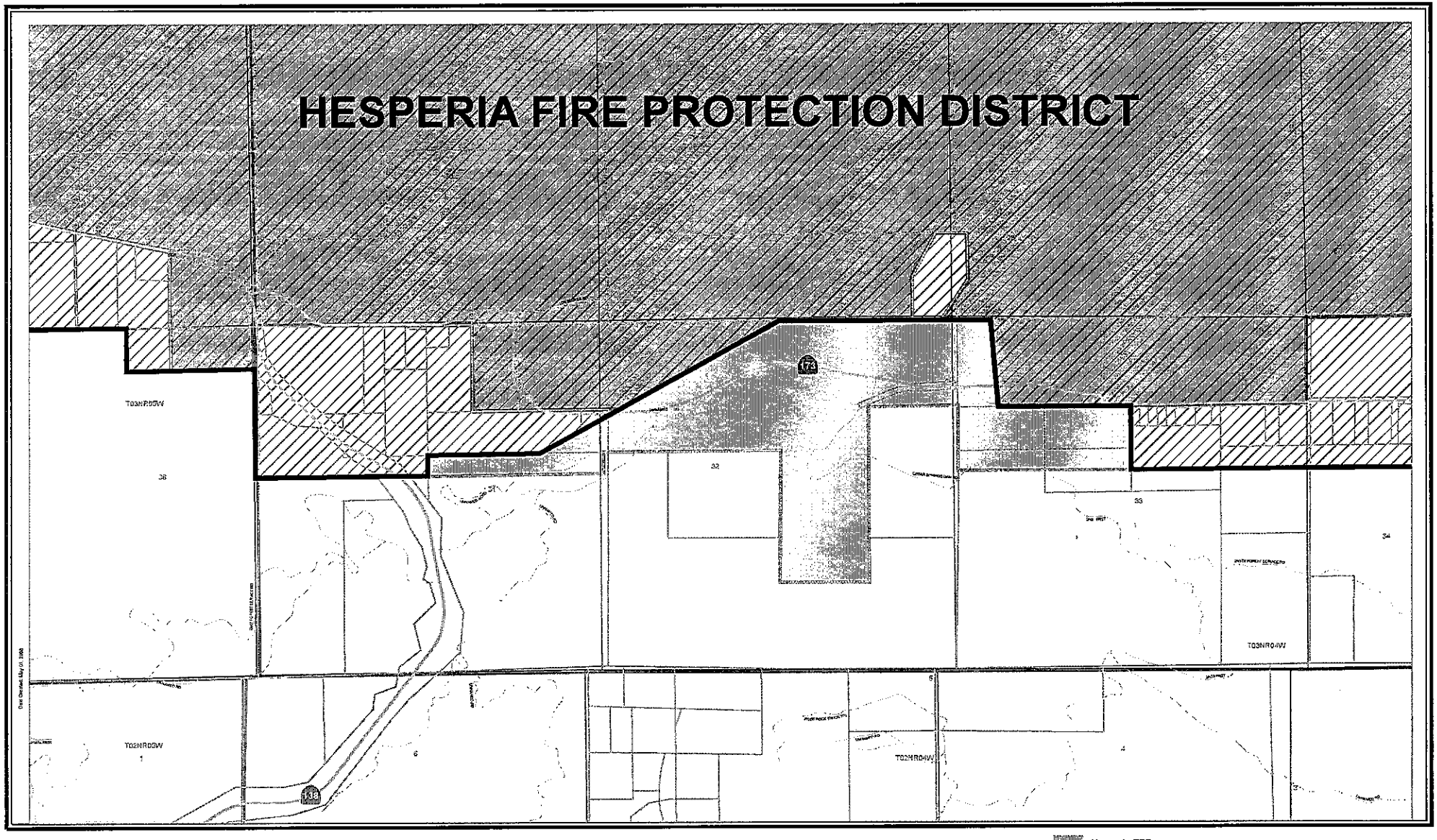
EXHIBIT A-1

EXHIBIT A-1



LAFCO 3037 - AREA 2 DETAIL MAP
HESPERIA FIRE PROTECTION'S EASTERN
SPHERE OF INFLUENCE BOUNDARY
(Hesperia FPD's sphere boundary is along parcel boundaries along the Mojave River)

LEGEND:
Hesperia FPD Sphere
Hesperia FPD
Apple Valley FPD



LAFCO 3037 - AREA 3 DETAIL MAP

HESPERIA FIRE PROTECTION DISTRICT'S SOUTHERN SPHERE OF INFLUENCE BOUNDARY

(Hesperia FPD's sphere boundary is along the existing boundary of the Mojave Water Agency)

EXHIBIT A-3

EXHIBIT A-3