

Comments Received by the Requested Cut Off
Date of 4/27/2022 - Public Review MSR/SOI Draft Report

	<u>Date Received</u>	<u>Agency</u>	<u>Comments</u>
1	Tues 4/12/22	Home Gardens Sanitary	Technical Comments
2	Wed 4/13/22	City of Hemet	Technical Comments
3	Sun 4/17/22	Thomas Giedroyce, Vice-Chairman, City of Menifee Parks, Recreation and Trails Commission	Supports Meniffe's interest in extending SOI out east of HWY 79
4	Mon 4/18/22	City of Moreno Valley	Technical Comments
5	Tues 4/19/22	City of Calimesa	Technical Comments
6	Tues 4/19/22	Angela Little, Winchester MAC Area Stakeholder	Opposed to Menifee's proposed SOI expansion east to HWY 79
7	Mon 4/25/22	City of Indio	Technical Comments
8	Tues 4/26/22	City of Menifee	Technical Comments
9	Wed 4/27/22	Jurupa Area Recreation Park District	Technical Comments
10	Wed 4/27/22	Jurupa Community Services District	Technical Comments
11	Wed 4/27/22	Valley-Wide Recreation & Park District	Technical Comments
			Opposed to any ANX or SOI amendments inside the boundaries of the Winchester/Homeland MAC area. Petition circulated to Winchester/Homeland MAC, VWRPD Board Meeting and the Homeland and Highland Palms Communities. 112 signatures were in opposition.
12	Wed 4/27/22	Angela Little, Winchester MAC Area Stakeholder	
13	Wed 4/27/22	City of Coachella	CVWD Agreements & SOI Alternatives & Service Agreement
14	Wed 4/27/22	San Bernardino Valley MWD	No Comment
15	Wed 4/27/22	City of Perris	City has withdrawn JPA SOI request.
16	W 4/27/22	County Executive Office re: City of Perris	Request holding off on any territory encompassin the March JPA be held off
17	W 4/27/22	County Executive Office re: City of Menifee	County request that any SOI boundary encroaching on the Winchester Community Plan, that the LAFCO Commission deny the proposal. Update clarification on Library facilities.
18	W 4/27/22	County Executive Office re: City of Canyon Lake	Notes that the County has an effort within the HWY 74 Community Plan. County requests to be included in consultation efforts with the City of Canyon Lake.
19	W 4/27/22	County Executive Office re: City of Coachella	Supports the City of Coachella's proposal
		Received After Comment Period	
20	Thurs 4/28/22	Hemet United	Discussion of Petition
21	Thurs 4/28/22	City of Riverside	Technical Comments
22	Thurs 4/28/22	City of Cathedral City	Technical Comments
23	Fri 4/29/22	City of Banning	Technical Comments
24	Wed 5/4/22	Anthony and Juliette Connell	Opposed to the Hemet United proposed SOI expansion & ANX
25	Mon 5/16/22	City of Murrieta	Technical Comments
		Received After the Writing of the Staff Report	
26	Tues 6/14/22	Jurupa Community Services District	Technical Comments
27	Tues 6/14/22	Valley-Wide Recreation & Park District	Technical Comments
		Represents comments received by the public/residents	

**Comments Received on Public
Review Hearing Draft
(During comment period)**

Crystal Craig

From: hgdsd.mgr@sbcglobal.net
Sent: Tuesday, April 12, 2022 2:46 PM
To: Crystal Craig
Subject: RE: Public Review Draft Countywide City MSR & SOI Review

Hello,

The only area of concern noted was at Page 90, which contained the following:

Social or Economic Communities of Interest *The City does not provide services to the Home Gardens area, which is located in the Corona SOI and previously qualified as a LAFCO-identified DUC. The Home Gardens area is still recognized as a lower income area. The Home Gardens area is largely developed and serviced by the Home Gardens Water District and Home Gardens Sanitary District, which are considered functional service providers by City staff. However, this does not imply that these districts are the most efficient or cost-effective service providers.*

This statement is rather benign given that, if LAFCO does analyze HGSD vs Corona re wastewater, I believe it will find that HGSD is indeed more efficient and cost effective than Corona, particularly given the rate differential.

I am not concerned with the proposed MSR.

Thank you,
Tracey LaBonte

From: hgdsd@sbcglobal.net <hgdsd@sbcglobal.net>
Sent: Tuesday, March 29, 2022 11:38 AM
To: hgdsd.mgr@sbcglobal.net
Subject: FW: Public Review Draft Countywide City MSR & SOI Review



Tania Duarte

Home Gardens Sanitary District
13538 Magnolia Ave.
Corona, Ca. 92879
(951) 735-2368

From: Elizabeth Valdez <evaldez@lafco.org>
Sent: Monday, March 28, 2022 4:11 PM
To: Banning Library District - Board (Kevin Lee) <Kevin@banninglibrarydistrict.org>; Beaumont Library District - DM (Luren Dickinson) <luren.dickinson@bld.lib.ca.us>; Beaumont-Cherry Valley RPD - DM (Duane Burk) <duane@bcvparks.com>; Beaumont-Cherry Valley Water - DM (Dan Jagers) <dan.jagers@bcvwd.org>; Cabazon County WD - DM (Calvin Louie) <clouie@cabazonwater.org>; Chiriaco Summit WD - DM (Eduardo Guevara) <eguevara@cswaterdistrict.org>; Citrus Pest Control District No. 2 - DM (Larry Houser) <citruspest@gmail.com>; Coachella Valley Water District - DM (Jim Barrett) <jbarrett@cvwd.org>; CV Mosquito & Vector Control - DM (Jeremy Wittie) <jwittie@cvmosquito.org>; CV Public Cemetery District - DM (Josh Bonner) <josh.bonner@cvcpcd.org>; CV

Crystal Craig

From: Christopher Lopez <clopez@hemetca.gov>
Sent: Wednesday, April 13, 2022 2:30 PM
To: Crystal Craig
Subject: RE: Public Review Draft Countywide City MSR & SOI Review

Good afternoon Crystal,

We have reviewed the Draft Water and Wastewater MSR found here ([http://lafco.org/wp-content/uploads/documents/msr-2018-2022/Western%20Region%20\(5-23\).pdf](http://lafco.org/wp-content/uploads/documents/msr-2018-2022/Western%20Region%20(5-23).pdf)) and we have the following comments:

1. The most recent CIP is included here: <http://www.hemetca.gov/DocumentCenter/View/7406/FINAL-CIP-2022?bidId=>
2. We operate the Water Division; for organizational terms and purposes, the Water function is a Division of the Public Works Department, and not its own standalone Department
3. Financial Ability to Provide Services—the last three years of the City's financial audited statements have shown a surplus in each of the last three years. The State has acknowledge the progress and has removed the City from the list of High Risk cities. The information can be found here: https://www.auditor.ca.gov/local_high_risk/dashboard-csa
4. The updated Council members can be found here: <http://www.hemetca.gov/65/Mayor-City-Council>

On the LAFCO MSR found here (https://lafco.org/wp-content/uploads/documents/msr-2018-2022/LAFCO%202021-06-1,2,3,4&5_City_MSR%20Public%20Review%20Draft%203-29-2022.pdf) we have the following comments:

1. There is a statement on page 126 that says the following: "The 2006 MSR identified the following: Hemet provided law enforcement services that had personnel ratios below the agency's adopted standards of 1.3 sworn officers per 1,000 residents. Additionally, the Hemet police facility was overcrowded at the time, but the City was preparing plans for a new police facility."
Based on a review of City Clerk records, files, and minutes of meetings, we were unable to find an agency standard of 1.3 sworn officers per 1,000 residents. There is no record we have of the City Council adopting this standard that we could find.
2. Page 130—Information Technology is a Division, and not its own Department.
3. The most recent CIP is included here: <http://www.hemetca.gov/DocumentCenter/View/7406/FINAL-CIP-2022?bidId=> Staff is currently preparing a five year CIP that we plan on bringing to the Council in the next two months.

Please let us know if you have any questions or comments.

Christopher Lopez
City Manager
City of Hemet

From: Elizabeth Valdez <evaldez@lafco.org>
Sent: Monday, March 28, 2022 4:06 PM
To: Banning, City of - CM (Doug Schulze) <citymanager@ci.banning.ca.us>; Beaumont, City of - CM (Todd Parton) <tparton@beaumontca.gov>; Blythe, City of - CM (Mallory Crecelius) <msutterfield@cityofblythe.ca.gov>; Calimesa, City of - CM (Bonnie Johnson) <bjohnson@cityofcalimesa.net>; Canyon Lake, City of - CM (Chris Mann) <chrismann@cityofcanyonlake.com>; Cathedral City, City of - CM (Charlie McClendon) <cmclendon@cathedralcity.gov>; City of Indio - CM (Bryan Montgomery) <bmontgomery@indio.org>; Coachella, City of - CM <gmartin@coachella.org>; Corona, City of - CM (Jacob Ellis) <jacob.ellis@coronaca.gov>; Desert Hot Springs, City

Crystal Craig

From: Tom <tgiedroyc@gmail.com>
Sent: Sunday, April 17, 2022 10:59 AM
To: Crystal Craig
Subject: LAFCO Maintenance Service Review comment

I support the City of Menifee having a Sphere of Influence on the east side of the city's boundary extending out to highway 79 to ensure traffic, housing, parks and industrial development in that area will be consistent with the needs of the rapidly growing city.

Doing this will better manage the environment, prevent urban sprawl and improve the quality of life for all residents of the area.

Please consider this request. I believe it will be of great benefit to the public.

Respectfully,
Thomas Giedroyce

Vice Chairman, City of Menifee Parks, Recreation and Trails Commission
Chairman, Riverside County Regional Park and Open-Space District Advisory Commission

Sent from Mail for Windows

Crystal Craig

From: Sean P. Kelleher <seanke@moval.org>
Sent: Monday, April 18, 2022 5:50 PM
To: Crystal Craig
Cc: Manuel A. Mancha; Brian Mohan; Mike Lee
Subject: RE: Updated Public Review Draft Countywide City MSR & SOI Review

Good Afternoon Ms. Craig,

The City of Moreno Valley would like to request that the Riverside Local Agency Formation Commission update the "Housing Needs and Housing Element Reporting" section of the "City Municipal Service Review and Sphere of Influence Update for All Cities in Riverside County" for the City of Moreno Valley, with data from the past year as the report data utilized, is up to three years old.

On page 238, the report identifies that the City of Moreno Valley made its first submittal of the 6th Cycle Housing Element to HCD in February 2021. The report fails to mention the date of the second submittal or that the City is in active discussion with HCD and is extremely close to having its 6th Cycle Housing Element certified. Furthermore, Footnote 117 is tied to the discussion of HCD's 2021 review of the City of Moreno Valley's 6th Cycle Housing Element; the report referenced by the footnote was updated on June 28, 2019. Also, on page 238, Figure 87 utilizes data from the 2019 Annual Progress Report rather than data from the 2020 Annual Progress Report submitted in 2021. On page 239, the report uses the "SB 35 Statewide Determination Summary" prepared by HCD in 2020 rather than more recent data from other sources.

In addition to the updated data, the City would request that the Riverside Local Agency Formation Commission highlight that the City of Moreno Valley adopted a new General Plan in June 2021 and has already implemented all of the Zoning amendments required to implement the 6th Cycle Housing Element. Finally, the City would request the report highlight the Courtyards at Cottonwood Project, an affordable housing project within the City of Moreno Valley that is currently under construction and will assist the City in meeting its RHNA Goals for Low and Very-Low income housing.

Thank you,

Sean P. Kelleher
Planning Division Manager/Planning Official
Community Development
City of Moreno Valley
p: 951.413.3215 | e: seanke@moval.org w: www.moval.org
14177 Frederick St., Moreno Valley, CA, 92553



From: Elizabeth Valdez <evaldez@lafco.org>
Sent: Tuesday, March 29, 2022 3:39 PM
To: Banning, City of - CM (Doug Schulze) <citymanager@ci.banning.ca.us>; Beaumont, City of - CM (Todd Parton) <tparton@beaumontca.gov>; Blythe, City of - CM (Mallory Crecelius) <msutterfield@cityofblythe.ca.gov>; Calimesa, City of - CM (Bonnie Johnson) <bjohnson@cityofcalimesa.net>; Canyon Lake, City of - CM (Chris Mann)

Crystal Craig

From: Bonnie Johnson <BJohnson@cityofcalimesa.net>
Sent: Tuesday, April 19, 2022 12:41 PM
To: Crystal Craig
Cc: Kelly Lucia
Subject: Public Review Draft Countywide City MSR & SOI Review
Attachments: LAFCO 2021-06-12345_City_MSR Public Review Draft 3-29-2022Calimesa)_4.19.2022.docx

Hi Crystal,

Attached are Calimesa's comments on the draft. Please note there are several comments enter through Track Changes as well as a few suggested changes where text has been changed.

Please let Kelly and I know if you should have any questions.

Thank you,

Bonnie

Bonnie Johnson
City Manager
City of Calimesa
(909)795-9801

Riverside County is vast and its municipalities are varied, some with a large focus on a suburban quality of life that is elusive in denser coastal cities to the West, others weighing the benefits and impacts of industrial transformation from agricultural to logistics and distribution, while others are considered world class tourist destinations with their own unique challenges. In the past two years, the COVID-19 virus pandemic crisis put all local governments through a period of great uncertainty and turmoil, particularly those that relied on tourism and retail shopping to fund essential services. Overall, the County continues to experience growth and the pressures that come with it, including the increasing challenge of meeting demands for housing.

Of the County's 28 incorporated cities, half are located in the Western region and comprise 62% of the County population. Four smaller cities are in the Pass/Mountain region, and the remaining ten are in the Coachella Valley/Eastern region. About 16% of the County's population reside in unincorporated areas. Figure 1 lists the cities by region in descending population.

Figure 1: Cities by Region and Population

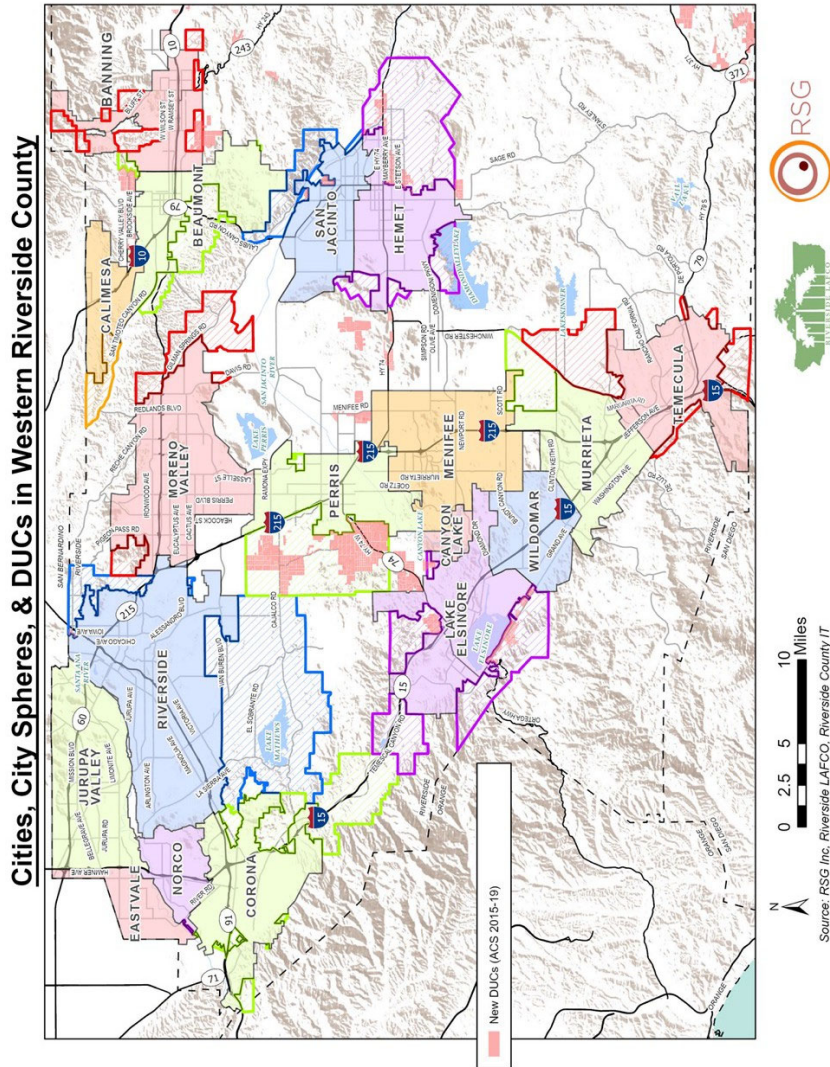
Western		Pass/Mountain		Coachella Valley/Eastern	
Riverside	328,155	Beaumont	51,475	Indio	90,751
Moreno Valley	208,838	San Jacinto	51,028	Cathedral City	53,580
Corona	168,248	Banning	31,125	Palm Desert	52,986
Murrieta	115,561	Calimesa	<u>9,329</u>	Palm Springs	47,427
Temecula	111,970	Total	142,957	Coachella	47,186
Jurupa Valley	107,083			La Quinta	40,660
Menifee	97,093			Desert Hot Springs	29,660
Hemet	85,175			Blythe	19,255
Perris	80,201			Rancho Mirage	19,114
Eastvale	66,413			Indian Wells	<u>5,403</u>
Lake Elsinore	63,453			Total	406,022
Wildomar	37,183				
Norco	27,564				
Canyon Lake	<u>11,000</u>				
Total	1,507,937			Balance of County	385,388
				Total County	2,442,304

Commented [BJ1]: Please footnote the year and source

Exhibit 1 illustrates the Western and Pass/Mountain Regions. Exhibit 2 illustrates the Coachella Valley Region, and Exhibit 3 illustrates the Eastern Region.

Exhibit 1: Locator Map – Western Riverside County and Pass/Mountain Region

Commented [BJ2]: Is this map of current or proposed SOI? A label would be helpful



an opportunity for shared facilities with another public agency or neighboring municipality. City staff also indicated that the infrastructure in Banning has a wide range of quality, from very good to poor. Because Banning residents are less affluent when compared to other Riverside County communities, the City is hesitant to address infrastructure, facility, and service funding shortfalls with voter-approved tax measures.

- **Beaumont** – Beaumont is currently in a fiscally healthy position, however it is still recovering from embezzlement schemes prior to 2017. The Beaumont annual audits presented several significant deficiencies that remain uncorrected.
- **Calimesa** – The City of Calimesa does not have a diverse tax revenue base, with almost 70 percent of revenues derived from property values. The Calimesa population growth rates for the last ten (10) years were very high compared to the region, and anticipated growth is not expected to slow over the next 15 to 25 years.
- **San Jacinto** – No significant determinations were identified related to the City of San Jacinto.

Commented [BJ3]: I am not sure how this percentage is being calculated. Please clarify. The wording implies "property taxes". I have looked at Figure 198 in the Calimesa section and this percentage doesn't tie back as far as I can see.

Coachella Valley/Eastern Region

- **Blythe** – Mayflower County Park, in the Blythe SOI, lacks adequate sewer infrastructure. RSG understands that the Riverside County Regional Park and Open-Space District recently agreed to provide sanitary sewer service improvements to the Mayflower County Park.⁵
- **Cathedral City** – The 2011 MSR determined that Cathedral City's facilities and personnel would be inadequate to provide services to Cathedral City's SOI, including the Thousand Palms Area. Cathedral City's future annexation of this area would require unprecedented expansion of City services and would need to be resolved prior to annexation. City staff did not disagree with the determinations and noted that any annexation action would be preceded by careful evaluation.
- **Coachella** – The City of Coachella struggles to maintain bridge and interchange infrastructure, which is undersized and deficient.

⁵ Source: State of California Governor's Office of Planning and Research, Mayflower Park Sanitary Sewer Improvement Project, posted June 29, 2021, <https://ceqanet.opr.ca.gov/2021060660>

either market rate RHNA production or submittal of the Annual Progress Report. The third tier includes cities and counties that have made insufficient progress towards affordable housing production.

City Interviews

In coordination with LAFCO, during the months of February through April 2021, RSG conducted online interviews with the executive leadership of each city in the County, including one or more of the following key staff: the City Manager, Assistant City Manager, Director of Community Development or Planning and Building, Finance Director, and Public Works Director. These interviews allowed RSG to gain insight on the current operations and any unique challenges or opportunities of each city.

The content of these interviews included the following topics:

- Financing constraints and opportunities;
- Growth and population projections, including RHNA allocations and long-term strategy for service delivery;
- Infrastructure needs or deficiencies;
- Cost avoidance opportunities;
- Opportunities for rate restructuring regarding services provided;
- Opportunities for shared facilities with other cities or agencies;
- Government structure options, including advantages or disadvantages of consolidation or reorganization of service providers;
- Evaluation of management efficiencies; and
- Local accountability and governance, specifically the efforts being made to support public engagement and participation.

RSG staff conducted several follow up telephone interviews with executive city staff to address outstanding questions and receive an update on the current issues facing the cities.

Commented [BJ4]: Did not happen with Calimesa. Just wanted to again make my displeasure with RSG known.

places, and food stores). A relatively large number of jobs (10.3 percent or 175 jobs) are in the construction industry.²⁶⁹

Commented [BJ5]: Consider replacing with "establishments" or another more appropriate word

CURRENT SPHERE OF INFLUENCE, ISLANDS/POCKETS, AND DUCS

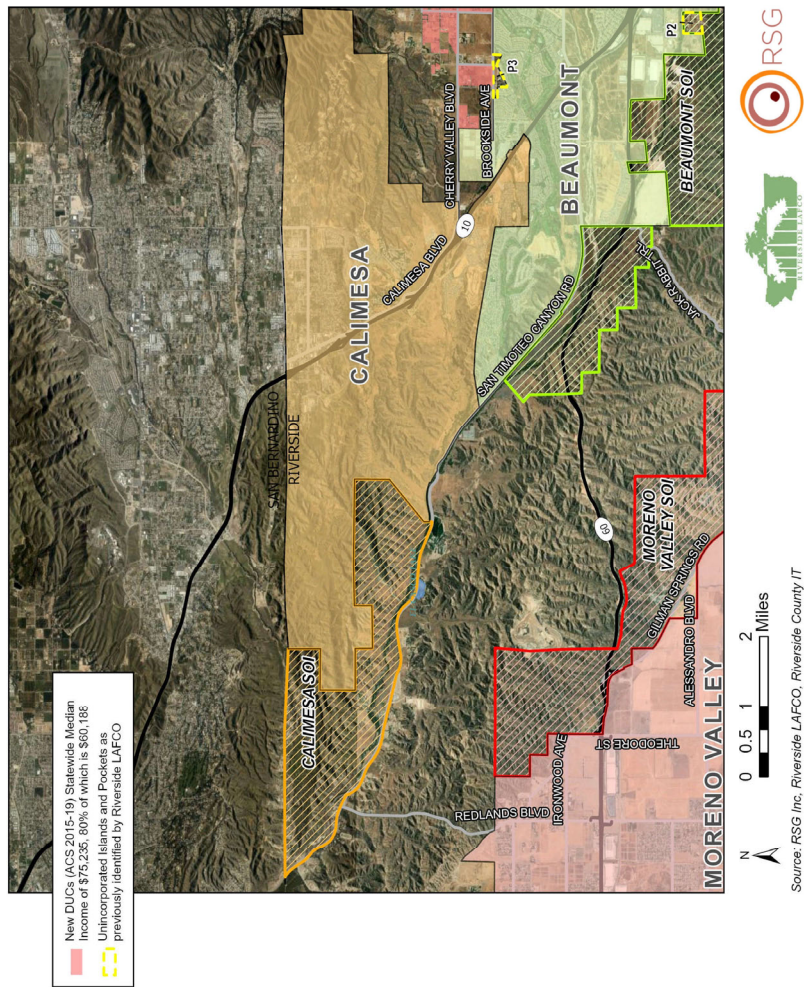
The Calimesa SOI includes one unincorporated area located on the City's western boundary, extending north to the border with the County of San Bernardino and west along San Timoteo Canyon Road. The Calimesa SOI does not contain any disadvantaged unincorporated communities, nor LAFCO-identified unincorporated islands or pockets. Most of the Calimesa SOI is made up of undeveloped foothills. The Calimesa SOI and City's corporate boundary are illustrated in Exhibit 33.

The City of Calimesa SOI was previously reviewed and confirmed by LAFCO in the September 2006 Central Valleys, The Pass Area, and Southwestern Riverside County MSR (LAFCO 2005- 49-3&5; LAFCO 2005-48-5; LAFCO 2005-47-1&3) ("2006 MSR"). Findings from the 2006 MSR are referenced in the SERVICES PROVIDED section below, with any current updates from City staff.

There are two (2) un-sphered and unincorporated areas adjacent to the City that have inquired about annexation into Calimesa. One area, commonly referred to Cherry Valley Boulevard and Roberts Street, is located northeast of the intersection of Cherry Valley Boulevard and Roberts Street, and recently submitted a parcel map for subdivision and road realignment. The property owners on the City's southeastern boundary, adjacent to Interstate 10, in an area commonly referred to as the Golden Triangle, have plans to improve their properties, but are pursuing annexation in order to tie into nearby existing water, wastewater, and other infrastructure. The Cherry Valley Boulevard and Roberts Street, and Golden Triangle focus areas are illustrated in Exhibit 34.

¹⁸⁷ Source: ESRI Business Analyst Online

City of Calimesa and Sphere of Influence



City of Calimesa
Municipal Service Review and Sphere of Influence Update
Riverside County

Public Review Draft – March 29, 2022

Exhibit 33: City and SOI Boundaries - Calimesa

Commented [BJ6]: Current SOI????

City of Calimesa: Cherry Valley Boulevard & Roberts Road + Golden Triangle



Source: RSG Inc, Riverside LAFCO, Riverside County IT

City of Calimesa
Municipal Service Review and Sphere of Influence Update
Riverside County

Public Review Draft – March 29, 2022

Exhibit 34: Cherry Valley Boulevard and Roberts Street, and Golden Triangle - Calimesa

Commented [BJ7]: Should indicate recommended

Commented [BJ8R7]: Also should be Roberts Street;
NOT Roberts Road

Figure 194: Service Provider Matrix - Calimesa

Public Service	Service Provider	City Department	County	Small Independent Special District	Large Independent Special District	Small Dependent Special District	Large Dependent Special District	Private Contractor	Franchise	Shared Service	Other
Law Enforcement	Sheriff										
Fire Protection	Fire Department										
Emergency Medical	Fire Department										
Building/Planning	Community Development, Private Contractor - Building										
Housing	State of California										
Code Enforcement	Community Development, Private Contractor Augment										
Animal Control	Beaumont Animal Services										
Parks and Recreation	Parks - Maintenance Only, Beaumont-Cherry Valley Rec										
Library	Library System, City owns Library Building										
Museum	N/A										
Landscape Maintenance	CFD LLMD - City										
Streets/Road Maintenance	Public Works										
Streetlights	Public Works										
Lighting	CFD LLMD - City										
Utilities	Edison, So Cal Gas										
Solid Waste	CR&R										
Stormwater Drainage	Flood Control & Water Conservation										
Innovation and Technology	Private Contractor, Frontier, Spectrum, DirecTV, Dish										
Airport	N/A										
Cemetery *	Summit-Desert Lawn Cemetery District										
Healthcare *	San Geronio Pass Memorial Hospital District										
Water *	Yucaipa Valley (San Geronio Pass), Beaumont-Cherry Valley,										
Wastewater *	N/A										

* Not included in this MSR

Commented [BJ9]: -Water should also include South Mesa Water Company
-Wastewater should be Yucaipa Valley Water District

Government Services

General government services are provided by elected officials and appointed City staff, including the City Manager and City Clerk. The City Manager is the administrative head of municipal government operations and coordinates activities of City departments, formulates solutions and policy recommendations for the City Council, encourages public and employee participation in governmental processes, and represents the City at local, regional, State, and national levels. The City Clerk is the Deputy City Manager and is responsible for management of all City records, Council agendas, municipal elections, maintenance of municipal code, and oversight for human resources and risk management.

Law Enforcement

The City contracts with the Riverside County Sheriff's Department for law enforcement services. The Sheriff's Department services include investigations, special enforcement, school resources, traffic enforcement and patrols, community services, crime prevention, and administration of the

The Beaumont-Cherry Valley Recreation District is an independent special district that provides recreation services in proximity to Calimesa. The District overlaps several small areas along Calimesa's southern corporate boundary.²⁷³ The District is a special district that aims to enrich and fulfill the lives of community members by providing parks, park facilities, and recreation programs of outstanding quality. The City does not have any formal agreements with the District. ~~The City does not provide recreation services.~~

Commented [BJ10]: Repetitive. See prior page.

Library

The Riverside County Library System is responsible for providing library services in Calimesa. The System provides access to reading materials, literacy programs, computers, and broadband access for residents from the Calimesa Branch Library. The City owns the library building and the site, and is financially responsible for providing all programming and building maintenance. The County provides staffing for the Library. The City is in the process of expanding its Library in partnership with the County.

Museum

Calimesa does not currently have any museum facilities.

Landscape and Lighting Maintenance

The City's Landscaping and Lighting Maintenance District provides funding for maintenance of landscaping, parks, street lighting, and open space. The District is a small dependent district that receives a special property tax assessment. According to City staff, the City's General Fund subsidizes the District on an annual basis, and services may be performed by City staff or private contractors.

²⁷³ Source: California Special Districts Association, Special Districts Mapping Project, Beaumont-Cherry Valley Recreation and Park District
<https://www.cstda.net/special-districts/map>

Streetlights

The City-wide Landscaping and Lighting Maintenance District provides funding for the operation and maintenance of the City's streetlights and traffic signals. The District is a small dependent district that receives a special property tax assessment. The City's General Fund subsidizes the District on an annual basis, and services may be performed by City staff or private contractors.

Utilities (Gas, Electric)

Southern California Edison and Southern California Gas Company provide electricity and natural gas services to Calimesa. Both Southern California Edison and Southern California Gas are private entities that pay franchise fees to the City for the right to provide respective utilities to Calimesa households and businesses. The City is not a member of a Community Choice Aggregate.

While water service is beyond the scope of this MSR, City staff noted that the City is serviced by Yucaipa Valley Water District and South Mesa Mutual Water Company.

Commented [BJ11]: Earlier in the report you mention Beaumont Cherry Valley Water District as well. Please be consistent.

Solid Waste

The City has a franchise agreement with CR&R Sanitation to provide solid waste collection and disposal services. In business since 1963, CR&R's mission has been to provide customers with consistent, safe, worry-free, and sustainable waste and recycling services. CR&R provides these services to ten cities in Riverside County. They also provide trash services in Orange, Los Angeles, Imperial, San Bernardino, and San Diego counties, as well as various places in Arizona and Colorado.

The 2006 MSR presented the following determinations:

- The City was diverting less solid waste than required by the California Public Resources Code (PRC 41780).

City staff indicated that the City has almost 100 percent participation rate in recycling and organics diversion programs, which has steadily improved its diversion rates.

Storm Drainage

The City's Public Works Department oversees maintenance of the City's storm drainage facilities and NPDES program. The Department has 4.0 full time equivalent personnel dedicated for all maintenance services, including certain storm water drainage infrastructure and NPDES services. City staff added that the Department has contract staff performing the duties of Public Works Director, Associate Engineer, and Public Works Inspector.

City staff noted that storm drainage systems are maintained by both the City and Riverside County Flood Control and Water Conservation District. Systems constructed with pipe diameters greater than 36-inches and regional flood control basins are maintained by the Riverside County Flood Control and Water Conservation District. For all new development where storm drain systems are constructed and maintained by the City. The County Flood Control and Water Conservation District is a large dependent special district that was formed in 1945 and governed by the Riverside County Board of Supervisors. All smaller conveyance facilities are maintained by the City.

Commented [BJ12]: Incomplete sentence

The 2006 MSR presented the following determinations:

- Calimesa had existing storm water drainage deficiencies related to the inadequacy of the drainage system and/or areas that were undeveloped or underdeveloped. Improvements to the City's drainage systems were to be provided by new development, and the City was planning infrastructure projects to enhance or expand the existing systems.

City staff indicated that several storm water drainage projects are either completed or underway, addressing the 2006 MSR determinations:

- Avenue L storm drain improvements are complete and are maintained by Riverside County Flood Control and Water Conservation District.

March 17, 2014.²⁷⁶ The City submitted Housing Element Annual Progress Reports consistently between 2014 and 2021¹⁹, but failed to submit an Annual Progress Report in 2013.²⁷⁷

Commented [KL13]: The City recently submitted the 2021 APR. The data below has been amended to reflect the most recent APR data.

The City's 5th Cycle RHNA allocation and permitted units are presented in Figure 195.

Figure 195: 5th Cycle Housing Element Summary - Calimesa

Calimesa 5 th Cycle Housing Needs	Very Low Income	Low Income	Moderate Income	Moderate Income
RHNA Allocation	543	383	433	982
Permitted Units	0	0	10	1,060
				987
Allocation Surplus/(Shortage)	(543)	(383)	(432)	785

Source: HCD Annual Progress Report Permit Summary, October 6, 2020

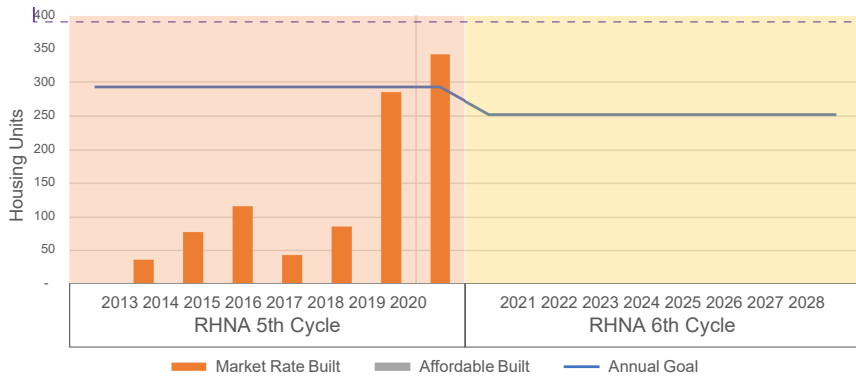
The City's 5th Cycle RHNA allocation was 2,341 housing units across all income categories. During the 5th Cycle, the City produced a total of 1,060 987 market rate housing units, which exceeded the City's 5th Cycle above-moderate income housing RHNA allocation by 5-78 units. The City produced one (1) moderate income unit, which was a junior accessory dwelling unit. The City did not produce a single unit designated for very low-, and low-, and moderate-income households during the 5th Cycle. Overall, the City produced 452 percent of its RHNA allocation during the 5th Cycle. The 5th Cycle recently concluded, and the City did not meet its 5th Cycle RNA allocation.

Many Riverside County cities are facing increased RHNA allocations for the upcoming 6th Housing Element Cycle (2021-2029). The final 6th Cycle RHNA allocation for Calimesa is about 14 percent lower than the 5th Cycle RHNA allocation. The final RHNA allocations for the 6th Cycle are 495 very low-income units, 275 low-income units, 379 moderate-income units, and 868 above- moderate income units, for a combined 2,017 total units.

The City's 5th Cycle RHNA allocation and production, and 6th Cycle RHNA allocation are presented in Figure 196.

²⁷⁶ Source: California Department of Housing and Community Development, "Housing Element Implementation Status Tracker" updated June 28, 2019

Figure 196: 5th and 6th Cycle RHNA Allocation and Production - Calimesa



Commented [KL14]: Please update to include 5th Cycle 2021 permit data

FISCAL HEALTH

The fiscal health evaluation is presented in the sections that follow, including a review of audit findings, revenue and expenditures, long-term pension and OPEB obligations, and California State Auditor fiscal health assessment results. Financial reports may vary significantly between audited financial statements, the State Controller's report, and actual budget documents.

The 2006 MSR presented the following determinations pertaining to the City's fiscal health:

- Calimesa had a history of overall expenditures exceeding overall revenues. Having expenditures exceed revenues would appear to cause financing constraints to the provision of services, facilities, and maintenance.

The fiscal years reviewed in the 2006 MSR were 2003-04 and 2004-05. In the three (3) year period (fiscal years 2016-17 through 2018-19), RSG did not identify any instances where annual expenditures exceeded annual revenues. As such, this determination from the 2006 MSR appears to be corrected.

in 2018-19, inclusive of about \$321.5 million in land value and \$596.4 million in improvement value.

²⁷⁸ The City receives a 29.6 percent share of the total property tax collected in the City, which is the largest share of property tax for a City in the County.

The City's third-largest revenue source in 2018-19 was property tax in-lieu of VLF, accounting for about \$906,000 in revenues, or about 17.9 percent of all general tax revenues. Property tax in-lieu of VLF replaced vehicle license fees as a revenue source for cities in 2004 and property tax in-lieu of VLF increases based on assessed valuation growth within the City.

The City adopted a Master Property Tax Exchange Agreement in 1992. The County adopted the Master Property Tax Exchange Agreement in 1993.²⁷⁹

Commented [BJ15]: The City would request a copy of the agreement be sent to the City. City staff was unaware of this agreement.

Sales Tax

The City's second-largest general tax revenue source in 2018-19 was sales tax, which was \$975,000 or about 19.2 percent of general tax revenues. The City receives one percent of gross receipts from the sale of tangible personal property sold in Calimesa. According to City staff, sales tax revenues were impacted by the COVID-19 pandemic in 2020, but were beginning to recover by early 2021.

Miscellaneous Revenues

The City's largest non-tax revenue source in 2018-19 was miscellaneous revenues, which totaled \$5.2 million and represented about 37.7 percent of total revenues. The City collects miscellaneous revenues in the form of development impact fees (\$3.5 million in 2018-19), contributions from nongovernmental sources (\$1.2 million), and other miscellaneous revenue sources (\$466,000).

²⁷⁸ California City Finance, "Assessed Valuation of Property by City"

²⁷⁹ Source: Riverside LAFCO

April 6, 2022

Riverside County LAFCO
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

Honorable LAFCO Commissioners,

Urban sprawl: The rapid expansion of the geographic extent of cities and towns, often characterized by low-density residential housing, single-use zoning, and increased reliance on the private automobile for transportation. Urban sprawl has also been described as the unrestricted growth in many urban areas of housing, commercial development, and roads over large expanses of land, with little concern for urban planning.

The draft MSR for the City of Menifee purports that this LAFCO should consider the creation of an easterly SOI into in the unincorporated area known as the Winchester / Homeland MAC area (the MAC area) as a tool to manage sprawl. **Based on the above definitions, this assertion seems to imply that little concern has been given to urban planning in the MAC area. The creation of the Winchester / Homeland MAC, with its mission of becoming a model city and the draft EIR of the Winchester Community plan stands stark evidence to the contrary.**

In RSG's obviously unbalanced presentation of the draft of the SOI Recommendations for Menifee (currently at the bottom of page 224 of their document and page 248 of the PDF document on the LAFCO website) RSG recommends only coordination with The City of Menifee regarding its SOI. RSG further indicates that Menifee "has an interest in" the westerly half of the MAC area as land into which Menifee can expand their city. Menifee's adoption of a Strategic Plan to expand into the MAC area has garnered the disapproval of the Winchester / Homeland MAC, Chuck Washington, as well as friends and neighbors of our community among leaders in other surrounding communities.

Time will tell whether Menifee petitions this commission to create an SOI in the MAC area, effectively declaring war on Riverside County's WCP and the residents of the future city that lies within the WHMAC's boundaries. If they do, the final draft of the MSR will, as I understand it, be the guiding document by which this commission will make decisions about Menifee's boundaries. Therefore, I urge you to consider the following ideas and revise the city of Menifee's MSR to present a more balanced view of a possible SOI creation for Menifee east of its current boundary.

1. Create an exhibit to the MSR document that contains the current version of the Winchester Community Plan (WCP) including a link to the Draft EIR. The map showing all of the various proposed land uses is excellent evidence that Riverside County Planning staff and the citizens of the WHMAC are actively engaged in urban planning and discouraging sprawl east of Menifee. The WCP can stand as a legitimate alternative to the creation of a Menifee SOI for avoiding sprawl, managing population growth and planning for the provision of goods, services as well as transportation, utilities, and a host of other municipal services.
2. Revise the SOI recommendations (currently at the bottom of page 224) to include consultation with the those most effected, including the County Supervisor, all effected special districts and the WHMAC, regarding the creation of Menifee's easterly SOI. **Below, in red, is a proposed revised draft of the SOI recommendations for the City of Menifee for your consideration.**
3. Declare your support of both Menifee, as they endeavor to efficiently provide services to the population within their current boundaries, and the Winchester / Homeland MAC as it continues to navigate, in partnership with consultants and RivCo staff, the process of both urban planning and the road to incorporation.
4. Create / Adopt clear objective standards of success and failure to provide municipal services efficiently in any proposed SOI, and look to data to support any allegation of inefficiency of special districts and RivCo departments in the provision of services. Any city's unsupported claims to be able to provide services more efficiently does not constitute evidence of their ability to do so, and should be removed from a planning document of this importance.
5. Make decisions to support or end a community's efforts to incorporate *based on objectively obtained data* about the above referenced efficiency in the delivery of service.

Here is a possible revision of the Menifee MSR's SOI Recommendations that you may find to be more balanced. I am obviously not without my own bias, and I expect that you will consider that as you read the following:

As a tool to discourage sprawl, consider Menifee's interest in creating an SOI eastward towards State Route 79. Seek input from and coordinate with the Third District Supervisor, City of Menifee, all effected special districts, Riverside County Planning, and the Winchester / Homeland MAC to best balance the interests of all involved.

Consistent with Menifee's agreements made with the communities of Winchester and Homeland (then Harvest Valley) prior to its 2008 incorporation, Menifee's SOI is coterminous with its incorporated municipal boundary. As Western Riverside County continues to grow, much of the development is occurring beyond Menifee's eastern boundaries in what is known, since 2011, as the Winchester / Homeland Municipal Advisory Council area (the MAC area). In 2014, when Riverside County created their Housing Element, as required by the State of California, the Winchester / Homeland MAC and Town Association leaned into the proposal to turn what was a rural, agricultural community into a model city. Because the MAC was already in place and their community planning was already well underway at that time, the RivCo Board of Supervisors granted funding for the Winchester Community Plan (WCP). Once complete, the WCP can be used as a template for the development of other rural communities that were included in the 2014 Riverside County Housing Element. RivCo staff and their consultant have engaged the community in workshops and many planning meetings with the Winchester / Homeland Town Association members, and have recently released the Draft EIR of the WCP.

Recent county redistricting has placed both Menifee and the MAC area within the Third Supervisorial District. Supervisor Chuck Washington has served the county with distinction both on the Riverside LAFCO and Cal-LAFCO. It is strongly recommended to consult with him regarding any SOI proposed.

Menifee City Council has adopted a Strategic Plan that included intention of a SOI eastward as far as State Route 79. The creation of Menifee's SOI and expansion of its corporate boundary would be major steps towards the City Council and staff's interest in detaching from Valley-Wide Recreation and Parks District. LAFCO should look to data independently collected to determine which of the two entities is the more efficient provider of park and recreation services and be mindful of Proposition 218 and its funding impacts on any proposed detachment.

Thank you for your consideration of my thoughts,

Angela D. Little
MAC Area Stakeholder

April 26, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

(Sent via email and hardcopy)

RE: COMMENTS REGARDING DRAFT MUNICIPAL SERVICE REVIEW

Dear Ms. Craig:

The City of Indio appreciates the opportunity to provide this response to the Public Review Draft City Municipal Service Review and Sphere of Influence Update for All Cities in Riverside County. It is apparent that the staff and consultants have worked diligently to prepare this document for the Commission's consideration. We do wish to provide some clarification to and request for amendment of the document's determinations, as well as providing the City's position on some of the draft document's conclusions.

CITY OF INDIO

Page 690, first bullet related to the discussion of Pocket P-7. The report's description of the territory of Pocket P-7 related to the areas east of Jackson Street, between Avenues 50 and 52 states:

"Pocket P7, which is sometimes commonly referred to as either the Vista Santa Rosa area, or the area east of Jackson Street between Avenues 50 and Avenue 52, is not within the Indio SOI. Portions of pocket P7 are within the Coachella SOI and the southwestern portion of P7 is unsphered. RSG understands that there is interest from both Indio and Coachella in annexation of this area. Pocket P7 is pictured in Exhibit 45. Given the history of this area, RSG recommends that both Indio and Coachella begin community outreach work to seek to find a solution that is mutually acceptable to Indio, Coachella, and the property owners and residents of the Vista Santa Rosa area."

It is the City's position that this paragraph should be amended to read: *"... unsphered. RSG understands that there is interest from both Indio and Coachella in assignment of the territory to their respective sphere of influence."*

The information is reflective of the determinations made in the 2005 MSR which retained this area as unsphered. The City's position was reviewed with RSG staff members in a virtual meeting on March 11, 2021, at which

time it was identified that Indio was interested in a sphere expansion into a portion of this area in order to address the future land use decisions for the area along with the ultimate extension of service once those land use determinations have been resolved. It was identified that the City had been working with representatives of the City of Coachella cooperatively to address the area.

The discussion in the City of Indio's portion of the report on this specific area is in stark contrast to the description of the same area included in the MSR draft report for the City of Coachella. The Coachella portion, beginning on page 611, provides a clouded history of the unsphered territory of P-7 including the following:

"Additionally, at the time Pocket P7 was being considered for SOI inclusion, Coachella's water and sewer service was not extended into Pocket P7. City staff provided a staff report and agreement that was approved by the City Council in 2007 and countersigned by Coachella Valley Water District (footnote 336), indicating that the two parties would work together to provide water and sewer services to areas within the Coachella SOI, and specifically mentions that "the City will provide water and sewer services within the City's current boundaries and Sphere of Influence that is north of Avenue 56, as well as provide water and sewer services east of Jackson and north of Avenue 56" despite the fact that this area was outside the Coachella SOI at the time [bold added]. The area east of Jackson and north of Avenue 56 includes the entirety of Pocket P7. With this agreement in place, the City of Coachella may be the most logical water and sewer service provider for this area.

In early 2021, the cities of Indio and Coachella both expressed interest in Pocket P7. The two cities had informally negotiated splitting this area roughly in half along a new north-south boundary. The western half of Pocket P7 would be included in the Indio SOI and the eastern half of Pocket P7 would be included in the Coachella SOI. The City of Indio also indicated that there is an 18" water main on Jackson Street that is available to provide water service to this area. The City of Coachella more recently has reconsidered the informal negotiation with the City of Indio, presenting the aforementioned evidence that Coachella has pre-existing agreements to provide water and sewer service to the entirety of Pocket P7."

The evidence as identified in this portion (footnote 336) is the December 12, 2007 staff report and signed copies of an agreement, dated January 9, 2008, between the City of Coachella and the Coachella Valley Water District. However, in the ensuing 15 years, the agreements on service issues have evolved. On September 9, 2009, a Memorandum of Understanding was entered into between the City of Coachella and the Coachella Valley Water District (commonly referred to as the "Water Plan MOU") which identifies, among other things, that the two entities wish to ensure reliable water supply **within** the City's sphere of influence.

In 2013, the two entities entered into the "Implementation MOU" which further refined the methodology to secure a sufficient water supply for the City and **its sphere of influence**. (Copies of these agreements are included as attachments to this letter). The Draft 2020 Coachella Valley Regional Urban Water Management Plan provides information related to the 2009 MOU between the entities which was *"to assist in ensuring a sufficient and reliable water supply for development projects within the City and a major portion of its sphere of influence"*. The City of Indio contends that the "pre-existing agreements" identified in the City of Coachella information were intended to study areas within its sphere of influence, not outside of it. The agreements have been refined by subsequent action to reflect services within the sphere of influence which does not include the unsphered area of Pocket P-7.

The Government Code §56133 states in part: "(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries **only if it first requests and receives written approval from the Commission in the affected county** (b)[*bold added*] and (b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary **but within its sphere of influence in anticipation of a later change of organization.**[*bold added*]" It is an inappropriate precedent to assign land area to a city's sphere merely because it proposed to extend, or has extended, services outside of its existing sphere and without LAFCO approval.

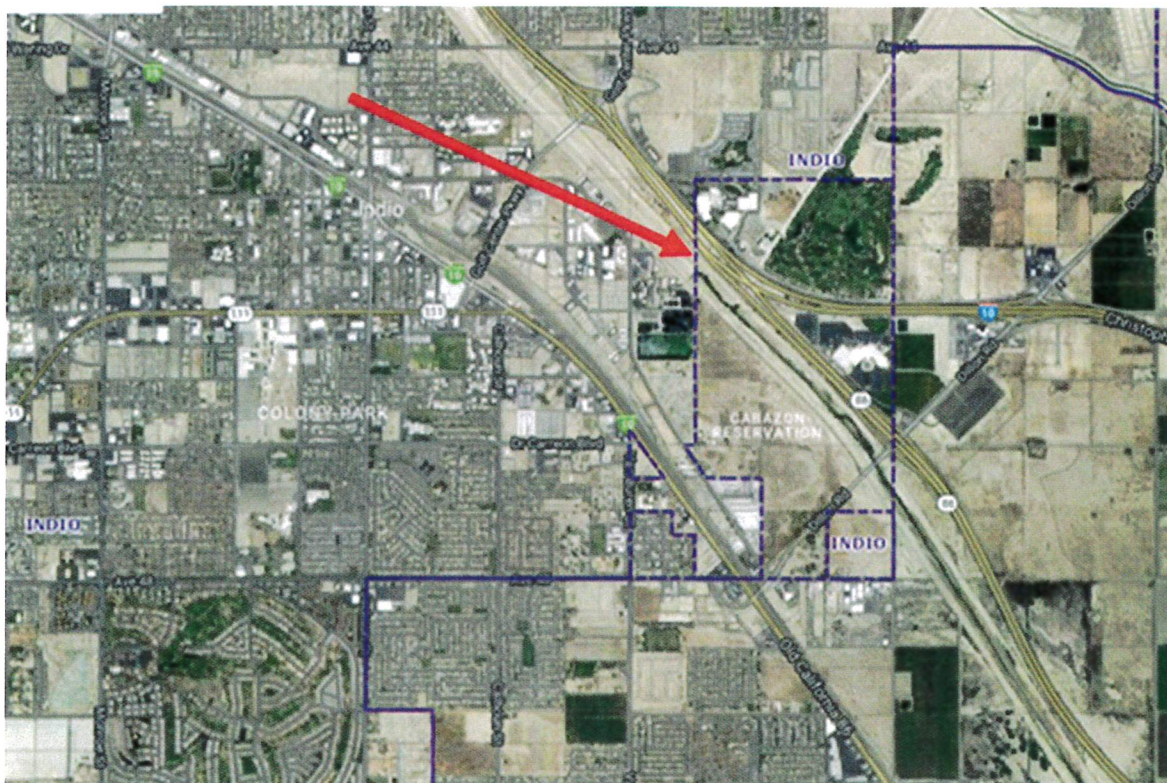
It is the City of Indio's position that the report should reflect the same direction for both cities at this juncture – that both the City of Indio and the City of Coachella conduct community outreach to evaluate their respective options for service. (Further, the City of Indio is aware that property owners have expressed interest in being a part of Indio's sphere). In addition, the City believes that before a recommendation for assignment of the sphere of influence is made, all the documents related to potential service delivery should be provided and reviewed.

Page 690 second bullet related to Pocket P-14: The written description of the area related to the reduction of the sphere of influence southeasterly of Dillon Road is accurate; however, Exhibit 46 shows only the unincorporated tribal lands, excluding the existing City territory north of Avenue 49, as a part of this reduction. In the City's discussions with LAFCO staff and in its March meeting with RSG, this corporate area was to be included in the sphere reduction to reflect the potential for future change of organization to detach this area from the City and include it in the City of Coachella. This would follow LAFCO's policies to reflect the future service boundary for each entity. The cities of Indio and Coachella have discussed this potential exchange of territory in conjunction with the City of Coachella's processing of Tentative Parcel Map No 37326 identified as the Emerald Business Park. This change also supports the determination made in the 2005 MSR for the City of Coachella related to Dillon Road *"that the two-lane major northeast/southwest roadway serves as a primary access point to the City of Coachella providing direct access to State Highway 86, State Highway 111, and Harrison Street"*.

The Draft Report also addresses Pocket P-14 on page 613 in reference to its discussion of the City of Coachella. This discussion makes no reference to an expansion to address the Dillon Road area proposed by the City of Indio with what was considered tacit support from the City of Coachella, but instead discusses the inclusion of the Eagle Falls Golf Course on the northeastern edge of P-14, with a reduction in sphere of influence for the City of Indio:

"Pocket P14, while entirely within the Indio SOI, presents a case to be partially realigned. According to City staff, a portion of this pocket is developed as the Eagle Falls Golf Course. Due to the location of Wasteway Number Three (3) (storm drainage ditch) in this area, it is cost prohibitive for Indio to provide storm drainage, sewer, and water services to the Golf Course. This area should be considered for detachment from Indio's SOI and added to the Coachella SOI."

The area identified for detachment from the Indio SOI is not clearly identified on Exhibit 39 on page 614. In order to provide better context for this area, the following illustration is provided:



No prior discussion of this potential change with the City of Indio has occurred and the City is firmly opposed to such a change. The discussion outlines the ability of the City of Coachella to provide its services and on page 623, under Extra Territorial Service by the City of Coachella, the draft MSR indicates that it currently provides storm drainage, wastewater, and water service by contract to the Golf Course. It is believed that such an arrangement

would have necessitated a review by LAFCO under the provisions of Government Code Section 56133 (which would have required that the area be a part of the Coachella sphere for approval) and provision of notice to the City of Indio as it retains the area in its sphere of influence. It is the City of Indio's understanding that the Golf Course is fully developed and opened in 2007, provides for its own water and wastewater services, and the Valley Sanitary District is in the process of exploring the extension of recycled water to the Course to reduce reliance on groundwater resources. The City of Indio respectfully requests that the discussion of a sphere reduction for the City of Indio and expansion for the City of Coachella related to the Eagle Falls Golf Course within the northern portion of Pocket P14 be removed from the report (pages 613, 623, 634, and 635).

Page 691 first bullet related to Pocket 16: The City of Indio requests that the last line of this paragraph be amended to read: *"City staff did not indicate any plans for this area due to the need to address the multiple tribal owners involved with property at this time."*

Page 691 second bullet related to Pocket 29: The city identified in its letter to RSG dated November 15, 2021, that these two areas should be removed from the Indio sphere of influence and included in the Palm Desert Sphere as access would most easily be provided from the Sun City community. The City proposes that this section be amended as follows:

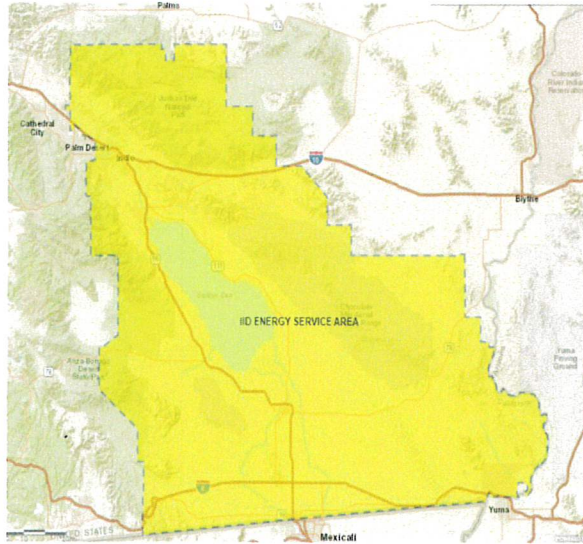
"...is commonly known as the Sun City community. It is proposed that these two areas of Pocket P29 be included in the Palm Desert SOI as they are most easily accessible from that community..."

Also of note, Exhibit 47 (page 696) shows an unsphered territory within Pocket 29 which also appears to be accessible only from the Sun City community.

Page 698 Law Enforcement: The City of Indio requests that the first line of this paragraph be amended to read: *"The Indio Police Department provides law enforcement services in Indio and only by mutual aid to Pocket 15 known as the Carver Tract."*

Page 701 Parks and Recreation Third Paragraph. The City of Indio requests that the first line of the paragraph be amended to read: *"City staff notes that parks and recreation services are a cooperative arrangement between the city and the Desert Recreation District, and that ..."*

Page 715 MSR Determinations, 3. Present and Planned Capacity of Facilities: The City of Indio agrees with the determinations set forth in the draft MSR. However, we do question why the statement regarding inadequate electricity infrastructure, the looming termination of the contract for electrical service with Imperial Irrigation District, and the need for close monitoring of the situation are referenced only for the City of Indio. The service area of the Imperial Irrigation District in Riverside County (as shown on the following illustration) includes the Cities of Coachella, Indio, Indian Wells, La Quinta, and portions of Palm Desert. It would appear that this statement would apply to the other cities as well.



The City of Indio appreciates the opportunity to review this document. We look forward to continued discussions and working with you and your team on finalizing the Municipal Service Review so important for the future of the Coachella Valley. Please contact me at bmontgomery@indio.org if you have any questions or require additional information.

Respectfully submitted,

Bryan H. Montgomery
City Manager

cc: Gary Thompson, Executive Officer, Riverside LAFCO
Brandon Fender, RSG
Jim Simon, RSG
Kevin Snyder, Director Community Development, City of Indio
Kathleen Rollings-McDonald, Rollings & McDonald Consulting



Honorable Mayor and Members of the
Coachella City Council

**REQUEST APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF
COACHELLA AND THE COACHELLA VALLEY WATER DISTRICT**

DISCUSSION

The City of Coachella through the Coachella Water Department and Sanitary District provides water and sanitation services primarily to customers within the boundaries of the City of Coachella. However, as the City continues to grow beyond its current boundaries, the City needs to secure and guarantee water and sewer services to be able to service future development and sustain the City's growth.

For the past several months, the City Manager, City Staff and the City Attorney have been working on water supply and management issues. Since Coachella Valley Water District is the other water and sewer purveyor in the area, the City has been in discussions with CVWD to guarantee a water supply to these future developments and agree on a permanent boundary agreement so that both parties can invest confidently in water and sewer infrastructure to provide services to their agreed upon customers.

Moreover, since several development projects that are being annexed into the City are being held up before the Local Agency Formation Commission (LAFCO) until a water and sewer boundary agreement is reached between the City and CVWD, the City has been working diligently with CVWD to finalize the boundary Agreement.

The boundary Agreement establishes the boundaries for water and sewer service between the City and CVWD. Generally, the Agreement provides that the City will provide water and sewer services within the City's current boundaries and Sphere of Influence that is north of Avenue 56, as well as provide water and sewer services East of Jackson and North of Avenue 56 (depicted in Exhibit "A" to the Agreement). Avenue 56 is the natural boundary line because CVWD has already invested in infrastructure along Avenue 56 and guaranteeing the City a customer base North of Avenue 56 would allow for a sufficient future customer base.

More specifically, the Boundary Agreement provides that:


- The City will provide water and sewer services within the City's current boundaries and Sphere of Influence North of Avenue 56.
- The City will also serve future customers East of Jackson Street and North of Avenue 56 (except for any development currently served by CVWD).
- If the City grows to the North-East, the City will be able to service these customers as well.
- Customers that are currently being served by either the City or CVWD will continue to be served by the same party even if within the agreed territory of the other party.
- CVWD will be able to serve new customers within the City's service territory if service is infeasible at that time by the City and CVWD will then transfer these new customers to the City when the City is able to service them (and vice versa).
- CVWD will allow the City to make two water connections to its water main on Avenue 56 in order for the City to service City customers North of Avenue 56.

After the boundary agreement is approved, the City will continue to negotiate a Memorandum of Understanding for water supply with CVWD in order to guarantee water supply to future developments.

FISCAL IMPACT:

None at this time. Long-term fiscal impact unknown.

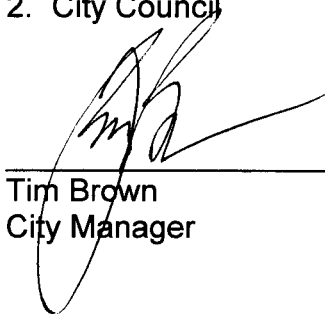
CONCUR:



John Gerardi
Interim Finance Director

RECOMMENDATION:

1. City Council Approve the Agreement between the City of Coachella and Coachella Valley Water District to establish water and sewer service boundaries.
2. City Council Authorize the Mayor and City Manager to execute all documents upon final approval by the City Attorney.



Tim Brown
City Manager

AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into on this ____ day of ____, 2007 ("Effective Date") by and between COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California, ("District"), and CITY OF COACHELLA, a general law city in California ("City"). District and City are sometimes referred to individually as "Party" or collectively as "Parties."

RECITALS

- A. District is a public agency organized, operating and existing under Sections 30000 et seq. of the California Water Code. Pursuant to such authority, the District is authorized to provide water and sanitation service in the Counties of Riverside, San Diego and Imperial.
- B. City is a general law city located in the County of Riverside, State of California. Pursuant to such authority, City provides water and sanitation service to customers within the City of Coachella boundaries, as depicted on Exhibit "A" attached hereto and by this reference incorporated herein.
- C. City provides water service within the boundaries of the City of Coachella through the City of Coachella Water Department.
- D. City provides sewer service within the boundaries of the City of Coachella through the City of Coachella Sanitary District.
- E. Each Party is authorized pursuant to California law to provide water and sewer service which could otherwise result in inefficient systems and duplication of services.
- F. District and City are desirous of reaching an agreement which establishes permanent boundaries for water and sewer service to be currently provided by each.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. All of the above Recitals are hereby incorporated by reference to the same extent as though herein again set forth in full.
- 2. From and after the Effective Date, this Agreement establishes the boundaries for water and sewer service between District and City
- 3. Except as provided in Paragraph 4, City will provide, and CVWD will not provide, water and sewer service to the area lying north of the centerline of Avenue 56 and within the City boundary and Sphere of Influence existing on the Effective Date and the Proposed Sphere of Influence east of Jackson Street, as depicted on Exhibit "A."

4. Any Customer being served by District or City as of Effective Date and any property subject to a "Will Serve" letter issued by the District or City thirty (30) days prior to the Effective Date shall continue to be served by such Party, whether inside or outside the boundaries of District and City established under this Agreement. On request of either party ("Territory Party") new customers ("Temporary Customers") within its service area may be served by the other party ("Servicing Party"), if service is infeasible at that time by the Territory Party. The terms of Temporary Service shall be as agreed upon by the parties. Upon later request of the Territory Party, the Servicing Party will transfer to the Territory Party the Temporary Customer accounts, as well as any infrastructure, capacity fees, or supplemental import water rights, purchased by or on behalf of the Temporary Customers which are not otherwise retained by the Servicing Party by prior agreement.
5. All other areas within the City boundary and City's Sphere of Influence will be a service area of the District, as depicted on Exhibit "A."
6. City may provide water and / or sewer service to the area in the Northern Un-annexed Area as shown on Exhibit "A" if City is the first city to annex that area. The Northern Un-annexed Area is described as that area bounded by the existing northern Coachella City Boundary (south), Dillon/Tyler Road (west), Avenue 37 (north) and Johnson Avenue (east).
7. Neither Party can extend its service area into the service area of the other Party without prior written consent of the encroached upon Party. The consent requested shall be at the sole and absolute discretion of the encroached-upon Party.
8. Either Party may install pipelines through service area of the other provided that they are necessary and convenient to providing service in the installing Party's service area.
9. Water service by either Party to tribal property is subject to tribal consent.
10. This Agreement does not apply in any way to water service supplied by the District from the Coachella Canal or its distribution system to non-potable uses.
11. CVWD will provide two twelve-inch water connections and meters at the north side of Avenue 56, one at Fillmore Street and the other at Pierce for future connection by the City of Coachella, on such terms as may be agreed upon by the parties. Costs for these two connections and meters will be borne by the City.
12. The Parties hereto agree to cooperate with each other in furthering the purposes of this Agreement. The Parties hereby agree to take such other actions and execute such other reasonable documents as are consistent with this Agreement and as are reasonably necessary to effectuate this Agreement; provided, however, that the foregoing shall not require District to take any legislative action or exercise its discretion in any particular manner.

13. This Agreement contains the final and complete agreement between the Parties with respect to the matters herein discussed and supersedes all previous communications and agreements between them with respect to the subject matter hereof, whether oral or written, to the extent such prior communications and agreement are not consistent with this Agreement.
14. In the event that any action or proceeding is commenced between the Parties hereto to enforce or interpret any term of this Agreement, each party shall bear its own attorneys' costs and fees. The attorneys' costs and fees shall include, without limitation, attorneys' costs and fees incurred on appeal and those incurred in enforcing any judgment rendered in any such action or proceeding.
15. All notices shall be in writing and shall be considered given and received: (i) when delivered in person to the recipient named below; or (ii) three days after deposit in the United States mail, postage prepaid, addressed to the recipient named below; or (iii) on the date of delivery shown in the records of an express courier such as Federal Express or DHL; or (iv) on the date of delivery by facsimile transmission to the recipient named below. All notices shall be addressed as followed:

If to District:

General Manager/Chief Engineer
Coachella Valley Water District
P.O. Box 1058
Coachella, Ca 92236-1058

If to City:

City Manager
City of Coachella
1515 Sixth Street
Coachella, CA 92236

Any Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a Party or an officer or representative of a Party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

16. This Agreement and all its provisions shall in all respects be interpreted, construed, enforced, and governed by and under the laws of the State of California, without regard to its conflict of laws principles.
17. Any action or proceeding brought respecting this Agreement shall be instituted and maintained in the appropriate court in the County of Riverside, California.

18. This Agreement may be modified only by another written instrument duly authorized, executed, acknowledged by both Parties.
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DISTRICT:

COACHELLA VALLEY WATER
DISTRICT, a public agency of the
State of California

CITY:

CITY OF COACHELLA, a general law city
of the State of California

By: _____

Its: _____

By:  12/13/07

Its: Tim Brown, City Manager

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

North is in annexed territory

Indio & VSD

Coachella City Boundary

Coachella Sphere of Influence (SOI)

The City currently does not have recycled water use within its service area. While the City plans to use recycled water in some capacity in the future, additional information related to a potential recycled water system is being developed as part of regional planning efforts.

Potential uses of recycled water could be implemented, including non-potable water systems for larger developments. In addition, requiring new developments to include a “non-potable” water distribution system could help offset much of the costs associated with delivering recycled water system-wide.

5.6.2.6 Desalinated Water Opportunities

CWA does not anticipate the future use of desalinated water within its service area, as the backbone facilities and infrastructure needed for desalination are not economically feasible.

5.6.2.7 Water Exchanges and Transfers

Water transfers involve the temporary or permanent sale or lease of a water right or contractual water supply between willing parties. Water can be made available for transfer from other parties through a variety of mechanisms.

CWA is exploring opportunities to exchange non-potable groundwater for water from the Coachella Canal. Certain groundwater in the East Coachella Valley has higher levels of dissolved solids and fluoride, and thus is not suitable for potable purposes. However, that supply may be suitable for irrigation and other non-potable uses. In turn, Canal water that is currently used only for irrigation purposes could be treated for potable use or left untreated and used for non-potable urban uses.

In September 2009 CVWD and the City signed a Memorandum of Understanding (2009 MOU) to assist in ensuring a sufficient and reliable water supply for development projects within the City and a major portion of its sphere of influence (SOI). Under the terms of the 2009 MOU, various means are identified by which the City can mitigate impacts associated with development projects, such as:

- Source Substitution not identified in the current Coachella Valley Water Management Plan (CVWMP). For example, using recycled wastewater effluent of the City's Wastewater Treatment Plant for landscape irrigation instead of using groundwater.
- Acquire supplemental water supplies sufficient to offset the impacts of new water demands within the City or supplied by the City's water system.
- Participate in funding CVWD's acquisition of supplemental water supplies sufficient to offset the impacts of new water demands approved by the City or supplied by the City's water system.

In February 2013, CVWD and the City executed an additional Memorandum of Understanding (2013 MOU) regarding implementation of the 2009 MOU.

5.6.2.8 Future Water Projects

CWA understands the need to develop additional sources of supply to meet demands associated with projected growth. CWA continues to work with CVWD and other regional partners on potential projects to increase water supply. CWA will continue to evaluate the use of Canal Water as a source substitution for drinking water supplies obtained from groundwater.

Per CVWD Ordinance No. 1428, CWA has the opportunity to receive canal water for additional potable water supply when available. As the water becomes available, CWA may pursue those opportunities to supplement its water portfolio. As part of its planning process, the City will continue to design water system improvements to enhance conservation, identify additional water supplies and potential source substitutions, and enhance local groundwater recharge.

5.6.2.9 Summary of Existing and Planned Sources of Water

CWA currently receives 100 percent of its water supply from groundwater, and does not currently participate in water recycling, water desalination, water exchanges or transfers, or purchase imported water supplies.

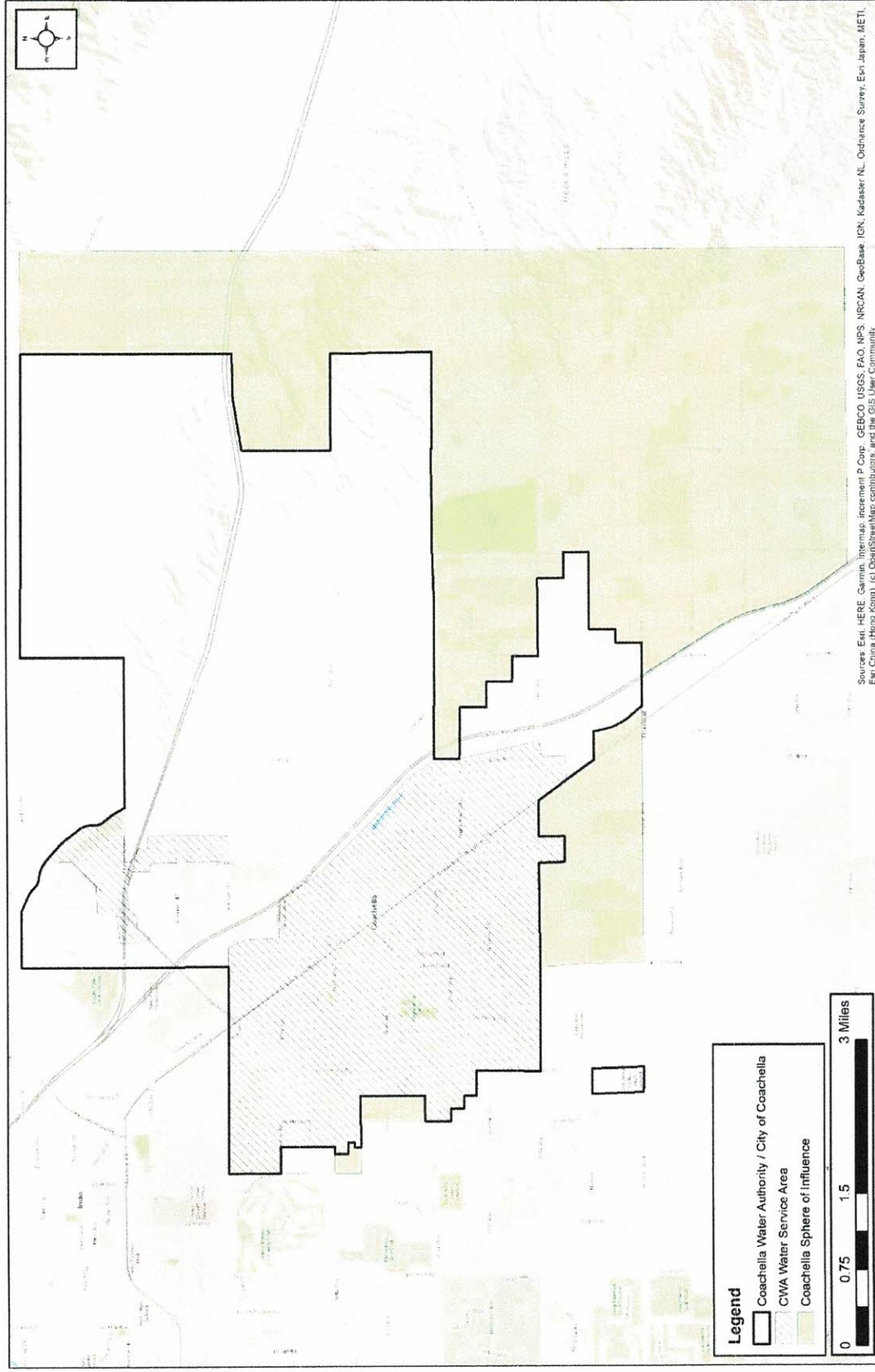


Figure 5-1. CWA Service Area Boundary

5.3.5.3 Brandenburg Butters Specific Plan

The Brandenburg Butters project provides for 71.5 acres of commercial uses and 1,381 dwelling units. The project has been approved by City Council and Planning Commission; however, no units have been constructed to date. This development is centrally located, east of State Route 86.

5.3.5.4 Eagle Falls

The Eagle Falls Specific Plan resides in both Coachella (60 acres) and Indio (30 acres) on a 90-acre site. The project includes 295 units, of which 202 units will be within the City of Coachella. The Specific Plan provides for a gated golf course community and is included as a part of the Cabazon Band of Mission Indians Fantasy Springs Master Plan. Rough grading has been completed for the Eagle Falls development; however, no units have been constructed to date.

5.3.5.5 Shadow View

The Shadow View Specific Plan provides for a single-family residential community consisting of 1,600 dwelling units on 380 acres, a mixed-use commercial center on 100 acres, and a 37-acre park. The commercial site has a residential overlay that provides an option to construct up to 1,000 high-density residential units. The Shadow View development has been approved by City Council.

5.4 Water Use Characterization

This section describes the current and projected water uses within CWA's service area.

5.4.1 Non-Potable Versus Potable Water Use

CWA produces all of its water supplies from the Coachella Valley Groundwater Basin, specifically, the East Indio Subbasin, which is continuously replenished at the local and regional level pursuant to a variety of water supply projects and programs. The East Indio Subbasin is regionally managed by CVWD, CWA, and IWA within the jurisdictional boundaries.

Currently, CWA does not produce or use recycled water or raw water in its service area; however, the City is considering a recycled water system in the future. It should be noted that raw water, via the Coachella Canal, is used within the City limits, but by the agricultural community and not as a part of the CWA system.

Per CVWD Ordinance No. 1428, CWA has opportunity to receive canal water for additional potable water supply when available. As the water becomes available, CWA may work with CVWD to pursue those opportunities to supplement its water portfolio.

5.4.2 Past, Current, and Projected Water Use by Sector

CWA maintains records of total water production and water consumed by its customers. Water use is tracked by customer type, using CWA's billing system.

The difference between water production and metered water deliveries (billed to customers) is defined as non-revenue water. Non-revenue water includes authorized non-billed use (such as fire fighting or flushing), and it includes losses from the system. CWA has completed annual water audits using the American Water Works Association (AWWA) Water Audit Software. The results are summarized in Table 5-5. The completed audits are included in Appendix G of the RUWMP.

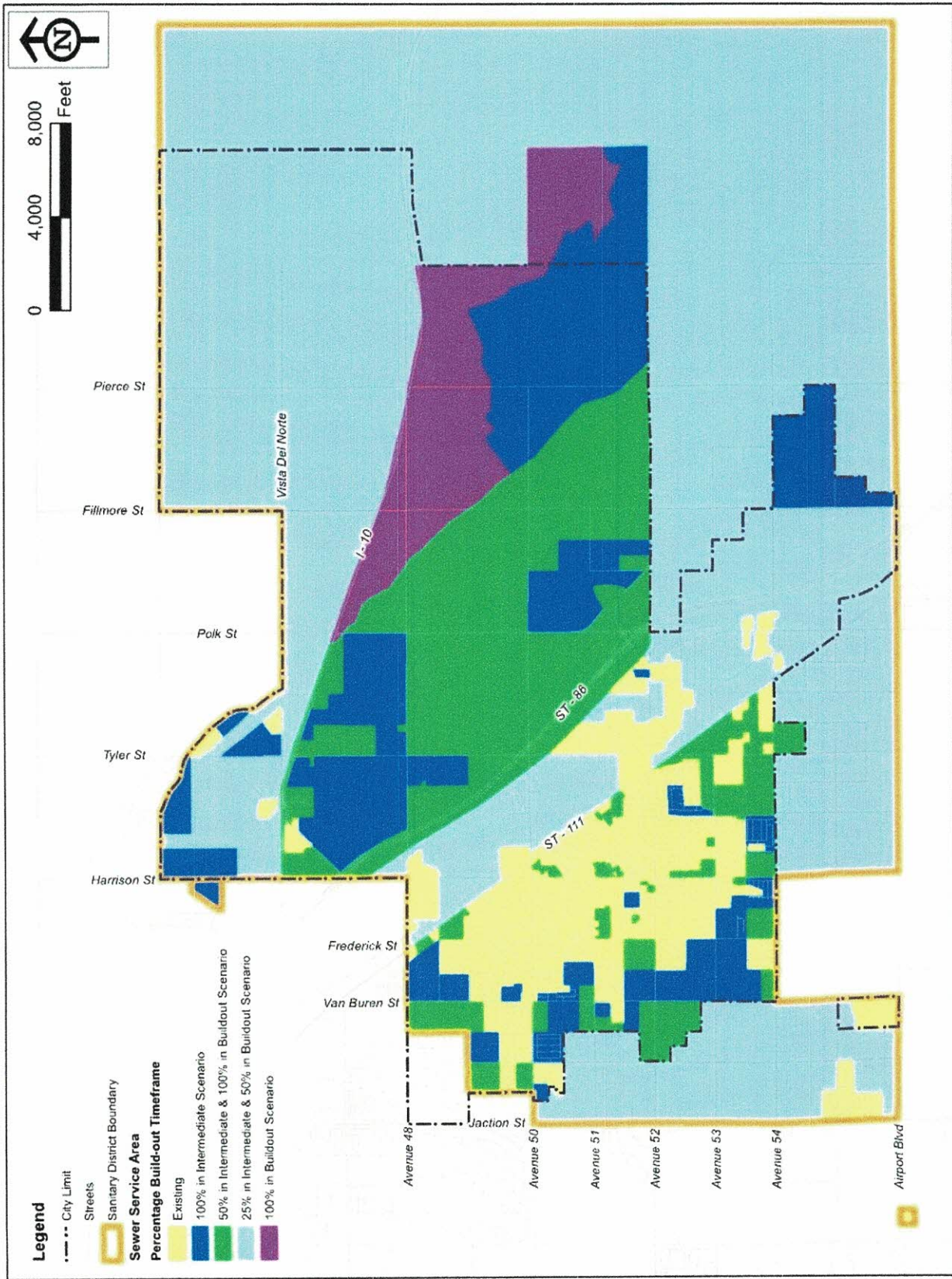


Figure 3-2
Future Service Area

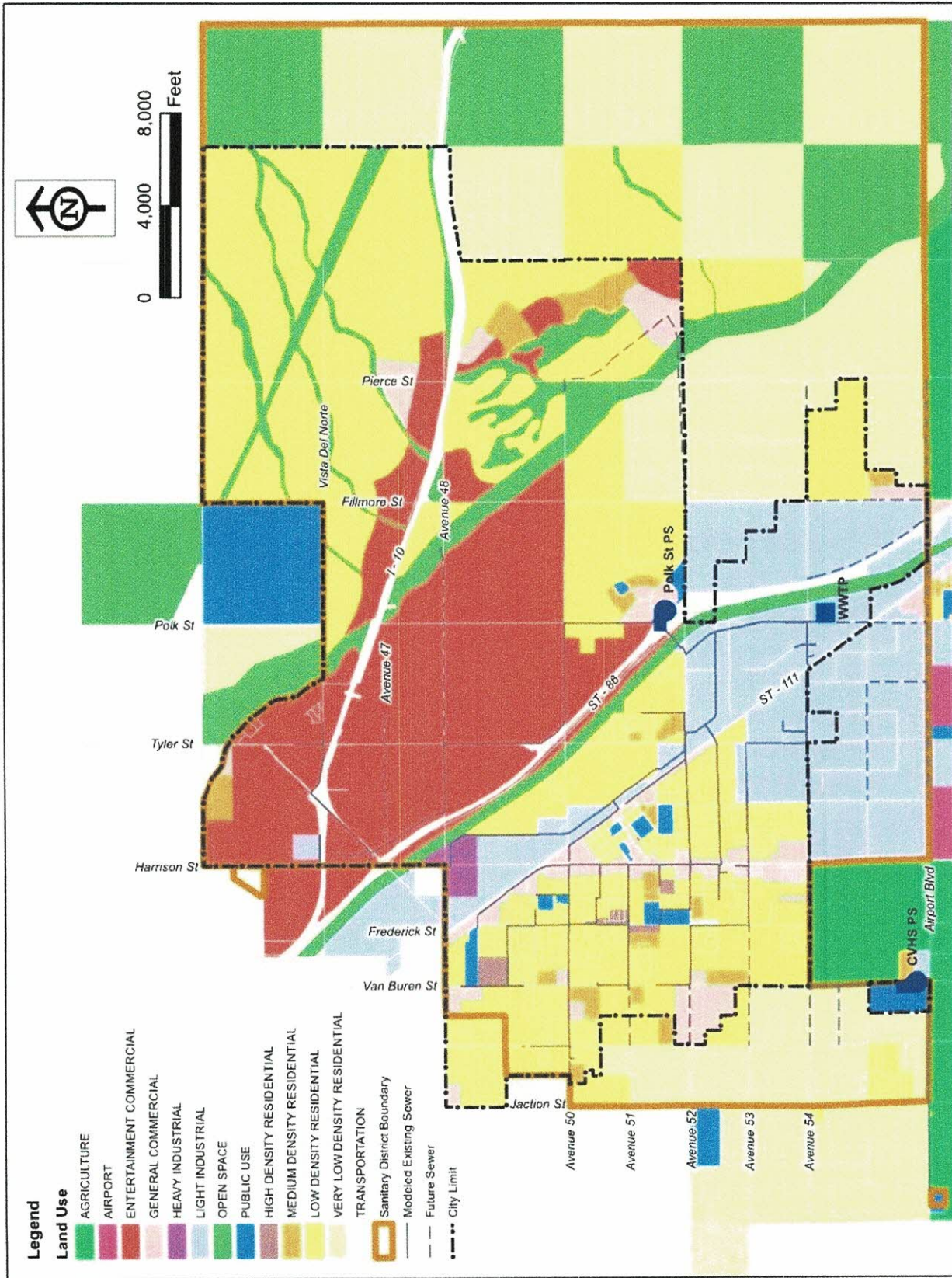
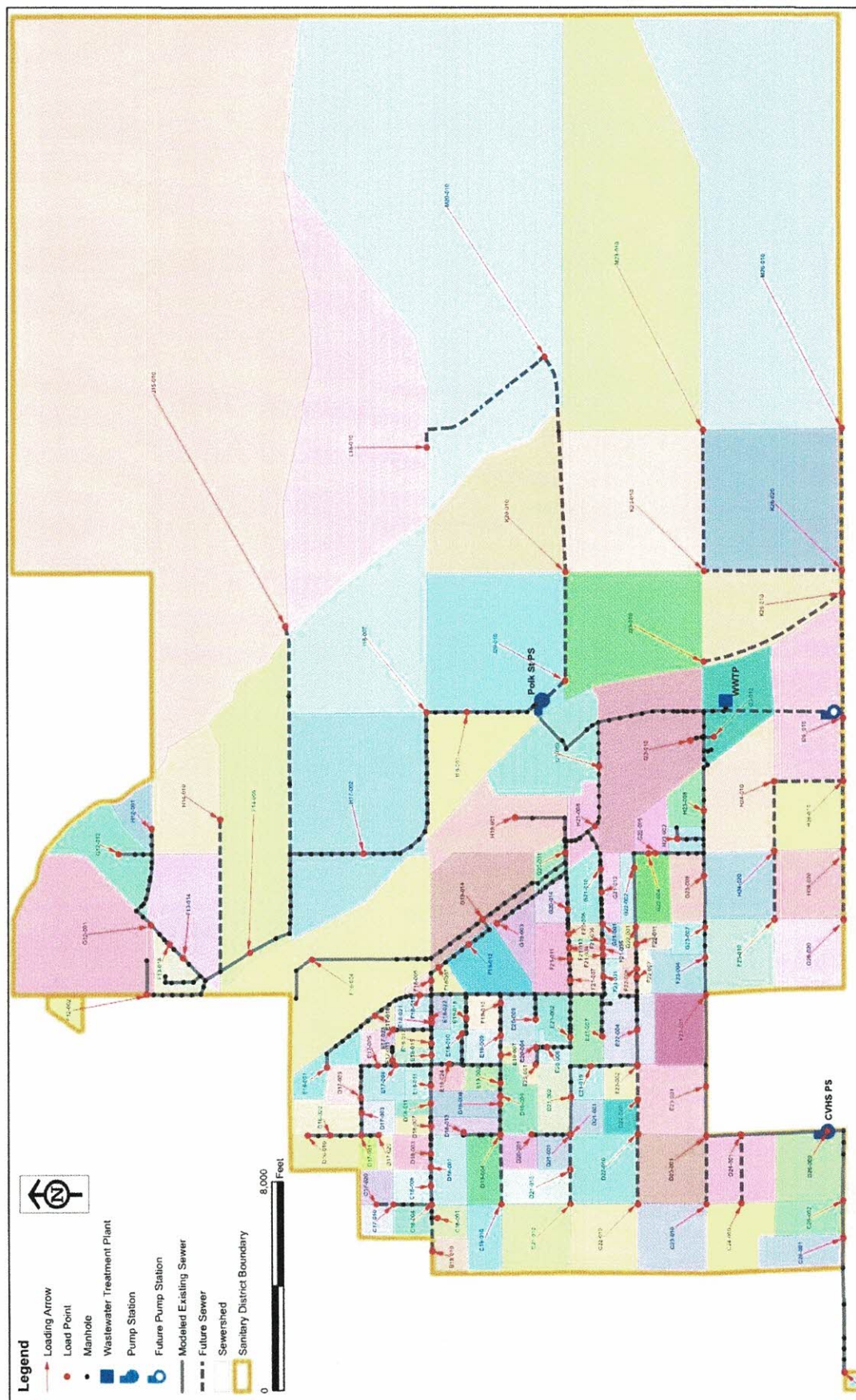


Figure 3-1
Land Use



**Figure 2-4
Sewersheds and Load Points**

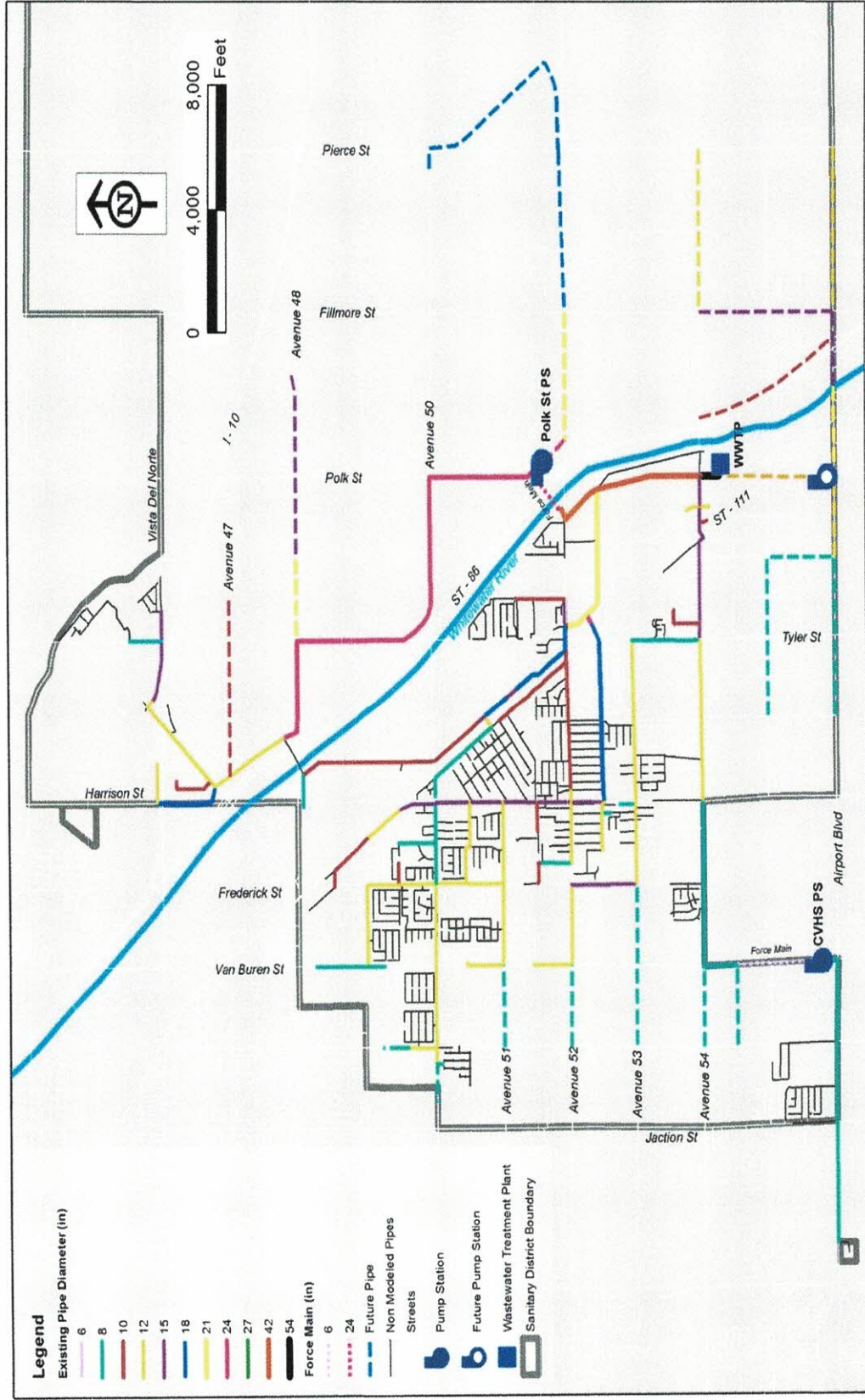


Figure 2-1
Modeled Existing and Proposed Future Pipelines

AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into on this 21 day of Dec, 2007 ("Effective Date") by and between COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California, ("District"), and CITY OF COACHELLA, a general law city in California ("City"). District and City are sometimes referred to individually as "Party" or collectively as "Parties."

RECITALS

- A. District is a public agency organized, operating and existing under Sections 30000 et seq. of the California Water Code. Pursuant to such authority, the District is authorized to provide water and sanitation service in the Counties of Riverside, San Diego and Imperial.
- B. City is a general law city located in the County of Riverside, State of California. Pursuant to such authority, City provides water and sanitation service to customers within the City of Coachella boundaries, as depicted on Exhibit "A" attached hereto and by this reference incorporated herein.
- C. City provides water service within the boundaries of the City of Coachella through the City of Coachella Water Department.
- D. City provides sewer service within the boundaries of the City of Coachella through the City of Coachella Sanitary District.
- E. Each Party is authorized pursuant to California law to provide water and sewer service which could otherwise result in inefficient systems and duplication of services.
- F. District and City are desirous of reaching an agreement which establishes permanent boundaries for water and sewer service to be currently provided by each.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. All of the above Recitals are hereby incorporated by reference to the same extent as though herein again set forth in full.
- 2. From and after the Effective Date, this Agreement establishes the boundaries for water and sewer service between District and City
- 3. Except as provided in Paragraph 4, City will provide, and CVWD will not provide, water and sewer service to the area lying north of the centerline of Avenue 56 and within the City boundary and Sphere of Influence existing on the Effective Date and the Proposed Sphere of Influence east of Jackson Street, as depicted on Exhibit "A."

4. Any Customer being served by District or City as of Effective Date and any property subject to a "Will Serve" letter issued by the District or City thirty (30) days prior to the Effective Date shall continue to be served by such Party, whether inside or outside the boundaries of District and City established under this Agreement. On request of either party ("Territory Party") new customers ("Temporary Customers") within its service area may be served by the other party ("Servicing Party"), if service is infeasible at that time by the Territory Party. The terms of Temporary Service shall be as agreed upon by the parties. Upon later request of the Territory Party, the Servicing Party will transfer to the Territory Party the Temporary Customer accounts, as well as any infrastructure, capacity fees, or supplemental import water rights, purchased by or on behalf of the Temporary Customers which are not otherwise retained by the Servicing Party by prior agreement.
5. All other areas within the City boundary and City's Sphere of Influence will be a service area of the District, as depicted on Exhibit "A."
6. City may provide water and / or sewer service to the area in the Northern Un-annexed Area as shown on Exhibit "A" if City is the first city to annex that area. The Northern Un-annexed Area is described as that area bounded by the existing northern Coachella City Boundary (south), Dillon/Tyler Road (west), Avenue 37 (north) and Johnson Avenue (east).
7. Neither Party can extend its service area into the service area of the other Party without prior written consent of the encroached upon Party. The consent requested shall be at the sole and absolute discretion of the encroached-upon Party.
8. Either Party may install pipelines through service area of the other provided that they are necessary and convenient to providing service in the installing Party's service area.
9. Water service by either Party to tribal property is subject to tribal consent.
10. This Agreement does not apply in any way to water service supplied by the District from the Coachella Canal or its distribution system to non-potable uses.
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12. The Parties hereto agree to cooperate with each other in furthering the purposes of this Agreement. The Parties hereby agree to take such other actions and execute such other reasonable documents as are consistent with this Agreement and as are reasonably necessary to effectuate this Agreement; provided, however, that the foregoing shall not require District to take any legislative action or exercise its discretion in any particular manner.

13. This Agreement contains the final and complete agreement between the Parties with respect to the matters herein discussed and supersedes all previous communications and agreements between them with respect to the subject matter hereof, whether oral or written, to the extent such prior communications and agreement are not consistent with this Agreement.
14. In the event that any action or proceeding is commenced between the Parties hereto to enforce or interpret any term of this Agreement, each party shall bear its own attorneys' costs and fees. The attorneys' costs and fees shall include, without limitation, attorneys' costs and fees incurred on appeal and those incurred in enforcing any judgment rendered in any such action or proceeding.
15. All notices shall be in writing and shall be considered given and received: (i) when delivered in person to the recipient named below; or (ii) three days after deposit in the United States mail, postage prepaid, addressed to the recipient named below; or (iii) on the date of delivery shown in the records of an express courier such as Federal Express or DHL; or (iv) on the date of delivery by facsimile transmission to the recipient named below. All notices shall be addressed as followed:

If to District:

General Manager/Chief Engineer
Coachella Valley Water District
P.O. Box 1058
Coachella, Ca 92236-1058

If to City:

City Manager
City of Coachella
1515 Sixth Street
Coachella, CA 92236

Any Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a Party or an officer or representative of a Party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

16. This Agreement and all its provisions shall in all respects be interpreted, construed, enforced, and governed by and under the laws of the State of California, without regard to its conflict of laws principles.
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By: 

Its: GENERAL MANAGER

CITY:

CITY OF COACHELLA, a general law city
of the State of California

By: 

12/14/07

Its: Tim Brown, City Manager

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

Northern Un-annexed Area

Indio & VSD

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Coachella Sphere of Influence
(CSOI)

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THIS AGREEMENT ("Agreement") is made and entered into on this 9th day of January, 2008 ("Effective Date") by and between COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California, ("District"), and CITY OF COACHELLA, a general law city in California ("City"). District and City are sometimes referred to individually as "Party" or collectively as "Parties."

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By: 

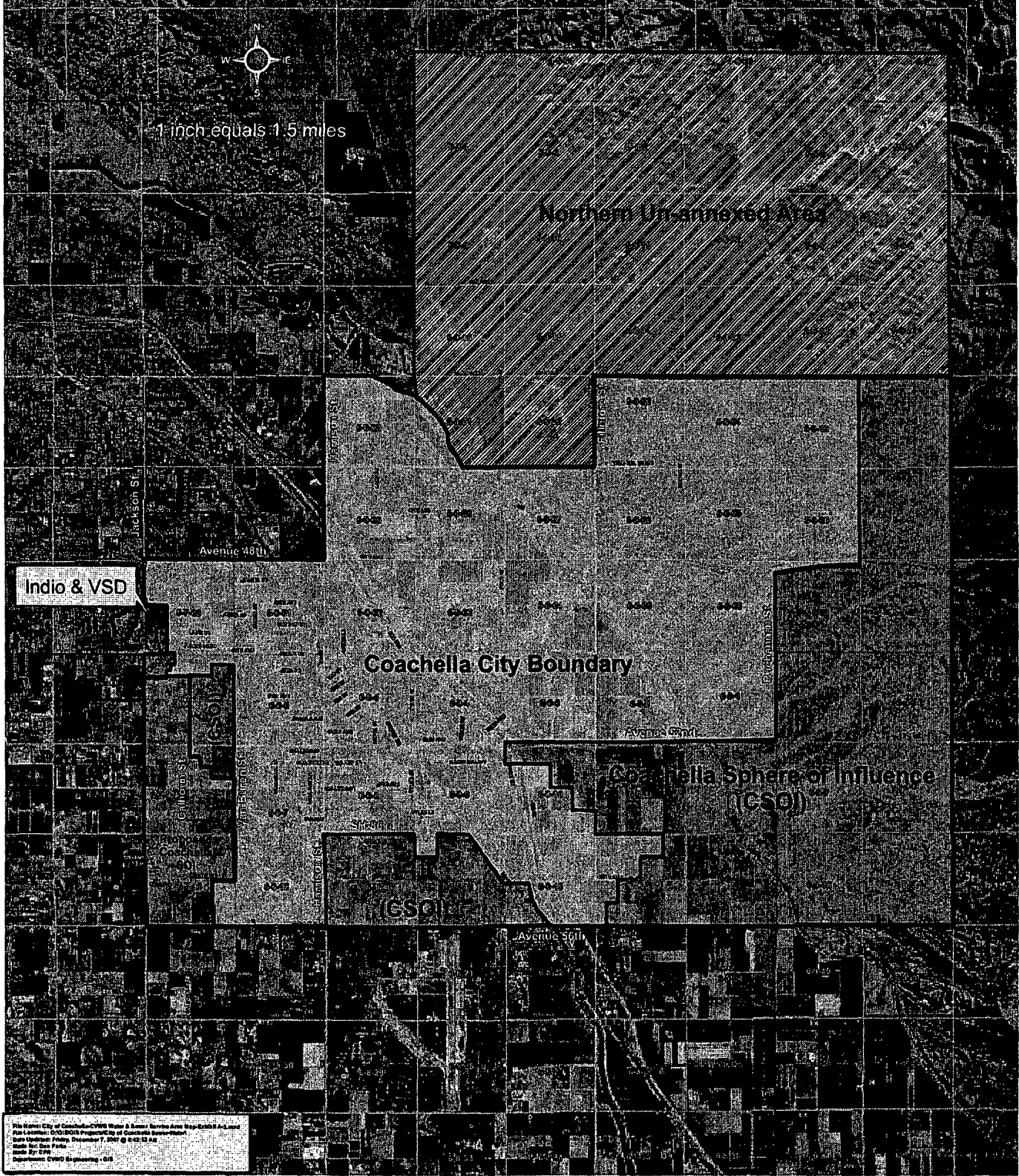
By: 

Its: President

Its: Mayor

**City of Coachella / CVWD
Water & Sewer Service Area Map**

Exhibit "A"



File Name: City of Coachella-CVWD Water & Sewer Service Area Map-Exhibit A.dwg
Plot Location: C:\00000\Projects\City of Coachella\Water-Sewer
Date Plotted: Friday, December 7, 2007 @ 6:42:33 AM
Scale: 1" = 1.5 Miles
Author: Dan Pella
Department: CVWD Engineering - GIS

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

Northern Un-annexed Area

Indio & VSD

Coachella City Boundary

Coachella Sphere of Influence
(CSOI)

April 26, 2022

Ms. Crystal Craig
Assistant Executive Officer
Riverside LAFCO
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

SENT VIA EMAIL

Subject: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-061, 2, 3, 4&5) – City of Menifee

Dear Ms. Craig,

Thank you for the opportunity to review and provide comments on the public review draft for the City Municipal Service Review for the City of Menifee. The City concurs with the report findings and provides the following repeat comments for consideration.

- General comment: As a new and rapidly growing City, staff levels and budgets have increased year of year. The data in the MSR is at this time 2 years old. If possible please consider using more current financials as provided in comments to draft document on November 15, 2021.
- PDF Page 230. Please note new Fire Station #5 is in design and included in our CIP to replace existing station 5 in Quail Valley.
- PDF Page 231. Note the City is a CDBG Entitlement City.
- PDF Page 232. Please consider the following redline revisions for clarifications:

According to staff, the City submitted an application to LAFCO for pursued detachment from of the VWRPD in 2016, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD proposed compensation in exchange for detachment. According to City staff After a series of public meetings held in 2017, LAFCO approved the City's request for detachment from VWRPD, but imposed a one-time \$500,000 payment in exchange for detachment, which was not agreeable to the City.

The proposed detachment would leave VWRPD with disconnected and noncontiguous service boundaries outside of the City's new parks and recreation service boundary. However, the existing VWRPD boundary already contains several small, isolated, noncontiguous areas.

Furthermore, City staff indicated that the City could mitigate this issue by would like to expanding its parks and recreation district boundary to encompass all of the VWRPD Districts and zones adjacent to the City's eastern boundary eastward to Leon Road. According to City staff, VWRPD previously submitted an application for Riverside LAFCO to considered expanding VWRPD's servious boundary West to encompass the entire City of Menifee the City's parks and recreation services in a previous SOI update (2014). At the time, Riverside LAFCO determined that the City should demonstrate an ability to provide parks and recreation services by meeting several criteria: (1) set up a parks and recreation department, (2) show a track record of performance, (3) City Council approval to detach VWRPD from the City, and (4) develop a plan to transition VWRPD facilities to the City. According to City staff, all of the above-mentioned criteria was completed prior to 2016.

- PDF Page 233. Also note a second library recently opened in Menifee at 28798 La Piedra Road.
- PDF Page 236. Figure 75 (and where other references to RHNA numbers occur). Please update with most recent Annual Progress Report data.

Table 5: Building Permits Issued by Affordability – 5th Cycle											
Income Category	RHNA	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date	Total Remaining RHNA
Very Low	1,488	1	4	3	3	0	0	0	-	11	1,477
Low	1,007	1	0	2	9	1	4	2	12	31	976
Moderate	1,140	158	193	184	168	181	379	7	7	1,277	0
Above Moderate	2,610	181	215	349	514	759	653	1,433	920	5,024	0
Total RHNA	6,245	341	412	538	694	941	1,036	1,442	939	6,343	2,453

Thank you again for the opportunity to provide the above comments. The City looks forward to the formal approval of the MSR by the LAFCO Board. If you have any questions regarding the comments please contact me at ckitzerow@cityofmenifee.us or 951-723-3706.

Sincerely



Cheryl Kitzerow, AICP
 Community Development Director

Cc: Armando Villa, City Manager



April 27, 2022

Riverside Local Agency Formation Commission
Attn: Crystal Craig, Assistant Executive Officer
6216 Brockton Ave, Suite 111-B
Riverside, CA 92506

RE: Agency Comments Submittal re. Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06- 1, 2, 3, 4, 5)

Dear Ms. Craig,

The Jurupa Area Recreation and Park District (JARPD) has reviewed the Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06- 1, 2, 3, 4, 5). JARPD is submitting the following comments:

Page 7-

"The City of Eastvale is experiencing conflicts related to provision of parks and recreation facilities and services as a result of a service boundary that bifurcates the City."

Response- JARPD is unaware of any conflicts regarding park and recreation services to the residents of Eastvale and the bifurcation of the city. The City of Eastvale clearly explains on its website the service areas of both JARPD and JCSD. Furthermore, JARPD has never turned away someone wishing to register for a recreation program, reserve a recreation facility or participate in a sporting even based on where they live.

Page 99-

JARPD formed in 1984 as a new entity responsible for parks and recreation duties, subsequently growing to manage 35 different parks and recreation facilities in the Jurupa area.

Response- JARPD was formed in 1984 and currently manages 37 facilities, nearly 500 acres of park and open space land and five (5) community centers including the Eddie Dee Smith Senior Center, the newly opened Skyview Event Center, and the Rancho Jurupa Regional Sports Park all of which are open to all residents of JARPD district boundaries.

Page 99-

All five (5) members of the JARPD elected Board of Directors are residents of the City of Jurupa Valley.

Response- JARPD does not see how this is relevant to the MSR- JARPD is governed by five (5) elected board members and has been divided into divisions since formation in 1984. The portion of the City of Eastvale served by JARPD is included within JARPD Division 3 and has been since the City incorporated. All residents of JARPD receive equal representation and any resident of JARPD who meets the eligibility requirements for public office are eligible to run for a position on the JARPD Board of Directors.

Page 100-

The 2012 MSR presented the following determinations:
The detachment of the JARPD from the City of Eastvale and the assumption of that area by JCSD.

At the time, two (2) alternatives were presented for the detachment and transfer of services to the City:

1. Detachment could be initiated by any affected agency or by a petition of voters or landowners.
2. JARPD could apply for the divestiture of the recreation and/or park services within the affected territory. By statute, the divestiture of the power to provide functions or services may only be initiated by JARPD.

Response- The 2012 City of Eastvale MSR provided that the JARPD services could be transferred to the City—not to JCSD. At no time since the 2012 MSR, has there been any formal discussion between JARPD and the City of Eastvale regarding the City's desire to take over park and recreation services.

Page 116-

Present and Planned Capacity of Facilities
Maintenance responsibility for the City's parks and recreation facilities is fragmented, with JCSD providing services on the west side of Hamner Road, and

JARPD providing services on the east side of Hamner Road. Not only does this lead to confusion among residents, but because the JCSD Board is made up of 3 members from Jurupa Valley and 2 members from Eastvale, the City does not have the same level of accountability and uncompromised attention for parks and recreation services in this area of the City.

Response- This statement is incorrect and misleading. The City of Eastvale does not own any park or recreation facilities, they are owned and operated by JARPD and JCSD respectfully. The City of Eastvale further states that this leads to "confusion among residents". JARPD again refers to the City of Eastvale website under Park and Recreation

The City of Eastvale is known for its many beautiful parks for which residents are very proud. There are two different parks districts within the City's boundaries as follows:



<https://www.eastvaleca.gov/community/parks-and-recreation>

JARPD feels this is very clearly stated and has found when residents inquire about parks within Eastvale being manager by JARPD, they have no issues understanding the different service areas.

Page 151-

Figure 52 : Service Provider Matrix- states Park and Recreation Services are provided by both JCSD and JCSD.

Response- JCSD provides no park and recreation in Jurupa Valley. This needs to be corrected.

Page 153-

Parks and recreation services are provided by two (2) separate districts, the Jurupa Community Services District ("JCSD") and the Jurupa Area Recreation and Park District ("JARPD"). The JCSD was formed in 1957, originally for the installation of a sewer system, and serves both the cities of Eastvale and Jurupa Valley. It expanded over the years to include parks and recreation services. In 1984, the JARPD formed and the original parks and recreation duties were separated with the new entity which would grow to serve 35 different parks and recreation facilities in the Jurupa area. The JCSD, however, would later reestablish its own parks and recreation department in 1996 to cover just the Eastvale portion of the district.

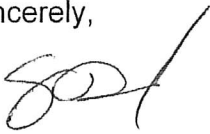
Response- This statement is factually incorrect and JARPD requests the statement be replaced with the following:

Park and Recreation services are provided by the Jurupa Area Recreation and Park District ("JARPD"). In 1984, the JARPD was formed and has grown to operate 37 different park, recreation and open space facilities in the Jurupa area totaling nearly 500 acres. JARPD opened the first phase of the Skyview Event Center in the western portion of the City of Jurupa Valley in 2021. This state-of-the-art facility serves as a focal point of the community and has hosted many recreation classes and activities already, as well as numerous City of Jurupa Valley meetings and events. In July 2020, the City and JARPD entered into an operational agreement for the Eddie Dee Smith Senior Center, where JARPD operate the facility on behalf of the City of Jurupa Valley. Additionally in July of 2021, JARPD entered into an Operational Agreement with Riverside County for the Rancho Jurupa Regional Sports Park. This agreement kept the facility open to the public and filled a void in the community of Rubidoux.

The City of Jurupa Valley and JARPD continue to work closely on development projects to ensure the needs of the residents are being met. Since 2014 JARPD has opened 17 new park facilities within the City of Jurupa Valley. Currently, JARPD has an additional ten (10) parks in various forms of construction, design or planning within the City of Jurupa Valley.

JARPD appreciates the opportunity to provide these comments to LAFCO and requests these comments are submitted as part of the official record of the DRAFT MSR and respectfully request these comments be considered for inclusion in the final report. If you have any questions, please feel free to contact me at colby@jarpd.org or via phone at 951 361-2090.

Sincerely,

A handwritten signature in black ink, appearing to read 'Colby', with a long, sweeping horizontal stroke extending to the right.

Colby Diuguid
General Manager

Cc: JARPD Board or Directors

Kenneth J. McLaughlin, President
Jane F. Anderson, Vice President
Lupe R. Nava, Director
Bart Moreno, Director
Betty Folsom, Director



April 27, 2022

Riverside Local Agency Formation Commission
Attn: Crystal Craig, Assistant Executive Officer
Vía Email: ccraig@lafco.org

SUBJECT: Agency Comments Submittal re. Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06- 1, 2, 3, 4, 5)

Dear Ms. Craig,

The Jurupa Community Services District ("JCSD") has reviewed the Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06- 1, 2, 3, 4, 5) as set forth in the March 29, 2022 email from Ms. Elizabeth Valdez ("Draft MSR"). The subject draft can be found online [here](#), Public Review Draft – March 29, 2022.

At this time, JCSD respectfully submits comments as listed below:

A. Comments related to LAFCO Cover Letter dated March 28, 2022:

JCSD notes, as stated on page 2 of its cover letter dated March 28, 2022, that consistent with Section 2.4.1 of LAFCO's Policies & Procedures, the Draft MSR does not include a review of the following services:

- Resource conservation;
- Mosquito & vector control; and
- Burial/ internment

We also note that this Draft MSR does not review other services that were recently reviewed in recently adopted MSRs:

- Water, wastewater collection and treatment—MSR Adopted in 2019
- Healthcare services certain types of services—MSR Adopted in 2020

We assume that the reason for not including the later above listed services is to avoid duplicating information already recently reviewed by LAFCO in adopted MSRs.

For this reason JCSD requests and recommends that this Draft MSR not include a review of any services already covered in the recently adopted LAFCO “Municipal Service Reviews and Sphere of Influence Updates County Wide Community Services Districts LAFCO 2021-01-1, 2, 4 & 5” adopted by the Commission on October 28, 2021 (“County Wide CSD MSR”). We make this request and recommendation due to the sheer number of inconsistencies within this Draft MSR and the information already adopted by LAFCO less than 6 months ago. Instead, we suggest that this Draft MSR reference, where appropriate, information from the County Wide CSD MSR.

B. Comments related to content of Draft MSR:

As noted in our above request, we hope LAFCO will agree to remove from discussion in this Draft MSR, any services previously reviewed in the County Wide CSD MSR. In the event LAFCO does not choose to do so, we have included in this letter our comments and proposed edits to the Draft MSR to ensure that the public record include correct and complete information regarding the services provided by JCSD. JCSD is also concerned that many of the statements included within the Draft MSR regarding JCSD provided services appear to JCSD to reflect the opinions of City of Eastvale staff or its representatives. For this reason, to ensure that JCSD provided services are accurately reflected in the final MSR, JCSD respectfully requests that LAFCO’s Staff/the LAFCO consultant also conduct an interview with JCSD prior to presenting the final MSR to the Commission.

1. Page 7

“The City of Eastvale is experiencing conflicts related to provision of parks and recreation facilities and services as a result of a service boundary that bifurcates the City.”

COMMENT: JCSD is unaware of any “conflicts” related to the parks and recreation facilities and services as provided by JCSD within the boundaries of the City of Eastvale.

To the extent that the word “conflicts” is intended to describe the fact that parks and recreation services within the City of Eastvale are provided by two separate special districts (JCSD and the Jurupa Area Recreation and Park District (“JARPD”)), we respectfully request that this sentence be revised to so state. Doing so would be consistent with language included on Draft MSR page 99, regarding provision of these services by JCSD and JARPD as well as on Draft MSR page 153, as to provision of these services by JARPD within the boundaries of the City of Jurupa Valley. Additionally, we want to make very clear that we know of no conflict between JCSD and JARPD in provision of services within the City of Eastvale.

To the extent, however, that the word “conflicts” is intended to describe the City of Eastvale’s desire to take over recreation and park services provided by JCSD within the City’s boundaries, we suggest including a reference to the CSD MSR section on JCSD where this issue was already extensively addressed and about which specific action was taken by LAFCO.

[For discussion purposes] Finally, JCSD is somewhat perplexed with inclusion of parks and recreation services as a “major” determination presented in the MSR for Eastvale in light of other significant issues noted in the Eastvale MSR section.

2. Page 96, Figure 28 Service Provider Matrix – Eastvale

COMMENTS:

- a. JCSD does not believe that LLMDs should be categorized as “Small Dependent Special Districts” as LLMDs are financing mechanisms/ assessment districts that do not fall within the definition of a “dependent district” under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
- b. “Water*” – All services are provided by JCSD. “Western Municipal Water District” is inaccurate and should be removed.

3. Page 99

“The JCSD was formed in 1957 originally for the installation of a sewer system.”

COMMENT: In fact, and also referenced in LAFCO’s October 2021 JCSD MSR, JCSD was formed in 1956 to provide wastewater services to the Jurupa Valley area of western Riverside County.

4. Page 99

“It expanded and contracted over the years to include parks and recreation services.”

COMMENT: JCSD’s service area covers, two cities, Jurupa Valley and Eastvale, both of which incorporated decades following the JCSD’s formation; however, parks and recreation services at this time are only provided within the City of Eastvale. JCSD respectfully requests that the above statement be amended to reflect this and state the following “... parks and recreation services **within the City of Eastvale.**”

5. Page 99

“JCSD has an elected Board of Directors, which includes two (2) residents of Eastvale and three (3) residents of Jurupa Valley.”

COMMENT: JCSD does not see how this is relevant to a municipal service review of the City of Eastvale. For example, and in contrast, compare the counterpart section in the portion of the Draft MSR for the City of Jurupa Valley for JARPD. Additionally, this information is incorrect. Consistent with LAFCO's October 2021 JCSD MSR, JCSD respectfully requests that the statement, if it is included at all, read consistently with LAFCO's October 2021 JCSD MSR as follows: "JCSD is governed by a five-member Board of Directors, elected for four-year staggered terms. JCSD is divided into five Divisions. Board members are required to be a registered voter in the Division they represent, however, the registered voters within the entire District vote for all Board members." It might also be appropriate to add the following for purposes of clarity: "Thus, registered voters within the City of Eastvale vote for all five members of JCSD's Board of Directors, and the five Directors represent all voters and all residents within the District."

6. Page 99

"At the request of County Supervisor Tavaglione, JCSD re-established its own parks and recreation department for the Eastvale area in 1996..."

COMMENT: JCSD has been providing parks and recreation services within its boundaries for many years (since the 80s). JCSD itself established its own internal parks and recreation department for the first time in 1996. JCSD has no record of any request by Supervisor Tavaglione, but regardless, no outside agency or official request or approval was necessary for JCSD to establish its own internal parks and recreation department to manage park and recreation services it was providing. Based on this JCSD respectfully requests that this statement be updated as follows: "JCSD's parks and recreation department was formed as a separate department within the District in 1996."

7. Page 99-100

"JCSD manages 15 parks within the City of Eastvale, and the Eastvale Community Center, which is located near the intersection of Schleisman Road and Harrison Road. JCSD also operates the Desi House, which was originally relocated from the City of Corona by a resident, and later purchased by JCSD. The Desi House is expected to re-open to the public for events in 2022."

COMMENT: JCSD respectfully requests that this statement be amended to provide a more accurate description of the parks and facilities under JCSD's ownership and management. Such as, "JCSD provides recreation and parks facilities and services within the City of Eastvale west of Hamner Ave. JCSD currently owns, operates, and maintains 15 parks encompassing 228 acres of parkland: a 2.65 mile bicycle and equestrian trail. JCSD also manages three major community facilities: the Eastvale Community Center; the Harada Neighborhood Center; and The Desi House." Alternatively, a cross-reference to LAFCO's October

2021 JCSD MSR description of parks and facilities owned, operated and maintained by JCSD would also be acceptable.

8. Page 100

“The 2012 MSR presented the following determination:

- The detachment of the JARPD from the City of Eastvale and the assumption of that area by JCSD. At the time, two (2) alternatives were presented for the detachment and transfer of services to the City:

1. Detachment could be initiated by any affected agency or by a petition of voters or landowners.

2. JARPD could apply for the divestiture of the recreation and/or park services within the affected territory. By statute the divestiture of the power to provide functions or services may only be initiated by JARPD.”

COMMENT: This statement includes a typo. The 2012 City of Eastvale MSR provided that the JARPD services could be transferred to the City—not to JCSD. (See, 2012 City of Eastvale MSR, page 10.)

To the extent LAFCO determines it appropriate to continue to include extensive JCSD information in the Draft MSR section related to Eastvale (as opposed to cross-referencing the LAFCO October 2021 JCSD MSR), JCSD respectfully requests that the remaining portions of the 2012 City of Eastvale MSR be referenced in the Draft MSR to include the following:

A transfer of services from JCSD could only be accomplished through the divestiture process mentioned above. Since [JCSD] provides other key services, namely water and wastewater, that cannot be partitioned from the rest of [JCSD], detachment is not an option. Again, discussions between the City and [JCSD] regarding CFDs, assessment districts and park acquisition would be required in advance of any application to LAFCO for divestiture.

(2012 City of Eastvale MSR, page 10.)

9. Page 100

“Riverside LAFCO provided direction to the City and JCSD in 2021 to begin analysis and discussions to transition parks and recreation services to the City of Eastvale.”

COMMENT: This statement is incorrect and is neither officially reflected in any action taken by LAFCO, nor reflected in LAFCO’s summary meeting minutes. Accordingly, JCSD respectfully requests that the statement be amended in

accordance with the action taken by Riverside LAFCO on October 28, 2021. Referencing the Minutes of the October 28, 2021 LAFCO public hearing (here), various comments were voiced by Commissioners Vargas, Sanchez, and Wright; however, the specific language added to the original recommended action (see Page 4) was “Jurupa CSD Determination: Further review by LAFCO staff into provision of recreation and parks services into the City of Eastvale is warranted and should be conducted.” This action does not provide a direction for the purpose of transitioning parks and recreation services to the City of Eastvale

10. Page 100

“In 2021, the City established the Community Services Division, to begin the transition of parks and recreation operations from JCSD to the City.”

COMMENT: While the City of Eastvale does currently have an active Community Services Division it owns no parks or recreational facilities (as all parks and recreational facilities within the City’s boundaries are owned and operated by JCSD or JARPD). To date, the City and JCSD have not had substantive discussions about transitioning parks and recreation facilities or operations to the City. Further, JCSD does not desire to work towards the transition of parks and recreation to the City.

11. Page 101

“Landscape maintenance is performed and provided by the City of Eastvale or the JCSD. The District manages four (4) landscape and lighting maintenance districts, 89-1, 2014-1, 2014-3, and 2014-4, that coordinate public property, and park landscaping services around the City.”

COMMENT: JCSD respectfully requests that the statement be amended to clarify that JCSD currently maintains over 4 million square feet of public frontage landscaping within the City of Eastvale.

12. Page 116

“3. Present and Planned Capacity of Facilities.... Maintenance responsibility for the City’s parks and recreation facilities is fragmented, with JCSD providing services on the west side of Hamner Road, and JARPD providing services on the east side of Hamner Road. . . .”

COMMENT: The reference to the “City’s parks and recreation facilities” is misleading and factually incorrect. The City does not own or operate recreation facilities within the City. JCSD does, within JCSD’s boundaries, and JARPD does, within its boundaries. But the City does not. Please see our previous comments on this issue.

13. Page 116

“3. Present and Planned Capacity of Facilities.... Not only does this lead to confusion among residents, but because the JCSD Board is made up of 3 members from Jurupa Valley and 2 members from Eastvale, the City does not have the same level of accountability and uncompromised attention for parks and recreation services in this area of the City.”

COMMENT: It appears that this determination is more in the form of a determination regarding JCSD and its services than a determination regarding the services provided by the City of Eastvale. To the extent that our interpretation is correct, JCSD wants to alert LAFCO that it directly conflicts with the determinations included in LAFCO’s October 28, 2021, JCSD MSR, as set out in both Determination No. 3 and No. 7. Further, JCSD respectfully requests that this determination be revised to address our comment on Draft MSR page 7, and to reflect the corrections we provided elsewhere in this letter.

Last, JCSD wants to make very clear that JCSD’s Board of Directors – all five (5) Directors – are accountable to all their constituents and stakeholders in the entirety of JCSD’s service area. Please see our previous comments on the issue of JCSD Director being elected at large—voters within the City of Eastvale vote for all JCSD Directors, throughout JCSD. JCSD is committed to providing excellent and high quality parks and recreation services within the City of Eastvale, as it has consistently in the past.

14. Page 151 (Figure 52)

- a. Parks & Recreation – JCSD does not provide Parks and Recreation services in the City of Jurupa Valley.
- b. Water – all services are provided by JCSD, RCSD and Santa Ana River Water Company. “Western Municipal Water District” is inaccurate and should be removed.
- c. Wastewater – all services are provided by JCSD and RCSD. “Western Municipal Water District” is inaccurate and should be removed.

15. Page 153

“Parks and recreation services are provided by two (2) separate districts, the Jurupa Community Services District (“JCSD”) and the Jurupa Area Recreation and Park District (“JARPD”). The JCSD was formed in 1957, originally for the installation of a sewer system, and serves both the cities of Eastvale and Jurupa Valley. It expanded over the years to include parks and recreation services.”

COMMENT: JCSD does not provide parks and recreation services within the City of Jurupa Valley. JCSD respectfully requests that this statement be corrected to reflect same. In addition, JCSD was formed in 1956, not 1957.

16. Page 153

“The JCSD, however, would later reestablish its own parks and recreation department in 1996 to cover just the Eastvale portion of the district.”

COMMENT: JCSD respectfully requests that this statement be removed. JCSD does not have one park and recreation to cover such services in Eastvale, and a separate park and recreation to cover such services in Jurupa Valley, as it has been confirmed that no parks and recreation services are provided to the City of Jurupa Valley. Therefore, this statement brings no relevance to the City of Jurupa Valley's MSR.

17. Overall comment:

JCSD appreciates the opportunity to provide these comments to LAFCO. JCSD respectfully requests that any recommended comments set out above be included in all appropriate sections of the Draft MSR for consistency purposes even if not expressly requested herein.

These comments are provided for the record and for consideration in finalizing the subject report. If you have any questions, please feel free to contact me directly at cberch@jcsd.us.

Sincerely,



Chris Berch, P.E.
General Manager
Jurupa Community Services District

Cc: Steve Lawson
Maria E. Ayala



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April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, STE 111-B
Riverside CA 92506

(via E-mail: ccraig@lafco.org)

**RE: VALLEY-WIDE COMMENTS ON CITY MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE
UPDATE FOR ALL CITIES IN RIVERSIDE COUNTY**

Dear Crystal Craig:

Valley-Wide Recreation and Park District is writing to submit our input and requested corrections to the "Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06-1,2,3,4 &5)." We appreciate the Commission's and LAFCO Staff's release of public review along with a reasonable amount of time to assemble comments.

We believe that the Public Review Draft is a very important step in the process of preparing an accurate and consistent report for the Commission's review and approval. Thank you for your consideration of our input and requested corrections presented in the attached table. We hope that the table format will make it easier for you and your team to review our input, comments and corrections.

If you have any questions, please feel free to contact me directly at 951-654-1505 or dean@GoRecreation.org. We appreciate your continued support and the opportunity to collaborate.

Sincerely,

Dean Wetter, General Manager
Valley-Wide Recreation and Park District

Attachment: Valley-Wide Recreation and Park District Table of Comments and Suggested Edits 4/27/22

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
13	<p>Recommendation regarding Menifee Sphere of Influence:</p> <p>Recommending coordination with the City of Menifee to determine a new extent of the City's eastern boundary. Menifee City staff indicated a desire to expand the SOI to include most of the unsphered land between the City's eastern boundary and State Route 79. Five (5) DUCs are immediately north of Menifee, and four (4) additional DUCs are northeast of the City and the area under consideration for the Menifee SOI expansion.</p>		<p><u>Comments:</u></p> <ul style="list-style-type: none"> Valley-Wide Recreation and Park District (VWRPD) believes LAFCO should provide some clarity on how this proposed recommendation complies with LAFCO Policy 2.3.4, which requires that a city's general plan "contain provisions to adequately demonstrate that the city has planned for the increased needs associated with a larger geographic boundary" prior to <u>any</u> expansion of a city's sphere of influence.
128	<p>Parks and Recreation</p> <p>The City receives parks and recreation services from two (2) entities, the Public Works Department's Parks Division and the Valley Wide Recreation and Park District. The Parks Division provides maintenance of all City parks, weekly landscaping services, and park patrol services. The Valley Wide Recreation and Park District maintains several parks throughout Hemet, Menifee, and San Jacinto and runs recreational programs like youth and adult basketball, baseball, softball, flag football, indoor soccer, and volleyball leagues. It was established in 1972 by a general election vote of the residents of Hemet and San Jacinto. It is an independent special district governed by five (5) elected board members with four (4) year terms.</p>	<p>Parks and Recreation</p> <p>The City receives parks and recreation services from two (2) entities, the Public Works Department's Parks Division and the Valley-Wide Recreation and Park District ("VWRPD"). The Parks Division provides maintenance of all City parks, weekly landscaping services, and park patrol services. The VWRPD Valley Wide Recreation and Park District maintains several parks <u>and landscapes</u> throughout <u>the cities of Hemet, Menifee, and San Jacinto, as well as unincorporated areas of Winchester, Murrieta, French Valley, Homeland, Romoland, Valle Vista, Sage and Aguanga. The VWRPD also</u> and runs recreational programs like youth and adult basketball, baseball, softball, flag football, indoor soccer, and volleyball leagues. It was established in 1972 by a general election vote of the residents of Hemet and San Jacinto. It is an</p>	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> Adds information on VWRPD Services within the community. Adds information regarding representation divisions. Accurately describes areas served by VWRPD.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
		independent special district governed by five (5) elected board members with four (4) year terms, <u>Voters in portions of the City of Hemet vote for Directors in each of the VWRPD Director Divisions.</u>	
201-202	CFDs are a method of financing public improvements and services that were established under the Mello-Roos Community Facilities Act of 1982. The CFD is a special tax on assessed property values within the district boundary that must be approved by two-thirds of the residents or landowners within the CFD.	CFDs are a method of financing public improvements and services that were established under the Mello-Roos Community Facilities Act of 1982. The CFD is a special tax on assessed property values within the district boundary that must be approved by two-thirds of the <u>registered voters</u> residents or landowners within the CFD.	<u>Suggested Edits for Accuracy:</u> <ul style="list-style-type: none"> • CFD special taxes are not levied according to assessed value. • “district boundary” is synonymous with CFD boundary. • CFDs are not approved by residents; rather, by registered voters or landowners.
204	SERVICES PROVIDED City staff provide the community with law enforcement, building and planning, housing, code enforcement, parks and recreation, streets and road maintenance, stormwater drainage, and innovation and technology services.	SERVICES PROVIDED City staff provide the community with law enforcement, building and planning, housing, code enforcement, parks and recreation , streets and road maintenance, stormwater drainage, and innovation and technology services. <u>With regard to parks and recreation, City staff provide services exclusively within in Council Districts #1 and #2, and some services in Council Districts #3 and #4 in addition to services provided by Valley-Wide Recreation and Park District. While Valley-Wide Recreation and Park District overlaps portions of the City, the City and District’s programs and services complement each other and provides for efficient and expansive services to which City residents benefit.</u>	<u>Suggested Edits for Accuracy:</u> <ul style="list-style-type: none"> • Identifies that some areas services are provided jointly.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
205	Figure 74: Service Provider Matrix – Menifee Public Service Row (Landscape Maintenance)/ Service Provider Column: LLMD & CFD, CSA	LLMD & CFD, Valley-Wide Recreation and Park District , CSA 2. Shade 4 th box on table orange (Large Independent Special District)	<u>Suggested Edits for Accuracy:</u> <ul style="list-style-type: none">Reflects areas with services provided by VWRPD.
208	Parks and Recreation Parks and recreation services are provided by two (2) entities, the City’s Community Services Department and the Valley Wide Recreation and Park District (“VWRPD”). The Community Services Department is responsible for maintaining and developing parks and open spaces as well as improving the quality of life for residents through fun and safe recreational programs. The Valley Wide Recreation and Park District was established in 1972 by a general election vote of the residents of Hemet and San Jacinto. It is an independent special district governed by five (5) elected board members with four-year terms. The District maintains several parks throughout Hemet, Menifee, and San Jacinto and runs recreational programs like youth and adult basketball, baseball, softball, flag football, indoor soccer, and volleyball leagues.	Parks and Recreation Parks and recreation services are provided by two (2) entities, the City’s Community Services Department and the Valley-Wide Recreation and Park District (“VWRPD”). The Community Services Department is responsible for maintaining and developing parks and open spaces as well as improving the quality of life for residents through fun and safe recreational programs. The Valley-Wide Recreation and Park District VWRPD was established in 1972 by a general election vote of the residents of Hemet and San Jacinto. In about 1987, it expanded its service area to include the Menifee Valley at the request of County of Riverside Supervisor Kay Cenicerros. # VWRPD is an independent special district governed by five (5) elected board members with four-year terms, of which two Director Divisions (#4 and #5) are elected by voters in the Menifee Valley portion of the City of Menifee, and represent the service area in the Menifee Valley. The District maintains several parks and landscapes throughout the cities of Hemet, Menifee, and San Jacinto, as well as unincorporated areas of Winchester, Murrieta, French Valley, Homeland, Romoland, Valle Vista, Sage and Aguanga. The District also and runs recreational programs like	<u>Suggested Edits for Accuracy:</u> <ul style="list-style-type: none">Adds information on VWRPD Services within the community.Adds information regarding representation divisions.Accurately describes areas served by VWRPD.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
		youth and adult basketball, baseball, softball, flag football, indoor soccer, and volleyball leagues <u>in addition to landscape maintenance</u> .	
208	<p>According to staff, the City pursued detachment of the VWRPD in 2016, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD proposed compensation in exchange for detachment. According to City staff, LAFCO approved a one-time \$500,000 payment in exchange for detachment.</p> <p>The proposed detachment would leave VWRPD with disconnected and noncontiguous service boundaries outside of the City's new parks and recreation service boundary. However, the existing VWRPD boundary already contains several small, isolated, noncontiguous areas. Furthermore, City staff indicated that the City would like to expand its parks and recreation district boundary eastward to Leon Road.</p>	<p>According to staff, the City pursued detachment of the VWRPD in 2016, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD proposed compensation in exchange for detachment. According to City staff, LAFCO approved a one-time \$500,000 payment in exchange for detachment. The proposed detachment, which, if completed as proposed by the City, would have left leave VWRPD with disconnected and noncontiguous service boundaries, <u>and would have undermined the constitutional validity of the existing VWRPD LMD that would have been bifurcated by the City's proposal outside of the City's new parks and recreation service boundary. However, the existing VWRPD boundary already contains several small, isolated, noncontiguous areas. Riverside LAFCO ultimately approved the City's application for detachment in August 2017, subject to conditions with which the City took exception. Following Riverside LAFCO's denial of the City's reconsideration request in October 2017 (denied for failure to meet the requirements for reconsideration), the City sued Riverside LAFCO challenging the validity of several terms and conditions imposed by LAFCO in its approval of the detachment. Because the City ultimately lost its suit and also failed to meet the conditions of Riverside LAFCO's approval within one year as</u></p>	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> • Changes to more completely and accurately frame the history of the City's detachment application. • Additionally, as an overall comment, it seems that this paragraph/ discussion should be moved below the discussion regarding the City's 2014 MSR (as noted in the next comment).

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
		<p><u>required by Government Code section 57001, the detachment sought by the City was never finalized.</u></p> <p>Furthermore, City staff indicated that the City would like to expand its parks and recreation district boundary eastward to Leon Road.</p>	
208	<p>According to City staff, Riverside LAFCO considered the City's parks and recreation services in a previous SOI update (2014). At the time, Riverside LAFCO determined that the City should demonstrate an ability to provide parks and recreation services by meeting several criteria: (1) set up a parks and recreation department, (2) show a track record of performance, (3) City Council approval to detach VWRPD from the City, and (4) develop a plan to transition VWRPD facilities to the City. According to City staff, all of the above-mentioned criteria was completed prior to 2016.</p>	<p>According to City staff, Riverside LAFCO considered the City's parks and recreation services in a previous SOI update (2014). At the time, Riverside LAFCO determined that the City should demonstrate an ability to provide parks and recreation services by meeting several criteria: (1) set up a parks and recreation department, (2) show a track record of performance, (3) City Council approval to detach VWRPD from the City, and (4) develop a plan to transition VWRPD facilities to the City. According to City staff, all of the above-mentioned criteria was completed prior to 2016. <u>Additionally, in December 2014, the Commission reviewed the Sphere of Influence (SOI) for VWRPD. The LAFCO staff recommendation included expanding the VWRPD SOI to encompass the remainder of the City in recognition of the contractual arrangement between the City and VWRPD in effect at that time. The City, which had started to evaluate other alternatives for the future provision of park and recreation services, opposed. The Commission agreed with the City and declined to expand the VWRPD SOI. The Commission action also included a request that the District work with the City to develop a long-</u></p>	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> • Deletion suggested because NO such action was taken and NO such determination was made by Riverside LAFCO in connection with the City's 2014 Sphere of Influence Update. The minutes of the September 25, 2014 Riverside LAFCO hearing at which the City's MSR was approved, does not include such a determination by Riverside LAFCO. Based on our review, these "criteria" were first included in documents created by the City. • Additionally, as an overall comment consistent with the comment above, it seems that this paragraph/ discussion should be moved above the discussion of the City's 2016 detachment application.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
		<u>term plan for the orderly transition of park and recreation services. That process ultimately led to the decision for the City of Menifee to file this proposal for detachment of all City territory from VWRPD in 2016.</u>	
209	<ul style="list-style-type: none"> The City of Menifee required a minimum of five (5) acres of public open space per 1,000 residents. At the time of the 2014 MSR, Menifee had 1.68 acres of open space per 1,000 residents. 		<p><u>Comment:</u></p> <ul style="list-style-type: none"> Consider noting that this language is a summary of the determination rather than the text of the LAFCO approved determination.
209	<p>According to City staff, the city has made progress towards improving its inventory of parkland. The City notes that eleven (11) new parks totaling about 81 acres have been constructed since the 2014 MSR. The City currently has five (5) additional parks under construction that will add another 27 acres of parkland in 2022. City staff estimates that by the end of 2022, the City of Menifee will provide 2.34 acres of parkland per 1,000 residents.</p>	<p>According to City staff, the city has made progress towards improving its inventory of parkland. The City notes that eleven (11) <u>seven (7)</u> new parks totaling about 81 acres <u>37 acres totaling 15 parks and 81 acres</u>. The City currently has five (5) additional parks under construction that will add another 27 acres of parkland in 2022. City staff estimates that by the end of 2022, the City of Menifee will provide 2.34 acres of parkland per 1,000 residents. <u>Additionally, VWRPD currently provides 4.27 acres parkland per 1,000 residents within the Menifee Valley Service Area and is responsible for maintaining over 13.7 million square feet of landscaped sports fields, street landscaping, paseos, and other public areas, including 26 parks in addition to two (2) gymnasiums, and one (1) recreation headquarters/community center. VWRPD has three (3) additional parks under construction that will add another 23 acres of parkland</u></p>	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> Update recommended to accurately reflect the parks added, and corresponding acreages, since the 2014 MSR. Addition to provide a complete discussion of parkland.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
		<u>totaling 177 acres within VWRPD's Menifee Valley service area.</u>	
209	According to City staff, Valley-Wide Recreation and Park District oversees maintenance of right of-way landscaping on the east side of the City, which causes fragmentation of service area boundaries.	According to City staff, Valley-Wide Recreation and Park District oversees maintenance of right of-way landscaping on the east side of the City, which causes fragmentation of service area boundaries.	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> • Deletion recommended because it is not accurate as written and use of the word "fragmentation" is biased.
224	<p>SOI RECOMMENDATIONS</p> <p>RSG is recommending coordination with the City of Menifee on expansion of the Menifee SOI. Menifee's SOI is coterminous with its incorporated municipal boundary. As the City and Western Riverside County region continues to grow, much of the future development will begin to occur beyond Menifee's eastern boundaries in unincorporated areas. In an effort to manage sprawl, LAFCO should consider extending Menifee's SOI boundary eastward towards State Route 79. The extension of Menifee's SOI and ultimate corporate boundary would also be the first step towards solving the City's issues related to the patchwork of parks and recreation districts in the City's eastern territories. City staff indicated that there is interest in expanding the City's SOI and municipal boundary to the east. Per City staff, the City Council adopted a Strategic Plan that included an item aiming to expand the Menifee SOI eastward as far as State Route 79.</p>	<p>SOI RECOMMENDATIONS</p> <p>RSG is recommending coordination with the City of Menifee on expansion of the Menifee SOI. Menifee's SOI is coterminous with its incorporated municipal boundary. As the City and Western Riverside County region continues to grow, much of the future development will begin to occur beyond Menifee's eastern boundaries in unincorporated areas. In an effort to manage sprawl, LAFCO should consider extending Menifee's SOI boundary eastward towards State Route 79. The extension of Menifee's SOI and ultimate corporate boundary would also be the first step towards solving the City's issues related to the patchwork of parks and recreation districts in the City's eastern territories. City staff indicated that there is interest in expanding the City's SOI and municipal boundary to the east. Per City staff, the City Council adopted a Strategic Plan that included an item aiming to expand the Menifee SOI eastward as far as State Route 79.</p>	<p><u>Comments:</u></p> <ul style="list-style-type: none"> • VWRPD believes LAFCO should provide some clarity on how this proposed recommendation complies with LAFCO Policy 2.3.4, which requires that a city's general plan "contain provisions to adequately demonstrate that the city has planned for the increased needs associated with a larger geographic boundary" prior to <u>any</u> expansion of a city's sphere of influence. • Deletion recommended because it assumes that the manner in which parks and recreation services are provided within the City's boundaries is somehow lacking, which is not the case.

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (4/27/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
382	Figure 146: Service Provider Matrix – Temecula Public Service Row (Parks and Recreation)/ Service Provider Column: Public Works, Valley Wide Recreation and Park District, CSD	Public Works, Valley Wide Recreation and Park District, CSD	<u>Comment:</u> <ul style="list-style-type: none"> VWRPD does not provide services in the City of Temecula.
536	Valley Wide Recreation and Parks District also provides parks and recreation services in San Jacinto. The District is an independent special district that collects a special tax assessment, and is governed by a 5-member elected Board of Directors. Each Director is elected to serve a four (4) year term.	Valley-Wide Recreation and Parks District also provides parks and recreation services in San Jacinto- (“VWRPD”) maintains several parks and landscapes throughout the cities of Hemet, Menifee, and San Jacinto, as well as unincorporated areas of Winchester, Murrieta, French Valley, Homeland, Romoland, Valle Vista, Sage and Aguanga. The VWRPD also and runs recreational programs like youth and adult basketball, baseball, softball, flag football, indoor soccer, and volleyball leagues. It was established in 1972 by a general election vote of the residents of Hemet and San Jacinto. The District It is an independent special district that collects a special tax assessment, and governed by a 5-member elected Board of Directors. Each Director is elected to serve a four (4) year term, of which two Director Divisions (#1 and #2) are elected by voters in portions of the City of San Jacinto, and represent the service area in San Jacinto.	<u>Suggested Edits for Accuracy:</u> <ul style="list-style-type: none"> Adds information on VWRPD Services within the community. Adds information regarding representation divisions. Accurately describes areas served by VWRPD.

Crystal Craig

From: Angela Little <awlittle@msn.com>
Sent: Wednesday, April 27, 2022 3:29 PM
To: Crystal Craig
Cc: Dean Wetter; Cindy Domenigoni; Sam Yoo
Subject: Petitions with 87 signatures attached
Attachments: 2022-04-27 1525 Petition Signatures re WHMAC area.pdf

Hi, Crystal.

Eighty-seven signatures (and counting) on our petition so far! Please enter them as part of the public comment on the Draft MSR. As we gather more signatures, I will deliver those as well. And we're just getting started. Twenty-four came from just setting them out at the April MAC meeting, seven were from a board meeting at Valley Wide RPD, and the rest were collected in the Highland Palms community and their contacts, in Homeland. Our activist seniors are the bomb and they'll look great in red shirts if it comes to a public meeting agenda.

(1525 in the document title refers to the time of day these were saved to my computer.) 😊

Thank you so much. I'm traveling tomorrow, or I would be delivering them personally.

Have a great day. I'm sure you are getting swamped with input. I really appreciate all of your efforts to make this process open to public input. If you need to reach me from tomorrow until May 9th, I'll be available by email only. No cell coverage.

Angela Little



April 27, 2022

Riverside LAFCO
Attn: Crystal Craig
6216 Brockton Ave suite 111-b,
Riverside, CA 92506

Re: 2022 Municipal Services Review Public Draft

Dear Ms. Craig,

The City of Coachella appreciates the opportunity to provide comment on the Riverside LAFCO Public Review Draft: Countywide City Municipal Service Review and Sphere of Influence (SOI) Reviews and Potential Amendments (LAFCO 2021-06- 1, 2, 3, 4, 5) ("Draft MSR"). The City of Coachella has comments regarding the section of the Draft MSR on the services provided by the City and the draft proposed recommendations regarding the City's sphere of influence.

- **Page 610-613 (Current Sphere of Influence);**
 - **Page 613** the bullet comment identifies a 2005 MSR determination that the City is "strained and trying to find ways to cope with increased demands for service and support." In response to the 2005 MSR comment, The City would like to confirm in the 2022 MSR that the City has taken measures to finance into the growth that is occurring and is financially able to facilitate additional growth.
 - **Page 623 (Extraterritorial Services Provided)** - The extraterritorial services provided does not identify all of the extraterritorial services the City provides. Since 1974, the City of Coachella has provided extraterritorial sewer service along Airport Boulevard to Westside Elementary School with a sewer line that extends approximately 1.8 miles from the City's current boundary at Coachella Valley High School, as well as the "South Jackson Street Service Area" residential neighborhood east of Jackson Street between Avenue 55 and Airport Boulevard. Extraterritorial services provided by the City were noted in Riverside LAFCO's 2019 County Wide Water and Wastewater MSR.

Page 618 (Services Provided/ Law Enforcement) – "City Staff has reviewed the information set out in the Draft MSR and finds it correct, complete and up to date. Accordingly, the City requests that the last sentence of this section be deleted. Construction was completed at the Sherriff's Thermal station and was operational April 2012, according to the Sheriff's Department web page the Riverside County Sheriff's Department has serviced the City of Coachella since 1998. The

station is 10 years old and was constructed with foresight of accommodating the anticipated growth of the area. Normally a new station is expected to handle the growth for 20 year increments. The MSR also states that the City of Coachella was founded in 1982, which is incorrect. The City of Coachella was incorporated in 1946.

- **Page 618-619 (Services Provided/ Fire Protection)** - City Staff has reviewed the information set out in the Draft MSR and finds it correct, complete and up to date.
- **Page 620-621 (Services Provided/ Parks and Recreation)** City Staff has reviewed the information set out in the Draft MSR and finds it correct, complete and up to date with the exception that there are 5 City parks service personnel and a recreation coordinator. Additionally, the City will complete a Park Master Plan in the next 5 years. Accordingly, the City requests that the last sentence of this section be deleted.
- **Page 624 (Housing Needs and Housing Element Reporting)**– It is stated that the RHNA 6th Cycle allocation to the City of Coachella is 1,096 units. This is incorrect. The 6th Cycle RHNA allocation is 7,886 units (1,033 units Very Low, 999 units Low, 1,367 Moderate, 4,487 Above Moderate).
- **Page 634 (MSR Determinations/ 3. Present and Planned Capacity of Facilities)** – The content of this determination appears out of place as there is no discussion regarding the condition of interchange infrastructure or storm water infrastructure noted in the narrative of the report.

SOI Recommendations

The following is a listing of the City of Coachella's preferred alternatives regarding the SOI Recommendations followed by specific comments on the content of the Draft MSR related to the City's SOI.

- **City of Coachella SOI Alternative A** - The City of Coachella preferred alternative for its SOI is to expand its existing sphere of influence to include as identified in the Attachment 8, which includes the following areas:
 - The area South of Avenue 50, East of Jackson to Avenue 52 known as Pocket 7; areas south of Avenue 52 bounded by Monroe Street to the West, and Avenue 60 to the South.
 - Northerly of the City's current boundary bounded at the north by Avenue 42, Dillon Road to the West and Fillmore Street to the East, due to property owner development request by the RoBott Land Company, Inc. for water and sewer service by the City of Coachella for a proposed residential development of 818 acres at the southeast corner of Dillon Road and Fargo Canyon Road (Attachment 11).

A significant portion of the City's requested southern SOI was previously the City's SOI as identified in the May 2005 Southern Coachella Valley MSR, which identifies the southwestern SOI boundary south of Airport Boulevard (Attachment 10). The City has historically provided extraterritorial sewer service in this area along Airport Boulevard since 1974. This area would also include area subject to the 2008 Coachella-CVWD Water Sewer Boundary Agreement (Attachment 2).

- **City of Coachella SOI Alternative B** – The City of Coachella’s secondary alternative is to expand the existing sphere of influence to included areas that are subject to the Coachella-CVWD Water Sewer Boundary Agreement (Attachment 3) southerly to Airport Boulevard and westerly Jackson Street . These are areas that were previously in the City of Coachella SOI.
- **Removal of SOI area.** In both Coachella SOI alternatives A and B, the City recommends removal of existing sphere of influence areas to the east of the City Boundary due to these dramatic topographical features in this area and seismic issues that make these areas difficult and costly for future development. These areas are also identified for future conservation land use in the City of Coachella General Plan 2035.

Specific Comments on SOI related content:

- **Page 610-613; Page 635 (Pocket 7 Jackson Street/Avenue 52)** - The City of Coachella requests LAFCO designate Pocket 7 within the City of Coachella sphere of influence. The entire Pocket 7 area was previously within the City of Coachella Sphere of Influence as identified in the May 2005 Southern Coachella Valley MSR, but LAFCO acted to significantly reduce the City of Coachella’s sphere of influence to the area east of Calhoun Street. This change in the sphere of influence occurred despite the Pocket 7 location within the water and sewer service area for the City of Coachella as identified in the 2008 service area agreement between the City of Coachella and the Coachella Valley Water District (Attachment 2). LAFCO acknowledged the City of Coachella water and sewer service area in the LAFCO 2019 Countywide Water and Wastewater MSR document. The recommendation by RSG to designate Pocket 7 within either Coachella SOI or Indio SOI is neutral. Based on the City’s existing agreement with CVWD and ability to provide water and sewer services, the City of Coachella believes the logical conclusion in the MSR and for LAFCO would be the inclusion of Pocket 7 into the City of Coachella’s sphere of influence at this time. In fact, RSG makes a more affirmative recommendation for the detachment of P14 (Cabazon Trail) from Indio’s SOI and into Coachella/s SOI based on the City’s ability to provide services.

In the instance of Pocket 7, Coachella is requesting inclusion of an area once included the City’s SOI as identified in the 2005 Southern Coachella Valley MSR and subject to a service agreement between service water and sewer utility providers. Additionally, the City of Coachella through its Coachella Water Authority has been working with the State Water Resources Control Board, its Division of Drinking Water, its Division of Financial Assistance, Riverside County and others to consolidate the Mesquite Mutual Water Company located in the vicinity of 50334 Jackson St, Coachella, CA. This project will fully extend water service to the intersection of Avenue 50 and Jackson Street to the limits of our service boundary and will then travel south approximately 1,500 linear feet to the limits of our existing SOI south of Ave 50th placing the City in the position to fully serve Pocket 7 (Attachment 13)

- **Pages 610-613; Page 635 (P14 Cabazon Trail)** - RSG recommends detachment of P14 (Cabazon Trail) from Indio’s SOI and into Coachella’s SOI due to the ability of the City to provide storm drainage, water and sewer service for Eagle Falls Golf Course and future development. The City of Coachella is neutral on this recommendation due to this area largely located within the tribal sovereign boundaries of the Cabazon Band of Mission Indians reservation. City staff believes that further discussions between LAFCO and tribal representatives are warranted.

In closing, the City of Coachella appreciates the opportunity to provide comments and input to Riverside LAFCO on the Draft MSR. Should LAFCO Staff or RSG have any questions regarding the City's comments, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gabriel Martin".

Gabriel D. Martin, Ph.D
City Manager
City of Coachella

Enclosures:

- Attachment 1: City of Coachella Council staff report regarding Coachella-CVWD Water Sewer Boundary Agreement
- Attachment 2: Coachella-CVWD Water Sewer Boundary Agreement
- Attachment 3: Coachella-CVWD Water and Sewer Service Area Map
- Attachment 4: 2015 Sewer Master Plan Airport Boulevard Infrastructure
- Attachment 5: 1974 Coachella Sanitary Project to Westside Elementary School
- Attachment 6: Coachella Sanitary District Resolution South Jackson neighborhood
- Attachment 7: 2013 South Jackson CVWD Sewer Collection Agreement
- Attachment 8: Alternative A - City of Coachella Sphere of Influence request
- Attachment 9: Alternative B – City of Coachella Sphere of Influence request
- Attachment 10: 2005 LAFCO MSR Coachella SOI
- Attachment 11: Stonewater Development Letter
- Attachment 12: Stonewater Powerpoint to CVWD
- Attachment 13: Proposed Water and Sewer Improvements Coachella SOI (Jackson St/Ave 50)

City of Coachella City Council
Meeting of December 12, 2007

Honorable Mayor and Members of the
Coachella City Council

**REQUEST APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF
COACHELLA AND THE COACHELLA VALLEY WATER DISTRICT**

DISCUSSION

The City of Coachella through the Coachella Water Department and Sanitary District provides water and sanitation services primarily to customers within the boundaries of the City of Coachella. However, as the City continues to grow beyond its current boundaries, the City needs to secure and guarantee water and sewer services to be able to service future development and sustain the City's growth.

For the past several months, the City Manager, City Staff and the City Attorney have been working on water supply and management issues. Since Coachella Valley Water District is the other water and sewer purveyor in the area, the City has been in discussions with CVWD to guarantee a water supply to these future developments and agree on a permanent boundary agreement so that both parties can invest confidently in water and sewer infrastructure to provide services to their agreed upon customers.

Moreover, since several development projects that are being annexed into the City are being held up before the Local Agency Formation Commission (LAFCO) until a water and sewer boundary agreement is reached between the City and CVWD, the City has been working diligently with CVWD to finalize the boundary Agreement.

The boundary Agreement establishes the boundaries for water and sewer service between the City and CVWD. Generally, the Agreement provides that the City will provide water and sewer services within the City's current boundaries and Sphere of Influence that is north of Avenue 56, as well as provide water and sewer services East of Jackson and North of Avenue 56 (depicted in Exhibit "A" to the Agreement). Avenue 56 is the natural boundary line because CVWD has already invested in infrastructure along Avenue 56 and guaranteeing the City a customer base North of Avenue 56 would allow for a sufficient future customer base.

More specifically, the Boundary Agreement provides that:

- The City will provide water and sewer services within the City's current boundaries and Sphere of Influence North of Avenue 56.
- The City will also serve future customers East of Jackson Street and North of Avenue 56 (except for any development currently served by CVWD).
- If the City grows to the North-East, the City will be able to service these customers as well.
- Customers that are currently being served by either the City or CVWD will continue to be served by the same party even if within the agreed territory of the other party.
- CVWD will be able to serve new customers within the City's service territory if service is infeasible at that time by the City and CVWD will then transfer these new customers to the City when the City is able to service them (and vice versa).
- CVWD will allow the City to make two water connections to its water main on Avenue 56 in order for the City to service City customers North of Avenue 56.

After the boundary agreement is approved, the City will continue to negotiate a Memorandum of Understanding for water supply with CVWD in order to guarantee water supply to future developments.

FISCAL IMPACT:

None at this time. Long-term fiscal impact unknown.

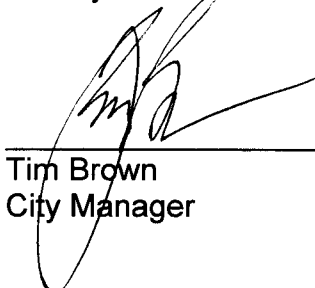
CONCUR:



John Gerardi
Interim Finance Director

RECOMMENDATION:

1. City Council Approve the Agreement between the City of Coachella and Coachella Valley Water District to establish water and sewer service boundaries.
2. City Council Authorize the Mayor and City Manager to execute all documents upon final approval by the City Attorney.



Tim Brown
City Manager

AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into on this ____ day of ____, 2007 ("Effective Date") by and between COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California, ("District"), and CITY OF COACHELLA, a general law city in California ("City"). District and City are sometimes referred to individually as "Party" or collectively as "Parties."

RECITALS

- A. District is a public agency organized, operating and existing under Sections 30000 et seq. of the California Water Code. Pursuant to such authority, the District is authorized to provide water and sanitation service in the Counties of Riverside, San Diego and Imperial.
- B. City is a general law city located in the County of Riverside, State of California. Pursuant to such authority, City provides water and sanitation service to customers within the City of Coachella boundaries, as depicted on Exhibit "A" attached hereto and by this reference incorporated herein.
- C. City provides water service within the boundaries of the City of Coachella through the City of Coachella Water Department.
- D. City provides sewer service within the boundaries of the City of Coachella through the City of Coachella Sanitary District.
- E. Each Party is authorized pursuant to California law to provide water and sewer service which could otherwise result in inefficient systems and duplication of services.
- F. District and City are desirous of reaching an agreement which establishes permanent boundaries for water and sewer service to be currently provided by each.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. All of the above Recitals are hereby incorporated by reference to the same extent as though herein again set forth in full.
- 2. From and after the Effective Date, this Agreement establishes the boundaries for water and sewer service between District and City
- 3. Except as provided in Paragraph 4, City will provide, and CVWD will not provide, water and sewer service to the area lying north of the centerline of Avenue 56 and within the City boundary and Sphere of Influence existing on the Effective Date and the Proposed Sphere of Influence east of Jackson Street, as depicted on Exhibit "A."

4. Any Customer being served by District or City as of Effective Date and any property subject to a "Will Serve" letter issued by the District or City thirty (30) days prior to the Effective Date shall continue to be served by such Party, whether inside or outside the boundaries of District and City established under this Agreement. On request of either party ("Territory Party") new customers ("Temporary Customers") within its service area may be served by the other party ("Servicing Party"), if service is infeasible at that time by the Territory Party. The terms of Temporary Service shall be as agreed upon by the parties. Upon later request of the Territory Party, the Servicing Party will transfer to the Territory Party the Temporary Customer accounts, as well as any infrastructure, capacity fees, or supplemental import water rights, purchased by or on behalf of the Temporary Customers which are not otherwise retained by the Servicing Party by prior agreement.
5. All other areas within the City boundary and City's Sphere of Influence will be a service area of the District, as depicted on Exhibit "A."
6. City may provide water and / or sewer service to the area in the Northern Un-annexed Area as shown on Exhibit "A" if City is the first city to annex that area. The Northern Un-annexed Area is described as that area bounded by the existing northern Coachella City Boundary (south), Dillon/Tyler Road (west), Avenue 37 (north) and Johnson Avenue (east).
7. Neither Party can extend its service area into the service area of the other Party without prior written consent of the encroached upon Party. The consent requested shall be at the sole and absolute discretion of the encroached-upon Party.
8. Either Party may install pipelines through service area of the other provided that they are necessary and convenient to providing service in the installing Party's service area.
9. Water service by either Party to tribal property is subject to tribal consent.
10. This Agreement does not apply in any way to water service supplied by the District from the Coachella Canal or its distribution system to non-potable uses.
11. CVWD will provide two twelve-inch water connections and meters at the north side of Avenue 56, one at Fillmore Street and the other at Pierce for future connection by the City of Coachella, on such terms as may be agreed upon by the parties. Costs for these two connections and meters will be borne by the City.
12. The Parties hereto agree to cooperate with each other in furthering the purposes of this Agreement. The Parties hereby agree to take such other actions and execute such other reasonable documents as are consistent with this Agreement and as are reasonably necessary to effectuate this Agreement; provided, however, that the foregoing shall not require District to take any legislative action or exercise its discretion in any particular manner.

13. This Agreement contains the final and complete agreement between the Parties with respect to the matters herein discussed and supersedes all previous communications and agreements between them with respect to the subject matter hereof, whether oral or written, to the extent such prior communications and agreement are not consistent with this Agreement.
14. In the event that any action or proceeding is commenced between the Parties hereto to enforce or interpret any term of this Agreement, each party shall bear its own attorneys' costs and fees. The attorneys' costs and fees shall include, without limitation, attorneys' costs and fees incurred on appeal and those incurred in enforcing any judgment rendered in any such action or proceeding.
15. All notices shall be in writing and shall be considered given and received: (i) when delivered in person to the recipient named below; or (ii) three days after deposit in the United States mail, postage prepaid, addressed to the recipient named below; or (iii) on the date of delivery shown in the records of an express courier such as Federal Express or DHL; or (iv) on the date of delivery by facsimile transmission to the recipient named below. All notices shall be addressed as followed:

If to District:

General Manager/Chief Engineer
Coachella Valley Water District
P.O. Box 1058
Coachella, Ca 92236-1058

If to City:

City Manager
City of Coachella
1515 Sixth Street
Coachella, CA 92236

- Any Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a Party or an officer or representative of a Party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.
16. This Agreement and all its provisions shall in all respects be interpreted, construed, enforced, and governed by and under the laws of the State of California, without regard to its conflict of laws principles.
 17. Any action or proceeding brought respecting this Agreement shall be instituted and maintained in the appropriate court in the County of Riverside, California.

18. This Agreement may be modified only by another written instrument duly authorized, executed, acknowledged by both Parties.
19. The provisions of this Agreement are specifically made severable. If any clause, provision, right, or remedy provided for herein is determined to be unlawful or unenforceable, the remainder of this Agreement shall remain in effect and shall be enforced as if such clause, provision, right, or remedy were not contained herein.
20. The language in all parts of this Agreement shall in all respects be construed as a whole according to its fair meaning, and not strictly for or against any other Party. This Agreement is the product of mutual negotiation and drafting efforts. Accordingly, the judicial rule of construction that ambiguities in a document are to be construed against the drafter of that document shall have no application to the interpretation or enforcement of this Agreement.
21. This Agreement may be executed in one or more counterparts, each of which shall be an original and all such counterparts together shall constitute the entire Agreement of the Parties hereto.
22. Each individual executing this Agreement hereby represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of the named Parties.
23. This Agreement shall not be extinguished or altered in any way, by any Party without the prior written consent of the District.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

DISTRICT:

COACHELLA VALLEY WATER
DISTRICT, a public agency of the
State of California

CITY:

CITY OF COACHELLA, a general law city
of the State of California

By: _____

Its: _____

By:  _____ 12/13/07

Its: Tim Brown, City Manager

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

Not shown in annexed area

Indio & VSD

Coachella City Boundary

Coachella Sphere of Influence (SOI)

AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into on this 9th day of January, 2008 ("Effective Date") by and between COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California, ("District"), and CITY OF COACHELLA, a general law city in California ("City"). District and City are sometimes referred to individually as "Party" or collectively as "Parties."

RECITALS

- A. District is a public agency organized, operating and existing under Sections 30000 et seq. of the California Water Code. Pursuant to such authority, the District is authorized to provide water and sanitation service in the Counties of Riverside, San Diego and Imperial.
- B. City is a general law city located in the County of Riverside, State of California. Pursuant to such authority, City provides water and sanitation service to customers within the City of Coachella boundaries, as depicted on Exhibit "A" attached hereto and by this reference incorporated herein.
- C. City provides water service within the boundaries of the City of Coachella through the City of Coachella Water Department.
- D. City provides sewer service within the boundaries of the City of Coachella through the City of Coachella Sanitary District.
- E. Each Party is authorized pursuant to California law to provide water and sewer service which could otherwise result in inefficient systems and duplication of services.
- F. District and City are desirous of reaching an agreement which establishes permanent boundaries for water and sewer service to be currently provided by each.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. All of the above Recitals are hereby incorporated by reference to the same extent as though herein again set forth in full.
- 2. From and after the Effective Date, this Agreement establishes the boundaries for water and sewer service between District and City
- 3. Except as provided in Paragraph 4, City will provide, and CVWD will not provide, water and sewer service to the area lying north of the centerline of Avenue 56 and within the City boundary and Sphere of Influence existing on the Effective Date and the Proposed Sphere of Influence east of Jackson Street, as depicted on Exhibit "A."

4. Any Customer being served by District or City as of Effective Date and any property subject to a "Will Serve" letter issued by the District or City thirty (30) days prior to the Effective Date shall continue to be served by such Party, whether inside or outside the boundaries of District and City established under this Agreement. On request of either party ("Territory Party") new customers ("Temporary Customers") within its service area may be served by the other party ("Servicing Party"), if service is infeasible at that time by the Territory Party. The terms of Temporary Service shall be as agreed upon by the parties. Upon later request of the Territory Party, the Servicing Party will transfer to the Territory Party the Temporary Customer accounts, as well as any infrastructure, capacity fees, or supplemental import water rights, purchased by or on behalf of the Temporary Customers which are not otherwise retained by the Servicing Party by prior agreement.
5. All other areas within the City boundary and City's Sphere of Influence will be a service area of the District, as depicted on Exhibit "A."
6. City may provide water and / or sewer service to the area in the Northern Un-annexed Area as shown on Exhibit "A" if City is the first city to annex that area. The Northern Un-annexed Area is described as that area bounded by the existing northern Coachella City Boundary (south), Dillon/Tyler Road (west), Avenue 37 (north) and Johnson Avenue (east).
7. Neither Party can extend its service area into the service area of the other Party without prior written consent of the encroached upon Party. The consent requested shall be at the sole and absolute discretion of the encroached-upon Party.
8. Either Party may install pipelines through service area of the other provided that they are necessary and convenient to providing service in the installing Party's service area.
9. Water service by either Party to tribal property is subject to tribal consent.
10. This Agreement does not apply in any way to water service supplied by the District from the Coachella Canal or its distribution system to non-potable uses.
11. CVWD will provide two twelve-inch water connections and meters at the north side of Avenue 56, one at Fillmore Street and the other at Pierce for future connection by the City of Coachella, on such terms as may be agreed upon by the parties. Costs for these two connections and meters will be borne by the City.
12. The Parties hereto agree to cooperate with each other in furthering the purposes of this Agreement. The Parties hereby agree to take such other actions and execute such other reasonable documents as are consistent with this Agreement and as are reasonably necessary to effectuate this Agreement; provided, however, that the foregoing shall not require District to take any legislative action or exercise its discretion in any particular manner.

13. This Agreement contains the final and complete agreement between the Parties with respect to the matters herein discussed and supersedes all previous communications and agreements between them with respect to the subject matter hereof, whether oral or written, to the extent such prior communications and agreement are not consistent with this Agreement.
14. In the event that any action or proceeding is commenced between the Parties hereto to enforce or interpret any term of this Agreement, each party shall bear its own attorneys' costs and fees. The attorneys' costs and fees shall include, without limitation, attorneys' costs and fees incurred on appeal and those incurred in enforcing any judgment rendered in any such action or proceeding.
15. All notices shall be in writing and shall be considered given and received: (i) when delivered in person to the recipient named below; or (ii) three days after deposit in the United States mail, postage prepaid, addressed to the recipient named below; or (iii) on the date of delivery shown in the records of an express courier such as Federal Express or DHL; or (iv) on the date of delivery by facsimile transmission to the recipient named below. All notices shall be addressed as followed:

If to District:

General Manager/Chief Engineer
Coachella Valley Water District
P.O. Box 1058
Coachella, Ca 92236-1058

If to City:

City Manager
City of Coachella
1515 Sixth Street
Coachella, CA 92236

Any Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a Party or an officer or representative of a Party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

16. This Agreement and all its provisions shall in all respects be interpreted, construed, enforced, and governed by and under the laws of the State of California, without regard to its conflict of laws principles.
17. Any action or proceeding brought respecting this Agreement shall be instituted and maintained in the appropriate court in the County of Riverside, California.

18. This Agreement may be modified only by another written instrument duly authorized, executed, acknowledged by both Parties.
19. The provisions of this Agreement are specifically made severable. If any clause, provision, right, or remedy provided for herein is determined to be unlawful or unenforceable, the remainder of this Agreement shall remain in effect and shall be enforced as if such clause, provision, right, or remedy were not contained herein.
20. The language in all parts of this Agreement shall in all respects be construed as a whole according to its fair meaning, and not strictly for or against any other Party. This Agreement is the product of mutual negotiation and drafting efforts. Accordingly, the judicial rule of construction that ambiguities in a document are to be construed against the drafter of that document shall have no application to the interpretation or enforcement of this Agreement.
21. This Agreement may be executed in one or more counterparts, each of which shall be an original and all such counterparts together shall constitute the entire Agreement of the Parties hereto.
22. Each individual executing this Agreement hereby represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of the named Parties.
23. This Agreement shall not be extinguished or altered in any way, by any Party without the prior written consent of the District.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

DISTRICT:

CITY:

COACHELLA VALLEY WATER
DISTRICT, a public agency of the
State of California

CITY OF COACHELLA, a general law city
of the State of California

By: _____

By: _____

Its: _____

Its: _____

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

Northern Un-annexed Area

Indio & VSD

Coachella City Boundary

Coachella Sphere of Influence (CSOI)

CSO

File Name: City of Coconino-CVWD Water & Sewer Service Area Map-Exhibit A-1.mxd
File Location: C:\01\DOTS Projects\City of Coconino Sewer-Water
Date Updated: Friday, December 7, 2007 @ 6:42:13 AM
Made for: Don Parks
Made by: GPM
Department: CVWD Engineering - GIS

City of Coachella / CVWD Water & Sewer Service Area Map

Exhibit "A"



1 inch equals 1.5 miles

Northern Un-annexed Area

Indio & VSD

Coachella City Boundary

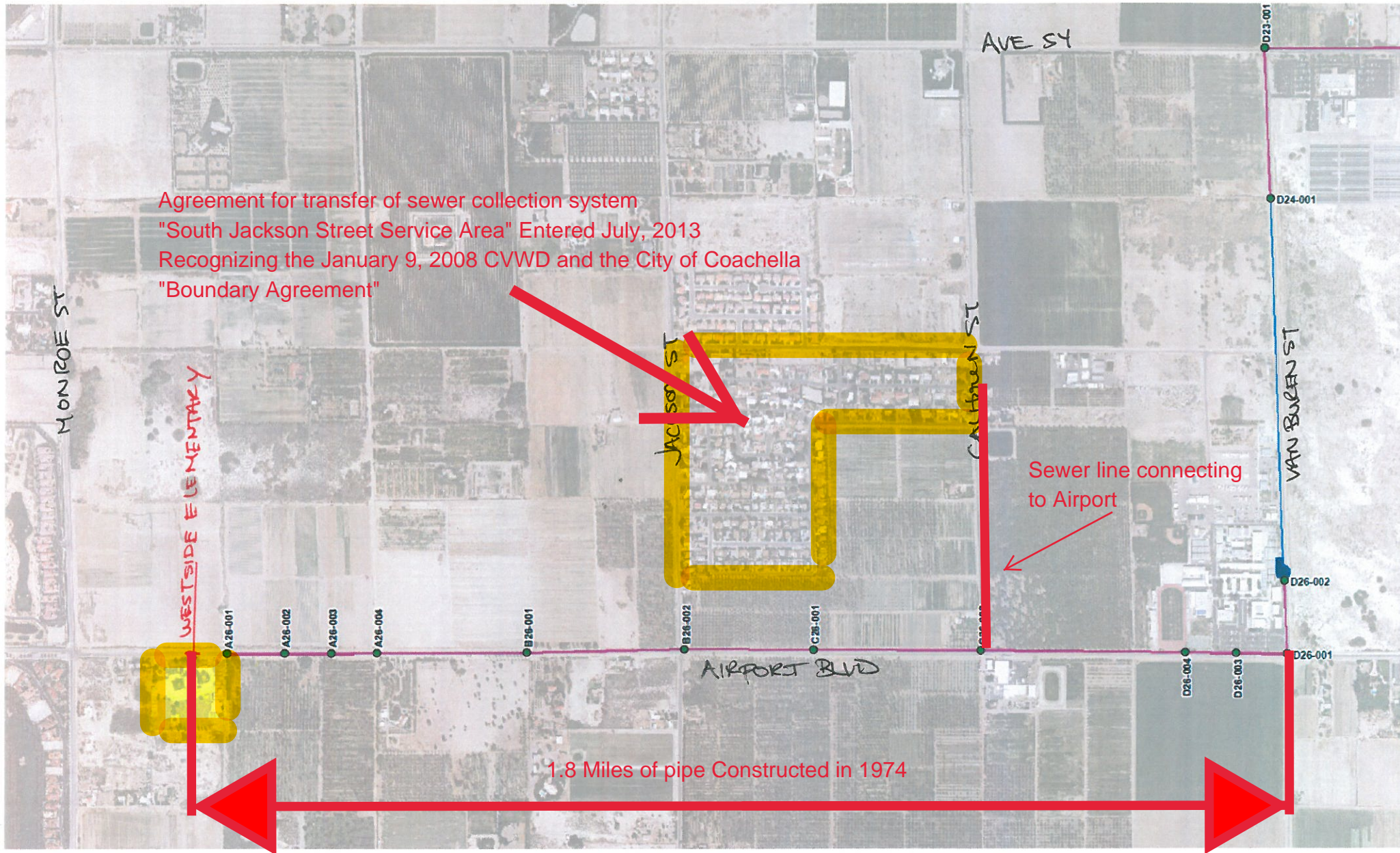
Avenue 52nd..

Coachella Sphere of Influence (CSOI)

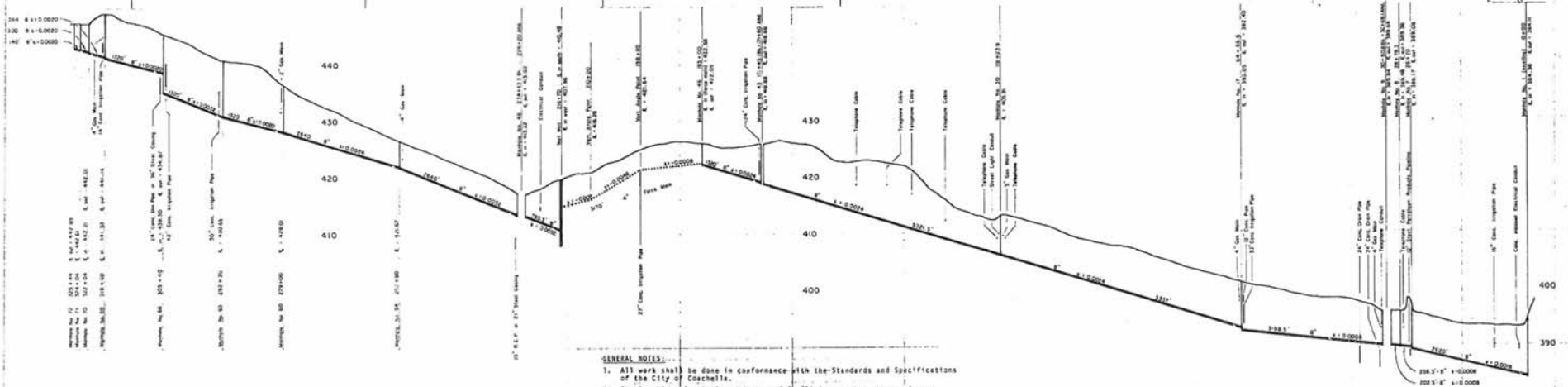
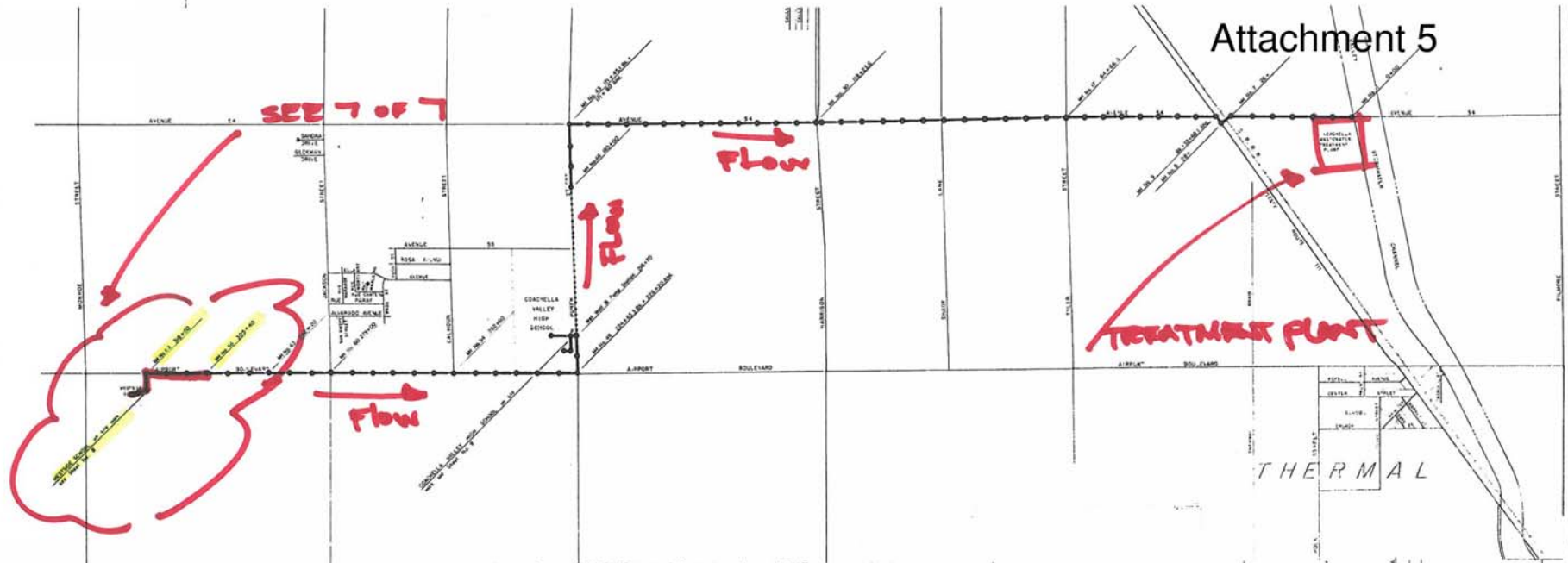
Proposed

(CSOI)

Avenue 56th



Attachment 5



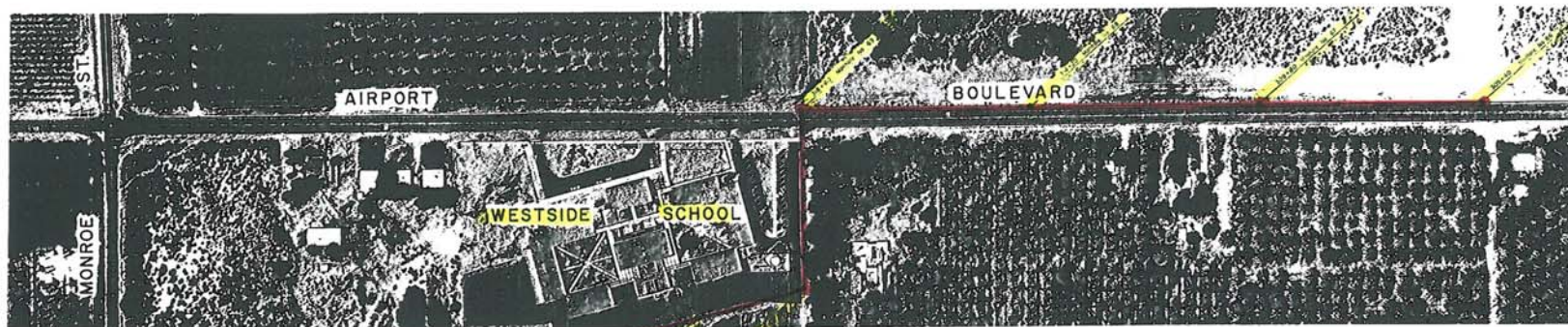
GENERAL NOTES:

1. All work shall be done in conformance with the Standards and Specifications of the City of Coachella.
2. The location of existing underground facilities as shown hereon is approximate only. The contractor is responsible for contacting the owners of the facilities prior to working in the vicinity and for the protection of said facilities from damage.
3. For the stationing of Interceptor manholes see sheets 3 and 4.
4. For details of the installation on the campus of Coachella Valley High School and at the pump station see sheets 5 and 6.
5. For details of the installation at Westside School see sheet 7.

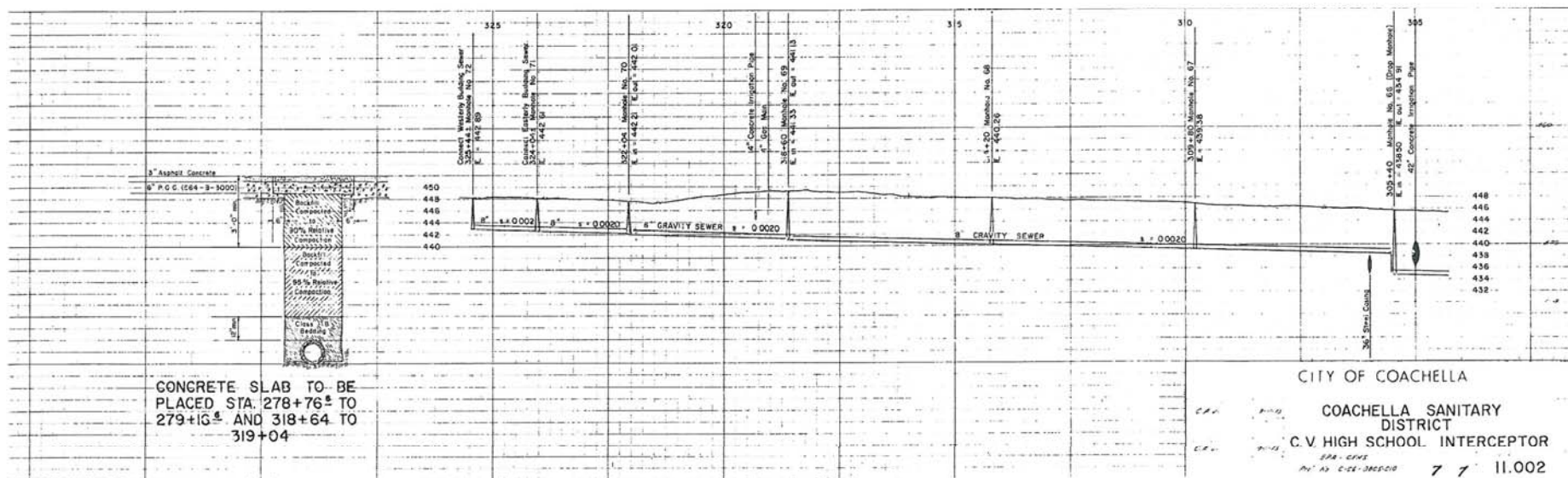
REVISED 2-10-15
Revised 12-11-14

CITY OF COACHELLA			
RIVERSIDE COUNTY CALIFORNIA			
PROJECT	DATE	BY	CHK
COACHELLA SANITARY DISTRICT	12-11-14	J. J. J.	J. J. J.
COACHELLA VALLEY HIGH SCHOOL			
INTERCEPTOR			
PROJECT	DATE	BY	CHK
CLEAN WATER GRANT	12-11-14	J. J. J.	J. J. J.
PROJECT NO. C-06-0805-01	2	7	11 002

1672-2A-SE17



- NOTES:
1. All work shall be done in accordance with the standards and specifications of the City of Coachella.
 2. The location of existing manholes and structures shall be as shown on the plan. The location of new manholes and structures shall be as shown on the plan.



16727A-S-11

RESOLUTION NO SD 2013 04

**AUTHORIZING A QUITCLAIM DEED FROM COACHELLA VALLEY
WATER DISTRICT TO THE COACHELLA SANITARY DISTRICT FOR
THE SOUTH JACKSON STREET SEWER SYSTEM**

WHEREAS the City of Coachella (City) is the owner and operator of the Coachella Sanitary District (CSD) Regional Water Reclamation Facility (RWRf) and Wastewater Systems (Systems) and

WHEREAS Coachella Valley Water District (CVWD) being the owner of a piece of real property referred to as South Jackson Sewer System transfers their interest to CSD The owner/grantor (CVWD) terminates (quits) their legal right and claim to said property thereby allowing claim to transfer to CSD the recipient/grantee

WHEREAS on July 11 2013 the Board of Directors of the Coachella Sanitary District approved an agreement between CVWD and CSD to deed said property to CSD

NOW, THEREFORE, BE IT RESOLVED DETERMINED, AND ORDERED by the Board of Directors of the Coachella Sanitary District as follows

That the CSD accept the Quitclaim Deed of the South Jackson Sewer System a real property from the CVWD in accordance with the agreement previously approved by the Board of Directors of the Coachella Sanitary District

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Coachella Sanitary District Coachella California this 11th day of September 2013 by the following vote

AYES Director Aviles Director Hernandez Director Zepeda and President Garcia

NOES None

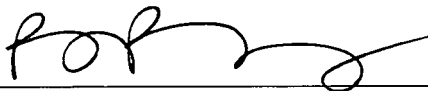
ABSENT Vice President Martinez

ABSTAIN None



Eduardo Garcia President

ATTEST



Beatrice Barajas Secretary

APPROVED AS TO FORM



Carlos Campos City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF COACHELLA)

I Beatrice Barajas Secretary of the Coachella Sanitary District do hereby certify that the foregoing is a full true and correct copy of Resolution No SD 2013 04 adopted by the Board of Directors of the Coachella Sanitary District at a regular meeting therefore duly held and convened on the 11th day of September 2013



Beatrice Barajas Secretary

No Recording Fee
Required Per
Government Code
Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

COACHELLA VALLEY WATER DISTRICT
Post Office Box 1058
Coachella, California 92236

(Space above this line for Recorder's Use)

File: 0710.13
0760.06
1150.10

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **COACHELLA VALLEY WATER DISTRICT**, a public agency of the State of California ("CVWD"), does hereby remise, release and forever quitclaim to **COACHELLA SANITARY DISTRICT**, a public agency of the State of California, all of its right, title and interest in any and all easements (if any) which were granted to CVWD to operate that certain sanitation (wastewater) collection system described and/or depicted on Exhibit "A"; provided that CVWD shall retain an interest in such easements to operate any other CVWD facilities.

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On July 30, 2013, before me,
Maricela V. Cabral personally
appeared J. M. Barrett,
who proved to me on the basis of satisfactory
evidence to be the person whose name is
subscribed to the within instrument and
acknowledged to me that he executed the
same in his authorized capacity, and that by
his signature on the instrument the person, or
the entity upon of which the person acted,
executed the instrument.

COACHELLA VALLEY WATER DISTRICT,
a public agency of the State of California

By [Signature]

Its GENERAL MANAGER

Date 7.30.13

I certify under PENALTY OF PERJURY under
the laws of the State of California that the
foregoing paragraph is true and correct

WITNESS my hand and official seal.



[Signature]
Notary Public in and for said State

Doc. No. 060713-3-033

CVWD-571
(Rev. 11/08)

File: 0710.13
0760.06
1150.10
0655.

**AGREEMENT FOR TRANSFER OF
SEWER COLLECTION SYSTEM
"SOUTH JACKSON STREET SERVICE AREA"**

THIS AGREEMENT FOR TRANSFER OF SEWER COLLECTION SYSTEM
"SOUTH JACKSON STREET SERVICE AREA" ("Agreement") is entered into this 30~~4~~ day
of July, 2013, by and between the COACHELLA VALLEY WATER DISTRICT, a
public agency of the State of California ("CVWD") and the COACHELLA SANITARY
DISTRICT, a public agency of the State of California ("CSD"). The CSD and CVWD are
sometimes referred to individually as a "Party" and collectively as "Parties."

RECITALS

A. In 1979, CVWD obtained a grant ("Grant") from the Economic Development
Administration of the United States by and through the Department of Commerce for the
installation and construction of a sanitation (wastewater) collection system ("Collection
System") referred to herein as the "South Jackson Street Service Area" ("Service Area"). The
Collection System is described and/or depicted on Exhibit "A" attached hereto and by this
reference incorporated herein. The Service Area is described and/or depicted on Exhibit "B"
attached hereto and by this reference incorporated herein.

B. On or about January 9, 2008, CVWD and the CITY OF COACHELLA, a
municipal corporation ("City") executed that certain agreement ("Boundary Agreement")
wherein CVWD and City reached an agreement which established permanent water and sewer
service to be provided by each. The Boundary Agreement noted that City provides sewer service
within the City through the CSD. The Parties agree that this Agreement is in furtherance of the
Boundary Agreement and the areas of coverage as depicted on Exhibit "A" to the Boundary
Agreement.

060713-3-031

C. CVWD does not have nearby facilities for the transmission and treatment of the sewage ("Transmission/Treatment Facilities") from the Service Area. In or after 1979, CVWD and CSD entered into an agreement ("Sanitation Collection Agreement") whereby CSD agreed to accept sewage from the Service Area Collection System for transmission, treatment and disposal thereof by CSD. Notwithstanding the Sanitation Collection Agreement, the persons or entities provided sanitation service within the Service Area, through the Collection System, are customers of CVWD ("Customers").

D. As of the date hereof, CVWD has no plans to install and construct Transmission/Treatment Facilities near the Service Area. Since CSD does own and operate Transmission/Treatment Facilities which presently service the Collection System in the Service Area, the Parties agree that the most efficient, cost-effective sanitation service for the Customers is that available through the CSD.

E. In the interests of providing efficient sanitation service at the best available rates, CVWD desires to transfer to CSD the Collection System for the Service Area. CSD is willing to accept ownership of the Collection System and to provide sanitation collection, transmission, treatment and disposal services to the Customers on the terms and conditions set forth herein.

NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Subject to the terms and conditions set forth in this Agreement, CVWD will transfer to CSD (a) title to the Collection System; (b) any surveys and as-built drawings associated with the construction of the Collection System in the possession of CVWD; (c) any transferable easements and licenses which were granted to CVWD solely for the operation of the

Collection System; and (d) customer list(s) of those Customers to which CVWD provides sanitation service in the Service Area. The assets to be transferred by CVWD to CSD hereunder shall be collectively referred to herein as "Collection System Assets."

2. As full payment for the transfer of the Collection System assets by CVWD to , CSD, CSD agrees to assume the obligation to provide sanitation service to the Customers and those persons or entities within the Service Area beginning at noon on the Closing Date (as defined below).

3. CSD is acquiring the Collection System "as is, where is" and "with all faults, liabilities, and defects, latent or otherwise, known or unknown," in its present state and condition as of the Closing Date. CSD hereby covenants and agrees that there are no representations and warranties of any kind whatsoever, express or implied, made by CVWD with respect to the Collection System. CSD accepts all aspects of the Collection System, including, without limitation, the scope and physical condition of the Collection System. CSD is not relying in any way upon any representations, express or implied, of any nature whatsoever regarding any such matters or otherwise pertaining to the Collection System, including, without limitation, any warranty as to the Collection System's condition, merchantability, or fitness for a particular purpose or otherwise.

4. The closing of this transaction shall take place on August 1, 2013 ("Closing" or "Closing Date") at the offices of CVWD unless otherwise extended by agreement of the Parties. At noon on the Closing Date, CSD shall assume responsibility for the Collection System and will henceforth provide sanitation collection, transmission, treatment and disposal services to the Customers and all other persons and entities in the Service Area.

5. Upon the Closing, CVWD shall deliver to CSD a bill of sale in the form and content of Exhibit "C" attached hereto transferring the Collection System Assets described in

subsections 1 (a), (b) and (d). Upon the Closing, CVWD shall deliver to CSD a quitclaim deed in the form and content of Exhibit “D” attached hereto, transferring the Collection System Assets described in Subsection 1(c).

6. At noon on the Closing Date, Customers will become CSD customers, but shall continue to be charged existing CVWD’s sanitation service rates.

7. CSD has represented to CVWD that no application of any kind must be submitted by either Party to the Local Agency Formation Commission of the County of Riverside (“LAFCO”) to approve the transfer of the Collection System Assets from CVWD to CSD or the provision of sanitation service by CSD to the Customers. In the event an approval of the transfer or the provision of sanitation service to the Customers is required by LAFCO, CSD will obtain such approval, at CSD’s cost and expense, and shall indemnify, defend and hold harmless CVWD from any cost or expense having to do with the same, including costs, expenses and penalties arising out of or in connection with the failure to obtain LAFCO approval prior to the Closing Date. CVWD shall cooperate with CSD in obtaining any such approval.

8. (a) CSD shall assume the defense of, indemnify and hold harmless CVWD and its officers, directors, administrators, representatives, employees and agents, and their respective successors and assigns (collectively, “CVWD Indemnitees”) and each and every one of them, from and against all actions, causes of action, damages, demands, liabilities, costs (including, but not limited to reasonable attorneys’ fees), claims, losses and expenses of every type and description (collectively, “Costs”) to which they may be subjected or put, by reason of, or resulting from: (i) the Collection System Assets or the operation, repair, maintenance or replacement thereof after the Closing Date, (ii) sanitation service to the Customers after the Closing, and (iii) any transactions or occurrences relating to the Collections System Assets after the Closing Date. CVWD shall make all decisions with respect to its representation in any legal

proceeding concerning this Section. If CSD fails to do so, CVWD shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including fees and costs, to CSD and to recover the same from CSD.

(b) CVWD shall assume the defense of, indemnify and hold harmless CSD and its officers, directors, administrators, representatives, consultants, engineers, employees and agents, and their respective successors and assigns (collectively, "CSD Indemnitees") and each and every one of them, from and against all Costs to which they may be subjected or put, by reason of, or resulting from: (i) the Collection System Assets or the operation, repair, maintenance or replacement thereof prior to the Closing Date, (ii) sanitation service to the Customers prior to the Closing, and (iii) any transactions or occurrences relating to the Collections System Assets prior to the Closing Date. CSD shall make all decisions with respect to its representation in any legal proceeding concerning this Section. If CVWD fails to do so, CSD shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including fees and costs, to CVWD and to recover the same from CVWD.

9. As of the Closing Date, CVWD shall not be required to pay any amount arising out of or in connection with the Sanitation Collection Agreement; provided that CVWD shall remit to CSD any and all monthly sanitation charges collected from the Customers for sanitation service rendered by or on behalf of CVWD prior to the Closing Date; provided that CVWD shall not remit any other charges collected from Customers, including, without limitation, sanitation capacity charges. CVWD and CSD may confer and agree to the collection of such amounts by CSD on behalf of CVWD after the Closing Date.

10. All notices provided for the hereunder shall be in writing and mailed (registered or certified, postage prepaid, return receipt requested), or by express carrier (return receipt requested) or hand delivered to the Parties at the addresses set forth below or at such other

addresses as shall be designated by such Party and a written notice to the other Party in accordance with the provisions of this Section. All such notices shall, if hand delivered, or delivered by express carrier, be deemed received upon delivery and, if mailed, be deemed received three (3) business days after such mailing.

CVWD:

Coachella Valley Water District
Attention: General Manager
Post Office Box 1058
Coachella, California 92236
85-995 Avenue 52
Coachella, California 92236

CSD:

Coachella Sanitary District
Attention: Kirk Cloyd, Utilities General Manager
Coachella Sanitary District
53462 Enterprise Way
Coachella, CA 92236

11. In the event of any litigation or other action between the Parties arising out of or relating to this Agreement or the breach thereof, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to its reasonable costs and attorneys' fees.

12. If any provision of this Agreement shall be ruled invalid, illegal or unenforceable, the Parties shall: (a) promptly negotiate a substitute for the provision which shall, to the greatest extent legally permissible, effect the intent of the Parties in the invalid, illegal or unenforceable provision, and (b) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with clause (a) above to give effect to the intent of the Parties without the invalid, illegal or unenforceable provision. To the extent the Parties are unable to negotiate such changes, substitutions or additions as set forth in the preceding sentence, and the intent of the Parties with respect to the

essential terms of the Agreement may be carried out without the invalid, illegal or unenforceable provision, the balance of this Agreement shall not be affected, and this Agreement shall be construed and enforced as if the invalid, illegal or unenforceable provision did not exist.

13. Each Party hereto agrees to execute and deliver such other documents and perform such other acts as may be necessary to effectuate the purposes of this Agreement.

14. This Agreement is entered into within the State of California, and all questions concerning the validity, interpretation and performance of any of its terms or provisions or any of the rights or obligations of the Parties hereto shall be governed by and resolved in accordance with the laws of the State of California.

15. The provisions of the Agreement shall be construed as to their fair meaning, and not for or against any Party based upon any attribution to such Party as the source of language in question.

16. Time is of the essence of this Agreement and each and every term and provisions thereof.

17. Neither CVWD nor the CSD shall, either voluntarily or by action of law, assign or transfer this Agreement or any obligation, right, title or interest assumed by such Party, except as otherwise provided herein, without the prior written consent of the other Party. Any attempted assignment in violation of this provision is void and subject to the foregoing, the provisions of this Agreement shall apply and bind the successors and assigns of the Parties.

18. Except as specifically set forth herein, this Agreement shall not be deemed to confer any rights upon any individual or entity which is not a party hereto and the Parties expressly disclaim such third party benefit.

19. No delay on the part of any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any

Party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise of any other right, power or privilege hereunder.

20. Each individual executing this Agreement hereby represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of the named Parties.

21. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the date below written.

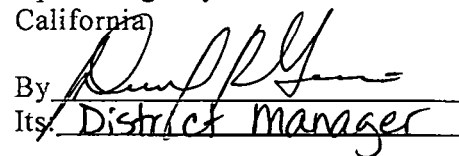
CVWD:
Coachella Valley Water District,
a public agency of the State of California

By
Its:


GENERAL MANAGER

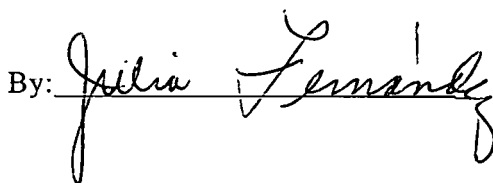
CSD:
Coachella Sanitary District,
a public agency of the State of
California

By
Its:


District Manager

ATTEST:

By:



ATTEST:

By




EXHIBIT LIST

EXHBIT "A"	Description/Depiction Collection System
EXHBIT "B"	Description/Depiction Service Area
EXHBIT "C"	Bill of Sale
EXHBIT "D"	Quitclaim Deed

EXHIBIT "A"

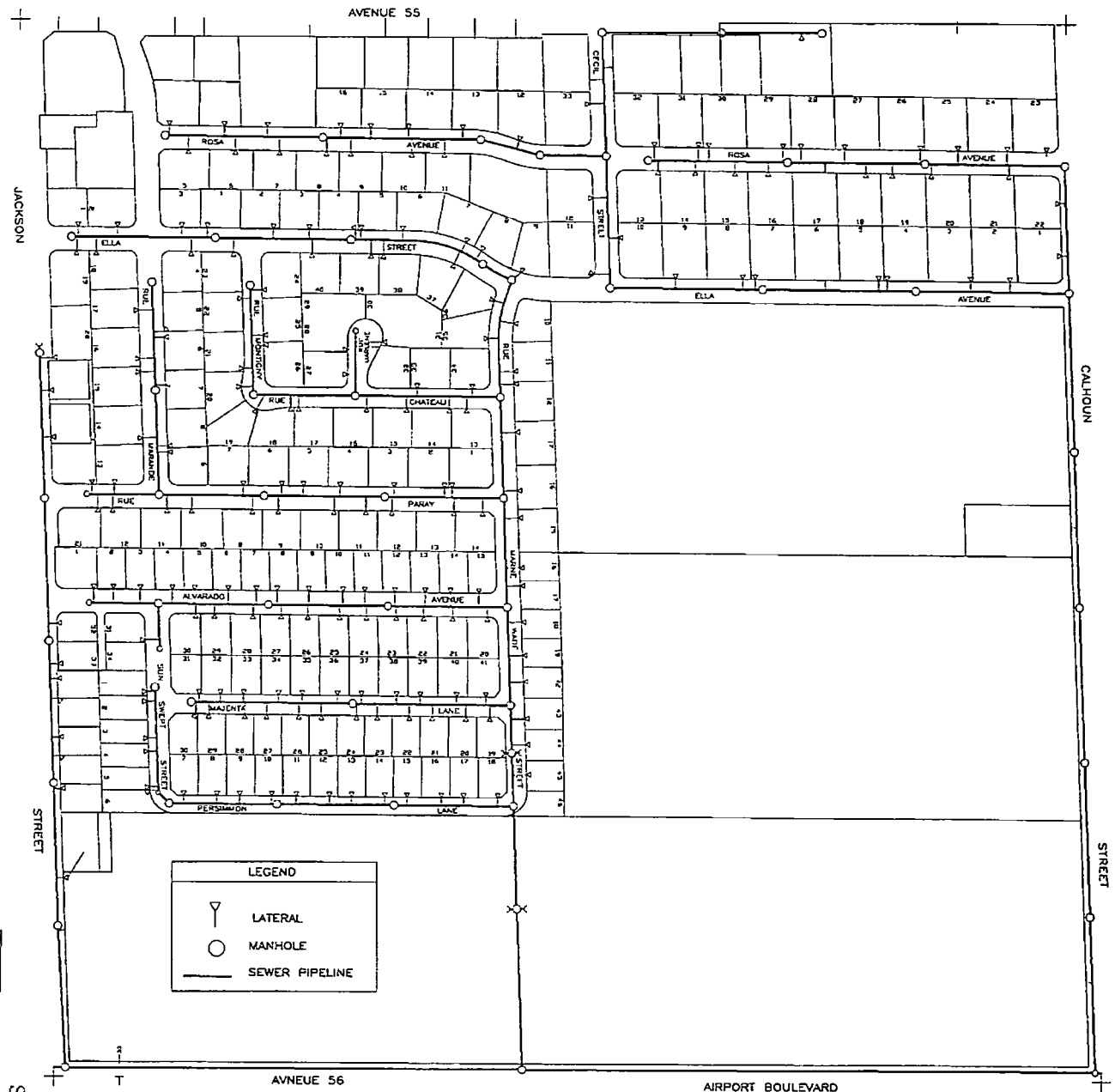
DESCRIPTION/DEPICTION

COLLECTION SYSTEM

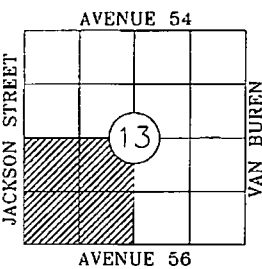
EXHIBIT "A"

SOUTH JACKSON STREET COLLECTION SYSTEM

SHEET 1 OF 1



NTS



COACHELLA VALLEY WATER DISTRICT
COACHELLA, CALIFORNIA

SW1/4 OF SECTION 13, T.6S., R.7E., S..B.M

EXHIBIT "B"

DESCRIPTION/DEPICTION

SERVICE AREA

EXHIBIT "B"
SOUTH JACKSON STREET SERVICE AREA

SHEET 1 OF 1



COACHELLA VALLEY WATER DISTRICT
COACHELLA, CALIFORNIA

EXHIBIT "C"

BILL OF SALE

BILL OF SALE

0760.06
File: 0710.13
0655.

For a valuable consideration, receipt of which is hereby acknowledged, the **COACHELLA VALLEY WATER DISTRICT**, a public agency of the State of California, ("CVWD"), hereby bargains, conveys and sells unto the **COACHELLA SANITARY DISTRICT**, a public agency of the State of California ("CSD"), the following described personal property:

All of that sewer collection system known as South Jackson Street Service Area, including but not limited to, all appurtenances, an eight-inch VCP pipeline and a ten-inch VCP pipeline ("Collection System"), per Coachella Valley Water District's construction drawing nos. 6669, 6670, 6671, 6672, 6673, 6674, 6675, 6677, 17738, 17739, 17740, 36831, attached hereto and made a part hereof.

The Collection System is further described in Agreement For Transfer Of Sewer Collection System "South Jackson Street Service Area", executed by CVWD and CSD on JULY 30, 2013.

CVWD:

Coachella Valley Water District,
a public agency of the State of California

By: [Signature]

Its: GENERAL MANAGER

Dated: AUGUST 1, 2013

CSD HEREBY ACCEPTS OWNERSHIP OF THE COLLECTION SYSTEM AS OF THE DATE SIGNED BELOW.

CSD:

Coachella Sanitary District,
a public agency of the State of California

By: [Signature]

Its: District Manager

Dated: August 12, 2013

Doc. No. 060713-3-032

EXHIBIT "D"

QUITCLAIM DEED

No Recording Fee
Required Per
Government Code
Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

COACHELLA VALLEY WATER DISTRICT
Post Office Box 1058
Coachella, California 92236

(Space above this line for Recorder's Use)

File: 0710.13
0760.06
1150.10

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **COACHELLA VALLEY WATER DISTRICT**, a public agency of the State of California ("CVWD"), does hereby remise, release and forever quitclaim to **COACHELLA SANITARY DISTRICT**, a public agency of the State of California, all of its right, title and interest in any and all easements (if any) which were granted to CVWD to operate that certain sanitation (wastewater) collection system described and/or depicted on Exhibit "A"; provided that CVWD shall retain an interest in such easements to operate any other CVWD facilities.

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On July 30, 2013, before me,
Maricela V. Cabral personally
appeared J. M. Barrett,
who proved to me on the basis of satisfactory
evidence to be the person whose name is
subscribed to the within instrument and
acknowledged to me that he executed the
same in his authorized capacity, and that by
his signature on the instrument the person, or
the entity upon of which the person acted,
executed the instrument.

COACHELLA VALLEY WATER DISTRICT,
a public agency of the State of California

By [Signature]

Its GENERAL MANAGER

Date 7.30.13

I certify under PENALTY OF PERJURY under
the laws of the State of California that the
foregoing paragraph is true and correct

WITNESS my hand and official seal.

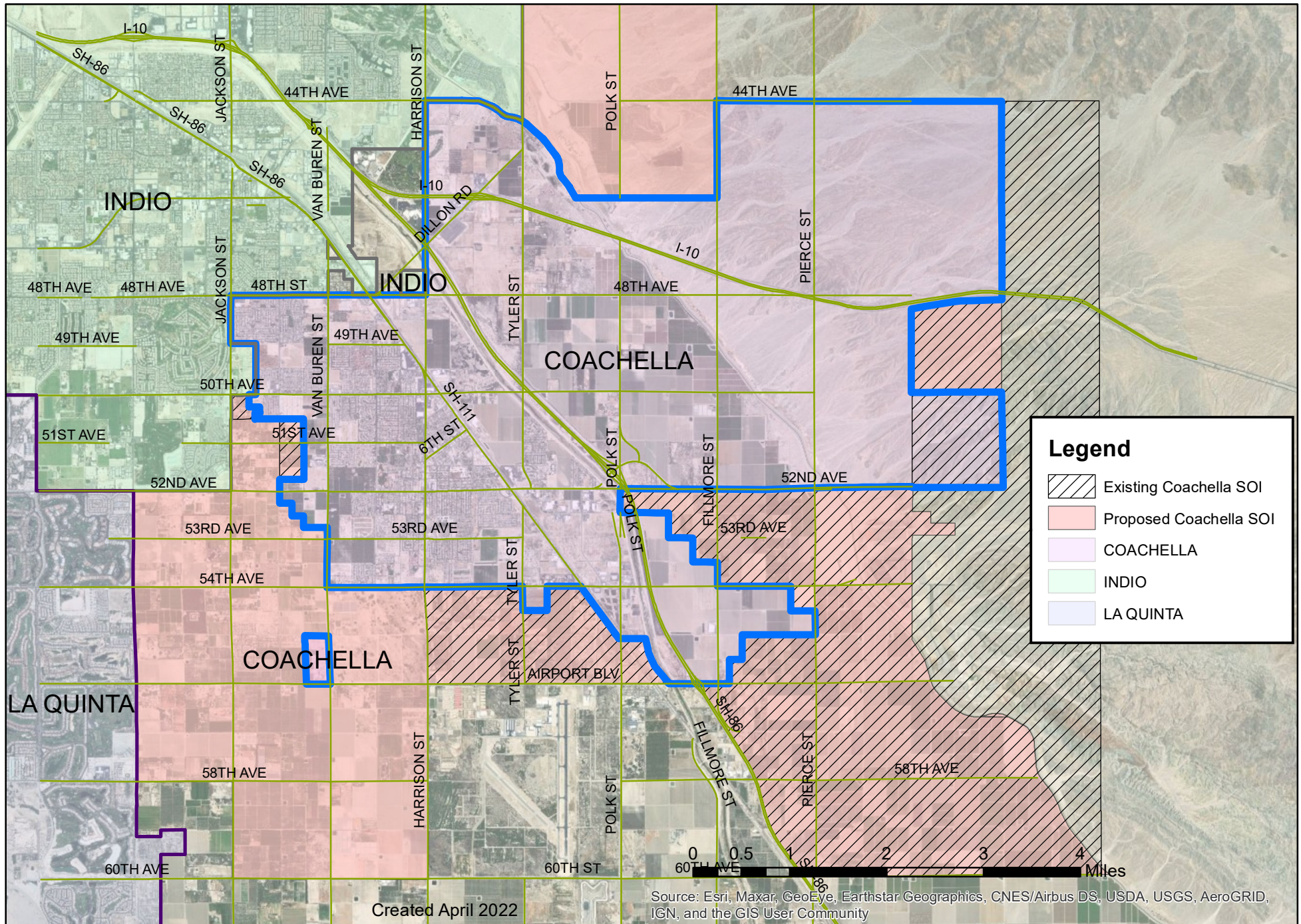
[Signature: Maricela V. Cabral]
Notary Public in and for said State



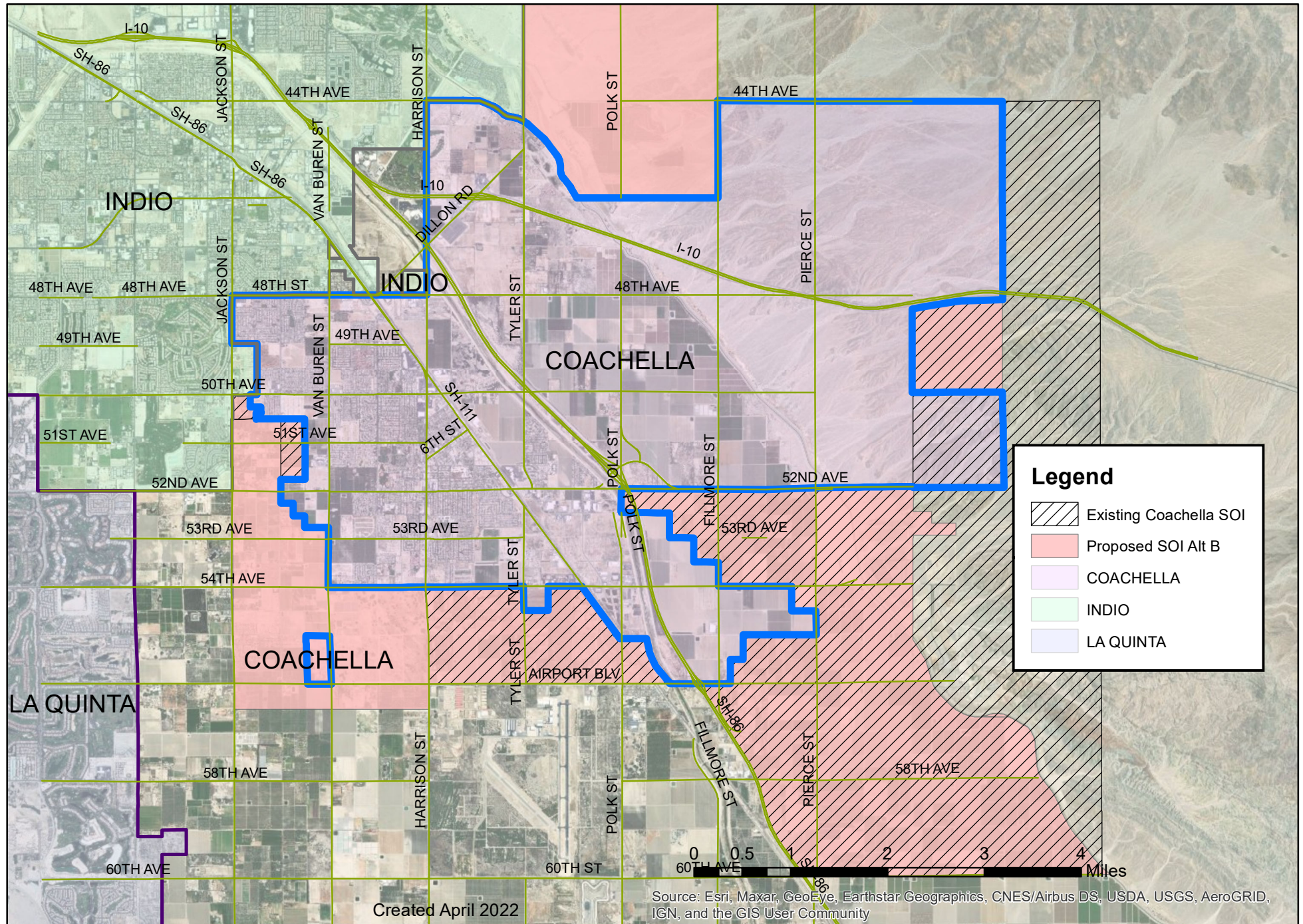
Doc. No. 060713-3-033

CVWD-571
(Rev. 11/08)

Alternative A Proposed Coachella Sphere of Influence



Alternative B Proposed Coachella Sphere of Influence



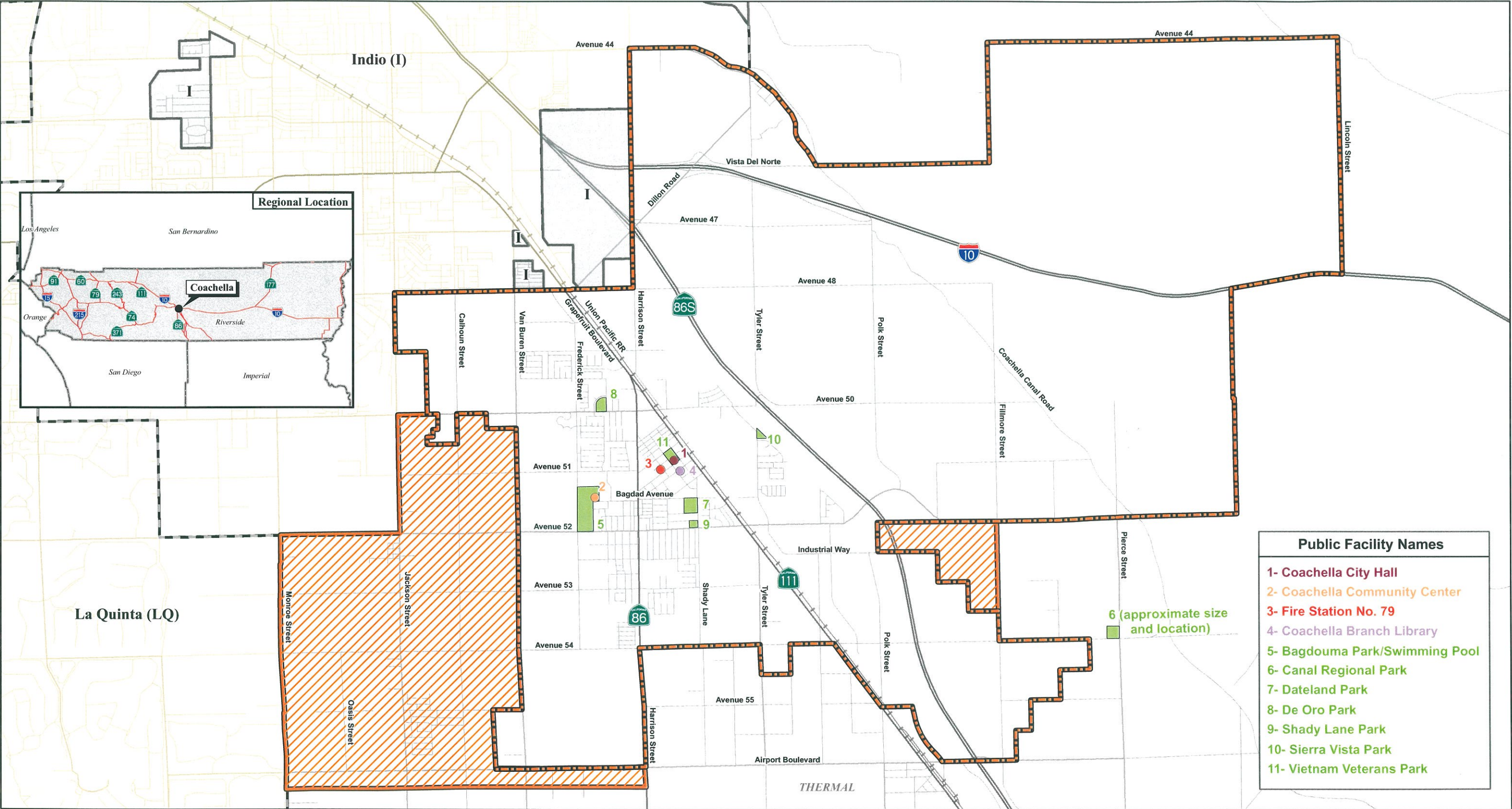


FIGURE 2.1

LSA

* Areas undesignated are unincorporated Riverside County areas.

0 2,500 5,000

FEET

SOURCE: City of Coachella, City of Indio, City of La Quinta, TBM (2004)
I:\RLA430\gis\Fig2.1_Coachella.mxd (3/18/05)

Legend

- City of Coachella Limits
- City of Coachella SOI
- Surrounding City SOI
- Surrounding City Limits
- City Hall
- Community Center
- Fire Station
- Library
- Parks and Recreation



Date: April 27, 2022

To: Gabriel Martin, City Manager for Coachella

From: Steve Botthof, Managing Partner for RoBott Land Company, Inc.

Re: Stonewater's Potential Annexation into the City of Coachella

RoBott Land Company, Inc. (RoBott) is partner and sole manager on behalf of Stonewater 800, LLC (owner of Stonewater – described as 818 acres located at the southeast corner of Dillon Road and Fargo Canyon Road. The purpose of this letter is to affirm that RoBott remains interested in potentially annexing Stonewater into the City of Coachella as the City would be able to provide both water and sewer service.

Through RoBott's and its consultants' research, along with discussion with CVWD and VSD staff, we have determined that connecting to Coachella's sewer infrastructure is the only feasible solution from a cost perspective.

Please advise if you require any additional information from us to proceed with next steps. Thank you very much.

Proposed Annexation of Stonewater Development from Coachella Valley Water District to the City of Coachella

Board of Directors Meeting

January 25, 2022



Our Mission

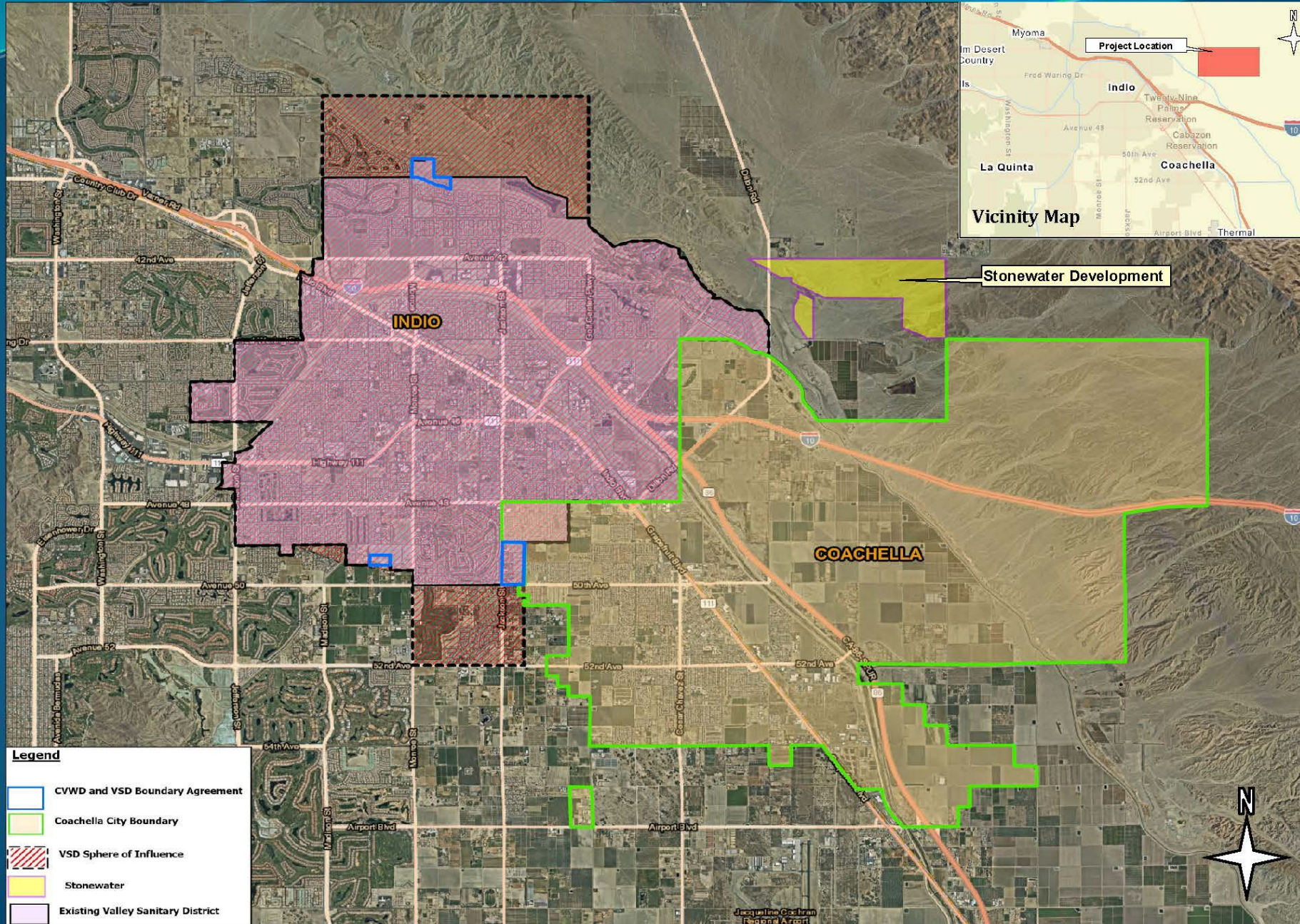
To meet the water-related needs of the people through dedicated employees, providing high quality water at a reasonable cost.

Agenda

- Project Location and Background
- Review of Boundaries
- Project Findings



Detailed Location Map of Stonewater Development



- 818 Acres
- 2,750 Residential Units
- 300,000 SF of Commercial /Retail

Summary

- September 28, 2021 – Board authorized staff to begin sewer flow transfer agreement negotiations with Valley Sanitary District (VSD).
- October 18, 2021 - VSD confirmed sewer treatment capacity.
- Developer along with VSD investigated sewer alignments and pipeline capacity.
- VSD reports insufficient capacity in existing pipelines. New pipeline would need to be constructed underneath I-10 and CVSC with one lift station.
- Mid November 2021, Developer approached City of Coachella.
- Developer reports that the City of Coachella has available capacity in existing sewer mains and water reclamation plant.
- Developer reports that the City of Coachella will require annexation.



Requested Action

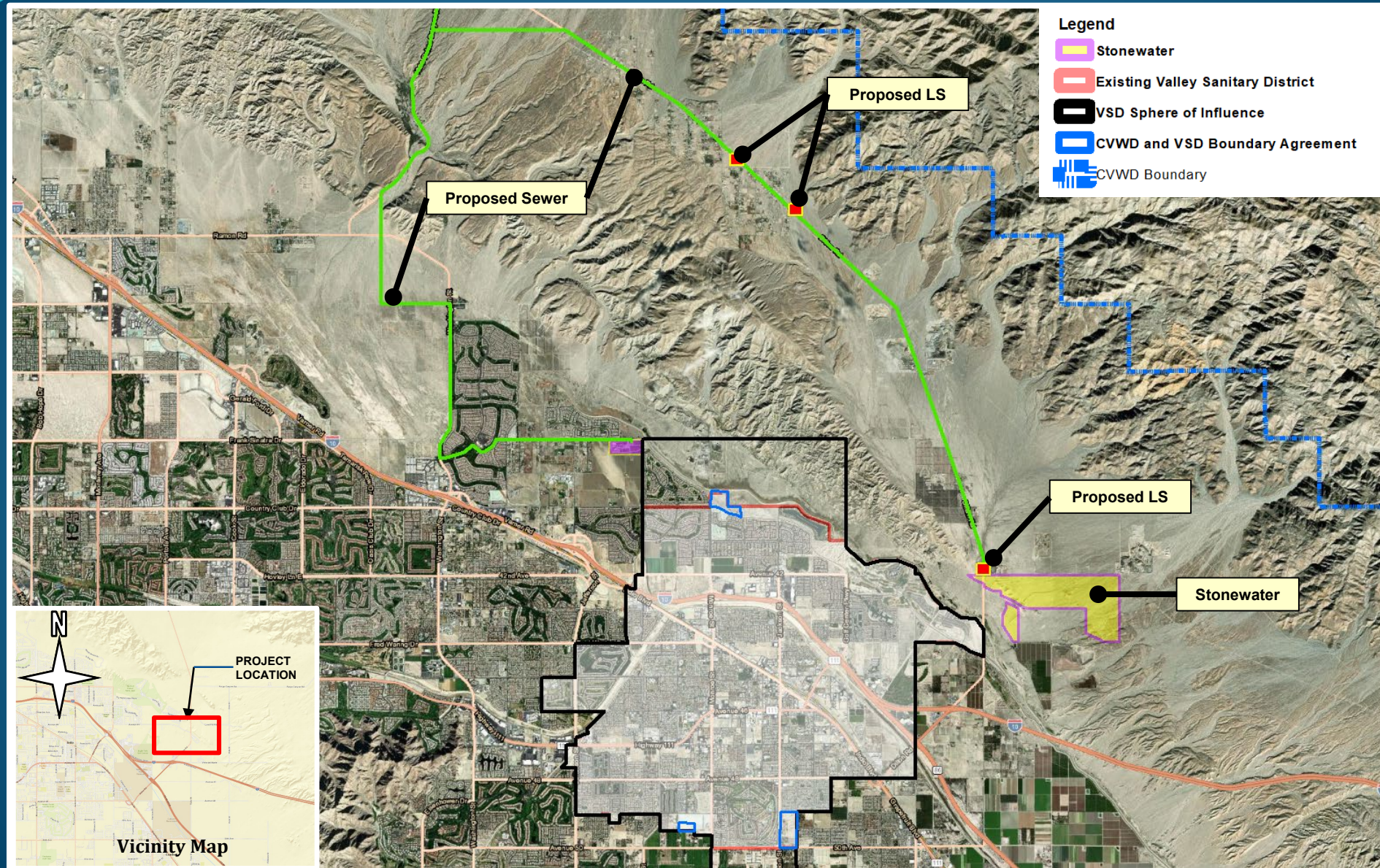
- Authorize the General Manager to Sign the Necessary Riverside Local Agency Formation Commission (LAFCO) Documents to Facilitate the Stonewater Development to be annexed from the Coachella Valley Water District to the City of Coachella in accordance with the Riverside LAFCO rules and regulations.

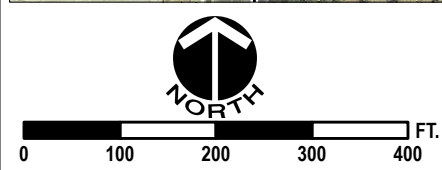


Questions ?



Facility Vicinity Map of Stonewater Development

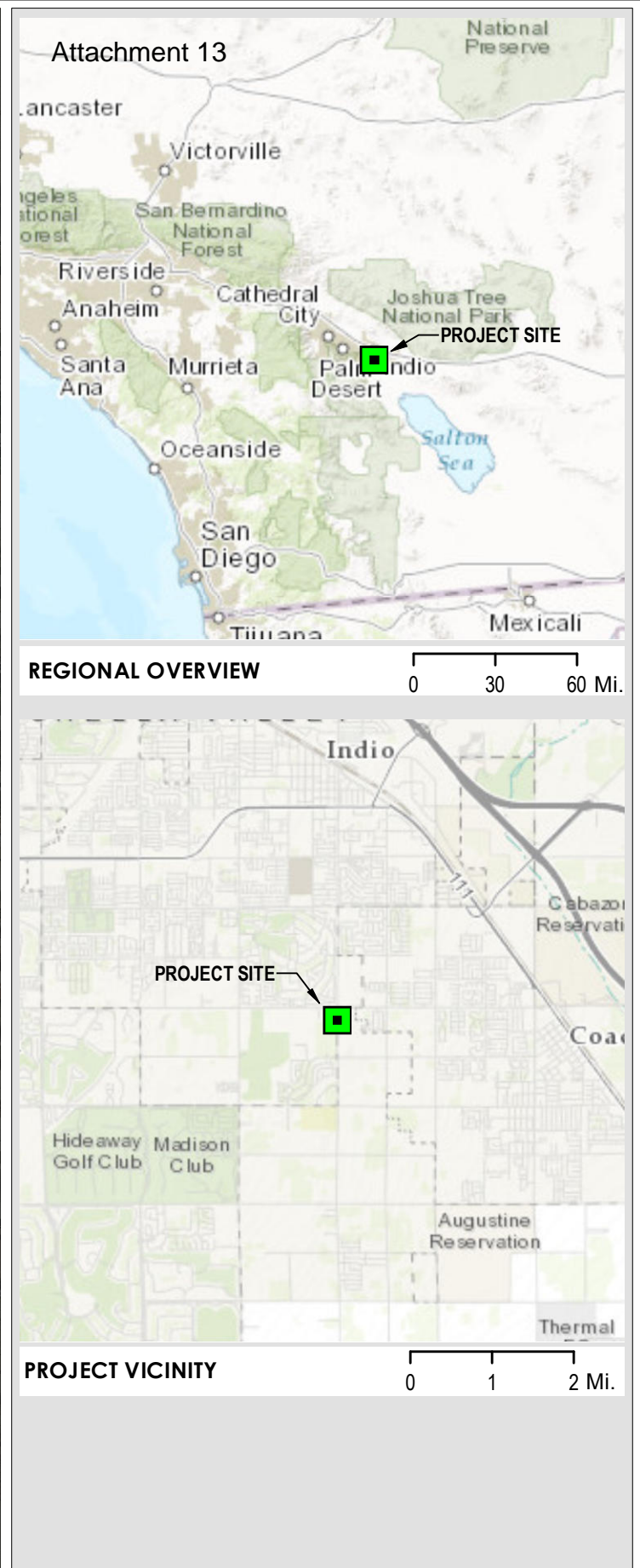




DATE: 7/6/2017
 DATA SOURCES: RIVERSIDE COUNTY
 IT-GIS (JANUARY 2017), USGS, ESRI
 NOTE THE PROPOSED UTILITY CORRIDOR
 SHOWN HEREIN REPRESENTS THE
 APPROXIMATE ROUTE OF VARIOUS UTILITY ALTERNATIVES.

MESQUITE WATER AND SEWER IMPROVEMENTS

PROPOSED UTILITY CORRIDOR



From: Jose Macedo <JoseM@sbvmwd.com>

Sent: Wednesday, April 27, 2022 8:33 PM

To: Crystal Craig <ccraig@lafco.org>

Cc: Adekunle Ojo <AdekunleO@sbvmwd.com>; Shavonne Turner <ShavonneT@sbvmwd.com>; Bob Tincher <bobt@sbvmwd.com>

Subject: SBVMWD: Task: Public Review Draft Countywide City MSR & SOI Review

Ma'am,

San Bernardino Valley Municipal Water District has reviewed the Municipal Service Review and have no comments.

Jose Macedo, MA/ML, CPT (USA Retired)
Chief of Staff | Clerk of the Board
San Bernardino Valley Municipal Water District

380 East Vanderbilt Way | San Bernardino, CA 92408

P 909.387.9214 | M: 915.539.8329

josem@sbvmwd.com





CITY OF PERRIS

DEVELOPMENT SERVICES DEPARTMENT
PLANNING DIVISION

135 N. "D" Street, Perris, CA 92570-2200
TEL: (951) 943-5003 FAX: (951) 943-8379

April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

SUBJECT: City of Perris Comments for the City Municipal Service Review and Sphere of Influence Update for All Cities in Riverside County

Dear Ms. Craig:

The City of Perris appreciates the opportunity to comment on the Public Review Draft for the City Municipal Service Review and Sphere of Influence (SOI) Update for All Cities in Riverside County. As a follow-up to our letter on November 30, 2021, the City of Perris respectfully withdraws its request for an SOI expansion into the area north of Nandina Avenue, south of Van Buren Blvd, east of Barton Road, and west of the I-215 Freeway. The City submitted the request in advance of upcoming discussions to dissolve the March Joint Powers Authority. At the time, there was no clear plan for the dissolution. Since that time, the Joint Powers Commission (composed of representatives from the County and the Cities of Perris, Riverside, and Moreno Valley) has advanced discussions among the member agencies, which may not involve an expansion of the cities' spheres of influence or annexations. Out of respect for that process, and in an effort to ensure those negotiations remain productive and cordial, we would ask that LAFCO continue to recognize the March Joint Powers Authority as the municipal service provider within their territory.

In addition, please provide future notices prepared for the Project pursuant to the California Environmental Quality Act ("CEQA") under any provision of Title 7 of the California Government Code governing California Planning and Zoning Law which includes: notices of any public hearing held pursuant to CEQA, and notices of any scoping meeting held pursuant to Public Resources Code Section 21083.9.

If you have any questions or concerns, please do not hesitate to contact me at (951) 943-5003, extension 257.

Sincerely,

A handwritten signature in black ink, appearing to be 'Kenneth Phung', with a long horizontal stroke extending to the right.

Kenneth Phung
Director of Development Services

Attachment: November 30, 2021 City Comment Letter

Cc: Clara Miramontes, City Manager
Eric Dunn, City Attorney
Stuart McKibbin, City Engineer



CITY OF PERRIS

DEVELOPMENT SERVICES DEPARTMENT PLANNING DIVISION

135 N. "D" Street, Perris, CA 92570-2200
TEL: (951) 943-5003 FAX: (951) 943-8379

November 30, 2021

Brandon Fender
RSG Inc.
17872 Gillette Ave., Suite 350
Irvine CA 92614

SUBJECT: City of Perris initial comments for Municipal Services Review ("MSR") of the Sphere of Influence ("SOI") Update for all 28 cities in Riverside County.

Dear Mr. Fender:

The City of Perris appreciates the opportunity to comment on the Municipal Services Review ("MSR") of the Sphere of Influence ("SOI") update for the City of Perris. We understand that RSG Inc. was retained by Riverside LAFCO to conduct an MSR of the SOI update and is seeking feedback on the findings related to the City's infrastructure status and if the City considering any annexation changes to the SOI boundaries. In reviewing the draft Riverside LAFCO 2021 MSR Public Review, staff City staff has the following comments:

- Page 276 Second Paragraph, the following edits are suggested as highlighted in **bold** for new language and **strike-through** for deletion.

The City of Perris provides water and sewer services for less than it costs the City to provide. This ~~structure has would appear to~~ cause financial constraints ~~that may affect service operations or constraints~~ to make necessary facility upgrades. ~~However, the~~ **The** City raised service rates, which became effective on January 1, 2006. The rate increase ~~should assist in expenditures meeting revenues.~~ **has not met the cost to cover expenditures of sewer and water. The City will explore increasing the rates to cover the City's cost for these expenditures.**

- Pg. 281 Streets/Road Maintenance section, the following edits are suggested as highlighted in **bold** for new language and **strike-through** for deletion.

Streets and road maintenance services in the City of Perris are provided by the Street Maintenance Division of the Public Works Department **and the Perris Flood Control Benefit Assessment District** ~~and the Road and Bridge Benefit District~~. The Division provides street

maintenance, grounds maintenance, curb, gutter, and sidewalk maintenance, and administers contracts for other maintenance services. The District provides funding for street maintenance **within the corresponding Benefit zones.** ~~and capital improvement projects involving streets and roads.~~

- Pg. 283 RECENT AND PLANNED MAJOR CAPITAL IMPROVEMENTS section, the following edits are suggested as highlighted in **bold** for new language and **strike-through** for deletion.

The City maintains a Five-Year Capital Improvement Program that is updated annually and includes storm drainage, facilities, community resources, streets, traffic, water and sewer capital projects. According to City staff, there are storm drainage issues in some of the City's industrial districts. A list of major planned and in progress capital improvement projects is provided below: [See CIP Summary (attached).]

- Sphere of Influence Expansion. The City is requesting expansion of the SOI in two areas. The first is the area north of Nandina Avenue, south of Van Buren Blvd, east of Barton Road and west of the I-215 Freeway (see Figure 1 below). The City is requesting this expansion in light of the upcoming plan to dissolve the March JPA, and as the area requested is contiguous to the existing Perris SOI.

Figure 1.



The second area is north of Ellis Avenue, south of Orange Avenue, east of Dunlap Road and west of Foothill Blvd (see Figure 2 below). The area is requested as Saint James the Less Church which has been a fixture in Perris for decades has recently relocated just east of Dunlap Road, but still actively services many of the residents of Perris.

Figure 2.



In addition, please provide future notices prepared for the Project pursuant to the California Environmental Quality Act ("CEQA") under any provision of Title 7 of the California Government Code governing California Planning and Zoning Law which includes: notices of any public hearing held pursuant to CEQA, and notices of any scoping meeting held pursuant to Public Resources Code Section 21083.9.

The City of Perris looks forward to a response to these concerns. If you have any questions or concerns, please do not hesitate to contact me at (951) 943-5003, extension 257.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kenneth Phung', with a stylized, sweeping flourish extending to the right.

Kenneth Phung
Director of Development Services

Attachment: CIP Summary

Cc: Clara Miramontes, City Manager
Eric Dunn, City Attorney
Stuart McKibbin, City Engineer



EXECUTIVE OFFICE

JEFFREY A. VAN WAGENEN, JR.
COUNTY EXECUTIVE OFFICER

JUAN C. PEREZ
CHIEF OPERATING OFFICER

DAVE ROGERS
CHIEF ADMINISTRATIVE OFFICER

SAYORI BALDWIN, ASSISTANT CEO
HUMAN SERVICES

BRENDA DIEDERICH, ASSISTANT CEO
HUMAN RESOURCES

CHARISSA LEACH, ASSISTANT CEO
PUBLIC WORKS & COMMUNITY SERVICES

ZAREH SARAFIAN, ASSISTANT CEO
HEALTH SYSTEM

April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

RE: County of Riverside Comments on Public Review Draft for LAFCO 2021-06-1,2,3,4&5: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (City of Perris Sphere of Influence (SOI) Focus Area A Proposal Exhibit 17, p. 315)

Dear Ms. Craig:

Thank you for this opportunity to provide comments on the City of Perris' Sphere of Influence (SOI) Focus Area A Proposal. Exhibit 17 (p. 315) of the Draft MSR details the City of Perris' proposal to expand its northern SOI to include an area of unincorporated County that comprises the southern portion of the March Joint Power Authority's (March JPA's) jurisdictional area. This area is located south of Van Buren Boulevard to Nandina Avenue, and bounded on the west by Barton Street and on the east by the 215 freeway.

The March JPA jurisdictional area is situated in County unincorporated area between the Cities of Moreno Valley, Perris, and Riverside, and is the result of the federal government's 1993 decision to realign the March Air Force Base. In this capacity, the four March JPA entities have collaborated for almost 30 years to plan for, develop and bring infrastructure and services to an employment center which currently accounts for over 10,000 jobs, and projects over 30,000 future jobs. As the March JPA area is getting nearer to completion of development entitlements that will lead to its build-out, the four March JPA entities have decided to dissolve the JPA. Discussions have been underway for several months between the agencies in a collaborative fashion to move through the complex dissolution process.

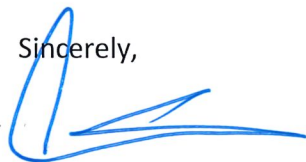
In recognition of the dissolution process underway at this time, the County is hereby expressing our concerns with the proposal that had been previously submitted by the City of Perris, and requests that LAFCO table discussion of any SOI or annexation proposals involving the territory encompassing the March JPA area until the member agencies, in their individual capacities and collectively working through the March JPA, successfully conclude the dissolution process.

Further, County staff would like to state our concerns with the specific boundaries being proposed by the City of Perris. The City of Perris' proposed SOI includes facilities of important regional significance which are best serviced by the County, including the Ben Clark Training Center (BCTC). The Ben Clark Training Center is a County-owned facility that provides important services that produce County-wide benefit, including requisite training for county and city-contracted sheriff deputies, city police officers, and correctional officers. Moreover, the County is currently in the planning and design phase to expand and improve BCTC. It is imperative that this center, which serves a County-wide function, remain within unincorporated County jurisdiction in order to streamline the development of this site.

It is also County staff's position that the March Air Reserve Base and Riverside National Cemetery should remain within unincorporated jurisdiction, since they have a regional (and national) significance and serve all cities within Riverside County. The provision of services to the areas being proposed by the City of Perris's SOI boundary adjustments is best done by remaining within the unincorporated area. Additionally, it should be noted that the SOI boundary proposal includes the areas adjacent to the unincorporated Mead Valley community, and encompass the greatest potential for the generation of jobs and revenues that the County relies on to serve the vast Mead Valley community. Any further discussion of SOI's adjustments within this area between the County and the City of Perris would need to comprehensively address the entirety of Mead Valley.

Thank you for considering these comments. If you have any questions or would like to discuss further, please contact me at 951-955-1110, or at jcperez@rivco.org.

Sincerely,



Juan C. Perez
Chief Operating Officer

ec: Supervisor Kevin Jeffries, 1st Supervisorial District
Supervisor Jeff Hewitt, 5th Supervisorial District
Jeff Van Wagenen, County Executive Officer



EXECUTIVE OFFICE

JEFFREY A. VAN WAGENEN, JR.
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ZAREH SARAFIAN, ASSISTANT CEO
HEALTH SYSTEM

April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

RE: County of Riverside Comments on Public Review Draft for LAFCO 2021-06-1,2,3,4&5: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (City of Menifee Proposal, p. 224)

Dear Ms. Craig:

Thank you for this opportunity to provide comments on the City of Menifee's Proposal to "Expand the Menifee SOI Eastward as far as State Route 79" (Draft MSR p. 224). Although no mapping or description are provided, the Draft MSR mentions City staff's interest in expanding the City's SOI and municipal boundary to the east, and also describes the Menifee City Council's recent action to adopt, "a Strategic Plan that included an item aiming to expand the Menifee SOI eastward as far as State Route 79." Providing comment on a potential SOI revision that lacks clear mapping or description presents significant challenges; however, the County hereby requests that where any of the City's proposed SOI boundary might encroach upon boundaries as set forth in the County's Winchester Community Plan, the LAFCO commission deny the proposal.

In 2012, in an effort to formulate the Winchester Community's vision for future development, the County conducted extensive community outreach and needs assessment to develop the Winchester Land Use Study, findings of which are aimed at modifying existing land use designations with consideration of the future realignment of State Route 79, the Hemet- Ryan Airport influence area, and the surrounding cities' land uses. As a result of the study's findings, the Riverside County Board of Supervisors initiated development of the Winchester Community Plan in 2016, during its last General Plan Foundation cycle. Since then, County staff have worked closely with the Winchester community through a series of charrettes to collaborate on the visioning process to integrate a future buildout scenario into the community plan. The project proposes an amendment to the Riverside County General Plan (GPA No. 1207), expansion of the Winchester Policy Area to approximately 23,153 acres of land within the General Plan's Harvest Valley/Winchester Area Plan, and revisions to land use designations within the new Winchester policy area. More information on this project, including a map of the Winchester Policy Area Plan Boundary can be found here: <https://planning.rctlma.org/Advance-Planning/Winchester>.

The entirety of the Winchester Community Plan, including the environmental analysis, is in the process of being finalized and is expected to be available for public review and comment in May 2022, which will then lead into public hearings before the County's Planning Commission. The Board of Supervisors are expected to begin hearing the project in Summer of 2022, with final adoption of the plan by the County's Board of Supervisors targeted for Summer-Fall 2022.

Over the past decade, a substantial amount of community time and resources have gone into the Winchester Community Plan, and as a result, it fully recognizes the desire of the community and their vision for future development. It is unclear whether RSG considered the scope, impact, or community support for this plan in the Draft MSR; however, the County respectfully opposes any proposals for expansion of the City of Menifee's SOI eastward into the Winchester Community Plan area. Furthermore, given the proximity and nature of the City, County and community interest in the unincorporated area east of Menifee, the County requests that RSG's recommendation in the Draft MSR be updated to reflect recommendation for coordination with the City of Menifee and the County on expansion of the Menifee SOI.

Finally, a minor point of clarification in reference to Riverside County Library system facilities (Draft MSR p. 209): There are two County operated libraries located in the City of Menifee: Sun City Library is located at 26982 Cherry Hills Menifee, CA. 92586. Additionally, Menifee Library is located at 28798 La Piedra Rd. Menifee CA 92584. Menifee Library is 20,000 sq. ft and includes 35,000 materials, 16 computers, furniture with plug in technology for personal devices, and multiple study rooms.

Thank you for considering these comments. If you have any questions or would like to discuss further, please contact me at 951-955-1110, or at jcperez@rivco.org.

Sincerely,



Juan Perez
Chief Operating Officer

ec: Supervisor Chuck Washington, 3rd Supervisorial District
Jeff Van Wagenen, County Executive Officer



EXECUTIVE OFFICE

JEFFREY A. VAN WAGENEN, JR.
COUNTY EXECUTIVE OFFICER

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CHARISSA LEACH, ASSISTANT CEO
PUBLIC WORKS & COMMUNITY SERVICES

ZAREH SARRAFIAN, ASSISTANT CEO
HEALTH SYSTEM

April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

RE: County of Riverside Comments on Public Review Draft for LAFCO 2021-06-1,2,3,4&5: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (City of Canyon Lake Proposal, pp. 44 & 62)

Dear Ms. Craig:

Thank you for this opportunity to provide comments on the City of Canyon Lake SOI Expansion Proposal to Include Meadowbrook (Draft MSR pp. 44 and 62). The County notes that the unincorporated area being considered for SOI expansion in this proposal is also subject of several County efforts, including the Highway 74 Community Plan. The County's Planning Department is in the process of drafting a Community Plan for the 6.8-mile-long portion of the Highway 74 corridor that begins at the City of Lake Elsinore and terminates at the City of Perris, addressing the recommendations of the Highway 74 Business Corridor Land Use Study that was completed in May 2016. The plan will include a General Plan Amendment to modify the land use designations and policies that guide development on approximately 2,200 acres and over 900 parcels within the project area.

Additionally, the County is conducting prerequisite analyses in support of potential financing options including an enhanced infrastructure financing district (EIFD) to bring needed infrastructure projects to the Highway 74 corridor, which includes the area detailed in the City of Canyon Lake's proposal.

In light of the active efforts described above, the County requests to be included in early consultation efforts with the City of Canyon Lake as this proposal moves forward. Thank you for considering these comments. If you have any questions or would like to discuss further, please contact me at 951-955-1110, or at jcperez@rivco.org.

Sincerely,

Juan C. Perez
Chief Operating Officer

cc: Supervisor Kevin Jeffries, 1st Supervisorial District
Jeff Van Wagenen, County Executive Officer



EXECUTIVE OFFICE

JEFFREY A. VAN WAGENEN, JR.
COUNTY EXECUTIVE OFFICER

JUAN C. PEREZ
CHIEF OPERATING OFFICER

DAVE ROGERS
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BRENDA DIEDERICH, ASSISTANT CEO
HUMAN RESOURCES

CHARISSA LEACH, ASSISTANT CEO
PUBLIC WORKS & COMMUNITY SERVICES

ZAREH SARAFIAN, ASSISTANT CEO
HEALTH SYSTEM

April 27, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

RE: County of Riverside Comments on Public Review Draft for LAFCO 2021-06-1,2,3,4&5: Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (City of Coachella Proposal, p. 635)

Dear Ms. Craig:

Thank you for this opportunity to provide comments on the City of Coachella's Proposal for SOI Revisions (Draft MSR p. 635). The County notes that the unincorporated area being considered for SOI expansion in this proposal may also be subject of several County efforts, including the Thermal-Oasis Community Plan, for which the County's Planning Department is currently conducting extensive outreach to gather community feedback. Additionally, the County is currently conducting prerequisite analyses in support of potential financing options, including an enhanced infrastructure financing district (EIFD), to bring needed infrastructure projects to the Salton Sea area, which may include some of the area detailed in the City of Coachella's proposal.

The County is generally in support of Coachella's proposal. In light of the active efforts described above, the County requests to be included in early consultation efforts with the City of Coachella, and any other cities that may be impacted by this proposal, as it moves forward. Thank you for considering these comments. If you have any questions or would like to discuss further, please contact me at 951-955-1110, or at jcperez@rivco.org.

Sincerely,

Juan C. Perez
Chief Operating Officer

ec: Supervisor V. Manuel Perez, 4th Supervisorial District
Jeff Van Wagenen, County Executive Officer

**Comments Received on Public
Review Hearing Draft
(After comment period)**

HEMET UNITED

P.O. Box 5344 / Hemet, California 92544 / info@HemetUnited.org

VIA EMAIL

April 27, 2022

Ms. Crystal Craig
Assistant Executive Director
Riverside LAFCO
6216 Brockton Avenue, Suite 111-B
Riverside, California 92506

RE: Comments on the Countywide City Municipal Service Review / City of Hemet

Dear Ms. Craig:

Thank you for the opportunity to comment on the Hemet MSR. As you know, Hemet United has been formed to advance an Annexation and Sphere of Influence change of organization for the presently unincorporated area of Hemet. Our registered voter petition (1,089 signatures) was certified as complete by your office on April 4, 2022. We have the following comments (references are to the pdf page numbers of the RSG MSR Public Review Draft "Hemet" section Dated March 29, 2022):

General Comment: Please consider removing the City of San Jacinto from the Pass/Mountain category. The City of San Jacinto identifies with the San Jacinto Valley and is separated from the Pass and Mountain areas by a significant physical boundary.

Page 119: Any discussion concerning Hemet's population density and median household income should include an acknowledgment of the substantial senior population and significant number of mobile home parks within the city (Figure 39 amplifies this fact). The comparison of Hemet's relatively low median household income is misleading. Senior citizens are retired are obviously past their higher earning employment years. They also generally have no children residing at home. A statistic that is frequently overlooked, as is the case with this study, is the amount per capita on deposit that is relatively easy to ascertain through FDIC records. Hemet has generally enjoyed a relatively high per capita deposit amount as compared to other cities in Riverside County. In addition, Hemet has generally weathered recessionary cycles due to the steady flow of Social Security and other retirement income that flows into the local economy on a regular and predictable basis.

Page 121: The Annexation and SOI petition was certified by LAFCO as possessing the required number of signatures from registered voters on April 4, 2022.

Page 126: The Fire Protection section should mention that since 2006, the City of Hemet Fire Department has implemented full paramedic services for all of its responding units. In addition, this section should have included the extensive list of physical and equipment capabilities that the City of Hemet Fire Department offers.

Ms. Crystal Craig
April 27, 2022
Page two of two

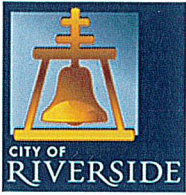
Page 128: Regarding the Parks and Recreation Section – the City of Hemet owns and manages one of the largest (480 acres) parks in the County of Riverside. Simpson Park is located in unincorporated Hemet and is used extensively (at no charge) by families residing in unincorporated Hemet. Regarding the Hemet Public Library – at nearly 40,000 square feet, the Hemet Library is one of the largest and most frequently used libraries in Riverside County. It is also used extensively by residents who live outside of the City of Hemet.

Page 131: First sentence in the Extraterritorial Services Provided Section – please change Corona to Hemet.

Page 145: The current SOI line was drawn more than thirty years ago with no regard to property lines or assessor parcel lines. The proposed SOI amendment by Hemet United provides a logical and legally identifiable SOI boundary (the legal description is available upon request). The City of Hemet General Plan extends to and beyond the current SOI boundaries and no land use changes would be involved. Please consider adopting the SOI boundaries shown on the attached exhibit as proposed by Hemet United. The vast majority of the increased area is uninhabited and the area that does include homes has been properly identified in the Hemet General Plan.

Respectfully submitted,

Hemet United



Community & Economic Development
Department

City of Arts & Innovation

April 27, 2022

Crystal Craig
Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Ave, Suite 111-B
Riverside, CA 92506

Subject: City of Riverside's Review of Public Review Draft: City Municipal Service Review and Sphere of Influence Update for All Cities in Riverside County

Ms. Craig:

Thank you for the opportunity to comment on the Public Draft of Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments (LAFCO 2021-06-1, 2, 3, 4&5). The City understands the report contains a review of the provision of public services and the status of adopted spheres of influence of all twenty-eight (28) city governmental agencies in Riverside County.

The City of Riverside Planning Division has routed the LAFCO 2021-06-1, 2, 3, 4&5 to other departments for review. The following reflects the City's comments:

Planning Division

- Global Comment – Any references to the City of Riverside "Community Development Department" or other variant should be revised to the "Community & Economic Development Department."
- The Planning Division has the following comments related to the Housing Needs and Housing Element Reporting section beginning on page 358:
 - This section is generally out of date and includes references to the 5th Cycle Housing Element which was superseded by the 6th Cycle in October 2021. The Riverside City Council approved the 6th Cycle Housing Element, as well as a new Public Safety Element and Environmental Justice Policies on October 5, 2021, satisfying the statutory requirement to have an adopted Housing Element by October 15, 2021. The Draft Housing Element was submitted to HCD for initial review in May 2021 and comments were received in July 2021. Following Adoption of the 6th Cycle Housing Element, staff formally submitted to HCD for certification on April 5, 2022 and is awaiting a final determination as of the writing of this letter.
 - The first paragraph should reflect the fact that the City has also submitted the 2020 and 2021 Annual Progress Reports on time.
 - Although the City recognizes an ongoing challenge to demonstrate housing production to meet RHNA obligations, the document should reference the final production numbers at the close of the 5th Cycle RHNA. As of October 15, 2021, there were 2,091 units permitted/produced with 47 very low, 75 low, and 104 moderate income units permitted.
 - The section should use the most current 6th Cycle Regional Housing Needs Assessment data. The final 6th Cycle RHNA allocation was 18,458. Broken down as follows:

Income Level	Total Number of Units
Very Low Income	4,861
Low Income	3,064
Moderate Income	3,139
Above-Moderate Income	7,394
Total 6th Cycle RHNA Obligation	18,458

- o Between October 15, 2021 and February 28, 2022, the City issued permits for 345 units towards the 6th Cycle RHNA, with 34 moderate and 311 above-moderate income units.
- o The last paragraph is misleading, and makes it appear as though the City did not submit the 2019 Annual Progress Report. This is inaccurate and the language should be revised.

Riverside Public Utilities – Water

- On Page 342, the first bullet point (DUC1) currently states "According to City staff, the Public Works Department provides water service..." This should be the "Public Utilities Department" not Public Works.

Finance Department

- Please see the attached redline comments.

Parks, Recreation, and Community Services Department

- Please see the attached redline comments.

The City of Riverside appreciates your consideration of the comments provided in this letter. Should you have any questions regarding this letter, please contact Scott Watson, Historic Preservation Officer, at (951) 826-5507, or by e-mail at swatson@riversideca.gov.

We thank you again for the opportunity to provide comments on this proposal and look forward to working with you in the future.

Sincerely,



David Murray
Principal Planner

Attachment:

- Finance Department Redline Comments
- Parks, Recreation, and Community Services Department Redline Comments

cc: Patricia Lock Dawson, Mayor
Riverside City Council Members
Al Zelinka, FAICP, CMSM, City Manager
Rafael Guzman, Assistant City Manager
Chris Christopoulos, Acting Community & Economic Development Director
Mary Kopaskie-Brown, City Planner
Gilbert Hernandez, Public Works Director
Phaedra Norton, City Attorney

in 2016-17 and 2017-18 of \$5.9 and 9.3 million, respectively, which represented 12.7 and 12.9 percent of annual revenues. In 2018-19, the City had a \$1.4 million surplus, which amounts to about 1.9 percent of annual revenues.

Figure 233: Net Position - Cathedral City

Cathedral City	2016-17	2017-18	2018-19
Total General Tax Revenues	\$29,522,670	\$43,580,788	\$49,662,636
Other Tax Revenues	1,612,131	2,152,273	1,985,399
Other Revenues	15,496,325	26,739,020	25,650,084
Total Revenues	46,631,126	72,472,081	77,298,119
Total Operating Expenditures	43,485,173	48,081,539	52,044,037
Debt Service	438,164	13,614,999	11,779,953
Capital Outlay	8,625,346	20,094,250	12,039,438
Total Expenditures	52,548,683	81,790,788	75,863,428
Net Position	(\$5,917,557)	(\$9,318,707)	\$1,434,691

Source: California State Controller's Office

Operating Revenues

The City of Cathedral City had operating revenues of almost \$77.3 million in 2018-19, as illustrated in Figure 234.

Summary of Comments on Riverside LAFCO 2021 MSR Public Review Draft

Page: 1

 Number: 1 \$72,933,766	Author: tscott	Subject: Sticky Note	Date: 4/25/2022 3:12:42 PM
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 Number: 2 \$82,125,771	Author: tscott	Subject: Sticky Note	Date: 4/25/2022 3:12:57 PM
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 Number: 3 (\$9,192,005)	Author: tscott	Subject: Sticky Note	Date: 4/25/2022 3:13:51 PM
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Figure 234: Operating Revenue History - Cathedral City

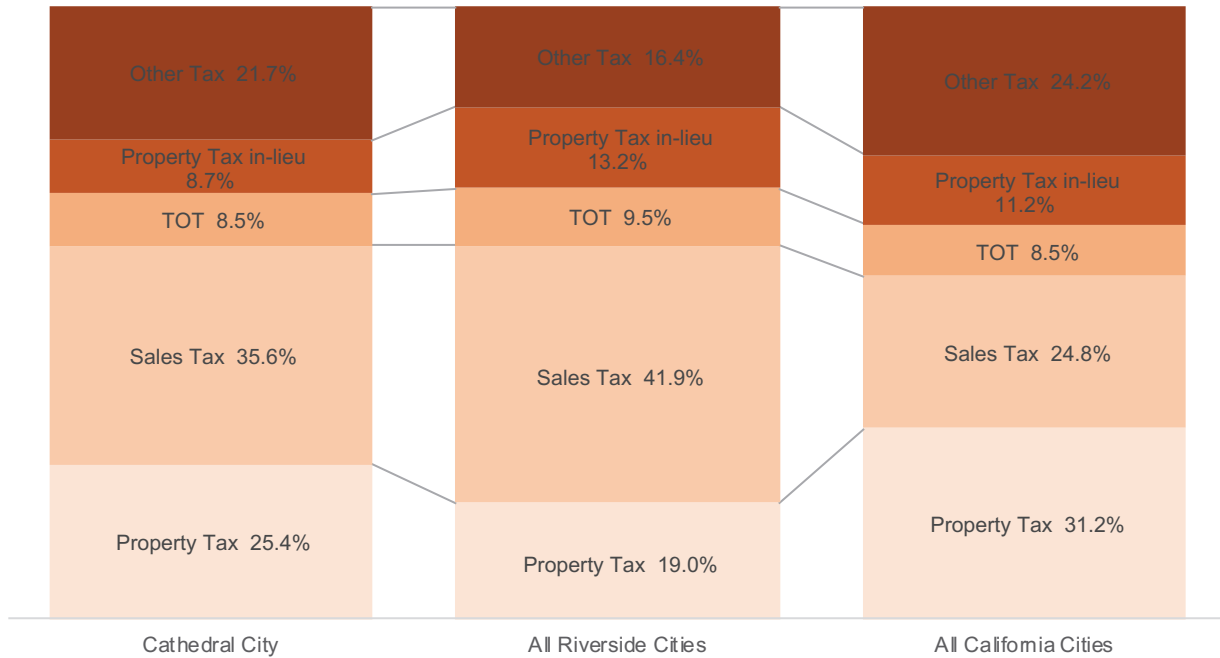
Cathedral City	2016-17	2017-18	2018-19
General Revenues			
Property Tax	\$1,985,534	\$12,678,134	\$12,617,367
Sales Tax	14,384,532	15,259,252	17,701,087
Transient Occupancy Tax	3,070,634	3,726,004	4,231,690
Property Tax in-lieu of VLF	3,959,228	4,140,210	4,331,043
Franchise Tax	2,145,689	2,114,282	2,230,585
Business License Tax	499,547	551,425	590,287
Property Transfer Tax	222,884	237,284	228,204
Utility User Tax	2,709,205	2,699,472	2,692,126
Other Tax Revenues	545,417	2,174,725	5,040,247
Total General Tax Revenues	29,522,670	43,580,788	49,662,636
Transportation Tax	1,441,719	1,474,000	1,583,790
Parking Tax	-	-	-
Voter-Approved Taxes	-	-	-
Functional Tax Revenues	170,412	678,273	401,609
Total Tax Revenues	31,134,801	45,733,061	51,648,035
Charges for Services	7,395,003	7,634,977	7,542,163
Special Benefit Assessments	571,124	619,723	650,857
Use of Money	634,214	2,609,048	2,773,040
Fines and Forfeitures	605,511	496,119	283,958
Licenses and Permits	852,108	1,333,290	1,886,920
Intergovernmental	3,059,610	7,700,291	11,630,010
Other Taxes in-Lieu	-	-	-
Miscellaneous Revenues	2,378,755	6,345,572	883,136
Total Revenues	\$46,631,126	\$72,472,081	\$77,298,119

Source: California State Controller's Office

The City has a diverse base of general tax revenues, which accounted for 64.2 percent of the City's total annual revenues for 2018-19. The three (3) largest general tax revenues for the City represented just 70.0 percent of all general tax revenues, including sales tax (35.6 percent), property tax (25.4 percent) and property tax in-lieu of VLF (8.7 percent).

The City's general tax revenues relative to all Riverside County and California cities are presented in Figure 235.


Figure 235: General Tax Revenue Comparison - Cathedral City



The City general tax revenues are largely in proportion with the general tax revenue composition of the average Riverside County and California cities. The only exception is property tax in-lieu of VLF (8.7 percent), which is slightly below average property tax in-lieu of VLF when compared to Riverside County (13.2 percent) and California (11.2 percent) cities.

Sales Tax, Measure H and Measure B Transactions and Use Tax

Sales, and transaction and use tax revenues are the City's single largest revenue source, combining for \$17.7 million, or about 35.6 percent of the City's total general tax revenues in 2018-19. The City receives one percent of gross receipts from the sale of tangible personal property sold in Cathedral City. The City's base sales tax revenue amounted to about \$9.7 million in 2019-20.

Additionally, voters approved Measure H in 2010, which added a one percent transactions and use tax on the sales of all tangible personal property sold in Cathedral City, effectively doubling 



Number: 1

Author: tscott

Subject: Sticky Note

Date: 4/25/2022 3:16:49 PM

This statement is incorrect. It increased the revenue by approximately $\frac{2}{3}$ rd

the City's revenues from sales, and transactions and use taxes.³²² Measure H was set to expire in 2015, but voters approved Measure B in 2014, which extended the effectiveness of the one percent transactions and use tax indefinitely. Measure B is a general revenue that was approved by more than two-thirds of voters. The City's ballot measure stated that the proposed use of Measure B tax revenues would be maintaining fiscal stability, addressing state takeaways, preventing cuts to services like police, fire, emergency medical, maintaining emergency response times, infrastructure repair, senior and youth programs, and other general services.³²³

Property Tax and Property Tax in-lieu of Motor Vehicle License Fees

Property tax and property tax in-lieu of VLF are the City's second and fourth largest tax revenue sources, accounting for a combined 34.1 percent of the City's general tax revenues. Property tax revenues, which were about \$12.6 million in 2018-19, or about 25.4 percent of general tax revenues, result from assessments on Cathedral City land, improvements, and personal property. In 2018-19, Cathedral City's land, improvements, and personal property combined for about \$4.5 billion in net assessed value, including over \$1.3 billion in assessed land value and \$3.3 billion in improvement value. The City's \$12.6 million property tax collections in 2018-19 represent about 28.1 percent of all property tax revenues collected in Cathedral City, which is among the highest rates for a city government in Riverside County.³²⁴

Property tax in-lieu of VLF is the City's fourth largest revenue source, representing about 8.7 percent of general tax revenues, or over \$4.3 million in 2018-19. Property tax in-lieu of VLF replaced vehicle license fees as a revenue source for cities in 2004, and increases based on assessed valuation growth in the jurisdiction.

³²² Source: Ballotpedia, "Cathedral City Sales Tax Measure H (June 2010)"

³²³ Source: Ballotpedia, "City of Cathedral City Sales Tax, Measure B (June 2014)" and Cathedral City "2019-20 Comprehensive Annual Financial Report"

³²⁴ Source: California City Finance, "Assessed Valuation of Property by City"

The City and County of Riverside passed resolutions in 2014, mutually adopting a Master Property Tax Exchange Agreement.³²⁵

Cannabis Tax

In 2018-19, the City's Cannabis Tax yielded more than \$4.6 million in tax revenues, which is captured in the "Other Tax" category in Figure 234. In the four (4) years since adopting the Cannabis Tax, Cathedral City had more than 200 applications for cannabis-related businesses, inclusive of dispensary, cultivation, manufacturing, distribution, transportation, and laboratory testing. Anticipated revenues from additional cultivation sites may increase the City's tax revenues to \$5.0 million in 2020-21. According to City staff, the growth rate of this revenue source will likely decrease in the future.³²⁶

Intergovernmental Revenues


Intergovernmental revenues accounted for about 15 percent of total revenues, or about \$11.6 million in 2018-19. The City collects intergovernmental revenues from County, State, and Federal sources. The City's largest intergovernmental revenue sources included unspecified Federal grants (\$8.7 million) and gasoline tax (\$2.1 million) in 2018-19.

Charges for Services

In 2018-19, the City's charges for services represented about 9.8 percent of total revenues, or about \$7.5 million. The most significant charges for services included special police department services (\$2.0 million), special fire department services (\$1.7 million), plan check fees (\$1.1 million), quasi-permanent transactions (\$1.1 million), and solid waste revenues (\$890,000) in 2018-19.

³²⁵ Source: Riverside LAFCO

³²⁶ Source: Cathedral City "2019-20 Comprehensive Annual Financial Report" section titled "Cannabis Tax"

 Number: 1
(\$9.2 million)

Author: tscott

Subject: Sticky Note

Date: 4/25/2022 3:17:58 PM

Operating Expenditures

The City's total expenditures ranged from \$52.5 million in 2016-17 to almost \$81.8 million in 2017-18, as illustrated in Figure 236.

Figure 236: Operating Expenditures - Cathedral City

Cathedral City	2016-17	2017-18	2018-19
Operating Expenditures			
Salaries and Wages	\$18,878,754	\$20,346,662	\$21,589,589
Employee Benefits	9,340,149	10,324,048	11,124,037
Materials and Supplies	15,266,270	17,283,083	14,139,937
Contract Services	-	126,701	5,188,565
Other Operating Expenditures	-	1,045	1,909
Total Operating Expenditures	43,485,173	48,081,539	52,044,037
Debt Service	438,164	13,614,999	11,779,953
Capital Outlay	8,625,346	20,094,250	12,039,438
Total Expenditures	\$52,548,683	\$81,790,788	\$75,863,428

Source: California State Controller's Office

The City of Cathedral City has proportional expenditures when compared to other Riverside County and California cities, with the exception of debt service and capital outlay. In 2018-19, the City's debt service was almost \$11.8 million and represented about 15.5 percent of total expenditures, which is above average for cities in Riverside County (8.7 percent) and California (5.5 percent). Further, the City's capital outlay was over \$12.0 million in 2018-19 and represented

15.9 percent of total expenditures compared to 15.3 percent for the average Riverside County city and 10.9 percent for the average California city.

The City's current expenditures are presented according to department or function in Figure 237.

Figure 237: Current Expenditures - Cathedral City

Cathedral City	2016-17	2017-18	2018-19
General Government	\$9,246,211	\$10,095,971	\$10,403,737
Public Safety	24,105,487	27,624,586	29,791,965
Transportation	5,046,597	3,887,609	4,156,607
Community Development	3,646,046	5,152,750	5,638,589
Health	767,297	665,600	722,114
Culture and Leisure	673,535	655,023	1,331,025
Public Utilities	-	-	-
Debt Service	438,164	13,614,999	11,779,953
Capital Outlay	8,625,346	20,094,250	12,039,438
Total Current Expenditures	\$52,548,683	\$81,790,788	\$75,863,428

Source: California State Controller's Office

The City of Cathedral City has higher general government and public safety expenditures when compared to other Riverside County and California cities. Public safety expenditures were the single largest expenditure category for the City, increasing to almost \$29.8 million in 2018-19 and accounting for about 57.2 percent of the City's total current expenditures net of debt service and capital outlay, which is above average when compared to Riverside County (52.2 percent) and California (47.3 percent) cities. Meanwhile, general government expenditures were about \$10.4 million in 2018-19 and represented 20.0 percent of the City's capital expenditures net of debt service and capital outlay, which is above average when compared to general government expenditures for Riverside County and California cities, 14.5 and 12.2 percent respectively.

Reserve Fund Balance

The City seeks to set aside one-third of budgeted expenditures and transfers out as a reserve balance for the purpose of cash flow reserves (50 percent of total reserves), economic uncertainties (40 percent), and budget related reserves (10 percent). In fiscal year 2020-21, the

City had \$21.8 million in reserves, exceeding the City’s reserve policy. According to City staff, the City has managed to balance budgets every year since 2012.³²⁷

Pension and OPEB Obligations

The City’s pension and OPEB obligations are detailed in Figure 238.

Figure 238: Pension and OPEB Obligations - Cathedral City

Cathedral City	2017-18	2018-19	2019-20
Net Pension Liability/(Surplus)	\$35,969,049	\$35,002,841	\$37,556,227
Total OPEB Liability/(Surplus)	65,700,000	66,554,000	73,734,143
Total Benefit Liability/(Surplus)	\$101,669,049	\$101,556,841	\$111,290,370

Source: 2017-18, 2018-19 and 2019-20 ACFR

The City offers two (2) defined benefit pension plans to qualifying employees, including a Safety Plan and Miscellaneous Plan. The Safety Plan is available for employees within the safety risk pool, such as police and fire personnel, with a net pension liability of \$25.5 million, while the Miscellaneous Plan is available for all other employees and has a net pension liability of about \$12.1 million. The City’s OPEB Policy provides health care benefits for employees who retire directly from the City meeting certain qualifications and has a \$73.7 million net pension liability. Across all three (3) pension and OPEB plans, the City’s total benefit liability increased at a rate of 4.6 percent annually between 2017-18 and 2019-20.

The City’s pension indicators provide insight into the City’s pension plan health. The City’s employer contribution rate, compared to the actuarially determined contribution, total covered payroll, and employer contribution rate, are outlined in Figure 239.

³²⁷ Source: City of Cathedral City, 2019-20 Budget

Figure 239: Pension Indicators - Cathedral City

Cathedral City	2017-18	2018-19	2019-20
Actuarially Determined Contribution	\$4,569,807	\$4,106,128	\$4,773,538
Employer Contribution	4,569,807	4,106,128	4,773,538
Covered Payroll	\$19,281,309	\$19,498,817	\$19,751,645
Employer Contribution Rate	23.7%	21.1%	24.2%

Source: 2017-18, 2018-19 and 2019-20 ACFR

Between 2017-18 and 2018-19, the City made employer contributions equivalent to the actuarially determined contribution. The employer contribution rate is slightly below-average when compared to other cities in the County, which ranged from 26 to 32 percent over the three (3) year period.

Annual Audit Findings

RSG reviewed the City's Annual Audits from 2017-18 through 2019-20. The Annual Audits did not present any findings and the auditor stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City. Additionally, the City's Annual Audits between 2017-18 and 2019-20 were awarded Certificates of Achievement for Excellence in Financial Reporting and certificates for Distinguished Budget Presentation Award from the Government Finance Officers Association.

California State Auditor Fiscal Health Evaluation

The City of Cathedral City ranked 55 out of 471 jurisdictions and received an overall risk rating of moderate. The City is considered higher risk than 416 peer cities in California, or about 88 percent of cities. The City received low risk ratings on three (3) indicators, including liquidity, general fund reserves, and pension obligations. Four (4) indicators were given moderate risk ratings, including revenue trends, pension funding, pension costs, and OPEB obligations. Three

CITY OF BANNING

The City of Banning was incorporated in 1913²²⁷ as a general law city. Banning is located in the Mountain Pass Region of the County, sharing a border with Beaumont to the west, the County of San Bernardino to the north, and tribal lands of the Morongo Band of Mission Indians and unincorporated County territory on the east and south. Banning's incorporated area includes 23.2 square miles²²⁸ and a population of 31,125 in 2020²²⁹. Banning's SOI encompasses another 8.6 square miles²³⁰, making the combined incorporated City of Banning and SOI a total of 31.8 square miles.

Figure 168 presents a current and projected demographic profile of Banning.

²²⁷ Source: City of Banning

²²⁸ Source: Riverside LAFCO

²²⁹ Source: California Department of Finance City/County Population Estimates with Annual Percent Change, dated May 1, 2020

²³⁰ Source: Riverside LAFCO

Figure 168: Demographic Profile - Banning

Banning	City	SOI	County
Population as of 2020	31,125	306	2,442,304
Population as of 2010	29,598	290	2,189,641
Annual Pop. Growth Since 2010	0.50%	0.54%	1.10%
Housing Units	12,156	115	867,637
Persons / Housing Unit	2.56	2.66	2.81
Land Area (sq mi)	23.2	8.6	7,206.0
Persons / Square Mile	1,339	36	339
Median Household Income	\$45,139	\$33,554	\$67,369
¹ Projected Population in 2035	37,423		2,995,509
² Annual Proj. Growth 2020-2035	1.24%		1.37%
Projected Population in 2045	41,469		3,251,705
Annual Proj. Growth 2020-2045	1.93%		1.93%

Sources: California Department of Finance, Southern California Association of Governments, US Census, ESRI Business Analyst Online (Growth rates are presented as annual growth rates)


As illustrated in Figure 168, Banning has experienced moderate growth during the last decade, compared to the County. Banning has a higher population density per square mile compared to the County, and the SOI remains largely undeveloped with a population of 306 and just 13 residents per square mile. Median household incomes in Banning and the SOI are well below the County.


Population projections for Banning anticipate annual growth rates of 1.24 and 1.93 percent through 2035 and 2045. City staff reported that these growth rates may be conservative based on recent commercial and residential development proposals and demand and the City is anticipating growth rates of 2.5 to 3 percent.


As shown in Figure 169, Banning has approximately 12,156 residential units, of which more than 75 percent are single-family homes.


Summary of Comments on Riverside LAFCO 2021 MSR Public Review Draft

Page: 2


 Number: 1 Author: Rush_ Subject: Highlight Date: 4/12/2022 5:12:43 PM

 Number: 2 Author: Rush_ Subject: Underline Date: 4/12/2022 5:12:48 PM

 Number: 3 Author: Rush_ Subject: Sticky Note Date: 4/12/2022 5:13:57 PM
This term is subjective and misleading. Please remove.

 Number: 4 Author: Rush_ Subject: Cross-Out Date: 4/12/2022 5:13:30 PM

 Number: 5 Author: Rush_ Subject: Highlight Date: 4/12/2022 5:16:29 PM

 Number: 6 Author: Rush_ Subject: Sticky Note Date: 4/12/2022 5:19:48 PM
You can reference and cite the nearly 10,000 approved dwelling units we currently have approved. (<http://www.ci.banning.ca.us/54/Community-Development>)

 Number: 7 Author: Rush_ Subject: Sticky Note Date: 4/12/2022 5:24:53 PM
Please include the 1,943 DUs included within Table 36 (Page 61) of the City's Adopted Housing Element.

 Number: 8 Author: Rush_ Subject: Highlight Date: 4/12/2022 5:23:37 PM

Figure 169: Land Use Summary - Banning













Banning		County	
Residential Units	Units	%	%
Single Family	9,177	75.5%	54.8%
Multifamily	1,832	15.1%	43.6%
Mobile Home	1,147	9.4%	1.6%
Total Units	12,156	100.0%	100.0%
New Units Since 2010	12		
Commercial	Gross SF	%	%
Retail	1,290,166	50.7%	26.6%
Industrial	976,977	38.4%	61.8%
Office	278,988	11.0%	9.6%
Other	-	0.0%	2.0%
Total	2,546,131	100.0%	100.0%
New Commercial Since 2010	(25,501)		

Sources: California Department of Finance (2020) and Costar (Other includes hospitality, healthcare, specialty, sports and entertainment)

Banning includes a variety of land uses, including residential, retail, industrial, and office, but has experienced net negative growth in commercial square footage and has had just 12 net new housing units developed in the ten years prior to 2020. According to City staff, the City issued 879 new residential building permits since April 1, 2020, and approximately 80 of those were completed and sold through December 2021. Compared to the County, Banning has a disproportionate amount of single family homes and mobile home units.

Compared to the County, a disproportionate amount of commercial square footage in Banning is designated for retail uses (over 50 percent). There are an estimated 728 businesses in Banning with 7,102 jobs. Over 54 percent of employment (3,841 jobs) in the City is in the services sector

Page: 3

	Number: 1	Author: Rush_	Subject: Cross-Out	Date: 4/12/2022 5:28:03 PM
	Number: 2	Author: Rush_	Subject: Sticky Note	Date: 4/12/2022 6:28:19 PM
879 as of Sept. 2021.				
	Number: 3	Author: Rush_	Subject: Sticky Note	Date: 4/12/2022 6:26:58 PM
The City added 1,776,797 sq. ft. of industrial between 2019 - 2021.				
	Number: 4	Author: Rush_	Subject: Highlight	Date: 4/12/2022 6:26:58 PM
	Number: 5	Author: Rush_	Subject: Sticky Note	Date: 4/12/2022 6:26:23 PM
The City gained 68,789 sq. ft. of commercial uses since 2010.				
	Number: 6	Author: Rush_	Subject: Cross-Out	Date: 4/12/2022 5:31:20 PM
	Number: 7	Author: Rush_	Subject: Sticky Note	Date: 4/12/2022 6:28:48 PM
770				
	Number: 8	Author: Rush_	Subject: Cross-Out	Date: 4/12/2022 6:28:35 PM
	Number: 9	Author: Rush_	Subject: Cross-Out	Date: 4/12/2022 6:29:21 PM
	Number: 10	Author: Rush_	Subject: Sticky Note	Date: 4/12/2022 6:36:36 PM
This statement is subjective and misleading. This paragraph portrays the City in a negative light for only issuing 12 permits, then does the same when we achieve the opposite.				
	Number: 11	Author: arush	Subject: Sticky Note	Date: 4/27/2022 5:40:43 PM
Comparison to the unincorporated County, a 7,200 sq. mi. area with large expanses of Open Space, is not reasonable or representative of an incorporated City. The City of Banning is situated along 5-miles of the Interstate 10 freeway frontage. A concentration of commercial uses is appropriate in order to capture highway serving customers.				
	Number: 12	Author: arush	Subject: Highlight	Date: 4/27/2022 5:14:32 PM

(such as hotels and lodging, health services, and educational institutions), and more than 21 percent of employment (1,497 jobs) is within retail.²³¹

CURRENT SPHERE OF INFLUENCE, ISLANDS/POCKETS, AND DUCS

LAFCO's adopted Banning SOI encompasses an area of approximately 31.8 square miles, consisting of 23.2 square miles within city limits, and 8.6 square miles of unincorporated SOI. The Banning SOI includes eight (8) noncontiguous unincorporated areas on the North and South sides of the City, extending into the foothills below San Geronio Mountain (North) and Mount San Jacinto (South) in either direction. The Banning corporate boundary and SOI are illustrated in Exhibit 28.

Approximately 306 persons reside in the Banning unincorporated SOI, compared to about 31,125 within city limits. Banning's SOI is sparsely populated with just 36 persons per square mile compared to the City's density of 1,339 persons per square mile.

The Banning SOI contains one LAFCO-designated DUC, described below:

- DUC1 is commonly known as South Sunset and is located in Banning's southwestern SOI. A portion of DUC1 extends outside of the Banning SOI to the City of Beaumont corporate boundary. Exhibit 28 illustrates the location of DUC1.

Banning's SOI and City boundaries enclose two (2) LAFCO-identified unincorporated islands or pockets (noted as P1a and P1b on Exhibit 28). The City has proposed two (2) SOI expansions, the Morongo/Cabazon SOI amendment illustrated in Exhibit 29 and the South Bobcat SOI amendment illustrated in Exhibit 30. The proposed Morongo/Cabazon SOI amendment would include a DUC. The proposed South Bobcat SOI Amendment would include most of existing DUC1.

²³¹ Source: ESRI Business Analyst Online



Number: 1
29,505

Author: arush

Subject: Sticky Note

Date: 4/27/2022 6:34:41 PM



Number: 2

Author: arush

Subject: Cross-Out

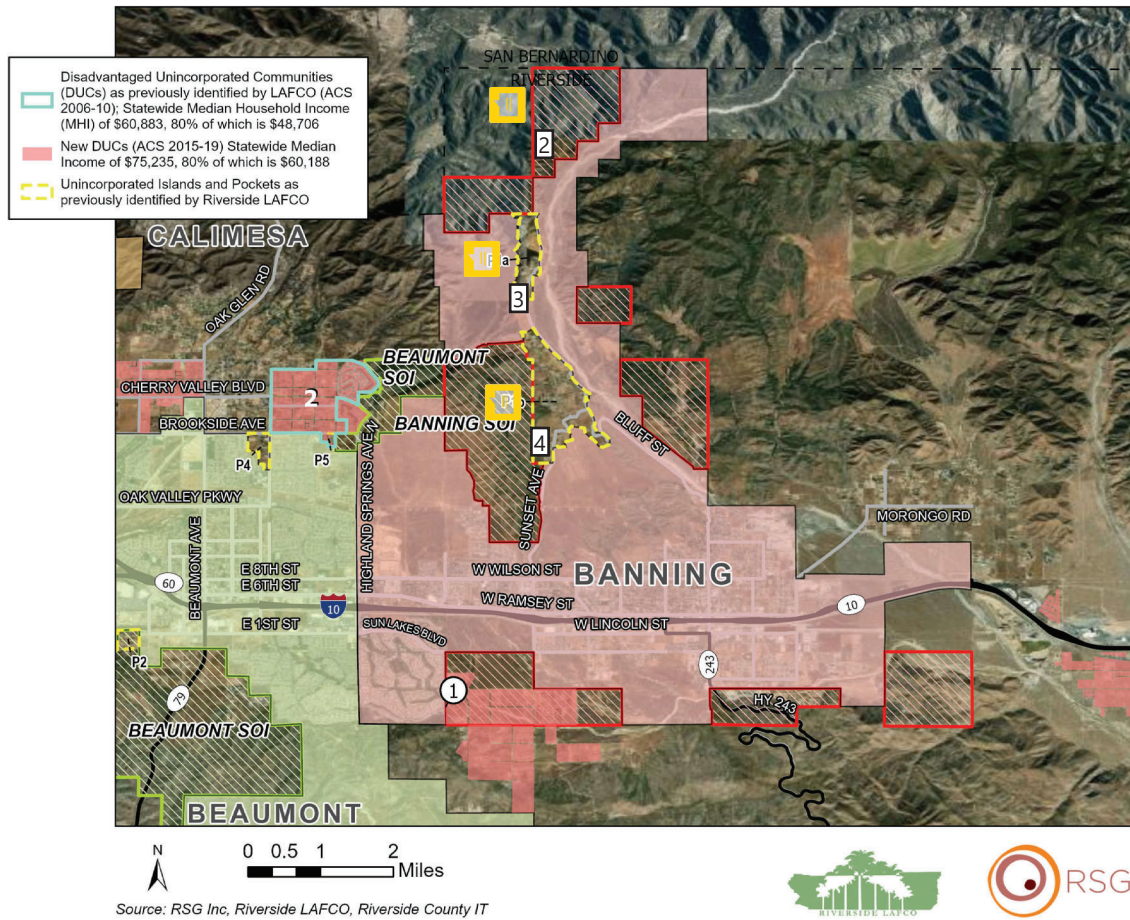
Date: 4/27/2022 6:33:06 PM

Banning's boundaries were reconfirmed in the September 2006 MSR for the Central Valleys, The Pass Area, and Southwestern Riverside County (LAFCO 2005-49-3&5; LAFCO 2005-48-5; LAFCO 2005-47-1&3)("2006 MSR"). The 2006 MSR made determinations regarding parks and recreation, law enforcement, and solid waste diversion that are discussed later in this MSR.




1


City of Banning and Sphere of Influence




Page: 6

 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 6:38:54 PM
The crosshatching and labels are not clear.

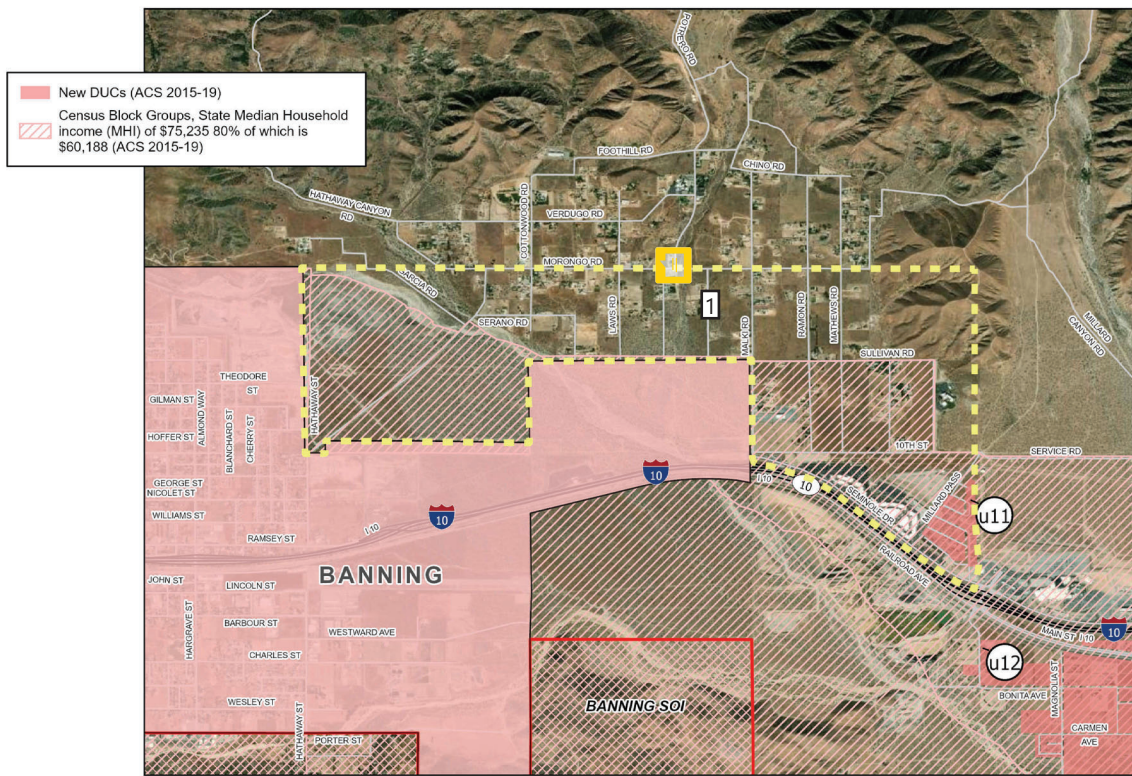
 Number: 2 Author: arush Subject: Sticky Note Date: 4/27/2022 6:39:23 PM
This section is not identified in the legend.

 Number: 3 Author: arush Subject: Sticky Note Date: 4/27/2022 6:40:46 PM
Same question as on "P1b", which is recited below:

"What is the difference between the yellow outlined area versus the red crosshatched area labeled as P1b."

 Number: 4 Author: arush Subject: Sticky Note Date: 4/27/2022 6:40:14 PM
What is the difference between the yellow outlined area versus the red crosshatched area labeled as P1b.

City of Banning: Morongo/Cabazon Sub-Area

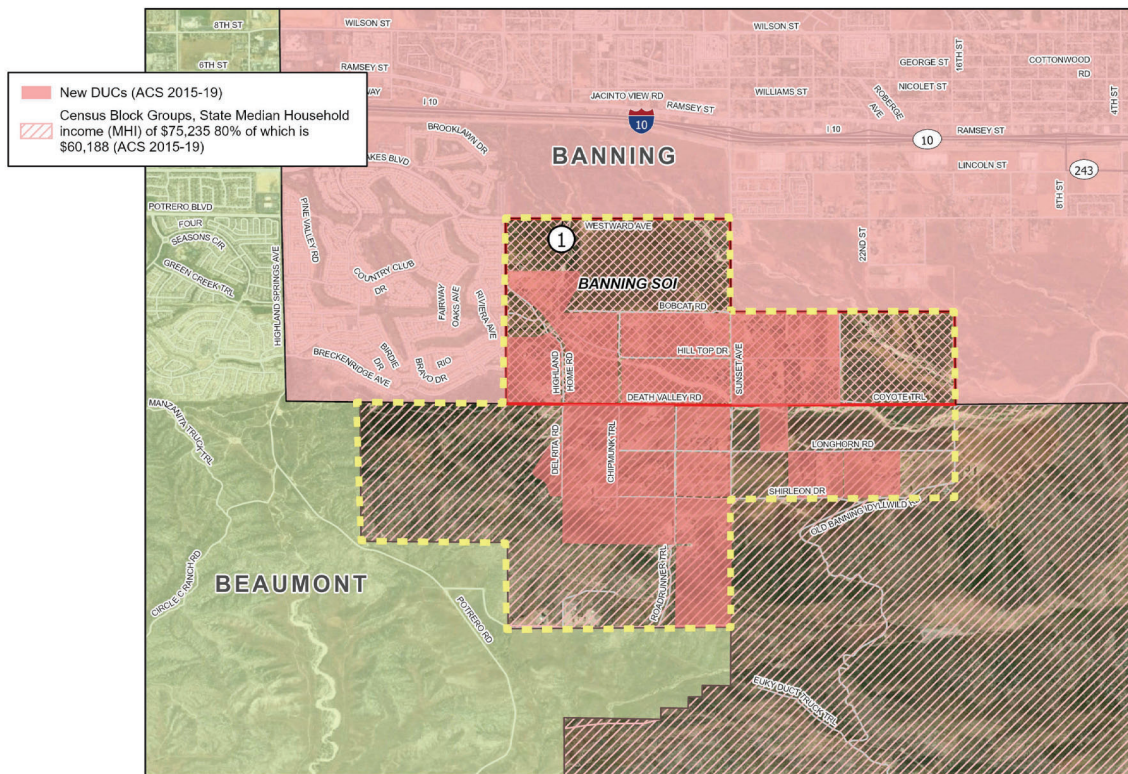


Source: RSG Inc, Riverside LAFCO, Riverside County IT



 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 6:44:14 PM
Yellow outline is not cited in the legend.

City of Banning: South Bobcat Sub-Area



Source: RSG Inc, Riverside LAFCO, Riverside County IT



FORM OF GOVERNMENT AND STAFFING

The City of Banning is organized under a municipal government structure known as a “Council – Manager” form of government. The City Council is comprised of five (5) members elected by districts to four (4) year terms. In 2020, Banning Council Districts 1, 2, and 3 were on the ballot. The City Clerk and City Treasurer are also elected on an at-large basis.

The City Council is responsible for appointing a City Manager and City Attorney. The City Manager is the head of the administrative branch of the City government and reports to the City Council. The City Council also serves as the Board of Directors for the Successor Agency, Housing Authority, and Utility Authority.

Two (2) commissions carry out assignments at the request of the City Council, including the Planning Commission and Parks and Recreation Commission.²³²

The City Manager oversees the day-to-day operations of the City, including a nearly \$20.4 million General Fund expenditure budget²³³ with 171 full time positions and 11.3 part time positions²³⁴.

¹ Banning’s only major contract service is with the Riverside County Fire Department/CalFire for fire protection and emergency medical services. ²

The City adopts budgets every two (2) years. The City’s FY 2020-21 and 2021-22 Recommended Budget features the slogan “Endless Opportunity”. The City proudly promotes it’s core values as (1) customer service excellence, (2) integrity, (3) teamwork, and (4) yes-minded.²³⁵

SERVICES PROVIDED


³ City of Banning staff provide law enforcement, general government, building and planning, housing, code enforcement, parks and recreation, streets, streetlights, lighting, stormwater

²³² Source: City of Banning

²³³ California State Controller's Office FY 2018-19

²³⁴ City of Banning FY 20-21 and 21-22 Recommended Budget

²³⁵ City of Banning FY 20-21 and 21-22 Recommended Budget, “Budget Processes, Policies, and Fund Structures”

	Number: 1	Author: arush	Subject: Highlight	Date: 4/27/2022 6:53:07 PM
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	Number: 2	Author: arush	Subject: Sticky Note	Date: 4/27/2022 6:53:01 PM
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The City also contracts with Waste Management for trash and refuse removal services.

	Number: 3	Author: arush	Subject: Highlight	Date: 4/27/2022 6:53:51 PM
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² raining, and innovation and technology services. The City also provides airport services. This section provides detailed descriptions of municipal services provided within Banning by the City or other service providers. Figure 170 presents a matrix summarizing the services provided by the City of Banning and other service providers.

Figure 170: Service Provider Matrix - Banning


Public Service	Service Provider	City Department	County	Small Independent Special District	Large Independent Special District	Small Dependent Special District	Large Dependent Special District	Private Contractor	Franchise	Shared Service	Other
Law Enforcement	Police Department										
Fire Protection	Fire/CalFire										
Emergency Medical	Fire/CalFire										
Building/Planning	Community Development										
Housing	Housing Authority										
Code Enforcement	Police Department										
Animal Control	Animal Control Services										
Parks and Recreation	Parks and Recreation, Regional Parks										
Library	Library System, Banning Library District										
Museum	Regional Parks										
Landscape Maintenance	LMD										
Streets/Road Maintenance	Public Works, CSA										
Streetlights	Utility Fund										
Lighting	Utility Fund										
Utilities	So Cal Gas, Banning Utility Authority										
Solid Waste	Waste Resources, Waste Management										
Stormwater Drainage	Public Works, Flood Control & Water Conservation										
Innovation and Technology	Administrative Services, Frontier										
Airport	Public Works										
Cemetery *	Summit Cemetery District										
Healthcare *	San Geronio Pass Memorial Hospital District										
Water *	Water Utility, San Geronio Pass Water Agency										
Wastewater *	Wastewater Department										


* Not included in this MSR

Government Services

General government services are provided by elected officials and City management. The City Manager's and City Clerk's offices include four (4) full time equivalent personnel. The City Manager serves as the chief administrator of the city, responsible for coordinating with various city services, preparing proposals for City Council consideration, and implementation of City Council policies. The City Clerk is responsible for management of all official records, administration of municipal elections, preparation and distribution of Council agendas and minutes, legal public notices, and maintenance of the municipal code.

Page: 10

 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 6:55:41 PM
The City also provides electric, water, and wastewater utility services. The City also provides transit services.

 Number: 2 Author: arush Subject: Highlight Date: 4/27/2022 6:53:57 PM

 Number: 3 Author: arush Subject: Sticky Note Date: 4/27/2022 6:56:43 PM
remove

 Number: 4 Author: arush Subject: Sticky Note Date: 4/27/2022 6:59:09 PM
There are no franchise agreements that govern Utilities. The Banning Electric Utility is a ratepayer owned, public utility service.

 Number: 5 Author: arush Subject: Sticky Note Date: 4/27/2022 6:57:41 PM
WM is contracted directly with the City. The County only provides landfill services.

Law Enforcement

The Banning Police Department¹ provides law enforcement services within the City of Banning. The Police Department has 43 full time equivalent personnel between the Police Department and Dispatch services. The Police Department provides patrol, dispatch, crime prevention, investigation, records management, crime analysis, community services, and code enforcement services². The Police Department headquarters is located at 125 East Ramsey Street in Banning.

The 2006 MSR included the following determinations:

- The City was providing law enforcement services with a law enforcement personnel ratio below the agency's adopted standards of 1.4 sworn officers per 1,000 people.

City staff did not provide an update on the current ratio, but commented that it could not cite this standard and the information was inconsistent with City records.³


Fire Protection

The City contracts with the Riverside County Fire Department/CalFire for fire protection and prevention services. Since 1921, the Riverside County Fire Department has been in a contractual relationship with CalFire to provide wildland fire protection services. In 1946, the contract between CalFire and Riverside County Fire Department was expanded to include fire protection services. Services provided by Riverside County Fire Department/CalFire include fire protection and prevention, medical response, review of planning cases, review and inspections of construction and developments, fire and life safety inspections of state-regulated occupancies, information on ordinances and standards for construction, and information bulletins and standards for fire protection.


The City disbanded its in-house fire department in 1998.²³⁶ According to City staff, there have been internal discussions about returning fire protection services in house, but staff


²³⁶ Source: City of Banning website

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 Number: 1 Author: Rush_ Subject: Sticky Note Date: 4/29/2022 10:43:54 AM
Authorized Sworn officers is 36, Dispatchers is 8, Civilian staff at the PD 6 full time. 1 part-time Cadet. (Full Time is 50).


Of the 36 Sworn Officers 3 are paid (70%) from the school system and are not patrolling the streets of Banning-they are working in the schools.

 Number: 2 Author: Rush_ Subject: Highlight Date: 4/29/2022 10:41:00 AM

 Number: 3 Author: Rush_ Subject: Sticky Note Date: 4/29/2022 10:44:21 AM
If you are putting Code Enforcement as part of the PD it's an additional 3 full time. (53)

If you add Animal Control it's 2 more (55).

 Number: 4 Author: Rush_ Subject: Highlight Date: 4/29/2022 10:42:17 AM

 Number: 5 Author: Rush_ Subject: Highlight Date: 4/29/2022 10:42:19 AM

 Number: 6 Author: Rush_ Subject: Highlight Date: 4/29/2022 10:43:14 AM

 Number: 7 Author: Rush_ Subject: Sticky Note Date: 4/29/2022 10:43:47 AM
This is now in-house. 2 full time employees.

acknowledges that the City likely could not provide the level of service that is currently being provided by the County and CalFire. In the context of the high level of service provided by the County and CalFire, the costs are considered reasonable.

Fire Stations 35 and 89 are within Banning and are owned by the City. City staff reported that Station 35 is currently not used by the County/CalFire – this facility is being used by the City for storage. Station 89 is located near City Hall and provides service to the Eastern portion of Banning. Station 20 is located in the City of Beaumont and provides service to the Western and Southern portions of the City. According to City staff, there is a strong need for a new fire station in the ¹⁵ Southern portion of the City, where the bulk of proposed and future development is likely to occur.

The Riverside County Fire Department/CalFire provides fire protection services to 20 cities in Riverside County and the Rubidoux Community Services District. The Riverside County Fire Department/CalFire also responds to calls for service in seven (7) additional Riverside County cities and the Idyllwild Fire Protection District through mutual and automatic aid agreements.

Emergency Medical

The Riverside County Fire Department/CalFire provides emergency medical services in Banning. Refer to the previous Fire Protection section for additional information about the Riverside County Fire Department/CalFire.

Building/Planning and Housing

The City of Banning's Community Development Department provides building, planning and housing services in the City. Building services provided by the Community Development Department include development and implementation of construction standards, plan review, building permit issuance, and construction inspections. The department also provides planning services including facilitating development through review and ensuring development complies with current zoning codes, implementation of community plans, preservation of architectural or historical landmarks, and provision of zoning information to members of the community. The



department includes ²₃ full time equivalent personnel for planning services and ¹₄ full time equivalent personnel for building and safety services.

The City is actively transitioning towards bringing building and planning services in house. Land use planning and building safety services are currently performed by outside contractors. According to staff, plans are sent out to contractors for plan check services as well.

The City has a Housing Authority but with limited housing funds, and is not actively providing housing services.

Code Enforcement

Banning's Police Department provides Code Enforcement services in the City. The division includes 3 full-time equivalent employees and is responsible for enforcement of all City and State codes, abandoned vehicle abatement, weed abatement, illegal dumping abatement, zoning violations, and any other unsafe conditions in the City.

Animal Control







⁵ The Riverside County Department of Animal Services is contracted with the City to provide animal control services. The department is responsible for pick-up of stray or confined animals, dead animal removal, humane, dangerous, nuisance, or permit investigations, leash law enforcement, wild animal trapping and removal, patrol of parks and other areas of concern, and other animal related issues.

Per city staff, the City Council recently approved bringing animal control services under the City's jurisdiction. ⁶


Parks and Recreation

The Banning Parks and Recreation Department (formerly the Community Services District) is responsible for parks and recreation services. The department includes 12.81 full time equivalent personnel and oversees the operations of the aquatic center, senior center, and six (6) city parks.

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 Number: 1 4.5	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:12:08 PM
 Number: 2 3.5	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:11:45 PM
 Number: 3	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:11:21 PM
 Number: 4	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:11:55 PM
 Number: 5	Author: Rush_	Subject: Highlight	Date: 4/29/2022 10:44:57 AM
 Number: 6 This is now an "in-house" operation.	Author: Rush_	Subject: Sticky Note	Date: 4/29/2022 10:45:51 AM

The Riverside County Regional Parks and Open Space District provides parks and recreation services. The district provides regional park services to more than 658 square miles and over 419 miles of planned trails. In Banning, the district manages the Bobcat Trail and Gilman Ranch and Museum.


- The City of Banning was providing parkland acreage at a ratio that is below the agency's adopted standards.
- The City ²  ¹ have a Quimby Ordinance for the acquisition of parkland. Implementation of a Quimby Ordinance would be a financing opportunity for the City because it can be implemented separately from a Parkland Development fee and provide additional funding for the acquisition of parkland.

Library

Museum



 Number: 1	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:20:23 PM
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 Number: 2	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:12:51 PM
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parks and open spaces, including museums and other historical sites. The Gilman Ranch and Wagon Museum preserves, celebrates and interprets the history of the late 1800's in California.

Landscape Maintenance ¹

² The City of Banning created the Landscape Maintenance Assessment District #1, a small dependent district that receives a special property tax assessment. The district funds 0.28 full time equivalent personnel and is responsible for maintenance of landscaping installed in public right-of-way within the district boundary. The Banning Public Works department oversees the operations and an Engineer's report is prepared annually that determines the assessment on a parcel basis.

Streets and Road Maintenance

The Banning Public Works department includes 6.25 full time equivalent personnel dedicated to street maintenance and funded through the Gas Tax. The division is responsible for maintenance and operation of streets, traffic controls, and related public works facilities.

Streetlights and Lighting

The Banning Electric Utility Department provides electricity for all public streetlighting services in Banning. The department is a non-profit publicly-owned retail energy distribution utility, and is a member of the Southern California Public Power Joint Powers Authority. The department includes 30.63 full time equivalent personnel responsible for providing operations and maintenance of streetlights in the City.

The City's Public Works Department maintains and operates all public street lights in the City.

Utilities (Gas, Electric)

Southern California Gas Company provides natural gas services in Banning.

The Banning Electric Utility Department provides electricity services in Banning, including power delivery, power line maintenance, and billing services. The department operates six (6)



Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 7:21:19 PM
There are more than one LMAD



Number: 2 Author: arush Subject: Highlight Date: 4/27/2022 7:20:40 PM

distribution substations and about 134 miles of electricity lines in the City. The department was previously discussed under Streetlights and Lighting.

Although not covered in this MSR, the City noted that water and wastewater services are provided through a publicly-owned and -operated utility.

Solid Waste

The City has a franchise agreement in place with Waste Management for solid waste collection services. Waste Management is a private company that provides solid waste disposal and recycling services to Banning residences. Waste Management is one of the largest solid waste companies in North America with more than 45,000 employees serving over 20 million residential, industrial, municipal, and commercial customers.

The 2006 MSR included the following determinations:

- The City was diverting less solid waste than is required by the California Public Resources Code (PRC 41780).

City staff commented that the City's annual report indicates the City has been within the target over the last several years.

Storm Drainage

The Riverside County Flood Control and Water Conservation District provides storm drainage services in Banning, including construction of flood control structures and facilities, regulation of drainage development, and maintenance and operation of completed storm drain structures. The district is a large dependent special district that was created in 1945 and is governed by the Riverside County Board of Supervisors. The district provides storm drainage services to about 40 percent of the County of Riverside.

The Banning Public Works department is responsible for overseeing the ¹City's NPDES permit program. ²



Number: 1

Author: arush

Subject: Cross-Out Date: 4/27/2022 7:22:32 PM



Number: 2


Author: arush

Subject: Sticky Note

Date: 4/27/2022 7:22:52 PM





City's Municipal Storm Water Permit program.

Innovation and Technology

The City of Banning Information Technology ¹ ²  Department provides information and data services across all departments underneath the City's umbrella. IT is operated as an internal service fund and is staffed with four full-time employees including 1 manager and 3 analysts.









Airport

The City of Banning owns and operates the Banning Municipal Airport. The City oversees the Banning Airport Fund which provides funding for the airport and 0.98 full time equivalent personnel. The airport is an element of the national and local transportation system, which significantly impacts the economic development of the City. The airport fund reflects revenues, expenditures and proposed capital improvements that are integral to planning and operations of the airport.

The airport runway is 4,800 feet long and suitable for small aircraft ³ landing. In order to accommodate small jet aircraft, the runway would need to be ⁴ ⁵  extended to 5,000 feet. However, the expansion of the physical boundaries of the airport facility ⁶ ⁷  would require approval by the ⁸  Morongo Band of Mission Indians  since it borders on reservation lands. According to city staff, the airport currently costs more than \$250,000 annually to maintain operations and the City Council has been working on closing the airport for about 20 years.

Extraterritorial Services Provided

Per City staff, the City of Banning provides water service to the Mountain Air area of the County, and transit service is provided to the Cabazon area of the County. The City has mutual aid agreements for Law Enforcement with adjacent jurisdictions, including the City of Beaumont, the Morongo Band of Mission Indians, and the County of Riverside. Government Code Section 56133 requires LAFCO approval for extension of services outside a sphere of influence in response to an existing or impending threat to public health or safety.

	Number: 1 "Division"	Author: Rush_	Subject: Sticky Note	Date: 4/29/2022 10:48:08 AM
	Number: 2	Author: Rush_	Subject: Cross-Out	Date: 4/29/2022 10:47:34 AM
	Number: 3 one-mile (5,280 linear feet)	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:24:21 PM
	Number: 4	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:23:59 PM
	Number: 5 "will"	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:24:51 PM
	Number: 6	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:24:41 PM
	Number: 7 and Federal Clearance.	Author: arush	Subject: Sticky Note	Date: 4/27/2022 7:25:16 PM
	Number: 8	Author: arush	Subject: Highlight	Date: 4/27/2022 7:24:56 PM

RECENT AND PLANNED MAJOR CAPITAL IMPROVEMENTS

The City maintains a Capital Improvement Plan that outlines major proposed capital projects in the City that are likely to be funded within a two (2) year period. The City also maintains a longer-term 5-year Capital Improvement Plan that includes projects that are likely to move forward during that time frame, but where funding may not yet be identified. The City's planned and in-progress capital projects include street rehabilitation, water pipeline replacement, electricity infrastructure replacement and upgrades, wastewater improvements, and intersection improvements. According to City staff, most or all of the projects are funded and moving forward.

HOUSING NEEDS AND HOUSING ELEMENT REPORTING ¹

²The City of Banning submitted its 5th Cycle Housing Element to HCD on January 20, 2015 and the Housing Element was reviewed and designated in compliance with Housing Element Law by HCD on March 19, 2015. ²³⁷ Also in compliance with the law, the City submitted Housing Element Annual Progress Reports consistently between 2013 and 2019. ²³⁸

The City has made very little progress towards meeting its 5th Cycle RHNA allocation, as outlined in Figure 171, with virtually no housing production. The City's total 5th Cycle RHNA allocation was 3,792 housing units, and the City produced only ten (10) units.

Figure 171: ³5th Cycle Housing Element Summary - Banning

Banning 5th Cycle Housing Needs	Very Low Income	Low Income	Moderate Income	Above Moderate Income
RHNA Allocation	872	593	685	1,642
Permitted Units	0	0	0	10
Allocation Surplus/(Shortage)	(872)	(593)	(685)	(1,632)

Source: HCD Annual Progress Report Permit Summary, October 6, 2020


²³⁷ Source: California Department of Housing and Community Development, "Housing Element Implementation Status Tracker" updated June 28, 2019

²³⁸ Source: California Department of Housing and Community Development, "Annual Progress Report Permit Summary," dated October 6, 2020

 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 7:27:49 PM

The City Council has adopted the 6th RHNA Cycle Housing Element. Information concerning the more recent Element shall be updated in this section. The 6th Cycle HE is attached for your review and files.

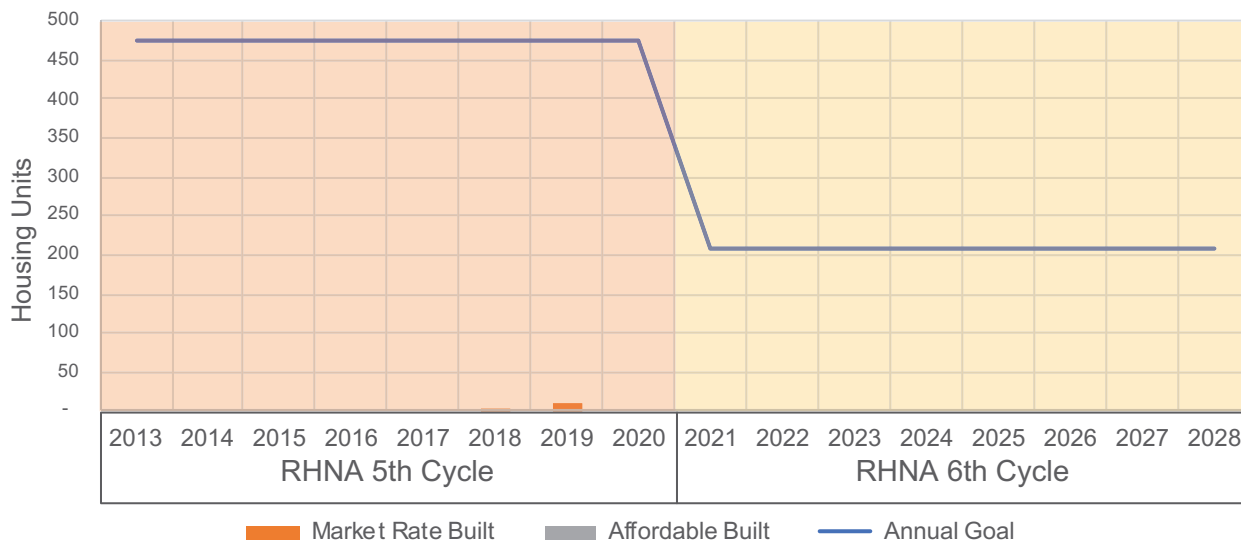
 Number: 2 Author: arush Subject: Cross-Out Date: 4/27/2022 7:26:35 PM

 Number: 3 Author: arush Subject: Cross-Out Date: 4/27/2022 7:26:43 PM

The upcoming RHNA 6th Cycle covers the planning period between October 2021 and October 2029. The 6th Cycle RHNA allocation for the City of Banning is for a total of 1,668 units, which is just 44% of the previous 5th Cycle RHNA allocation.

Figure 172 illustrates the change in annual production from the 5th Cycle to the 6th Cycle. The annual goal represents one-eighth of the full-cycle RHNA allocation. Market rate and affordable unit production during the 5th Cycle are presented as well.

Figure 172: 5th and 6th Cycle RHNA Allocation and Production - Banning



Banning is one of 289 California jurisdictions that have not made sufficient progress toward either moderate-income RHNA unit production or failed to submit the latest (2019) Annual Progress Report. As a result, the City is subject to streamlined ministerial approval process for proposed housing developments with at least 10 percent affordable units. The streamlined ministerial approval process was introduced as part of Senate Bill 35 (Chapter 366, Statutes of 2017) in 2017.²³⁹

²³⁹ Source: California Department of Housing and Community Development, "SB 35 Statewide Determination Summary"

FISCAL HEALTH

The sections that follow evaluate the City's fiscal health, inclusive of audit findings, revenue sources and major expenditure categories, long-term obligations and reserves, as well as State Auditor assessments. The City's net position is presented in Figure 173 as annual revenues less expenditures between 2016-17 and 2018-19. The City had surpluses in 2016-17 and 2018-19, but recorded a deficit of \$1.5 million in 2017-18, which amounts to about 8.0 percent of annual revenues.

Figure 173: Net Position - Banning

Banning	2016-17	2017-18	2018-19
Total General Tax Revenues	\$9,780,034	\$10,382,129	\$11,183,213
Other Tax Revenues	582,263	596,651	658,102
Other Revenues	8,381,280	7,372,724	9,098,689
Total Revenues	18,743,577	18,351,504	20,940,004
Total Operating Expenditures	15,880,365	17,373,221	18,227,924
Debt Service	657,536	517,945	517,457
Capital Outlay	1,203,917	1,936,697	1,628,584
Total Expenditures	17,741,818	19,827,863	20,373,965
Net Position	\$1,001,759	(\$1,476,359)	\$566,039

Source: California State Controller's Office

Operating Revenues

As illustrated in Figure 174, in the City's last audited fiscal year of 2018-19, revenues exceeded \$20.9 million.

Figure 174: Operating Revenue History - Banning

Banning	2016-17	2017-18	2018-19
General Revenues			
Property Tax	\$2,509,138	\$2,600,104	\$2,763,800
Sales Tax	2,939,742	3,282,042	3,506,366
Transient Occupancy Tax	857,435	854,928	895,887
Property Tax in-lieu of VLF	2,222,606	2,359,484	2,459,975
Franchise Tax	917,089	939,417	976,816
Business License Tax	174,324	189,629	175,382
Property Transfer Tax	84,235	109,985	106,332
Utility User Tax	-	-	-
Other Tax Revenues	75,465	46,540	298,655
Total General Tax Revenues	9,780,034	10,382,129	11,183,213
Transportation Tax	582,263	596,651	658,102
Parking Tax	-	-	-
Voter-Approved Taxes	-	-	-
Functional Tax Revenues	-	-	-
Total Tax Revenues	10,362,297	10,978,780	11,841,315
Charges for Services	3,535,798	2,133,410	3,747,125
Special Benefit Assessments	479,364	461,835	570,626
Use of Money	637,294	731,325	1,006,328
Fines and Forfeitures	-	-	-
Licenses and Permits	367,175	389,807	505,720
Intergovernmental	2,831,394	2,796,933	2,347,296
Other Taxes in-Lieu	-	-	-
Miscellaneous Revenues	530,255	859,414	921,594
Total Revenues	\$18,743,577	\$18,351,504	\$20,940,004

Source: California State Controller's Office

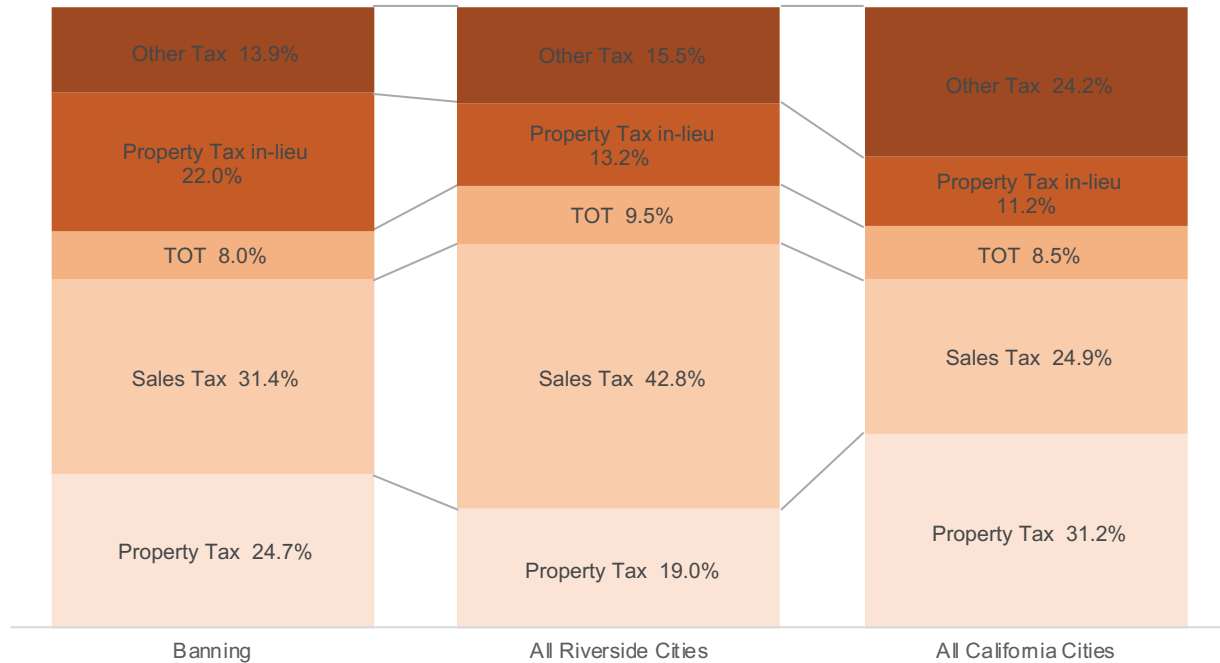
General tax revenues represent approximately 53 percent of total revenues collected by the City in 2018-19, inclusive of property tax, sales tax, transient occupancy tax, property tax in-lieu of VLF, franchise tax, business license tax, property transfer tax, and other tax. The largest tax revenues as a proportion of all general tax revenues in Banning are sales tax (31.4 percent), property tax (24.7 percent), and property tax in-lieu of VLF (22.0 percent).

After tax revenues, Banning's largest revenue sources are charges for services (\$3.7 million), intergovernmental (\$2.3 million), and use of money (\$1 million).

When compared to all other Riverside cities and California cities, Banning receives disproportionately more property tax in-lieu of VLF. Most other major tax revenues are within the

range of Riverside and California cities. The City's share of tax revenues compared to all other Riverside and California cities is presented in Figure 175.

Figure 175: General Tax Revenue Comparison - Banning



Property Tax and Property Tax in-lieu of Motor Vehicle License Fees

Banning contains land, improvements, and personal property with a combined secured and unsecured assessed valuation of more than \$2.2 billion (2018-19), including more than \$646 million in land value and \$1.6 billion in improvements.²⁴⁰ With about \$2.7 million in combined secured and unsecured general property tax revenues in 2018-19, the City receives an estimated 12.2 percent of property tax revenues collected within City limits.

Banning and the County have a Master Property Tax Exchange Agreement in place, dating back to 1981.²⁴¹

²⁴⁰ Source: California City Finance, "Assessed Valuation of Property by City"

²⁴¹ Source: Riverside LAFCO

Sales Tax

Cities receive one percent of gross receipts from the sale of tangible personal property sold within their municipalities. Approximately 31.4 percent of general tax revenues collected by the City are derived from sales tax revenues.

Transient Occupancy Tax

The City has a 12 percent transient occupancy tax, applied to overnight occupancies of hotels in Banning. Historically, the City has collected between \$800,000 and \$900,000 in transient occupancy taxes annually.²⁴²

Charges for Services

The City's charges for services account for about 17.9 percent of total revenues, or about \$3.7 million in 2018-19. According to city staff, fees for services are largely insufficient. Various fee studies have been performed or are in progress, including rate studies for electricity. Over the last decade, the Council has neglected to allow nominal CPI-based increases to fees because the community is considered distressed.

Intergovernmental

The City reported intergovernmental revenues of about \$2.3 million in 2018-19. Intergovernmental revenue sources include gas tax, community development block grant, air quality management district air pollution program, asset forfeiture, supplemental law enforcement, and park development.

²⁴² Source: California City Finance, "Transient Occupancy Tax by City"

Operating Expenditures

Total operating expenditures ranged from \$17.7 million in 2016-17 to \$20.4 million in 2018-19.

Figure 176 presents Banning's annual operating expenditures.

Figure 176: Operating Expenditures - Banning

Banning	2016-17	2017-18	2018-19
Operating Expenditures			
Salaries and Wages	6,916,538	6,472,501	7,498,783
Employee Benefits	3,287,585	4,151,512	3,511,527
Materials and Supplies	106,115	178,333	237,611
Contract Services	3,214,657	5,645,963	4,598,836
Other Operating Expenditures	2,355,470	924,912	2,381,167
Total Operating Expenditures	15,880,365	17,373,221	18,227,924
Debt Service	657,536	517,945	517,457
Capital Outlay	1,203,917	1,936,697	1,628,584
Total Expenditures	17,741,818	19,827,863	20,373,965

Source: California State Controller's Office

The largest operating expenditure categories for the City include salaries and wages (\$7.5 million) and contract services (\$4.6 million). In 2020-21, the City of Banning reported 189.3 full time equivalent personnel.

The single-largest expenditure category in Banning is for public safety, accounting for more than \$11.1 million in 2018-19, or about 54.7 percent of total current expenditures. The City's current expenditures by function or program between 2016-17 and 2018-19 are provided in Figure 177.

Figure 177: Current Expenditures - Banning

Banning	2016-17	2017-18	2018-19
General Government	2,341,309	2,408,670	2,664,332
Public Safety	10,052,701	11,011,791	11,154,724
Transportation	918,170	1,379,680	1,285,522
Community Development	1,506,761	1,448,087	1,912,303
Health	3,000	3,000	3,000
Culture and Leisure	1,058,424	1,121,993	1,208,043
Public Utilities	-	-	-
Debt Service	657,536	517,945	517,457
Capital Outlay	1,203,917	1,936,697	1,628,584
Total Current Expenditures	17,741,818	19,827,863	20,373,965

Source: California State Controller's Office

If debt service and capital outlay is removed from expenditures, public safety represents more than 61.2 percent of departmental expenditures. Compared to all other cities in Riverside County (52.2 percent) and California (47.3 percent), the City of Banning has disproportionately higher public safety expenditures. All other departmental expenditure categories are relatively similar to the average Riverside and California cities.

Reserve Fund Balance

RSG relied on the City's 2018-19, 2019-20 and 2020-21 adopted budgets for reserve policies and balances. The City's target reserve is a minimum of \$1.5 million or up to 25% of annual operating appropriations. The last annual budget reported a reserve of \$5 million, which is considered in compliance with the City's reserve balance goal. According to City staff, the current COVID-19 crisis has forced the City to use a substantial portion of its reserves to maintain service levels, and it will take a few budget cycles to build up reserves again.²⁴³

Pension and OPEB Obligations

All qualified City personnel are eligible to participate in either the City's Miscellaneous Plan or Safety Plan. As of 2019-20, the City had a \$42.9 million pension liability. City staff acknowledged a need to put a plan in place to start reducing the liability. Banning does not have any OPEB liabilities.

The City of Banning's pension and OPEB obligation accounting is outlined in Figure 178.

Figure 178: Pension and OPEB Obligations - Banning

Banning	2017-18	2018-19	2019-20
Net Pension Liability/(Surplus)	\$40,084,731	\$39,819,912	\$42,886,126
Total OPEB Liability/(Surplus)	-	-	-
Total Benefit Liability/(Surplus)	\$40,084,731	\$39,819,912	\$42,886,126

Source: 2017-18, 2018-19 and 2019-20 ACFR

²⁴³ Source: City of Banning, 2019-20 Budget

Figure 179 illustrates the City’s pension indicators, including the contribution rate compared to the actuarially determined contribution, the total covered payroll, and the employer contribution rate.

Figure 179: Pension Indicators - Banning

Banning	2017-18	2018-19	2019-20
Actuarially Determined Contribution	\$3,462,445	\$3,983,126	\$4,655,127
Employer Contribution	3,462,445	3,983,126	4,655,127
Covered Payroll	\$11,158,730	\$12,390,376	\$12,450,482
Employer Contribution Rate	31.0%	32.1%	37.4%

Source: 2017-18, 2018-19 and 2019-20 ACFR

The City has historically made actuarially determined minimum contributions and the contribution rate is consistently around one-third of covered payroll, similar to the County average. The City has increased its employer contribution rate during the timeframe.

Annual Audit Findings

The ACFRs from FY 2017-18 through 2019-20 did not present any findings and stated that Banning’s financial statements accurately presented the financial position of the City.

California State Auditor Fiscal Health Evaluation

The State Auditor ranked the City of Banning 252 out of 471 cities, considering it less risky than 54 percent of California cities, with an overall risk assessment classification of low risk. Five (5) indicators were given a low-risk rating, including liquidity, general fund reserves, pension costs, OPEB obligations, and OPEB funding. Four (4) indicators were given moderate-risk ratings, including debt burden, pension obligations, pension costs, and future pension costs. Pension funding was the only indicator to receive a high-risk rating.²⁴⁴


²⁴⁴ Source: California State Auditor, Financial Data for Fiscal Year 2019-20

MSR DETERMINATIONS

Requisite CKH determinations for the City of Banning are presented by topic below:

1. Population, Growth, and Housing

Banning is expected to see growth in population and housing in the coming decades. According to City staff, growth is likely to exceed the projections by SCAG. According to SCAG, population growth is expected to be two to three times greater than recent trends. City staff indicated that there are several projects in the planning and pre-development phases, suggesting that there is substantial growth and development opportunity within the City's existing boundaries. There are also development opportunities within the City's SOI.


¹
²  In the current RHNA 5th Cycle, however, Banning fell well short of reaching production housing goals, producing only ten (10) units of new housing. The City will need to significantly increase housing production to meet current and future demand.


2. Disadvantaged Unincorporated Communities in SOI

The Banning SOI contains one DUC, known as South Sunset. A portion of DUC1 extends outside of the Banning SOI to the City of Beaumont corporate boundary. City staff indicated that the City provides water services to the Mountain Air area of the County.

3. Present and Planned Capacity of Facilities

Based on conversations with City staff, there is a wide range of infrastructure quality, with streets ranging from very good to poor condition. Reportedly, the City's electric utility has done a good job of maintaining facilities and equipment. With that said, the electric utility administration building is in poor shape and is undersized. The City has reached or exceeded maximum capacity of City Hall and is actively looking for expansion. Because the County/CalFire is not utilizing one of the City-owned fire stations, this was identified as a potential location for expansion of City Hall operations. City staff also stated that there is a need for a fire station on the south side of Interstate 10, which is where a lot of the recently

 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 7:31:39 PM
The 5th Cycle is over and therefore a moot point. Please update.

 Number: 2 Author: arush Subject: Cross-Out Date: 4/27/2022 7:31:12 PM

completed and proposed housing developments are located. Per City staff, the Wastewater Treatment Plant has been and is expected to operate well under its maximum capacity.

4. Financial Ability to Provide Services

While the City has recently utilized some reserve funds during the COVID-19 pandemic, it has an established reserve policy and has historically maintained an adequate reserve. As identified by the California State Auditor, however, debt burden, revenue trends, pension obligations, future pension costs, and pension funding are considered moderate or high risk.

According to City staff, the revenue trends may be alleviated with future growth in cannabis taxes or planned developments.

5. Opportunities for Shared Facilities

Banning shares a city-owned fire station with the County/CalFire for fire suppression and emergency medical services. Because the City has identified a need for a fire station south of Interstate 10, there may be an opportunity to develop a facility for use by the County/CalFire.


¹
² ~~The City has also had preliminary discussions with Beaumont for shared wastewater treatment facilities. ³ According to City staff, Beaumont has overbuilt wastewater treatment and the two (2) cities have discussed sharing capacity in the near term.~~


⁴ ~~Banning City staff also indicated that the Beaumont Cherry Valley Recreation and Park District has reached out to informally to discuss coordination. If a relationship were to be formalized, there may be opportunities for shared facilities.~~


No other shared facility operations were identified by RSG.


6. Accountability for Community Service Needs

Banning uses district elections, which is regarded among best practices for increasing electoral accountability. The City has implemented the OpenGov platform, which brings

 Number: 1 Author: arush Subject: Sticky Note Date: 4/27/2022 7:33:15 PM
This is incorrect information. The City is working on plans to upgrade our own wastewater treatment plant.

 Number: 2 Author: arush Subject: Cross-Out Date: 4/27/2022 7:32:37 PM

 Number: 3 Author: arush Subject: Cross-Out Date: 4/27/2022 7:33:26 PM

 Number: 4 Author: arush Subject: Cross-Out Date: 4/27/2022 7:33:34 PM

transparency to the City's financial standing. Prior to the COVID-19 pandemic, the City's elected officials would host regularly scheduled "Coffee with a Councilmember" in an attempt to expose elected officials to the citizens in their respective district. They also utilize various social media platforms to release information to the community.

7. Any Other Matter Related to Effective or Efficient Service Delivery as Required by Commission Policy.

The City did not identify any other matters related to effective or efficient service delivery as required by Commission Policy.








SOI RECOMMENDATIONS

RSG is not recommending any changes to the Banning SOI. Large areas of the Banning SOI, particularly along the ¹northern city boundary, may be undevelopable and service delivery may be difficult or impossible due to mountainous terrain and the Whitewater flood channel. The southern SOI areas may be more accommodative to future development.

²
³The City has expressed interest in two (2) SOI amendments to the southern border. Both proposed SOI expansions would designate existing DUCs, or portions thereof, for future annexation. Almost all of the ⁶Morongo/Cabazon ⁴area would overlap the ⁵existing Morongo Reservation boundaries, ⁷and it is unclear how this would impact SOI expansion and future annexation. We recommend that City and LAFCO engage in further conversations to understand the intent and possibility of the proposed SOI expansions.

There are two (2) LAFCO-identified unincorporated pockets in Banning, illustrated in Exhibit 28, which RSG discussed with City staff, and are briefly described as follows:

Page: 29

	Number: 1	Author: arush	Subject: Cross-Out	Date: 4/27/2022 7:33:58 PM
	Number: 2	Author: arush	Subject: Sticky Note	Date: 4/28/2022 12:43:35 PM
	Please clarify where these "two SOI amendments to the southern border. Are these located on Figure 28, 29, or 30?			
	Number: 3	Author: arush	Subject: Highlight	Date: 4/28/2022 12:40:06 PM
	Number: 4	Author: arush	Subject: Sticky Note	Date: 4/28/2022 12:46:28 PM
	This area is not defined or referenced in any of Figs. 29-30. Is this referring to a general, but undefined, geographic boundary on any of the exhibits.			
	Number: 5	Author: arush	Subject: Highlight	Date: 4/28/2022 12:46:45 PM
	Number: 6	Author: arush	Subject: Highlight	Date: 4/28/2022 12:45:06 PM
	Number: 7	Author: arush	Subject: Sticky Note	Date: 4/28/2022 12:48:32 PM
	There are several parcels that are in both Fee or Trust land AND with the City's boundary. No issues have ever arose.			

- ¹1a – this is a residential area known as the Black Bench. There was a development proposal in this area in 2006, but it was met with resistance from the community²⁴⁵. This pocket is entirely surrounded by the City’s corporate boundary and SOI.
- P1b – this is a residential area known as the Banning Bench. According to City staff, Banning may have challenges trying to provide services to this area. This pocket is entirely surrounded by the City’s corporate boundary and SOI.

RSG’s recommended determinations related to the ²Beaumont SOI are presented by topic below:

1. Present and Planned Land Uses

Most of the ⁵Banning SOI is undeveloped rural land, ⁴and much of it may be very difficult to develop due to existing geologic features. ⁶

2. Present and Probable Need for Public Facility and Services

⁷City staff did not indicate a present or probable need for public facility or service improvements. ⁸













3. Present Capacity of Public Facilities

¹⁰City staff did not identify any deficiencies with public facilities in the Banning SOI. ⁹

4. Social or Economic Communities of Interest

¹²City staff did not identify any social or economic communities of interest in the Banning SOI. ¹¹

²⁴⁵ Source: Record Gazette “Black Bench: Banning’s Development Drama” dated April 12, 2006. https://www.recordgazette.net/news/black-bench-bannings-development-drama/article_b3c1c432-0f48-532e-9206-df9385e1b635.html

	Number: 1	Author: arush	Subject: Underline	Date: 4/27/2022 7:36:07 PM
	Number: 2	Author: arush	Subject: Highlight	Date: 4/28/2022 3:57:12 PM
	Number: 3	Author: arush	Subject: Sticky Note	Date: 4/28/2022 3:58:20 PM
Which on are we referring to? The Banning SOI or Beaumont SOI? Both are referenced in the Exhibits.				
	Number: 4	Author: arush	Subject: Highlight	Date: 4/28/2022 3:55:30 PM
	Number: 5	Author: arush	Subject: Highlight	Date: 4/28/2022 3:58:24 PM
	Number: 6	Author: arush	Subject: Sticky Note	Date: 4/28/2022 3:56:43 PM
This is a speculative statement and is not supported by either a land use or environmental study.				
	Number: 7	Author: arush	Subject: Highlight	Date: 4/28/2022 3:58:37 PM
	Number: 8	Author: arush	Subject: Sticky Note	Date: 4/28/2022 4:00:32 PM
If we are referring to the "Beaumont SOI", then the City of Banning would not be responsible to provide services. If we are referring to the Banning SOI, Area P1a and/or P1b, the City already provides water service to some area, and would the full array of municipal services if eventually annexed.				
	Number: 9	Author: arush	Subject: Sticky Note	Date: 4/28/2022 4:02:57 PM
As mentioned by RGS' report, the Banning SOI areas are rural in nature, therefore, services are limited. If and when the Banning SOI properties be annexed in the City, our municipal services (e.g., water, wastewater, electric, trash, police, fire, parks, animal services, and other similar municipal services) would not be degraded if extended.				
	Number: 10	Author: arush	Subject: Highlight	Date: 4/28/2022 4:00:42 PM
	Number: 11	Author: arush	Subject: Sticky Note	Date: 4/28/2022 4:03:21 PM
See Above Comment on #3.				
	Number: 12	Author: arush	Subject: Highlight	Date: 4/28/2022 4:03:05 PM

5. Disadvantaged Unincorporated Community Present and Planned Need for Facilities and Services

¹The Banning SOI contains one DUC. A portion of DUC1 extends outside of the Banning SOI to the City of Beaumont corporate boundary. City staff indicated that it does not currently extend services into DUC1. ²





Number: 1

Author: arush

Subject: Highlight

Date: 4/28/2022 4:04:18 PM



Number: 2

Author: arush

Subject: Sticky Note

Date: 4/28/2022 4:05:17 PM

This statement is inconsistent and incongruous with the information displayed graphically in Exhibit #28. Please correct and clarify.

Anthony and Juliette Connell

30328 Stephanie st.
Sage (Hemet), CA 92543
(951) 392-2682
4connells@gmail.com

3rd May 2022

Riverside LAFCO Commissioners

6216 Brockton Avenue, Suite 111-B
Riverside, CA 92506

Dear LAFCO commissioner,

I understand that you have, or shortly will have, an application from a small group of individuals who have taken it upon themselves to claim to speak for the inhabitants of the unincorporated area surrounding Hemet. I cannot speak to their motives, but I wanted to make it clear that they do not speak for me. By examination of the LAFCO rules of application, I found that while it takes only 5% participation to move a petition forward, 5 times that amount is required to bring this to a public vote should LAFCO decide to approve the motion. This places an enormous burden on the individuals that might stand against such a petition. In light of this, I come to you in hopes that you will consider rejecting the application. As a constituent within the proposed boundaries, I have no desire to be annexed into the City of Hemet. Quite to the contrary, our home was purchased specifically because it lies outside of the City of Hemet and is subject to the zoning, land use designations and service providers appointed by Riverside County.

We find our current level of service to be superior to that of our City of Hemet counterparts and have no desire to join ranks with those who, we feel, are receiving less adequate service. In fact, the City of Hemet has several vacancies in their Police and Fire departments. These are long standing vacancies that are evidence that simple attrition is providing a significant obstacle for City of Hemet service providers. How might we expect them to expand their services while elevating the quality to that which we have come to expect from the County level providers? A decrease in quality of services puts this proposal in sharp conflict of LAFCO's internally designated criteria of expanding boundaries only when it will improve services.

When I examined LAFCO's purpose statement I found a section I believe to be particularly pertinent. LAFCO claims that "A SOI that is the same as the current boundaries indicates that the agency should be considered in its ultimate

configuration.” Please note that this proposal includes an southern expansion of Hemet’s SOI which is currently collinear with the existing city limits. The proposed expansion along State street would carry it into an area already part of a federally recognized separate zone with an established identity. We were granted the title of CDP of Sage by the US Census Bureau as evidence of our distinct and established identity. We made targeted efforts to have this declaration recorded by the Census Department as it lends credence to the fact that we are proudly unincorporated and have no desire to be “claimed” by an outside group whose interests do not align with the established developmental goals of the existing owners and residents. While this may seem a minor point, it is in keeping with many of the mission statements of various statewide agencies who claim to support the preservation of local identity of an area. We are in a small pocket of 1-10 acre lots where individual expression is valued and differing architectural styles are seen as an asset. Horses, chickens, goats, peacocks and other domesticated animals outnumber voters in our dirt-road neighborhoods (roads, which we self maintain to a great extent). We bought here on purpose and are proud to call it home. Please help us to preserve our investment and don’t mistake our lack of numbers with a lack of conviction.

Sincerely,

A handwritten signature in grey ink, appearing to read 'Anthony and Juliette Connell', written in a cursive, flowing style.

Anthony and Juliette Connell

FORM OF GOVERNMENT AND STAFFING

The City of Murrieta operates as a "Council – Manager" form of government, with an elected City Council of five (5) members elected on a district-basis to four (4) year staggered terms. The City's Mayor and Mayor Pro-Tem are appointed to one year terms based on rules of procedure for City Council Meetings and the rotation of presiding officers, which occurs at the second meeting in December each year. The City Council appoints a City Manager, who serves as the head of the administrative branch of the City government.¹³¹

The City Council also serves as voting members of the City's ancillary districts and boards, including the Community Services District, Financing Authority, Fire District, Housing Authority, Library Board, and Redevelopment Successor Agency. Additionally, the Citizens Advisory Committee, Library Advisory Commission, Parks and Recreation Commission, Planning Commission, Traffic Commission, Transaction and Use Tax Oversight Committee, and Youth Advisory Committee carry out assignments as directed by the City Council.¹³²

406.59

The appointed City Manager oversees the City's daily operations, including a staff of 346.45 full time equivalent personnel (2018-19)¹³³ and General Fund operating expenditures that grew to over \$90.6 million in 2018-19¹³⁴.

\$112.0 million

SERVICES PROVIDED

City staff provide the community with law enforcement, building and planning, housing, code enforcement, parks and recreation, library, landscape maintenance, streets and road maintenance, streetlights, stormwater drainage, and innovation and technology services. The following sections describe municipal services provided within Murrieta and identifies the service

¹³¹ Source: City of Murrieta

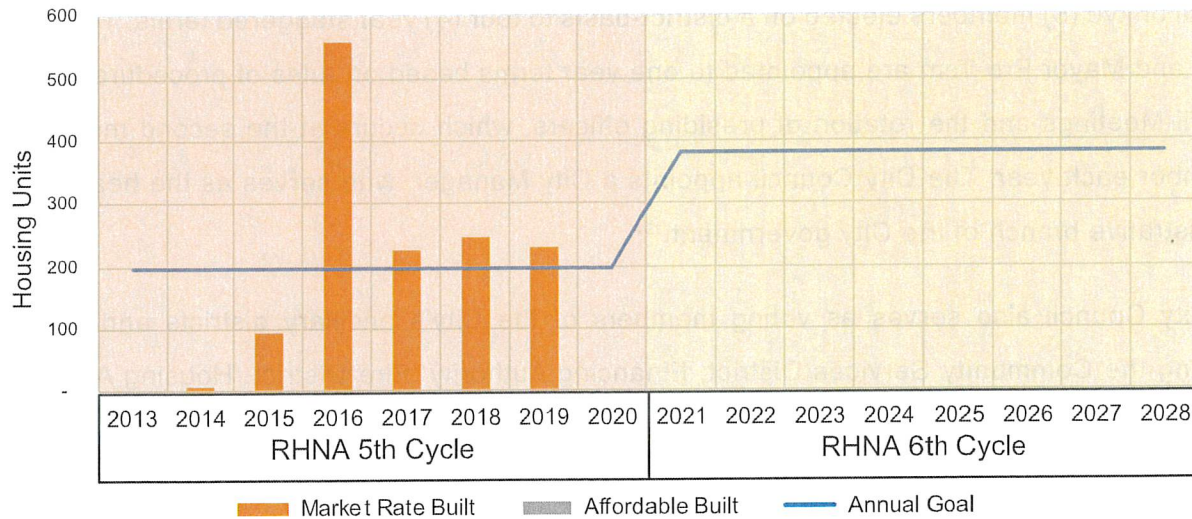
¹³² Source: City of Murrieta

¹³³ Source: City of Murrieta, 2018-19 Comprehensive Annual Financial Report

¹³⁴ Source: California State Controller's Office, "Cities Financial Data"

The City's 5th and 6th Cycle production goals and unit production is presented in Figure 100.

Figure 100: 5th and 6th Cycle RHNA Allocation and Production - Murrieta



Murrieta is one of 220 California jurisdictions that have not made sufficient progress toward either lower income (very low and low income) RHNA unit production or failed to submit the latest (2019) Annual Progress Report. As a result, the City is subject to streamlined ministerial approval process for proposed housing developments with at least 50 percent affordable units. If the jurisdiction also has insufficient progress toward their above-moderate income RHNA unit production, then they are subject to the more inclusive streamlining for developments with at least 10 percent affordability. The streamlined ministerial approval process was introduced as part of Senate Bill 35 (Chapter 366, Statutes of 2017) in 2017.¹³⁸

FISCAL HEALTH

The City of Murrieta's fiscal health evaluation, including audit findings, revenue sources, expenditure categories, long-term obligations, reserves, and California State Auditor assessment is presented in the sections that follow. The City's net position is presented in Figure 101 as

¹³⁸ Source: California Department of Housing and Community Development, "SB 35 Statewide Determination Summary"

annual revenues less expenditures for fiscal years 2016-17 through 2018-19. The City recorded surpluses in each year between 2016-17 and 2018-19.

Figure 101: Net Position - Murrieta

Murrieta	2016-17	2017-18	2018-19
Total General Tax Revenues	\$37,642,442	\$41,460,425	\$50,204,922
Other Tax Revenues	5,566,977	13,665,651	14,413,058
Other Revenues	11,826,690	36,865,522	38,750,151
Total Revenues	55,036,109	91,991,598	103,368,131
Total Operating Expenditures	47,201,609	70,224,523	79,159,597
Debt Service	1,313,163	1,686,598	2,041,126
Capital Outlay	4,340,909	10,494,444	9,442,171
Total Expenditures	52,855,681	82,405,565	90,642,894
Net Position	\$2,180,428	\$9,586,033	\$12,725,237

Operating Revenues

The City had total revenues that ranged from over \$55 million in 2016-17 to almost \$103.4 million in 2018-19. The City's revenue sources over this period are outlined in Figure 102.

Figure 102: Operating Revenue - Murrieta

Murrieta	2016-17	2017-18	2018-19
General Revenues			
Property Tax	\$9,041,075	\$9,597,658	\$10,052,278
Sales Tax	15,633,644	17,813,627	23,410,479
Transient Occupancy Tax	588,862	1,034,918	1,377,892
Property Tax in-lieu of VLF	7,353,218	7,775,034	8,242,860
Franchise Tax	3,557,828	3,648,879	5,600,785
Business License Tax	753,100	769,637	779,247
Property Transfer Tax	587,705	688,336	604,380
Utility User Tax	-	-	-
Other Tax Revenues	127,010	132,336	137,001
Total General Tax Revenues	37,642,442	41,460,425	50,204,922
Transportation Tax	2,267,650	2,425,462	2,675,677
Parking Tax	-	-	-
Voter-Approved Taxes	-	-	-
Functional Tax Revenues	3,299,327	11,240,189	11,737,381
Total Tax Revenues	43,209,419	55,126,076	64,617,980
Charges for Services	3,767,529	4,569,520	4,207,169
Special Benefit Assessments	576,497	10,586,811	10,690,668
Use of Money	40,175	927,905	3,725,701
Fines and Forfeitures	562,475	523,318	363,662
Licenses and Permits	1,023,227	1,271,079	1,620,332
Intergovernmental	5,501,514	10,631,221	8,412,251
Other Taxes in-Lieu	-	-	-
Miscellaneous Revenues	355,273	8,355,668	9,730,368
Total Revenues	\$55,036,109	\$91,991,598	\$103,368,131

Source: California State Controller's Office

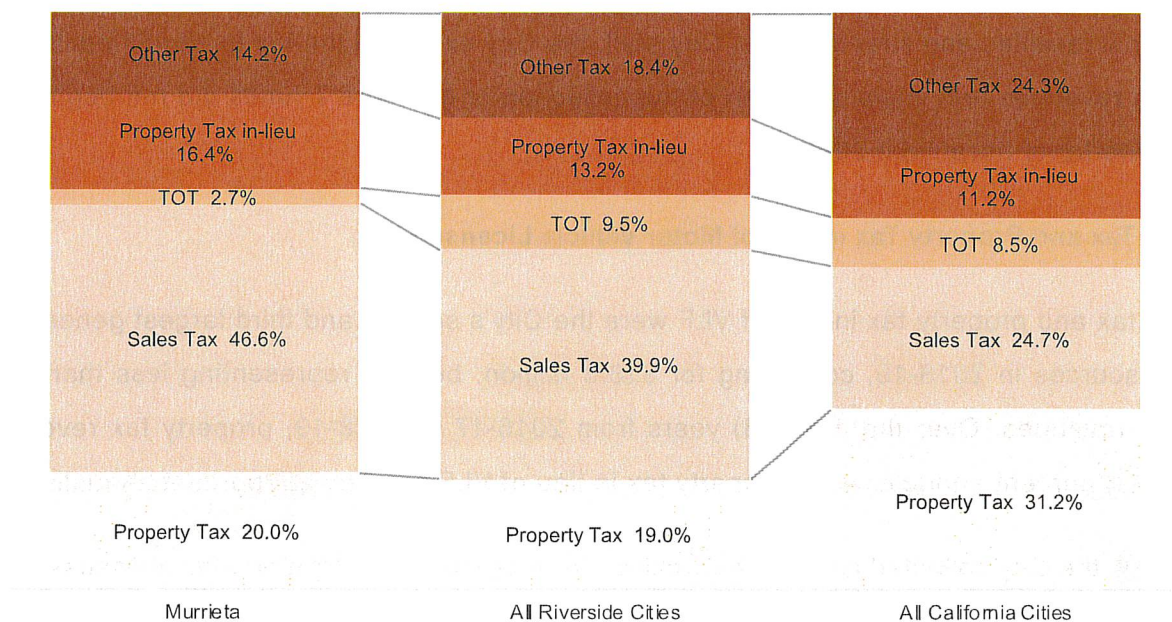
The City had general tax revenues of **\$50.2 million in 2018-19**, which accounted for **48.6** percent of total revenues. The City's general tax revenues are heavily concentrated in sales tax, which represented about **46.6** percent of general tax revenues, and property tax and property tax in-lieu, which combined for **36.4** percent of general tax revenues. The three (3) largest general tax revenue sources – sales tax, property tax, and property tax in-lieu, accounted for about **83.1** percent of general tax revenues.

Sales tax grew from **\$15.6** to over **\$23.4** million between **2016-17 and 2018-19**, an annual growth rate of **22.4** percent. During the same time frame, the City's share of general tax revenues that were derived from sales tax also grew from **41.5 to 46.6** percent of general tax revenues. When

compared to other cities in Riverside County and Statewide, the City's sales tax revenues are a disproportionately higher share of the City's total general tax revenues. Sales tax revenues are **considered vulnerable** to economic shifts, such as the COVID-19 pandemic, meaning that the City's general tax revenue profile may carry more risk than other cities in Riverside County.

The City's general tax revenues are compared to all Riverside County and California cities in Figure 103.

Figure 103: General Tax Revenue Comparison - Murrieta



The City's other major revenue sources, aside from general tax revenues are special benefit assessments **(\$10.7 million in 2018-19)**, miscellaneous revenues **(\$9.7 million)**, and intergovernmental revenues **(\$8.4 million)**. The City's major revenue sources are described in greater detail in the sections that follow.

Sales Tax, Measure T

As previously mentioned, sales tax represents the City's single-largest revenue source, accounting for over **\$23.4 million**, or **46.6** percent of general tax revenues, in **2018-19**. Sales tax revenues are derived from one percent of gross receipts from the sale of tangible personal

~~property in Murrieta. According to City staff, the City is expected to experience revenue shortfalls against sales tax revenue projections in 2019-20 and 2020-21 as a result of the COVID-19 pandemic.~~

In November 2018, the electorate of Murrieta voted 52.2 percent in favor of Measure T, which increased the City's sales tax rate by one percent. The additional transactions and use tax is a general tax that would help the City stabilize long term finances and provide funding for general services, including improvements to 911 emergency response times, fire protection and paramedic services, increased police services, graffiti removal, and maintenance to parks, recreational facilities and streets.¹³⁹ Per City staff, the City expected the tax to add \$14 million to the City's revenues and implementation of the collection of Measure T funds did not begin until the last quarter of fiscal year 2018-19.

Property Tax and Property Tax in-lieu of Motor Vehicle License Fees

Property tax and property tax in-lieu of VLF were the City's second and third largest general tax revenue sources in 2018-19, combining for \$18.3 million, but still representing less than total sales tax revenues. Over the three (3) years from 2016-17 to 2018-19, property tax revenues grew by 5.4 percent annually while property tax in-lieu of VLF grew by 5.9 percent annually.

In 2018-19, the City collected almost \$10.1 million from property tax. Property tax is assessed on land, improvements, and personal property located in Murrieta. In 2018-19, all property accounted for over \$13.3 billion in net assessed value in Murrieta, which is inclusive of about \$3.7 billion in land value and almost \$10 billion in improvement value (values are not additive as a result of property tax exemptions).¹⁴⁰ The City's property tax collections represent about 7.56 percent of property tax collected in Murrieta, which is below average when compared to other Riverside County cities.

¹³⁹ Ballotpedia, Murrieta California, Measure T, Sales Tax, November 2018

¹⁴⁰ Source: California City Finance, "Assessed Valuation of Property by City"

Property assessed valuations can increase by a maximum of 2 percent annually, but property tax revenues can grow at a faster pace as a result of new development and re-assessments of property sold or transferred. ~~Over the three (3) years from 2016-17 to 2018-19, property tax revenues grew by 5.4 percent annually while property tax in lieu of VLF grew by 5.9 percent annually.~~

The City of Murrieta and Riverside County have a Master Property Tax Exchange Agreement in place that was adopted by Murrieta in 1993 and the County in 1996.¹⁴¹

Special Benefit Assessments

Special benefit assessments are generally derived from Community Facilities Districts and are functional revenues, meaning they are designated for a specific source. The City received about \$1.5 million in special benefit assessments for fire services and about \$9.2 million in unclassified special benefit assessments.

Miscellaneous Revenues

The City's second-largest non-tax revenue source includes miscellaneous revenues, which represented over \$9.7 million in revenues in 2018-19, or about 9.4 percent of total revenues. The City's main revenues that are classified as miscellaneous include development impact fees (\$5.6 million in 2018-19), contributions from nongovernmental sources (\$62,000), and other unclassified miscellaneous revenues (\$4.0 million). The City also received about \$308,000 in community development block grant funds and over \$3.3 million in other Federal grants from the Federal Government in 2018-19.

Intergovernmental Revenues

The City collected \$8.4 million in intergovernmental revenues in 2018-19, which represented about 8.1 percent of total revenues. Intergovernmental revenues are derived from County and

¹⁴¹ Source: Riverside LAFCO

State funding sources, including gasoline tax revenues (\$4.4 million in 2018-19), homeowners property tax relief (\$210,000), other State sources (\$55,000), and Peace Officers Standards and Training funds (\$39,000).

Operating Expenditures

The City expended between \$52.8 and \$90.6 million between 2016-17 and 2018-19. The City's annual operating expenditures are presented in Figure 104.

Figure 104: Operating Expenditures - Murrieta

Murrieta	2016-17	2017-18	2018-19
Operating Expenditures			
Salaries and Wages	\$19,948,823	\$29,885,654	\$32,878,752
Employee Benefits	10,484,991	15,294,894	17,272,918
Materials and Supplies	10,179,332	1,336,506	1,533,953
Contract Services	6,588,463	10,019,104	10,985,654
Other Operating Expenditures	-	13,688,365	16,488,320
Total Operating Expenditures	47,201,609	70,224,523	79,159,597
Debt Service	1,313,163	1,686,598	2,041,126
Capital Outlay	4,340,909	10,494,444	9,442,171
Total Expenditures	\$52,855,681	\$82,405,565	\$90,642,894

Source: California State Controller's Office

The City's expenditures increased at an annual rate of 31.0 percent between 2016-17 and 2018-19, which appears to be temporarily sustainable because overall revenues increased at a faster rate – 37.0 percent annually, over the same period.

Characterized as a full service city, the City of Murrieta has higher expenditures on salaries and wages and employee benefits compared to other peer cities in Riverside County and California. The City's share of salaries and wages accounted for 36.3 percent, and employee benefits represented about 19.1 percent of total expenditures, compared to 22.1 and 13.2 percent for all Riverside cities. While all Riverside cities average 28.3 percent of total expenditures on contract services, the City of Murrieta expends just 12.1 percent on contract services.

The City has very low debt service expenditures, at about \$2 million in 2018-19, and capital outlay is below average compared to all Riverside County and California cities.

The fastest growing operating expenditure category over the three (3) years outlined in Figure 104 was other operating expenditures, which increased from \$0 to almost \$16.5 million in 2018-19. RSG was unable to identify the source of these expenditures.

The City's current expenditures are outlined according to department in Figure 105

Figure 105: Current Expenditures - Murrieta

Murrieta	2016-17	2017-18	2018-19
General Government	\$8,139,221	\$6,684,094	\$6,855,760
Public Safety	25,657,928	40,607,631	44,987,538
Transportation	3,396,694	2,769,108	3,745,042
Community Development	7,034,922	7,599,219	9,274,272
Health	-	-	-
Culture and Leisure	2,972,844	12,564,471	14,296,985
Public Utilities	-	-	-
Debt Service	1,313,163	1,686,598	2,041,126
Capital Outlay	4,340,909	10,494,444	9,442,171
Total Current Expenditures	\$52,855,681	\$82,405,565	\$90,642,894

Source: California State Controller's Office

The City expends about 56.8 percent of total expenditures on public safety, which is a higher proportion than the average public safety costs for all Riverside County cities (52.2 percent) and California cities (47.3 percent). Over the three (3) year period between 2016-17 and 2018-19, the City's public safety costs increased from \$25.7 million to almost \$45 million, a 32.4 percent annual growth rate.

Culture and leisure expenditures also increased dramatically over the same time period, adding \$11.3 million and increasing at a rate of 119 percent annually. The majority of these expenditures are associated with parks maintenance and recreation services (\$12.1 million) and libraries (\$2.2 million).

The City also added about \$5.1 million in capital outlay expenditures between 2016-17 and 2018-19, an annualized increase of 31 percent. Approximately \$7.4 million capital outlay expenditures are associated with buildings and improvements while the remaining \$2.1 million was expended on equipment purchases.

Reserve Fund Balance

The City Council adopted a reserve policy that aims to maintain an operating reserve that is not less than 25 percent of the operating budget, which is approximately 3 months of operating expenses. ~~The City Council proposed to increase reserves from 25 to 30 percent of annual operating expenditures as part of the City's 2019-20 and 2020-21 budget workshop.~~ The City has reserve funds designated for Continuing Operations (about \$10.4 million), Economic Contingency (\$4 million), Pension Stabilization (\$3 million), Fleet Replacement (\$700,000), Information Technology (\$650,000), and Facility Repair (\$250,000) according to the 2019-20 and 2020-21 Budget.¹⁴²

Pension and OPEB Obligations

The City's pension and OPEB obligations are detailed in Figure 106.

Figure 106: Pension and OPEB Obligations - Murrieta

Murrieta	2017-18	2018-19	2019-20
Net Pension Liability/(Surplus)	\$44,519,908	\$43,759,671	\$47,713,384
Total OPEB Liability/(Surplus)	26,339,158	18,345,675	22,544,545
Total Benefit Liability/(Surplus)	\$70,859,066	\$62,105,346	\$70,257,929

Source: 2017-18, 2018-19 and 2019-20 ACFR

The City offers two (2) defined benefit pension plans that are administered by CalPERS: the Miscellaneous Plan, which is available for all City employees except police and fire personnel; and Safety Plan, which is available to police and fire personnel. The City also offers an OPEB policy, which has changed several times over the years and is based on the employee's retirement date and service time. The City's total combined pension and OPEB liability increased to almost \$70.3 million in 2019-20, which is slightly lower than the total liability in 2017-18.

¹⁴² Source: City of Murrieta, 2019-20 Budget

The City's pension indicators, which include the City's employer contribution rate, the actuarially determined contribution, total covered payroll, and the employer contribution rate, provide insights into the City's pension plan health, and are presented in Figure 107

Figure 107: Pension Indicators - Murrieta

Murrieta	2017-18	2018-19	2019-20
Actuarially Determined Contribution	\$6,519,078	\$6,478,385	\$8,607,730
Employer Contribution	6,519,078	6,478,385	8,607,730
Covered Payroll	\$26,037,500	\$27,686,736	\$32,857,278
Employer Contribution Rate	25.0%	23.4%	26.2%

Source: 2017-18, 2018-19 and 2019-20 ACFR

The City has made employer contributions that are equivalent to the minimum actuarially determined contribution for each year between 2017-18 and 2019-20. During this timeframe, the City's employer contribution increased roughly at the same rate as increases to covered payroll, which resulted in only a slight increase to the employer contribution rate. The City's employer contribution rate is average among Riverside County cities, which ranged from 26 to 32 percent between 2017-18 and 2019-20.

Annual Audit Findings

RSG reviewed the City's Annual Audits from 2017-18 through 2019-20. The Annual Audits did not present any findings and the auditor stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City. Additionally, the City's Annual Audits between 2017-18 and 2019-20 were awarded Certificates of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.

California State Auditor Fiscal Health Evaluation

The City of Murrieta ranked 365 out of 471 jurisdictions and received an overall risk rating of low. The City is considered higher risk than 106 peer cities in California, or about 23 percent of cities. The City received low risk ratings on six (6) indicators, including liquidity, debt burden, general

fund reserves, revenue trends, pension obligations, and OPEB obligations. Three (3) indicators were given moderate risk ratings, including pension funding, pension costs, and future pension costs. One indicator, OPEB funding, scored a high risk rating.¹⁴³

MSR DETERMINATIONS

Requisite CKH determinations for Murrieta are presented by topic below:

1. Population, Growth, and Housing

Murrieta grew at a moderate pace over the last decade, roughly lockstep with the County-wide growth rate. The Murrieta population projections indicate that growth will be slower over the next 15 to 25 years even though the County is expected to grow at a faster rate than over the previous decade. Murrieta's housing profile is heavily skewed towards single-family housing units and while the City permitted 1,361 market rate housing units during the 5th Housing Element Cycle, the City failed to produce any very low-, low- and moderate income units.

2. Disadvantaged Unincorporated Communities in SOI

The City of Murrieta's SOI does not contain any DUCs.

3. Present and Planned Capacity of Facilities

The City did not identify any issues related to the present or planned capacity of facilities.

4. Financial Ability to Provide Services

As Measure T was approved by voters in November 2018, the City's financial ability to provide services should improve going forward. However, sales tax revenue is known to be a revenue source that is vulnerable to economic shifts, such as the effects of the COVID-19 pandemic.

¹⁴³ Source: California State Auditor, Financial Data for Fiscal Year 2019-20

City staff acknowledged that the City's sales tax revenues are not expected to meet initial projections for 2019-20 and 2020-21.

5. Opportunities for Shared Facilities

While wastewater service is not the subject of this MSR, City staff indicated that the City is a member of the Santa Rosa Regional Resources Authority, a wastewater joint powers authority formed between the Elsinore Valley Municipal Water District, Rancho California Water District, and Western Municipal Water District to serve portions of Temecula and Murrieta. No other opportunities for shared facilities were identified.

6. Accountability for Community Service Needs

The City is active on at least five (5) different social networks. The City's website has a built-in chat feature that allows the public to chat with City staff. City Council meetings are offered on two (2) different virtual video platforms, and the City hosts Coffee with the City virtually as well. The City has a public information officer dedicated to public communications and the City surveys the public for opinions on major planning projects.

7. Any Other Matter Related to Effective or Efficient Service Delivery as Required by Commission Policy.

The City did not identify any other matters related to effective or efficient service delivery as required by Commission Policy.

SOI RECOMMENDATIONS

RSG's recommendations related to the Murrieta SOI are presented by topic below. RSG recommends an expansion of the Murrieta SOI to include Pocket P25 and allow for future annexation of the Murrieta Hills project.

1. Present and Planned Land Uses

The Murrieta SOI overlaps land set aside under the MSHCP. The City currently anticipates annexation of a +/- 972 acre area located west of I-215 generally located between Baxter and Keller Roads that is currently not part of the Murrieta SOI. This area is proposed for development of the Murrieta Hills Specific Plan consisting of 750 dwelling units, 18 acres of commercial uses, and 652 acres of open space.

2. Present and Probable Need for Public Facility and Services

City staff indicated that a large portion of the Murrieta SOI will be developed as single-family and large-lot executive single-family housing. With more than 500 housing units slated for development in the Murrieta SOI, there is a high likelihood that Murrieta will need to expand existing facilities and service levels. Expansion of the SOI and annexation of the Murrieta Hills Specific Plan area will also require significant expansion of facilities and service levels.

3. Present Capacity of Public Facilities

The Murrieta SOI is largely undeveloped and does not contain any existing public facilities.

4. Social or Economic Communities of Interest

City staff did not identify any social or economic communities of interest in the Murrieta SOI.

5. Disadvantaged Unincorporated Community Present and Planned Need for Facilities and Services

The Murrieta SOI does not contain any DUCs.

MSR Comments
April 27, 2022

Fire

Under EMS the MSR states: *"Emergency medical services are provided by the Murrieta Fire and Rescue Department. For more information on the Department, please see the previous section."* This does not reference the fact that our EMS transport is provided by American Medical Response, as they are the defined ambulance provider for the Southwest Riverside County Exclusive Operating Area. If we were to make this change, we would also likely need to amend *Figure 98: Service Provider Matrix - Murrieta* on page 60 to reflect that at least a portion of the EMS is completed by a private contractor.

Economic Development

(Page 234) The City's land use profile is skewed towards retail development, which represents 43.9 percent of all commercial square footage in the City, compared to 26.6 percent of square footage Countywide. The City's 15.2 percent office square footage is also a larger proportion of office space, compared to the normal Riverside County distribution of commercial land uses (9.6 percent office). The City's largest employers include several governments, institutions, and healthcare providers – Murrieta Valley Unified School District (2,315 employees), Southwest Healthcare Systems (1,481 employees), Loma Linda University Medical Center (1,037 employees), County of Riverside (895 employees), Oak Grove Institute (335 employees), and Murrieta Health and Rehab Center (248 employees). Additionally, the City's largest retailers rank as major employers, with Target (341 employees), Walmart (320 employees), and Sam's Club (212 employees) representing three (3) of the top employers in Murrieta.¹²⁷

The employment numbers are close, but our 2020 CAFR shows:

# ◆	Employer ◆	# of Employees ◆
1	Murrieta Valley Unified School District	2,315
2	Southwest Healthcare System	1,481
3	Loma Linda University Medical Center	1,037
4	County of Riverside	895
5	Target	341
6	Oak Grove Center	335
7	City of Murrieta	333
8	Walmart	320
9	Murrieta Health & Rehab Center	248
10	Sam's Club	212

Law Enforcement

Extraterritorial Service: p.266

The Police Department participates in a county wide Community Behavioral Health Analysis Team (CBAT) model which places a County RUHS Therapist with a Murrieta Police Officer 40 hours per week. The purpose of the program is to more efficiently address those in the community with behavioral health problems. Murrieta PD has entered into an agreement with the County Sheriff – Temecula Station to provide CBAT services to Temecula when the Temecula CBAT Team is unavailable.

Law Enforcement: p.261

The 3 year plan starting in 21/22 to increase the ratio of officers to residents – correct number should be to 0.90 (**not 0.95**)

Parks and Recreation

The draft document indicates that Riverside County Regional Parks and Open Space provide parks and recreation services to 4 County owned park facilities in Murrieta. Those parks are the Salt Creek trail, the Santa Rosa Plateau Wildlife Area, the Sylvan Meadows Multi-Use Area, and the Warmington Migration Site.

None of the parks listed are in Murrieta.

Please add the language in bold print to the following sections:

Page 265 Storm Drainage:

County Service Area 152 provides partial funding for the management of the City's NPDES permit program, **which is aimed at eliminating illicit discharges and non-stormwater runoff; the remaining funding of the program is provided by the City's General Fund.**

Page 266 Recent and Planned Major Capital Improvements:

Add the Capital Improvement Plan, **with current funding of \$65 MM**

CSD

Pg. 263 – Library

Would recommend edit to:

The Murrieta Public Library is dedicated to providing a vibrant environment with open access to exceptional services, collections, and programs while continuing to promote the joy of reading for an empowered and successful community. The Library provides information, recreation, and educational resources, and programs for all ages in the community. The Library has a current inventory of almost 100,000 pieces of material, and checks out approximately 452,000 items per year to 11,547 patrons.

Pg. 263 – Museum

Would recommend edit to:

The Murrieta Valley Historical Museum opened at its current location in 2019, and aims to preserve and document the history of Murrieta for future generations. The City of Murrieta partners with the Museum by providing a City-owned facility at Hunt Park.

Pg. 263 – Landscape Maintenance

- There are 30 Landscape and Lighting Maintenance Districts
- There are also 8 zones

Recommend editing first sentence to read: "...and funded by the City's 30 Landscaping and Lighting Maintenance Districts and eight zones."

Human Resources

Finance / HR	259	Government and Staffing	Update staff FTE number to 406.59 (Source: 2020-21 Comprehensive Annual Financial Report)
All	260	Figure 98	No Comment

Finance

Attached are the financial reports RSG needs to update tables and update the corresponding analysis that follows each of the tables. I've also highlighted the amounts that requires an update once tables are updated.

Attached is the State Controller's Report for FY 2019-20 and FY 2020-21 to update the following tables:

Figure 101: Net Position (page 269)

Figure 102: Operating Revenue (page 270)

Figure 103: General Tax Revenue Comparison (page 271). RSG will need all other cities information to update this table.

Figure 104: Operating Expenditures (page 274)

Figure 105: Current Expenditures (page 275)

Attached is the Annual Comprehensive Financial Report for FY 2020-21 to update the following table:

Figure 106: Pension and OPEB Obligations

Figure 107: Pension Indicators

Attached is the operating reserve information for RSG to update the Reserve Fund Balance section (page 276) of the MSR.

Comments Received After the Writing of the Staff Report



Kenneth J. McLaughlin, President
Jane F. Anderson, Vice President
Lupe R. Nava, Director
Bart Moreno, Director
Betty Folsom, Director

June 14, 2022

Riverside Local Agency Formation Commission
Attn: Gary Thompson, Executive Director
Via Email: gthompson@lafco.org

SUBJECT: Agency Comments Submittal re. June 23, 2022, Public Hearing re. LAFCO 2021-06-1, 2, 3, 4 & 5 Countywide City Municipal Service Review and Sphere of Influence Reviews and Potential Amendments and a finding of exemption pursuant to the California Environmental Quality Act

Dear Executive Director Thompson,

The Jurupa Community Services District ("JCSD") thanks the Riverside Local Agency Formation Commission ("LAFCO") for implementing most of our comments submitted in our previous agency comments dated April 27, 2022. JCSD provides services to more than 130,000 people within the Cities of Eastvale ("Eastvale") and Jurupa Valley. Established in 1956, our community services include water, sewer, streetlights, graffiti abatement, and parks and recreation services.

JCSD is proud to provide awarding-winning parks and recreation programs to the Eastvale community. These are services JCSD has provided since long before Eastvale became a city, and which JCSD has continued to provide since Eastvale incorporated, based on LAFCO's determination at the time Eastvale was incorporated. While Eastvale has recently expressed to LAFCO and through several public comments that it wants to take over JCSD's parks and recreation services and apparently believes it now has the wherewithal to provide recreation and parks services, it does not change the fact that JCSD provides these services. At this time, JCSD has no express interest in divesting itself of the power to provide parks and recreation services. Furthermore, there has yet to be a credible reason for a transition of services to Eastvale, which sets a dangerous precedent for all public agencies when one entity tries to take over another entity's service simply because it wants to.

Additional Comments on Eastvale's MSR

As JCSD referenced in our previously submitted comment letter dated April 27, 2022, we take this opportunity to restate the following points from said letter:

- B.1: As related to the statement that Eastvale has been experiencing “conflicts”.

JCSD is unaware of any “conflicts” related to the parks and recreation facilities and services as provided by JCSD within the boundaries of Eastvale. To the extent that the word “conflicts” is intended to describe the fact that parks and recreation services within the Eastvale are provided by two separate special districts (JCSD and the Jurupa Area Recreation and Park District (“JARPD”)), we respectfully request that this sentence be revised to say that. Doing so would be consistent with language included on Draft 2022 municipal service review (“MSR”) page 99, regarding provision of these services by JCSD and JARPD within their service areas, as well as on Draft MSR page 153, as to provision of these services by JARPD within the boundaries of the City of Jurupa Valley. Additionally, we want to state very clearly that we know of no conflict between JCSD and JARPD in provision of services within Eastvale.

To the extent, however, that the word “conflicts” is intended to describe the Eastvale’s desire to take over recreation and park services provided by JCSD within the City’s boundaries, we suggest including a reference to the CSD MSR section on JCSD where this issue was already extensively addressed and about which specific action was taken by LAFCO.

Finally, JCSD is somewhat perplexed with inclusion of parks and recreation services as a “major” determination presented in the MSR for Eastvale in light of other significant issues noted in the Eastvale MSR section.

- B.2: As related to the chart and the categorization of an LMD as a “dependent district”.

JCSD does not believe that LLMDs should be categorized as “Small Dependent Special Districts” as LLMDs are financing mechanisms/ assessment districts that do not fall within the definition of a “dependent district” under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

- B.7: As to the parks owned and managed by JCSD.

JCSD respectfully requests that this statement be amended to provide a more accurate description of the parks and facilities under JCSD’s ownership and management. Such as, “JCSD provides recreation and parks facilities and services within the City of Eastvale west of Hamner Ave. JCSD currently owns, operates, and maintains 15 parks encompassing 228 acres of parkland, as well as a 2.65-mile long walking, bicycle and equestrian trail. JCSD also manages three major community facilities: the Eastvale Community Center; the Harada Neighborhood Center; and The Desi House.” Alternatively, a cross-reference to LAFCO’s October 2021 JCSD MSR description of parks and facilities owned, operated and maintained by JCSD would also be acceptable.

- **B.8: As to referencing the previous Eastvale MSR**

This portion of Eastvale's draft 2022 MSR includes extensive background information relating to JCSD and Jurupa Area Recreation and Parks District ("JARPD"). Eastvale's 2012 MSR provides that JARPD's services could eventually be transferred to the City but does not say that about JCSD services. In Eastvale's 2022 draft MSR, JARPD's process of divestiture is outlined should JARPD transition services to Eastvale.

If LAFCO determines it appropriate to continue to include extensive JCSD information in Eastvale's 2022 MSR section related to Eastvale, as opposed to simply cross-referencing the LAFCO-approved MSR for JCSD in October 2021, JCSD respectfully requests that the divestiture process also be included, similar to JARPD. JCSD requests the following be added:

A transfer of services from JCSD could only be accomplished through the divestiture process. Since JCSD provides other key services, namely water and wastewater, that cannot be partitioned from the rest of JCSD, detachment is not an option. Again, discussions between the City and JCSD regarding CFDs, assessment districts and park acquisition would be required in advance of any application to LAFCO for divestiture.

LAFCO's Eastvale MSR for 2022 states that "the City established the Community Services Division, to begin the transition of parks and recreation operations from JCSD to the City." It should be noted that a city simply deciding to create such a division does not begin a transition process. Eastvale did not discuss the creation of its Community Services Division with JCSD before creating it. Divestiture of JCSD's parks and recreation powers may only be initiated by JCSD, would then have to be approved by LAFCO and must otherwise comply with the law. JCSD will continue to provide park and recreation services within Eastvale, as approved by LAFCO at the time of Eastvale's incorporation.

JCSD's Service to Eastvale

JCSD is one of only three agencies in California to achieve the prestigious distinction of a national accreditation from the Commission for Accreditation of Parks and Recreation Agencies ("CAPRA") since 2015. The Eastvale community benefits from award-winning parks and recreation services provided by JCSD, including 15 high-quality parks encompassing 228 acres; a 30,000 square foot state of the art community center; a 5,600 square-foot special events facility; a 5,000 square-foot activity center; and four modular buildings utilized for after school programming at local school sites within Eastvale. JCSD also provides maintenance of more than 4 million square feet of landscape frontages in the cities of Eastvale and Jurupa Valley. The quality of JCSD's services should come as no surprise to LAFCO or the public. In 2019, Eastvale funded and conducted a Community Satisfaction Study, which gave our parks and recreation facilities the highest satisfaction rating among services provided within the City, higher than the services provided by the City itself.

Contrast in Approach

JCSD respectfully calls attention to LAFCO's recommendation from October 28, 2021, as it relates to parks and recreation operations by Eastvale. At that meeting, LAFCO approved JCSD's MSR but also recommended further review of its parks and recreation services due to Eastvale's continued desire to transition operations of parks and recreation services to Eastvale. However, another LAFCO Commissioner commented that it is important that Eastvale work together with JCSD to exhaust all options and resolve its desire to take over JCSD's services instead of coming straight to LAFCO to attempt to do so.

Since the October 28, 2021, meeting, JCSD has taken several actions in line with LAFCO's principles by expanding its collaboration and community input into its services. First, JCSD evolved the Parks and Recreation Commission format to encompass full joint meetings, including the entire JCSD Board and Eastvale City Council, not just two selected representatives from each respective body. It should be further noted that at the same time as JCSD's expanded collaboration with the City of Eastvale and expanded community representation, JCSD's efforts were challenged by an Eastvale City Councilmember. It should also be noted that all Eastvale residents participate in the election of all five members of JCSD's Board of Directors. The JCSD Board represents all of Eastvale's residents and is focused exclusively on the quality of the services that JCSD provides.

Second, JCSD created the Community Partners Committee, which meets quarterly to expand the community's input regarding parks, facilities, and services in Eastvale. JCSD's Community Partners Committee includes more than twenty public agencies (including the City of Eastvale), as well as non-profit, service-based, and youth sports organizations.

In contrast to JCSD, Eastvale and certain councilmembers have continuously attempted to work around JCSD and have disparaged JCSD in public comments, seemingly with the objective of undermining JCSD's ability to serve the community. As LAFCO Commissioners have urged Eastvale to work with JCSD to resolve its desire to take over parks and recreation services, Eastvale has yet to directly ask JCSD to pursue divestiture of these services. Instead, Eastvale has done the following:

- Most recently, Eastvale revoked JCSD's designation as a public agency eligible to receive land dedications and fees for the development of new parks under the Quimby Act.
- Eastvale has expended tens of thousands of dollars through consultants to study transitioning parks and recreation services from JCSD to Eastvale while never communicating it was doing so with JCSD.
- Eastvale has held, and continues to hold, redundant special events that simply copy events that have been conducted by JCSD often within one or two weeks of JCSD's events. These superfluous actions undermine JCSD by causing confusion in the public as to who is providing what service.
- Hundreds of thousands of dollars have been spent by Eastvale on staffing a new Community Services Division, without parks or recreational

programming to manage, all in an attempt to prove that Eastvale is capable of providing parks and recreational programming. While a public agency can staff and expend money however it wishes, Eastvale has not attempted to work with JCSD on developing its Community Services Division or in seeking to benefit from JCSD's extensive institutional knowledge of parks and recreation.

JCSD maintains that we are committed to upholding our charge and standard of service for all our stakeholders. Further, JCSD reaffirms that the law is clear on divestiture of such operations. While JCSD has acted in accordance with best practices and in line with LAFCO's principles of collaboration, Eastvale's actions in its pursuit of an aggressive takeover of JCSD's services run counter to those principles.

JCSD is prominently placed on the first page of the Eastvale community's story, and we look forward to continuing to provide those services at the same standard of excellence into the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Berch", followed by a long horizontal flourish.

Chris Berch, P.E.
General Manager

Cc: Crystal Craig, Assistant Executive Officer (ccraig@lafco.org)



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June 14, 2022

Crystal Craig, Assistant Executive Officer
Riverside Local Agency Formation Commission
6216 Brockton Avenue, STE 111-B
Riverside CA 92506

(via E-mail: ccraig@lafco.org)

**RE: VALLEY-WIDE COMMENTS ON PUBLIC REVIEW HEARING DRAFT: COUNTYWIDE CITY MUNICIPAL
SERVICE REVIEW AND SPHERE OF INFLUENCE REVIEWS AND POTENTIAL AMENDMENTS**

Dear Crystal Craig:

Valley-Wide Recreation and Park District is writing to submit its input and requested corrections on the above referenced item. We appreciate the Commission's and LAFCO Staff's release of public review hearing draft. We request that this letter be included as part of the upcoming Public Hearing Agenda Item.

Input and corrections are in a table (attached). This table was created to facilitate your review, as we believe that the Public Review Hearing Draft is a very important step in the process of preparing an accurate, consistent, and complete report for the Commission's review and approval.

Valley-Wide requests that any and all comment letters/correction requests submitted and made available to the Commission, are also provided to Valley-Wide at the same time as they are made available to the Commission (by E-mail at dean@gorecreation.org). If you have any questions, please feel free to contact me directly at 951-654-1505.

Thank you for your consideration of our input and requested corrections.

Attentively,

Dean Wetter, General Manager
Valley-Wide Recreation and Park District

Attachment: Valley-Wide Recreation and Park District Table of Comments and Suggested Edits 6/14/22

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (6/14/22)

PAGE	ORIGINAL	REQUESTED EDIT (if applicable)	DISCUSSION/ COMMENT
13	<p>Recommendation regarding Menifee Sphere of Influence:</p> <p>Recommending coordination with the City of Menifee to determine a new extent of the City's eastern boundary. Menifee City staff indicated a desire to expand the SOI to include most of the unsphered land between the City's eastern boundary and State Route 79. Five (5) DUCs are immediately north of Menifee, and four (4) additional DUCs are northeast of the City and the area under consideration for the Menifee SOI expansion.</p>		<p><u>Comments:</u></p> <ul style="list-style-type: none"> • <u>Restatement of 4/27/22 Comment.</u> Valley-Wide Recreation and Park District (VWRPD) believes LAFCO should describe how this proposed recommendation complies with LAFCO Policy 2.3.4, which requires that a city's general plan "contain provisions to adequately demonstrate that the city has planned for the increased needs associated with a larger geographic boundary" prior to <u>any</u> expansion of a city's sphere of influence. • In addition to DUC's, this report should address the existence of two social or economic communities of interest (Ref. 2.3.5(d)) in the area as well as the established boundaries of the existing Winchester-Homeland Municipal Advisory Council.
208	<p>According to staff, the City pursued detachment of the VWRPD, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD proposed compensation in exchange for detachment. According to City staff, LAFCO approved a one-time \$500,000 payment in exchange for detachment. In December 2014, the Commission reviewed the SOI for VWRPD and recommended expanding the VWRPD SOI to encompass the remainder of the City in recognition of the contractual arrangement between the City and VWRPD in effect at the time. The City, which had started to evaluate</p>	<p>According to staff, the City pursued detachment of the VWRPD, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD proposed compensation in exchange for detachment. According to City staff, LAFCO approved a one-time \$500,000 payment in exchange for detachment. In December 2014, the LAFCO Commission reviewed the SOI for VWRPD and recommended expanding the VWRPD SOI to encompass the remainder of the City in recognition of the contractual arrangement between the City and VWRPD in effect at the time. The City, which had started to</p>	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> • <u>OPTION: remove entire paragraph as it repeats some information in following locations in the report (see page 209).</u> • As an alternative, restructure paragraphs to keep timeline and message uniform. • Effectively, the timeline is off. • The first section is out of place and is essentially repeated in the following sections on page 209. • Review of SOI determination is not really relevant as it was not a VWRPD initiated action; therefore, creates confusion with

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (6/14/22)

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	<p>other alternatives for future provision of parks and recreation services, opposed the SOI expansion. The Commission agreed with the City and declined to expand the VWRPD SOI. The Commission action also included a request that the District work with the City to develop a long-term plan for the orderly transition of park and recreation services. In response, the City of Menifee filed the proposal for detachment of all City territory from VWRPD in 2016.</p>	<p>evaluate other alternatives for future provision of parks and recreation services, opposed the SOI expansion. The Commission agreed with the City and declined to expand the VWRPD SOI. The Commission action also included a request <u>requested</u> that the District work with the City to develop a long-term plan for the orderly transition of park and recreation services. In response, the City of Menifee filed the proposal for detachment of all City territory from VWRPD in 2016.</p> <p><u>According to staff, the City pursued detachment of the VWRPD, proposing to take over all parks and recreation services in the City. Upon review of the application for detachment, VWRPD identified difficulties with the proposed application including negative financial impacts of greater than \$1 Million dollars resulting from the detachment. LAFCO, as one of many terms and conditions of the detachment approval, included a provision that the "City shall pay to the District \$500,000 as transition funding to compensate the District to assist the District with the financial impacts of the detachment associated with lost economies of scale and disruption of existing District funding structures so as to assist the District in continuing to deliver its minimum core services while additional funding sources are being developed by the District".</u></p>	<p>the statement that the Commission agreed with the City.</p> <ul style="list-style-type: none"> • Changes to more completely and accurately frame the history of the City's detachment application. • The City's input is not reflective nor accurate of the Commission's actions

VALLEY-WIDE RECREATION AND PARK DISTRICT TABLE OF COMMENTS AND SUGGESTED EDITS (6/14/22)

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209	City staff indicated that the City could mitigate this issue by expanding its parks and recreation district boundary to include the entire City of Menifee.	City staff indicated that the City could mitigate this issue by expanding its parks and recreation district boundary to include the entire City of Menifee.	<p><u>Comment:</u></p> <ul style="list-style-type: none"> This statement is not clear on what is being “mitigated”. Consider removing this entire statement; the City does not have a <u>district</u> boundary, nor is its city boundary bifurcated. Not sure what issue the City is mitigating.
210	According to City staff, Valley-Wide Recreation and Park District oversees maintenance of right of-way landscaping on the east side of the City.	According to City staff, Valley-Wide Recreation and Park District oversees maintenance of <u>some</u> right-of-way landscaping on the east side of the City.	<p><u>Suggested Edits for Accuracy:</u></p> <ul style="list-style-type: none"> Recommend adding “some” to this statement as VWRPD does not oversee all maintenance on the east side of the City.
225	<p>SOI RECOMMENDATIONS</p> <p>RSG is recommending coordination with the City of Menifee on expansion of the Menifee SOI. Menifee’s SOI is coterminous with its incorporated municipal boundary. As the City and Western Riverside County region continues to grow, much of the future development will begin to occur beyond Menifee’s eastern boundaries in unincorporated areas. In an effort to manage sprawl, LAFCO may consider extending Menifee’s SOI boundary eastward towards State Route 79. City staff indicated that there is interest in expanding the City’s SOI and municipal boundary to the east. Per City staff, the City Council adopted a Strategic Plan that included an item aiming to expand the Menifee SOI eastward as far as State Route 79.</p>	<p>SOI RECOMMENDATIONS</p> <p>RSG is recommending coordination with the City of Menifee on expansion of the Menifee SOI. Menifee’s SOI is coterminous with its incorporated municipal boundary. As the City and Western Riverside County region continues to grow, much of the future development will begin to occur beyond Menifee’s eastern boundaries in unincorporated areas. In an effort to manage sprawl, LAFCO may consider extending Menifee’s SOI boundary eastward towards State Route 79 <u>subsequent to the city’s general plan clearly “contain provisions to adequately demonstrate that the city has planned for the increased needs associated with a larger geographic boundary” prior to expansion of a city’s sphere of influence.</u> City staff indicated that there is interest in expanding the City’s SOI and municipal boundary to the east. Per City staff, the City Council adopted a Strategic Plan that included an item aiming to expand the Menifee SOI eastward as far as State Route 79.</p>	<p><u>Suggested Edits for Accuracy/Comments:</u></p> <ul style="list-style-type: none"> VWRPD believes LAFCO should provide some clarity on how this proposed recommendation complies with LAFCO Policy 2.3.4, which requires that a city’s general plan “contain provisions to adequately demonstrate that the city has planned for the increased needs associated with a larger geographic boundary” prior to <u>any</u> expansion of a city’s sphere of influence.