



September 29, 2022

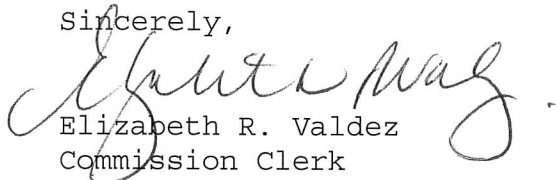
To: Cities of Riverside County, c/o City Clerks  
(See attached distribution list)

RE: LAFCO 2021-06-1,2,3,4,&5-**Countywide City Municipal Service Review** and Sphere of Influence Reviews and Potential Amendments: Cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Eastvale, Hemet, Jurupa Valley, Indian Wells, Indio, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Rancho Mirage, Riverside, San Jacinto, Temecula, and Wildomar

You are hereby notified that the above-named proposal was received and filed by the Riverside Local Agency Formation Commission at a public hearing held on July 28, 2022. A copy of Resolution No. 15-22 is attached for your records.

Should you have any questions, please feel free to contact our office.

Sincerely,



Elizabeth R. Valdez  
Commission Clerk

cc: City Managers, Cities of Riverside County - email  
Scott Bruckner, Executive Office - email  
Kecia Harper, Clerk of the Board - email  
Kevin Jeffries, Supervisor, 1<sup>st</sup> District - email  
Karen Spiegel, Supervisor, 2<sup>nd</sup> District - email  
Chuck Washington, Supervisor, 3<sup>rd</sup> District - email  
V. Manuel Perez, Supervisor, 4<sup>th</sup> District - email  
Jeff Hewitt, Supervisor, 5<sup>th</sup> District - email

City of Banning  
Caroline Patton, City Clerk  
99 E. Ramsey Street  
Banning, CA 92220

City of Beaumont  
Steven Mehlman, City Clerk  
550 E. 6th Street  
Beaumont, CA 92223

City of Blythe  
Mallory Sutterfield Crecelius, City Clerk  
235 N. Broadway  
Blythe, CA 92225

City of Calimesa  
Darlene Gerdes, City Clerk  
908 Park Avenue  
Calimesa, CA 92320

City of Canyon Lake  
Ana Sauseda, City Clerk  
31516 Railroad Canyon Rd.  
Canyon Lake, CA 92587

City of Cathedral City  
Tracey R. Hermosillo, City Clerk  
68700 Avenida Lalo Guerrero  
Cathedral City, CA 92234

City of Coachella  
Angela Zepeda, City Clerk  
1515 Sixth Street  
Coachella, CA 92236

City of Corona  
Sylvia Edwards, City Clerk  
400 S. Vicentia Avenue  
Corona, CA 92882

City of Desert Hot Springs  
Jerryl Soriano, City Clerk  
65950 Pierson Blvd.  
Desert Hot Springs, CA 92240

City of Eastvale  
Marc Donohue, City Clerk  
12363 Limonite Av., Suite 910  
Eastvale, CA 91752

City of Hemet  
John Paul Maier, City Clerk  
445 E. Florida Ave.  
Hemet, CA 92543

City of Indian Wells  
Angelica Avila, City Clerk  
44-950 Eldorado Drive  
Indian Wells, CA 922107497

City of Indio  
Sabdi Sanchez, City Clerk  
P.O. Drawer 1788  
Indio, CA 92202

City of Jurupa Valley  
Vicki Wasko, City Clerk  
8930 Limonite Avenue  
Jurupa Valley, CA 92509

City of La Quinta  
Monika Radeva, City Clerk  
78-495 Calle Tampico  
La Quinta, CA 92253

City of Lake Elsinore  
Candice Alvarez, City Clerk  
130 S. Main Street  
Lake Elsinore, CA 92530

City of Menifee  
Sarah Manwaring, City Clerk  
29844 Haun Road  
Menifee, CA 92586

City of Moreno Valley  
Brian Mohan, City Clerk  
PO Box 88005  
Moreno Valley, CA 925520805

City of Murrieta  
Cristal McDonald, City Clerk  
One Town Square  
Murrieta, CA 92562

City of Norco  
Dana Roa, City Clerk  
2870 Clark Avenue  
Norco, CA 92860

City of Palm Desert  
Niamh Ortega, City Clerk  
73-510 Fred Waring Drive  
Palm Desert, CA 92260

City of Palm Springs  
Anthony Mejia, City Clerk  
3200 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

City of Perris  
Nancy Salazar, City Clerk  
101 North "D" Street  
Perris, CA 92570

City of Rancho Mirage  
Kristie Ramos, City Clerk  
69-825 Hwy. 111  
Rancho Mirage, CA 92270

City of Riverside  
Donesia Gause, City Clerk  
3900 Main Street  
Riverside, CA 92522

City of San Jacinto  
Julia Espinoza, City Clerk  
595 S. San Jacinto Ave.  
San Jacinto, CA 92583

City of Temecula  
Randi Johl, City Clerk  
41000 Main Street  
Temecula, CA 92590

City of Wildomar  
Janet Morales, City Clerk  
23873 Clinton Keith Rd., Suite 201  
Wildomar, CA 92595

1                                 RIVERSIDE LOCAL AGENCY FORMATION COMMISSION

2   RESOLUTION NO. 15-22

3         MAKING DETERMINATIONS PURSUANT TO THE COUNTYWIDE CITY MUNICIPAL  
4             SERVICE REVIEW FOR THE CITIES OF: BANNING, BEAUMONT, BLYTHE,  
5         CALIMESA, CANYON LAKE, CATHEDRAL CITY, COACHELLA, CORONA, DESERT  
6         HOT SPRINGS, EASTVALE, HEMET, JURUPA VALLEY, INDIAN WELLS, INDIO,  
7             LA QUINTA, LAKE ELSINORE, MENIFEE, MORENO VALLEY, MURRIETA,  
8             NORCO, PALM DESERT, PALM SPRINGS, PERRIS, RANCHO MIRAGE,  
9             RIVERSIDE, SAN JACINTO, TEMECULA, AND WILDOMAR

10   LAFCO 2021-06-1, 2, 3, 4, & 5

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12             WHEREAS, a service review mandated by Government Code Section  
13     56430 has been conducted by the Riverside Local Agency Formation  
14     Commission ("Riverside LAFCO" or "the Commission") in accordance  
15     with the Cortese-Knox-Hertzberg Local Government Reorganization Act  
16     of 2000 (Government Code section 56000 et seq.); and

17             WHEREAS, a duly noticed public hearing was held by this  
18     Commission on June 23, 2022 and continued by the Commission to July  
19     28, 2022; and

20             WHEREAS, the Municipal Service Review was received and filed  
21     by the Commission on July 28, 2022.

22             NOW THEREFORE BE IT RESOLVED AND DETERMINED, based on the  
23     Municipal Service Review, the attached determinations are made in  
24     conformance with Government Code section 56430.

25             BE IT FURTHER RESOLVED that the Commission takes the following  
26     actions, to:

27             1.     Find the Municipal Service Review is exempt from the  
28     California Environmental Quality Act ("CEQA") review pursuant to

1 Section 15306, Class 6, of the CEQA Guidelines in that municipal  
2 service reviews consist of basic data collection, research,  
3 experimental management, and resource evaluation activities which  
4 do not result in a serious or major disturbance to an environmental  
5 resource, strictly for information-gathering purposes, or as part  
6 of a study leading to an action which the Commission has not yet  
7 approved, adopted, or funded.

8       2. Adopt the Statement of Determinations included in  
9 Exhibits "1" through "28", respectively, for each city as listed,  
10 attached hereto and incorporated herein by reference.

11       3. Receive and file LAFCO 2021-06-1,2,3,4,&5-Countywide City  
12 Municipal Service Review for the Cities of: Banning, Beaumont,  
13 Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona,  
14 Desert Hot Springs, Eastvale, Hemet, Jurupa Valley, Indian Wells,  
15 Indio, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta,  
16 Norco, Palm Desert, Palm Springs, Perris, Rancho Mirage, Riverside,  
17 San Jacinto, Temecula, and Wildomar.

18       4. Authorize the Executive Officer to post additional  
19 information received as appendices or errata to the Final Municipal  
20 Service Review on the Commission website as necessary.

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1 5. Direct the Executive Officer to transmit a certified copy  
2 of this resolution to each subject agency.

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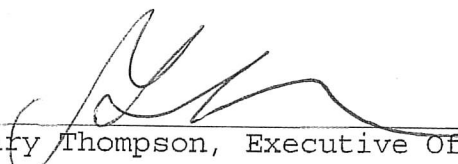
  
Michael M. Vargas, Chair

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7 I certify the above resolution was passed and adopted by the  
8 Riverside Local Agency Formation Commission on July 28, 2022.

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Gary Thompson, Executive Officer

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FORM APPROVED LEGAL COUNSEL

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BY: Melissa R. Cushman

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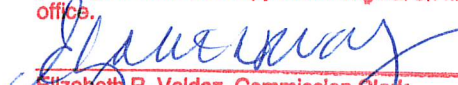
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The foregoing instrument is certified, under penalty of  
perjury, to be a true copy of the original on file in this  
office.

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Elizabeth R. Valdez, Commission Clerk  
Riverside Local Agency Formation Commission  
Executed on September 29, 2022 at  
Riverside, California

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**Exhibit “1”**  
**Statement of Determinations**  
**City of Banning**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**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.

In the RHNA 5<sup>th</sup> Cycle, 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 (DUCs) 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 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.

No other shared facility operations were identified by the LAFCO consultant, RSG, Inc.

#### **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 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.

**Exhibit “2”**  
**Statement of Determinations**  
**City of Beaumont**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Beaumont is growing within City boundaries and has plans to annex most or all of the existing SOI in the future. Population growth in Beaumont was three (3) times greater than County-wide growth rates. Future growth rates are expected to be higher than average as well.

Based on current development proposals, the City expects to annex areas that include more than 8,000 proposed residential units.

The City has taken steps to actively support multifamily development through lot assembly and infill development in the Beaumont downtown area, and while the community is supportive of higher densities, there has not been much development activity.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Beaumont SOI does not contain any DUCs. However, five (5) DUCs are located immediately north of the City’s corporate boundary. According to city staff, the City provides sewer services to portions of DUC1 (Cherry Valley). DUC1 (Cherry Valley) is illustrated in Exhibit 31 of the Final MSR/SOI Report.

**3. Present and Planned Capacity of Facilities**

The City of Beaumont recently invested in wastewater facility improvements.

City staff identified storm water, streets/roads, and parks and recreation facilities as adequate but approaching the end of useful lives.

#### **4. Financial Ability to Provide Services**

While the City is currently in a stable financial position, the City's Annual Audit concluded that there were several significant deficiencies related to the City's cash disbursement processes, segregation of duties and personnel action forms related to payroll processes, segregation of duties for business license processes, and overhead cost allocation. The City has recognized the deficiencies and either has made procedural changes to address the findings, or is currently evaluating methods to address the findings. In 2017, several City officials pleaded guilty to embezzlement of City funds, which were funneled to private companies owned by the City officials in charge of allocating City funds.

The City does not have OPEB liabilities and is approximately 70% funded on pensions, and the City is frequently updating financial projections to assess long term fiscal health.

#### **5. Opportunities for Shared Facilities**

The LAFCO consultant, RSG Inc., did not identify any opportunities for shared facilities.

#### **6. Accountability for Community Service Needs**

City Councilmembers are elected to four-year terms on an at-large basis. The City could potentially increase representation of underrepresented neighborhoods by transitioning to a district-based election.

The City is active in online social media, created a public information office recently, has created community committees, and as actively communicated with the community during the COVID-19 pandemic.

The City of Beaumont's 2019-20 annual financial report included a schedule of findings, identifying deficiencies in internal control over financial reporting, which is considered to be a significant deficiency.

**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.

**Exhibit “3”**  
**STATEMENT OF DETERMINATIONS**  
**City of Blythe**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Blythe was expected to grow to a population of 25,000 by 2020, and municipal services and facilities were designed around the projected growth, but the population declined by more than 1,500 residents (7.5 percent)

The City is encouraging growth and development in blighted neighborhoods.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Blythe SOI contains three (3) DUCs. There are six (6) additional DUCs within close proximity but located outside the Blythe SOI. According to City staff, DUC4 contains a small area adjacent to the Mayflower County Park and this area lacks sewer infrastructure. LAFCO is currently processing an application for extraterritorial sewer service provision to this area.

**3. Present and Planned Capacity of Facilities**

Because Blythe’s expected population growth during the last decade did not materialize, and the City’s facilities were designed to accommodate growth, the City’s present and planned capacity is sufficient to address population growth over the next 10 to 15 years.

**4. Financial Ability to Provide Services**

The City experienced financial hardships during the last ten years but appears to have made changes to alleviate those problems. According to city staff, the City has adopted balanced budgets, contributed to a small reserve balance, and residents approved Measure K, a one percent sales tax increase in 2020.



The California State Auditor's fiscal health evaluation rated the City's fiscal health as one of the highest risk in the State.

**5. Opportunities for Shared Facilities**

The City is actively searching for opportunities to decrease costs and sharing facilities may be a suitable option. There may be opportunities to share parks facilities and the City's garage.

**6. Accountability for Community Service Needs**

The City performs annual audits and releases the report and findings to the public

According to city staff, participation has increased during the COVID-19 pandemic as the City has transitioned public meetings to online formats

**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.

**Exhibit “4”**  
**STATEMENT OF DETERMINATIONS**  
**City of Calimesa**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Calimesa’s population grew quickly during the last decade and is expected to grow much faster through 2035 and 2045. Calimesa’s anticipated growth rates are 3.5 and 5.4 percent through 2035 and 2045 respectively. While these are very high projected growth rates, City staff’s assessment of the development pipeline indicates that actual population growth may exceed expectations.

The City is taking steps to accommodate population growth by increasing zoning densities in certain undeveloped portions of Calimesa.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Calimesa SOI does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

City staff did not identify any deficiencies related to the present or planned capacity of public facilities.

**4. Financial Ability to Provide Services**

The City’s tax base is not diverse, and the City is heavily reliant on revenues derived from property values, as property tax and property tax in lieu of VLF revenues combined for 66.9 percent of general tax revenues in 2018-19, leaving the City vulnerable to economic shifts impacting property values. City staff indicated that the percentage of property-based revenue as compared to total revenues has declined to approximately 49 to 50% by fiscal year 2020-21, which reflect better diversity and less potential impact on economic downturns.

**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City issues public notices on its website and communicates with residents using at least two (2) social media networks.

**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.

**Exhibit “5”**  
**STATEMENT OF DETERMINATIONS**  
**City of Canyon Lake**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Canyon Lake has limited potential for population, housing, and economic growth due to existing buildout and geography. Expanding the City’s SOI to include the unincorporated area to the north of the City, including the existing DUC, would present the City with an opportunity for future growth while also satisfying LAFCO policy by absorbing an unincorporated pocket and DUC into the SOI and potentially the City limits.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City does not currently have an SOI. One LAFCO-identified unincorporated pocket is located to the north of the City (DUCs 1&2 – Meadowbrook). City staff identified this area as an opportunity for City expansion as a means to meet future potential population growth and provide economic development opportunities. Exhibit 5 of the Final MSR/SOI Report illustrates this area in detail.

**3. Present and Planned Capacity of Facilities**

The City’s facilities are designed to meet current and future planned uses. On January 1, 2022, the City will begin providing fire protection services to Canyon Lake. The City currently owns the fire equipment and Fire Station 60, located in Canyon Lake, and the City’s fire protection services will continue to utilize this facility. The City did not identify a need for additional facilities.

**4. Financial Ability to Provide Services**

Despite being considered low risk by the State Auditor, Canyon Lake lacks opportunities for economic growth, which impacts its ability to provide more robust services or to maintain current service levels in the future. The City’s expanding

contract service costs, including police and fire services, may become unsustainable. The City's solution to create a new fire department will need to be carefully managed to minimize ongoing operating costs and increases in pension and OPEB costs.

According to City of Lake Elsinore staff, the City of Canyon Lake has had trouble making reimbursement payments related to mutual aid agreements.

#### **5. Opportunities for Shared Facilities**

The Riverside County Sheriff, the City's contract law enforcement provider, has an office in City Hall, and the Riverside County Fire Department/CalFire will utilize Fire Station 60 through the end of the 2021. The LAFCO consultant, RSG Inc., did not identify any additional opportunities for shared facilities in Canyon Lake.

#### **6. Accountability for Community Service Needs**

The City utilizes technology and social media to share information with the public effectively. City staff indicates that there is good engagement with the community. RSG Inc. did not identify any issues with accountability in Canyon Lake.

#### **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.

**Exhibit “6”**  
**STATEMENT OF DETERMINATIONS**  
**City of Cathedral City**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

While Cathedral City’s population and housing inventory increased modestly over the last decade, it is projected to outpace County-wide growth rates over the next 25 to 35 years.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

Cathedral City’s SOI encompasses three (3) DUCs. City staff indicated that the City does not extend services into these areas.

**3. Present and Planned Capacity of Facilities**

The City outlined its plans to accommodate the growth within its undeveloped city boundaries and the SOI in the General Plan.

**4. Financial Ability to Provide Services**

While the City has had fiscal health issues in the past, and there are unanswered questions about the City’s debt burden, and pension and OPEB liabilities, the City has accumulated notable reserves and has approved a balanced budget for every year over the last decade.

**5. Opportunities for Shared Facilities**

While the City is open to shared facilities and has discussed various opportunities for shared facilities with its neighboring jurisdictions in the past there are no ongoing discussions at this time.

**6. Accountability for Community Service Needs**

The City has a robust community engagement program, connecting with residents via

at least two (2) social media platforms and a regularly updated City website. The City converted to district-based elections for Councilmembers in 2018, and several boards and commissions provide guidance at the direction of the City Council. The LAFCO consultant, RSG Inc., did not identify any issues with accountability in Cathedral City.

**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.

**Exhibit “7”**  
**STATEMENT OF DETERMINATIONS**  
**City of Coachella**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Coachella has grown rapidly over the last decade and is expected to continue to grow at a faster rate than the County over the next 15 and 25 years. The City does not consider the current population projections reasonable or realistic.

It will be physically and financially challenging to meet the City’s 6th Cycle RHNA allocation.

The City has taken steps to promote higher density multifamily development at critical infrastructure nodes in Coachella, and the City is generally supportive of development and growth.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Coachella SOI does not contain any DUCs. As discussed earlier, five (5) DUCs are located in the unincorporated community of Mecca between the southern boundary of the Coachella SOI and the Riverside County border.

One DUC (Indio DUC1 known as the Carver Tract) lies outside of the City’s northwestern incorporated boundary but is contained within Indio’s SOI. The City of Indio has indicated that they intend to annex this DUC.

**3. Present and Planned Capacity of Facilities**

City staff indicated that the City’s facilities are generally in fair condition.

While City staff did not indicate any deficiencies related to electricity infrastructure, the upcoming expiration of Imperial Irrigation District’s 99-year contract has resulted in deferred maintenance of some aging and inadequate electricity infrastructure in the



nearby communities. Various entities are working towards a resolution with Imperial Irrigation District, and the LAFCO Consultant, RSG Inc., recommends that LAFCO monitor this situation closely.

#### **4. Financial Ability to Provide Services**

The City of Coachella has not experienced financial instability recently.

#### **5. Opportunities for Shared Facilities**

No opportunities for shared facilities were identified. Government Code Section 56133 precludes the extension of service from one city into another city's sphere of influence.

#### **6. Accountability for Community Service Needs**

The City of Coachella has issued clean financial audits.

The City is generally efficient and successful with public participation. Two (2) barriers to increased public participation were identified: (1) lower-income households with large families have limited opportunities to participate in civic processes, and (2) the increased use of technology during the COVID-19 pandemic limits some participation in households where the technology is cost prohibitive or otherwise unavailable.

The City's elections are held on an at-large basis, which may reduce the voting power of certain demographic groups in Coachella.

#### **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.

**Exhibit “8”**  
**STATEMENT OF DETERMINATIONS**  
**City of Corona**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Corona has grown steadily over the last decade, albeit slower than the County average. Future population projections anticipate slower growth over the next 15 to 25 years.

The City made significant progress against the 5<sup>th</sup> Cycle RHNA allocation, even though most of the surplus production was in the above-moderate income category. The City's 6<sup>th</sup> Cycle RHNA allocation is much higher than the 5<sup>th</sup> Cycle and may not be achievable by the City.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Corona SOI does not contain any DUCs.

The City's SOI contains four (4) LAFCO-identified unincorporated islands or pockets. The City did not indicate that they provide any services to the islands or pockets. LAFCO-identified pocket P8 (Coronita) has been considered for annexation, but the residents of this area opposed annexation when it was proposed.

**3. Present and Planned Capacity of Facilities**

The City's present and planned facilities are generally sufficient to meet community needs.

**4. Financial Ability to Provide Services**

The recently approved Measure X sales tax increase will put the City in a better financial position to provide services. Presently, the City is struggling with growing pension and OPEB liabilities. With that said, the City has also accumulated substantial reserve funds.

**5. Opportunities for Shared Facilities**

The nearby Home Gardens Water District currently relies on Corona for wholesale water purchases. As such, there may be opportunities for shared facilities between the two (2) water districts.

**6. Accountability for Community Service Needs**

The City Council is elected on a district basis, which is considered best practice for electoral accountability. The City puts special effort into engaging the community when capital improvements are planned for residential areas. The City's website is easily translated to a variety of languages and the City is active on at least two (2) social media networks.

**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.

**Exhibit “9”**  
**STATEMENT OF DETERMINATIONS**  
**City of Desert Hot Springs**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

The population of Desert Hot Springs grew at a moderate rate, 0.89 percent annually, over the last decade, slower than the County-wide average of 1.1 percent annually. Over the next 25-35 years, the Desert Hot Springs growth rate is expected to outpace the County. The housing inventory in Desert Hot Springs increased at an annual rate of just 0.7 percent. Much of the City’s growth is occurring in the industrial sector as developers seek to take advantage of the City’s cannabis cultivation and manufacturing policies.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Desert Hot Springs SOI contains eight (8) DUCs, as illustrated in Exhibit 40 of the Final MSR/SOI Report. While City staff expressed interest in annexation of several DUCs, the current condition of infrastructure or resistance from DUC residents make annexation of these areas unlikely at this time.

**3. Present and Planned Capacity of Facilities**

Most of the City’s facilities meet present and planned capacity. As stated in the 2007 MSR, the City’s ingress and egress streets and road infrastructure and storm water control facilities are insufficient during flooding, physically isolating the City during extreme weather. City staff echoed this sentiment, indicating that this infrastructure issue has not been addressed in the last 14 years.

**4. Financial Ability to Provide Services**

The LAFCO consultant, RSG Inc., did not identify any deficiencies related to the City’s financial ability to provide services.

**5. Opportunities for Shared Facilities**

The City owns two (2) fire stations occupied by Riverside County Fire/Cal Fire and previously contracted with Cathedral City for law enforcement dispatch services. The City is open to shared facilities arrangements but is not actively seeking any opportunities.

**6. Accountability for Community Service Needs**

The City Council is currently elected at-large, which may leave smaller communities under-represented at the City Council level. The community engages with the City through at least one social media platform that is particularly active, with membership estimated at about half of the City's population.

**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.

**Exhibit “10”**  
**STATEMENT OF DETERMINATIONS**  
**City of Eastvale**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Eastvale experienced significant population and development growth over the last decade, leaving very few opportunities for future development. The City's SOI is coterminous with its boundary and expansion in virtually every direction is bound by either other incorporated areas or the County's boundary. Future growth projections indicate much slower growth as the City relies on redevelopment of underutilized sites and infill development for growth over the next 15 to 25 years. The City's largest development opportunity is centered around a 160-acre master planned downtown.

The City does not have diversity in housing choices, with the majority of housing units in the form of single-family housing, but the new master planned downtown will have higher densities, up to 30 dwelling units per acre. The City appealed its 6<sup>th</sup> Cycle RHNA allocation and considers the targets to be physically and financially infeasible.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

Eastvale's corporate boundary is coterminous with its SOI. There are also no DUCs on Eastvale's periphery.

**3. Present and Planned Capacity of Facilities**

Two (2) separate districts own and operate parks and recreation facilities within the City of Eastvale. JCSD provides parks and recreation services on the west side of Hamner Road, and JARPD provides parks and recreation services on the east side of Hamner Road. Future capacity of facilities is the responsibility of the two (2) districts.

**4. Financial Ability to Provide Services**

The City is fiscally healthy and considered low risk, has substantial reserve funds, and has managed to limit pension and OPEB liabilities. With that said, the City relies heavily on construction permit fees, and with future growth prospects becoming increasingly limited, the City will likely need to rebalance its revenues and expenditures.

**5. Opportunities for Shared Facilities**

The City's northern extents, between Hamner Avenue and Interstate 15, is a commercial and industrial area, which City staff indicated is underserved with fire protection. Because it is geographically separated and has an unusual shape, it may not be feasible to build a new fire station in this area. There may be an opportunity for shared fire services with the City of Jurupa Valley for this area.

**6. Accountability for Community Service Needs**

The City seeks to maintain a very high level of accountability, with direct communications with residents through at least five (5) social media platforms, Council meetings and guest speakers broadcasted over digital video live feeds, educational video production, and a very diverse management team. The City has award winning annual audits and budgets.

**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.

**Exhibit “11”**  
**STATEMENT OF DETERMINATIONS**  
**City of Hemet**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Hemet’s population grew modestly between 2010 and 2020, adding about 0.79 percent annually. Hemet is expected to grow at a much higher pace over the next 15 to 25 years (1.69 percent to 2.53 percent annually), with both rates eclipsing County-wide population projection growth rates. The City permitted 471 housing units during the 5<sup>th</sup> Cycle, primarily making significant progress towards its above-moderate income production needs and exceeding its moderate-income housing allocation. The City had unit shortfalls in very low and low-income housing production. The City’s 6<sup>th</sup> Cycle RHNA allocation is a significant increase over the 5<sup>th</sup> Cycle, with combined allocation jumping more than ten (10) times to 6,450 units.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City’s SOI contains five (5) LAFCO-identified DUCs, all of which are located in the southeastern portion of the Hemet SOI. Two (2) additional DUCs are located immediately outside the City’s corporate boundary – west along State Route 74, and south along State Street.

**3. Present and Planned Capacity of Facilities**

The City did not identify any issues related to the capacity of facilities. According to City staff, new developments are required to provide specified improvements as Conditions of Approval, including roads and streets, curbs, gutters, sidewalks, streetlights, bicycle lanes, and public transportation facilities, thereby mitigating the fiscal impacts to extend or improve services by the City.

**4. Financial Ability to Provide Services**

The City is weighted down with significant pension and OPEB liabilities, which will have



to be reconciled if the City is to continue providing services at its current levels. The approval of Measure U by the voters of Hemet provided some financial flexibility for the City. Other than pension and OPEB liabilities, the City has managed to meet its emergency reserve policies and is not saddled with other debt.

**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The voters of Hemet elect City Councilmembers according to a district map, which increases representation among the varying areas of the community. The City shares information and communicates with the public through at least four (4) different social networks and broadcasts council meetings on the internet using video technology.

Many of the public documents that were formerly only available at City Hall were digitized and added to the City website during the COVID-19 pandemic. Annual audits are available online in portable document format ("PDF"), but saved as a Scanned Image PDF file and therefore not easily searchable. Saving Annual Audits as Accessible PDF (or with Optical Character Recognition, or "OCR") would make the Annual Audits easily searchable and increase the City's financial transparency.

**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.

**Exhibit “12”**  
**STATEMENT OF DETERMINATIONS**  
**City of Indian Wells**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Indian Wells’ population grew slowly over the last decade and is expected to grow slowly over the next 25 and 35 years. The City’s median household income (\$108,000) is well above the County-wide median household income (\$67,369)

The City has an unusual housing and land use profile, with more than two-thirds of housing units being single-family, and zero industrial square footage.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Indian Wells SOI is coterminous with the City’s corporate boundary, and therefore does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

The City currently relies on the City of Rancho Mirage for library services. It is unclear if this arrangement, and the costs associated with shared services, are mutually agreed-upon.

While City staff did not indicate any deficiencies related to electricity infrastructure, the upcoming expiration of Imperial Irrigation District’s 99-year contract has resulted in deferred maintenance of some aging and inadequate electricity infrastructure in the nearby communities. Various entities are working towards a resolution with Imperial Irrigation District, and the LAFCO consultant, RSG Inc., recommends that LAFCO monitor this situation closely.

RSG Inc. did not identify any other facility capacity deficiencies.

**4. Financial Ability to Provide Services**

The City appears to be financially stable, with healthy reserves and minimal pension

and OPEB liabilities. The City's revenue base may be the only area for concern – because the City relies on transient occupancy and event admission taxes for a large portion of its revenue base, however the City did not utilize any of its reserves during the COVID-19 pandemic.

**5. Opportunities for Shared Facilities**

The City may wish to formalize its relationship with the City of Rancho Mirage for the provision of library services. As a smaller city with effectively no future SOI growth potential, the City may wish to consider additional shared facility arrangements with neighboring communities.

**6. Accountability for Community Service Needs**

The City Council is currently elected at large, which may reduce the representation of small communities at the City Council level. The City is active on at least three (3) social media platforms.

**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.

**Exhibit “13”**  
**STATEMENT OF DETERMINATIONS**  
**City of Indio**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Indio’s population grew at an annual pace of 1.4 percent, which is in excess of County-wide average of 1.1 percent annually over the last decade. During the same time frame the City increased its housing inventory at an annual rate of 1.2 percent. In 2020, the City’s housing inventory was disproportionately skewed towards single-family and mobile-home housing units. While the City produced 1,542 housing units during the 5th Cycle, it fell short of meeting its 5th Cycle RHNA allocation (3,025 units) and will have a 6th Cycle RHNA allocation of 7,793 housing units.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Indio SOI contains one DUC known as the Carver Tract.

**3. Present and Planned Capacity of Facilities**

With the voter-approval of Measure X sales tax increase in 2016, the City’s streets and road infrastructure is improving. Still, City staff indicated that there are deficiencies in storm water drainage, which largely relies on natural storm water flows, and aging and inadequate electricity infrastructure as a result of an approaching contract expiration with Imperial Irrigation District. While the City is currently working towards a resolution with Imperial Irrigation District, the LAFCO consultant, RSG Inc., recommends that LAFCO monitor this situation closely.

**4. Financial Ability to Provide Services**

As previously mentioned, the City’s voters approved Measure X, which effectively doubled the City’s sales tax revenues in 2017-18, and provided the City with the resources it needed to expand services. The COVID-19 pandemic had an impact on

the City's financial position, but the City was able to budget for the losses by utilizing a portion of its reserves.

**5. Opportunities for Shared Facilities**

The City owns its library and fire stations, which are shared with contract service providers. City staff did not identify any additional opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City Council is elected according to a district map, which increases representation throughout the community. The City shares information and communicates with the public through at least three (3) different social media networks and keeps updated calendars of events and notifications on the City website.

**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.

**Exhibit “14”**  
**STATEMENT OF DETERMINATIONS**  
**City of Jurupa Valley**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Jurupa Valley’s population grew moderately during the last decade, roughly in line with the County growth rate. The City made progress on above-moderate income housing unit production, but did not permit any very low-, low-, or moderate-income housing units. Furthermore, the City’s 6<sup>th</sup> Cycle RHNA allocation increased by 162 percent over the 5<sup>th</sup> Cycle RHNA allocation.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

Jurupa Valley does not have a SOI greater than its city limits, nor are there any adjacent DUCs.

**3. Present and Planned Capacity of Facilities**

The City identified street and bridge infrastructure as a weak point for the City. Street improvements are expected to take place in the coming years, as the City’s fiscal health improves, while bridge improvements are dependent on oversubscribed State and Federal grants.

**4. Financial Ability to Provide Services**

With the State’s reversal on the property tax in-lieu of VLF funds, the City’s fiscal health is improving. The City does not offer pension or OPEB plans for qualified or eligible personnel, instead opting to offer a 401K plan. While this benefits the City’s long term fiscal outlook, City staff turnover may increase as personnel seek opportunities with better benefit packages in other communities.

**5. Opportunities for Shared Facilities**

The City is seeking to acquire a corporate yard and vehicle maintenance facility, which it would look to share with other districts that provide services in Jurupa Valley.

**6. Accountability for Community Service Needs**

The current City Council has made accountability and transparency a priority by increasing social media and website engagement.

**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.

**Exhibit “15”**  
**STATEMENT OF DETERMINATIONS**  
**City of La Quinta**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

La Quinta’s population grew at a below-average rate when compared to other Riverside County cities. In the current 5th Housing Element Cycle, La Quinta will likely fall short of production goals for affordable housing but has produced a surplus of above-moderate income units. The next 6th Round RHNA cycle may cause even more pressure with more ambitious housing production targets. La Quinta’s 6th Cycle RHNA requirement (1,526 units) is more than four (4) times its 5th Cycle RHNA requirement (364 units).

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The La Quinta SOI contains two (2) LAFCO-identified DUCs (DUCs 1 and 1a). The City does not extend services to either of the DUCs.

**3. Present and Planned Capacity of Facilities**

While City staff did not indicate any deficiencies related to electricity infrastructure, the upcoming expiration of Imperial Irrigation District’s 99-year contract has resulted in deferred maintenance of some aging and inadequate electricity infrastructure in the nearby communities. Various entities are working towards a resolution with Imperial Irrigation District, and the LAFCO consultant, RSG Inc. recommends that LAFCO monitor this situation closely.

**4. Financial Ability to Provide Services**

With the recently approved Measure G sales tax increase, the City is in good financial position to maintain service levels. The City’s growing pension liabilities may present future strains on the City’s financial position.



**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City Council is elected at-large, which may reduce representation of some communities. The City connects with residents through at least five (5) different social networks and maintains up-to-date calendars and notifications on its City website.

**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.

**Exhibit “16”**  
**STATEMENT OF DETERMINATIONS**  
**City of Lake Elsinore**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Lake Elsinore’s population grew faster than the County-wide average over the last decade and is expected to continue to grow at a faster rate over the next 15 to 25 years. The City added 2,693 housing units between 2010 and 2020, but fell short of permitting its 5<sup>th</sup> Cycle RHNA allocation of 4,929 units – producing 1,118 market rate units and 1,001 affordable units. With the anticipated increase in population growth over the next 15 to 25 years, the City’s RHNA allocation increased to 6,681 units for the 6<sup>th</sup> Cycle.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City’s SOI contains six (6) DUCs and there is one additional DUC located immediately north of the City boundary in the unincorporated Meadowbrook area, which is not in any city’s SOI. Any annexations in the City’s northern SOI, north of Interstate 15 and State Route 74, should include annexation of DUC3 and pocket P23, commonly known as Warm Springs. The City acknowledged that the County would like this area to be annexed into the City and that service delivery is challenging for the County. Given the isolation of this community, the City is likely already the beneficiary of sales tax revenues from the community’s expenditures in the City.

Any annexations of the City’s southwestern SOI should include the annexation of DUCs 4, 4a, 4b, and 4c, commonly known as Lakeland Village. The City is already providing informal monitoring of this area as part of its normal lake patrol service. Given the isolation of this community, the City is likely already the beneficiary of sales tax revenues from the community’s expenditures in the City.

The unincorporated area that includes DUC1 and a portion of DUC2, known as Meadowbrook, should be considered for addition to the City’s SOI as well as for

annexation. The City of Canyon Lake expressed interest in expanding its SOI to this area as well.

### **3. Present and Planned Capacity of Facilities**

As the owner and operator of the Lake Elsinore body of water, the City is facing infrastructure challenges associated with aging buildings and facilities supporting the operations of the lake. The City is making modern improvements to infrastructure and City owned buildings to accommodate accessibility standards and remediate lead and asbestos issues.

### **4. Financial Ability to Provide Services**

The City's debt burden and pension and OPEB liabilities may limit the City's financial ability to deliver services. Measure Z, the City's recently approved transactions and use tax measure, may alleviate some of these issues.

### **5. Opportunities for Shared Facilities**

The City owns Lake Elsinore (the body of water), a neighborhood center, senior center, three (3) fire stations, the sheriff station, and the Lake Elsinore Diamond, a minor league baseball stadium.

For reference, the 2005 MSR made the determination that the City should explore potential efficiencies that could be achieved through shared personnel, facilities, and other cost-sharing arrangements with other agencies in the area, such as shared studies, equipment, and office space.

There may be additional opportunities for contract services with neighboring communities.

### **6. Accountability for Community Service Needs**

The City actively communicates with its residents using its website, the media, and social media, using at least three (3) different platforms. The City Council is elected

according to districts and the City's Treasurer is elected at-large.

**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.

**Exhibit “17”**  
**STATEMENT OF DETERMINATIONS**  
**City of Menifee**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Menifee grew rapidly over the last decade, at an annualized growth rate of 2.28 percent, adding almost 20,000 to the City’s population. Menifee is expected to continue growing, albeit at a slower rate, over the next 15 to 25 years, roughly at the same rate as the County of Riverside. The City added 5,406 housing units between 2010 and 2020, and made significant progress towards meeting its RHNA allocation, exceeding the allocation in both moderate- and above-moderate income housing unit categories. However, the development community in Menifee did not produce sufficient very low- and low-income housing units, falling 2,467 units short in those categories, to meet the City’s very low- and low-income housing RHNA allocations.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

Menifee’s SOI is coterminous with its corporate City boundary and therefore does not contain any DUC.

**3. Present and Planned Capacity of Facilities**

Because Menifee is a rapidly growing and developing city, the present capacity of facilities may not be keeping up with demand. The City is requiring CFD approval for all new developments to ensure that service and infrastructure needs of new developments have a built-in funding mechanism.

**4. Financial Ability to Provide Services**

The City has improved its fiscal health in recent years with the addition of property tax in-lieu of VLF revenues and the approval of Measure DD one percent transactions and use tax. The City has built up reserves of at least 25 percent of operating expenditures.

The City's pension and OPEB liabilities have been suppressed and the City is able to pay off any liabilities that accumulate.

**5. Opportunities for Shared Facilities**

No opportunities for shared facilities were identified.

**6. Accountability for Community Service Needs**

The City connects with residents through at least four (4) different social networks. The City recently hired a public information officer to provide regular updates to residents and coordinate communications. The City's Menifee Matters magazine is distributed to every household and business on a quarterly basis to provide updates to the residents of the City. The City put three (3) new software solutions in place recently that are intended to connect and provide greater access 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.

**Exhibit “18”**  
**STATEMENT OF DETERMINATIONS**  
**City of Moreno Valley**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Moreno Valley grew at a slower rate over the last decade, when compared to the County and most other incorporated jurisdictions in the Western Riverside Region. The Moreno Valley population is expected to grow at a rate that is slightly lower than the County-wide growth rate over the next 15 to 25 years. The City did not build sufficient housing units to meet its 5<sup>th</sup> Cycle RHNA allocation of 6,169 units, falling short by 4,358 units, and the City’s 6<sup>th</sup> Cycle RHNA allocation increased by 120 percent to a total of 13,596 housing units.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City’s SOI does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

Many of the City’s deficiencies identified in the 2006 MSR did not resurface during the LAFCO consultant, RSG Inc.’s, research, data collection, and city interview stages.

**4. Financial Ability to Provide Services**

The City’s general tax revenue sources have increased to more than \$101.6 million in 2018-19. The City has identified issues with its pension and OPEB liabilities and began to take corrective action as early as 2008 with the introduction of an irrevocable trust fund. The City has maintained healthy reserve funds.

**5. Opportunities for Shared Facilities**

No opportunities for shared facilities were identified.

**6. Accountability for Community Service Needs**

The City Council is elected according to district boundaries. The City's plethora of boards, committees, and commissions indicates that the City residents are engaged with City government. The City is active across at least five (5) social media platforms and maintains an email list. The City also operates a television channel and has a dedicated media team.

**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.



**Exhibit “19”**  
**STATEMENT OF DETERMINATIONS**  
**City of Murrieta**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**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 5<sup>th</sup> Housing Element Cycle, the City failed to produce any very low-, low- and moderate income units.

**2. Disadvantaged Unincorporated Communities (DUCs) 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. 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.

**Exhibit “20”**  
**STATEMENT OF DETERMINATIONS**  
**City of Norco**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

In contrast to the remainder of Riverside County, Norco’s population grew very slowly over the last decade, at a rate of 0.14 percent annually, and is expected to decline between now and 2035 and 2045 as the County continues to grow. The City added only seven (7) housing units over the last decade, with none affordable to very low-, low-, and moderate-income households. Meanwhile, the City added over 639,000 square feet of commercial space. The City’s development is not only disproportionately skewed towards retail development, but the City’s fiscal health relies on sales tax revenues, and the performance of the City’s brick-and-mortar retail developments.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City’s SOI does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

The LAFCO consultant, RSG Inc., did not identify any inadequately sized facilities.

**4. Financial Ability to Provide Services**

As previously stated, the City is heavily reliant on the performance of sales tax-producing uses in the City, even more so with the voter approval of Measure R. The City’s pension and OPEB liabilities are sizeable for a City this size, but the City is already taking action to correct these issues. The City has managed to accumulate reserves in compliance with the City Council’s adopted policies.

**5. Opportunities for Shared Facilities**

The City is currently sharing its Council Chambers with the school district. There may be other opportunities to share facilities with other local institutions.

**6. Accountability for Community Service Needs**

The City's website is difficult to navigate and oversized when compared to other city websites. The City is active on at least one social media website. According to City staff, the community is very engaged in public discourse with the City and outreach efforts generally result in a high level of response.

**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.

**Exhibit “21”**  
**STATEMENT OF DETERMINATIONS**  
**City of Palm Desert**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Palm Desert’s population grew at a below-average rate when compared to Riverside County and is expected to be outpaced by the region over the next 15 to 25 years. The City has an unusually low housing density, indicative of the region’s population that migrates seasonally with the weather. While the City added 1,604 housing units between 2010 and 2020, this represents a 0.42 percent annual increase. The City also made progress but is not expected to permit sufficient very low-, low-, and moderate income housing units during the 5th Cycle to meet its RHNA allocation.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The City’s SOI contains two (2) DUCs. The City does not extend services to either of the DUCs.

**3. Present and Planned Capacity of Facilities**

While City staff did not indicate any deficiencies related to electricity infrastructure, the upcoming expiration of Imperial Irrigation District’s 99-year contract has resulted in deferred maintenance of some aging and inadequate electricity infrastructure in the nearby communities. Various entities are working towards a resolution with Imperial Irrigation District, and the LAFCO consultant, RSG Inc., recommends that LAFCO monitor this situation closely.

**4. Financial Ability to Provide Services**

The City has a healthy reserve balance and has made progress towards reducing its pension liabilities. The City also had \$24.7 million of revenues in excess of expenditures between 2016-17 and 2018-19.

**5. Opportunities for Shared Facilities**

The City shares some parks and recreation facilities with Desert Recreation District. No other opportunities for shared facilities were identified.

**6. Accountability for Community Service Needs**

The City Council is elected according to district boundaries, which is considered best practices for municipal elections. The City engages with the community on at least three (3) social networks and provides a calendar of city events and news releases on the City's website.

**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.

**Exhibit “22**  
**STATEMENT OF DETERMINATIONS**  
**City of Palm Springs**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

The City’s population increased slowly over the last decade, and is expected to grow at below-average rates for the next 15 to 25 years. The City’s housing density is 1.32 persons per household, which is less than half of the County-wide average of 2.81 persons per household. This illustrates the Coachella Valley’s popularity as a seasonal home for Canadians and homeowners in cold-weather climates.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Palm Springs SOI does not contain any DUCs. Four (4) DUCs are located outside but within close proximity to the Palm Springs SOI. The City does not extend services to any DUCs.

**3. Present and Planned Capacity of Facilities**

According to the 2007 MSR, the City’s library facilities were undersized. The City has not made investments to expand the City’s library facilities.

**4. Financial Ability to Provide Services**

The City’s voters approved two (2) separate sales tax measures over the last decade, strengthening the City’s financial position, which now relies heavily on sales tax and transient occupancy tax revenues. The City has accumulated reserves, but it also has a substantial pension liability. The City has managed to keep law enforcement and fire protection services internal without costs increasing unsustainably.

**5. Opportunities for Shared Facilities**

The City did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

City Councilmembers are elected according to district boundaries, which is considered best practices for municipal elections. The City connects with residents through at least four (4) different social networks and maintains calendars of events and news information on the City website.

**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.



**Exhibit “23”**  
**STATEMENT OF DETERMINATIONS**  
**City of Perris**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Perris grew at a faster rate than the County as a whole over the last decade and is expected to grow even faster over the next 15 to 25 years.

Perris has above-average household and population densities when compared to the County.

Perris is largely comprised of single-family housing but the City managed to permit 1,504 housing units over the 5<sup>th</sup> Cycle, including 359 households affordable to very low-income households and 222 units affordable to moderate-income households, but fell short of meeting its RHNA allocation by 2,776 housing units.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Perris SOI contains six (6) DUCs but the City does not currently extend services into the SOI. DUC4, known as Good Hope overlaps portions of LAFCO-identified pockets P32 and P33.

**3. Present and Planned Capacity of Facilities**

According to City staff, the City is looking to transition sewer and water services to a different provider.

Because much of the City’s growth has occurred in the last 20 years, the City’s infrastructure, aside from the Downtown Perris area, is relatively new and in good condition.

**4. Financial Ability to Provide Services**

The City of Perris is one of the few cities in Riverside County actively addressing its unfunded pension liability, allocating reserve funds to reduce unfunded liabilities.

**5. Opportunities for Shared Facilities**

The City is looking for a local solution to animal shelters, as the current animal shelter facility is unnecessarily far away from Perris.

**6. Accountability for Community Service Needs**

The City of Perris notifies the public of public works projects, reaches out to impacted communities directly, and offers digital video-based meetings. The City is actively engaged on at least four (4) different social media platforms and offers applications for two (2) different mobile operating systems, enabling residents and business operators to request services for graffiti removal, pothole repair, or other local issues.

**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.

**Exhibit “24”**  
**STATEMENT OF DETERMINATIONS**  
**City of Rancho Mirage**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

The population of Rancho Mirage grew at a rate that nearly-matched the County-wide growth rate between 2010 and 2020. However, going forward, Rancho Mirage has very little opportunity for development, and the vacant land in the SOI is mostly tribal land. Rancho Mirage may not grow according to its 2035 and 2045 projected growth rates.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Rancho Mirage SOI does not contain and DUCs.

**3. Present and Planned Capacity of Facilities**

While City staff did not indicate any deficiencies related to electricity infrastructure, the upcoming expiration of Imperial Irrigation District’s 99-year contract has resulted in deferred maintenance of some aging and inadequate electricity infrastructure in the nearby communities. Various entities are working towards a resolution with Imperial Irrigation District, and the LAFCO consultant, RSG Inc., recommends that LAFCO monitor this situation closely.

**4. Financial Ability to Provide Services**

The City has managed to keep debt, pensions, and OPEB liabilities under control, but the City’s public safety costs are increasing at an unsustainable rate.

**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City Council is elected at-large, which may prevent small communities from being

adequately represented in the local government. However, the City has many boards and commissions for residents to participate in local decision-making processes. The City connects with residents through at least four (4) different social networks and provides relevant news and event information on its website.

**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.

**Exhibit “25”**  
**STATEMENT OF DETERMINATIONS**  
**City of Riverside**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Riverside grew at a slower rate (0.77 percent) than the County (1.10 percent) over the last decade, and is expected to continue to grow at a slower rate than the County over the next 15 to 25 years.

Riverside saw modest housing development over the last decade, with just 2,970 new housing units built.

Substantial new industrial square footage was added over the last ten (10) years, much of which is utilized as regional distribution centers for online retailers, which has resulted in significant growth in the City’s sales tax revenues.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Riverside SOI contains one DUC, known as Highgrove West. Any annexations involving properties in the northeastern Riverside SOI should consider annexation of these areas.

**3. Present and Planned Capacity of Facilities**

The City indicated that the existing energy delivery infrastructure will not support growth beyond fiscal year 2021-22.

**4. Financial Ability to Provide Services**

Riverside has taken steps in recent years to increase tax revenues, most notably with the voter-approval of Measure Z, which added a one percent transactions and use tax on top of the City’s existing sales tax rate.

The City is compliant with reserve policies and has made actuarially determined contributions on its pension and OPEB liabilities.

**5. Opportunities for Shared Facilities**

Most of the opportunities for shared facilities identified are associated with water infrastructure, which is outside the scope of this MSR, and will be addressed in a concurrent MSR focused on water, wastewater, healthcare, and cemetery services.

**6. Accountability for Community Service Needs**

The City elects the City Mayor at large and Councilmembers according to a district map, with each district representing approximately the same number of residents.

The City is active across several social media networks, with some departments having specific social media accounts to share information with the public. Several websites developed by the City also promote information about City programs and businesses.

The Community & Economic Development Department is actively working on a community engagement survey, anticipated to be completed by the end of 2021, which will assist staff and the City Council in development of a formal policy.

**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.

**Exhibit “26”**  
**STATEMENT OF DETERMINATIONS**  
**City of San Jacinto**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

San Jacinto’s population grew at an annual rate of 1.45 percent between 2010 and 2020, which outpaced the County-wide annual growth rate of 1.10 percent. San Jacinto has higher housing density when compared to the average Riverside County city and its median household income is just \$51,513.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The San Jacinto SOI has two (2) DUCs, which overlap LAFCO-identified unincorporated pockets P39 and P40.

**3. Present and Planned Capacity of Facilities**

City staff did not identify any deficiencies in present or planned capacity of public facilities.

**4. Financial Ability to Provide Services**

The City has managed its debt obligations and public safety expenditures, but the City’s pension liability is increasing substantially.

**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City Council is elected at-large which may prevent smaller communities in the City from being adequately represented. The City communicates with the public via at least two (2) social media networks and posts relevant news and information on its City website.

**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.



**Exhibit “27”**  
**STATEMENT OF DETERMINATIONS**  
**City of Temecula**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Temecula’s growth rate over the last decade was roughly the same as the County-wide growth rate, but Temecula is expected to experience slower growth over the next 15 to 25 years.

While Temecula added 2,546 housing units between 2010 and 2020, housing production rates were slower than population growth rates and almost all of the new units permitted during this time were market rate housing – the City had very little affordable housing production.

City staff indicated that there are issues related to non-residents relying on City services and facilities, particularly parks and recreation. Given the significant single-family housing subdivision development in Temecula’s SOI, specifically much of the northeastern, eastern, and southeastern SOI areas being largely built out. With other unsphered areas on Temecula’s periphery, particularly on the southeastern border also experiencing rapid housing development with no clear plans for future service delivery and facility upgrades, these conflicts are likely to persist.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Temecula SOI does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

City staff indicated that the City’s public parks and recreation facilities are heavily impacted by non-resident users. As development and growth continues on Temecula’s periphery, this will be a challenge that the City must address in order to maintain service levels.

**4. Financial Ability to Provide Services**

Presently, the City is heavily reliant on sales tax and Measure S transactions and use tax revenues, which combine to represent 73.2 percent of general tax revenues, which is a revenue source that is susceptible to economic shifts, such as the COVID-19 pandemic.

**5. Opportunities for Shared Facilities**

City staff did not identify any opportunities for shared facilities.

**6. Accountability for Community Service Needs**

The City maintains transparency by a number of means, including newsletters, emails, the City website, and at least four (4) different social media accounts. The City also shares public meetings through digital video technology.

City Councilmembers are elected according to districts.

**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.

**Exhibit “28”**  
**STATEMENT OF DETERMINATIONS**  
**City of Wildomar**

Based on the information, issues, and analysis presented in the Final MSR/SOI Report, which is available for examination upon request at the Riverside LAFCO office, 6216 Brockton Avenue, Suite 111-B, Riverside, CA 92506, the following determinations were adopted by the LAFCO Commission pursuant to Government Code section 56430.

**1. Population, Growth, and Housing**

Wildomar grew at a faster rate than the County-wide average between 2010 and 2020, and is expected to continue to grow faster over the next 15 to 25 years.

The City’s housing production has not kept pace with population growth rates, and the City has failed to produce sufficient very low-, low-, and moderate-income housing units, to meet its RHNA allocation. The City’s RHNA allocation increases slightly in the upcoming 6th Cycle.

**2. Disadvantaged Unincorporated Communities (DUCs) in SOI**

The Wildomar SOI is coterminous with the City’s corporate boundary and therefore does not contain any DUCs.

**3. Present and Planned Capacity of Facilities**

City staff did not identify any deficiencies related to present or planned facility capacity.

**4. Financial Ability to Provide Services**

While Wildomar has a unique financial history, but with the restoration of property tax in-lieu of VLF and the voter approval of Measure AA, the City is on much firmer fiscal ground going forward.

**5. Opportunities for Shared Facilities**

The City is considering adding a public works team and will need a new operations center and equipment. There may be opportunities to partner with the County or a neighboring city for this service.

**6. Accountability for Community Service Needs**

The City updates its website, sends out public notices, maintains an email list, and is active on at least two (2) social networks. City Council meetings are broadcast over two (2) cable television services and are available to stream live online.

The City did not have any audit findings, and has been awarded Certificates of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for all audits completed between 2017-18 and 2019-20.

**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.