

PLAN FOR SERVICES
Attachment to Supplement
Annexation, Detachment, Reorganization Proposals
Lake Arrowhead Community Services District

A. A description of the level and range of each service to be provided to the affected territory.

The District is authorized to provide water and wastewater services within its sphere of influence. The Hesperia Farms Property is vacant land, with only a few abandoned buildings and no people residing thereon. It is located at the northern base of the San Bernardino Mountains, near the Mojave River, and has been used by the District to store treated wastewater for nearly 50 years. The District wishes to annex the Hesperia Farms Property for the reasons asserted by LAFCO in 2010 in determining it should be part of the District's sphere of influence, including, but not limited to, offsetting its property taxes. These savings can be used for other purposes for the overall benefit of the District's rate payers. The abandoned buildings are outside the footprint of both the percolation ponds and proposed District solar project, and will not be affected in any way by the annexation; moreover, at its Board meeting of May 24, 2022, the District awarded a contract for the removal of the buildings and they were subsequently removed. Annexation will result in minimal impacts to adjacent land uses. There is no service of any kind anticipated to be provided to the affected territory.

There is a proposed solar project on the Hesperia Farms Property but, because of a recent appellate court ruling¹, it is unrelated to this application. As stated above, the annexation's purpose is to follow through with LAFCO's 2010 comments and offset the District's property taxes. These savings can be used for other purposes for the overall benefit of the District's rate payers.

B. An indication of when the service can be feasibly extended to the affected territory.

Not applicable. The Hesperia Farms Property does not and will not host any residences.

C. An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory.

No service will be required to the Hesperia Farms Property. No residential or commercial occupancy on the Hesperia Farms Property is proposed. Aside from an unrelated solar project, no improvements or upgrading is anticipated on the Hesperia Farms Property proposed to be annexed.

¹ See City of Hesperia v. Lake Arrowhead Community Services District et al., San Bernardino Superior Court, Case No. CIVDS 2019176.

D. The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the service and a description of how the service or required improvements will be financed. The Fiscal Impact Analysis shall provide, at a minimum, a five (5)-year projection of revenues and expenditures. A narrative discussion of the sufficiency of revenues for anticipated service extensions and operations is required.

Not applicable. No Fiscal Impact Analysis attachment is required or included; there are no costs because there will be no extension of service to the Hesperia Farms Property. No revenues or expenditures are anticipated.

E. An indication of whether the annexing territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.

The Hesperia Farm Property will not be annexed into an existing improvement zone/district, redevelopment area, assessment district, or community facilities district.

F. If retail water service is to be provided through this change, provide a description of the timely availability of water for projected needs within the area based upon factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).

Not applicable.

WRITTEN RESPONSES TO MARCH 7, 2023, TECH REVIEW LETTER

LAFCO requests that the District provide a written response to the following questions applicable to the completion process for this proposal:

a. Will the annexation area be taxed for existing bonded indebtedness or contractual obligations of the District?

No.

b. Does the District utilize the regular County assessment roll?

Yes.