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9/26/2013

TO: Local Agency Formation Commission

FROM: George Spiliotis, Executive Officer
Adriana Romo, Local Government Analyst II
Crystal Craig, Local Government Analyst II

SUBJECT: LAFCO 2013-05-1--REORGANIZATION TO INCLUDE ANNEXATION 114 TO THE CITY OF CORONA, CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE RESOURCES MANAGEMENT DISTRICT AND DETACHMENT FROM COUNTY SERVICE AREA 134 (TEMESCAL VALLEY) and REVIEW AND CONSIDERATION OF THE MITIGATED NEGATIVE DECLARATION PREPARED BY THE CITY OF CORONA, AS LEAD AGENCY

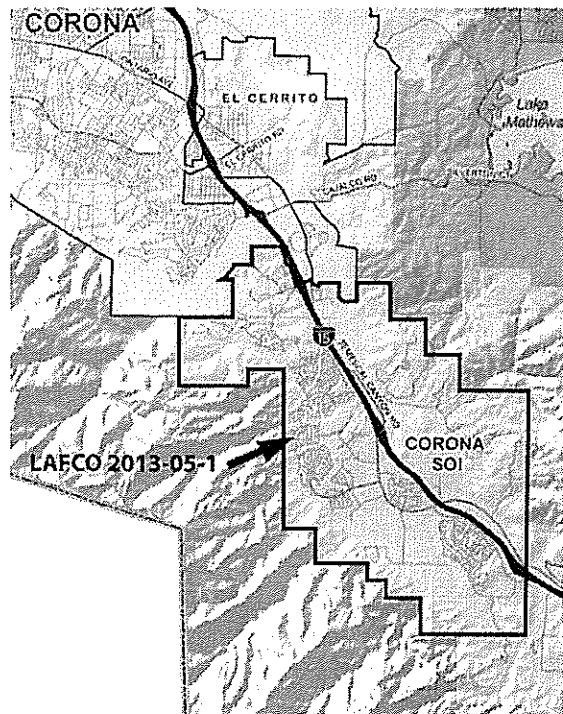
PRIOR AGENDAS/RELATED ACTIONS: Establishing a different time for the public hearing of this item, 7/25/2013.

EXECUTIVE SUMMARY:

This report addresses a proposal for an annexation of approximately 15.4 square miles of inhabited, developed and undeveloped land into the City of Corona. The subject proposal, referred to as the Temescal Valley annexation, includes large suburban residential communities, rural residential areas, commercial establishments, industrial/business park areas, yet to be developed residential and non-residential specific plans, and open space uses, including mineral resources. The City has adopted land use designations and rezoning similar to County land use plans. The City has adopted the approved County Specific Plans that cover much of the area and has adopted overlay zones to match County animal-keeping regulations.

The City is proposing to establish a separate patrol zone in Temescal Valley with two patrols. The area is currently a portion of a County patrol beat typically staffed with one deputy. Response times will be significantly reduced. Most other services will involve a simple transfer of authority with no significant difference in service levels.

Fire protection is the most complex issue associated with the proposal. The County currently provides coverage to the southern two-thirds of the annexation area from County Station 64 at the southern end. The County contracts with the City to serve the northern portion of Temescal Valley and El Cerrito. The City's preferred option was to preserve the current service configuration by contracting with the



County to continue providing service to the southern portion of the annexation. The two agencies have not yet been able to reach an agreement for such a service arrangement. Alternatively, the City has proposed to build a new station in the central portion of the annexation area to provide coverage. This is a much less efficient configuration as it involves construction and staffing of an additional station and will likely require the County to close or relocate its current station, which could negatively impact service to other unincorporated areas. As of this writing, negotiations are continuing.

Generally, current assessments collected by the County through two county service areas and a lighting and landscape maintenance district will be transferred to the city to continue the respective services funded by those districts. Other than a business license tax, no new City taxes or assessments would be extended to residents or property owners in the annexation area. The City, however, does have a fee for emergency medical response. The County does not charge for this service.

The County of Riverside is opposed to this annexation due to the significant fiscal impact on the County and potential service impacts to residents outside of the annexation boundaries. County opposition is also based on the substantial written opposition that has been submitted by area residents over the course of the past year.

Staff cannot recommend approval at this time, based on the reduced efficiency of fire protection service in the general area. However, staff would like to provide additional time for the agencies to arrive at a mutually acceptable arrangement for this service. The staff recommendation is for a continuance until the Commission's next meeting, December 19, 2013. If the proposal is ultimately approved by the Commission, a protest hearing must be held. The final outcome of this proposal would be determined through this process, which could result in an election conducted within the annexation area.

GENERAL INFORMATION:

APPLICANT: The City of Corona.

LOCATION: South of the City of Corona, encompassing the remainder of Temescal Valley within the City's sphere of influence. The subject area is bisected by Interstate 15. The proposal stretches from the City's southern boundary near Weirick Road southerly to approximately Indian Truck Trail.

POPULATION: Based on Census 2010 data, the population for the Temescal Canyon annexation area was estimated at 15,565. At build-out, the population for the area is projected to be 22,775. The City's population reached 156,823 in 2013, according to the California Department of Finance. Annexation will result in an immediate population increase to the City of approximately ten percent.

REGISTERED VOTERS: A registered voter count has not been requested for this area. Based on the population, it is estimated that there are approximately 7,000 registered voters in the affected area. Clearly, this proposal is legally inhabited.

AREA: The proposal includes approximately 15.4 square miles, or 9,800 acres, of territory. The Temescal Valley represents the largest area

within Corona's SOI. All but approximately 100 acres of this proposal is within the City's sphere of influence. A minor sphere of influence amendment request has accompanied this proposal for the remaining acreage. A separate report has been prepared for the sphere amendment, which is also on the current agenda.

CEQA DETERMINATION: The City of Corona, as lead agency, has adopted a Mitigated Negative Declaration for the proposed reorganization and related actions. As a responsible agency under CEQA, the Commission is required to review the environmental documentation prepared by the lead agency and consider the information and environmental impacts identified. Although no significant changes to land uses are proposed, the attached Initial Study/Mitigated Negative Declaration identified potential significant impacts in the areas of hydrology and air quality. Mitigation measures have been adopted by the City that reduce those impacts to less than significant.

PROPERTY TAX EXCHANGE: Both the City and the County have adopted corresponding master property tax resolutions. Those resolutions call for the City to receive 25 percent of the County General Fund allocation, and 100 percent of the allocations for structural fire protection and library services.

It should be noted that the County Executive Office has taken the position that the master property tax agreement does not apply to the current annexation. The reason given is that the agreement predates the 1986 addition of this area to the City's sphere of influence and the passage of the Cortese-Knox-Hertzberg Act (CKH). The County also notes the agreement should not be applicable to this proposal due to its size and fiscal impact on the County.

Staff does not agree with the County's position. The passage of CKH is irrelevant, as statutes governing master property tax agreements are contained in the Revenue and Taxation Code. Regarding the timing of the inclusion of the subject area in the SOI, the master tax resolution (attached) includes only one temporal constraint; that is, it applies to annexations to the City after July 1, 1981. The resolution contains no other restrictions regarding size or any other matter. It should be noted that several annexations, both large and small, have been processed in this post-1986 SOI area to which the master resolution has applied without contest. Additionally, a redevelopment-related memorandum of understanding between the City and the County executed in 2000 acknowledges the effect of the master agreement within Temescal Valley. The Board of Supervisors has not taken any action to rescind or modify its master property tax transfer resolution.

EXISTING CONDITIONS: The site currently contains several existing land use types, with much of the area already developed. The reorganization area is largely inhabited and includes rural residential home sites, master planned residential communities, and traditional single family residential development. In total, there are approximately 5,450 dwelling units currently within the annexation area.

Non-residential uses also exist in the area and include commercial/service establishments, business park/light industrial uses and aggregate mining operations. Approximately 1.5 million square feet of industrial, business park, and commercial uses have been built. Public and private recreational facilities, including golf courses,

community park sites, and the Glen Ivy Hot Springs also occur within the annexation boundaries.

Large amounts of open space, including the foothills of the Santa Ana Mountains on the west side, and undeveloped properties also exist within the annexation area. A portion of the open space is dedicated to mineral resource extraction. Several large vacant parcels are already slated for future development based on approved plans such as the Serrano and Toscana Specific Plans.

LAND USE PLANS: The existing zoning in the annexation area has been established by Riverside County. A portion of the annexation area utilizes traditional County zoning with much of the area's development regulated by adopted specific plans. There are currently six specific plans: The Retreat (SP 317), Mountain Springs aka Trilogy, formerly known as Mountain Cove (SP 221), Wildrose (SP 176), Sycamore Creek (SP 256), Serrano (SP 353), and Toscana (SP 327) that were all approved by the County of Riverside. These specific plans encompass approximately 4,500 acres. With the exceptions of Toscana and Serrano, these specific plans are nearly or completely built out. Development has not commenced on these last two specific plans.

The Serrano Specific Plan covers 489 acres located on the east side of Interstate 15 and is intended primarily for light industrial development. The Toscana Specific Plan covers 960 acres at the southeastern end of the annexation area and includes a mix of medium and high density residential development along with parks and general open space. Undeveloped properties also exist along the west side of Interstate 15 and are intended for commercial development.

Based on existing zoning, approximately 2,500 additional units are projected for development at build-out. Current general plan and zoning approvals will also accommodate an additional 8 million square feet of non-residential development.

The City of Corona has adopted rezoning designations generally consistent with County plans, including the adoption of the above specific plans as part of its rezoning. For those properties not included in a specific plan, the City adopted traditional zoning designations similar to the County's land use designations and consistent with the City's General Plan. For properties that already have established uses, the City is proposing zoning and General Plan land use designations that are best suited for that particular use. Therefore, the General Plan and zoning classifications adopted by the City of Corona for the Temescal Valley are intended to carry over land uses of similar nature from the County.

In some instances, the City's zoning code for similar County designations did not match County regulations. To address these situations, the City adopted an ordinance to accommodate animal keeping and agricultural operations on the rural residential properties within Temescal Valley. The majority of the rural residential properties in the Temescal Valley have Riverside County zoning of R-A (Residential Agricultural). This zone allows the non-commercial keeping of animals that are not typically found in traditional residential neighborhoods and certain agricultural uses. Therefore, special provisions were necessary to address the unique setting in rural residential areas. The City established an Animal Keeping and Agricultural Operation (AA) overlay zone for those rural residential properties. The provisions for

the AA overlay zone were based on the County's zoning for the rural residential areas.

The residents in Temescal Valley are currently allowed to have up to four dogs and nine cats, whereas residential properties in the City are limited to three dogs and three cats. To prevent any disruption in the current provision for dogs and cats in Temescal Valley, the AA overlay will allow residents to keep four dogs and nine cats. The animal keeping provisions will run with the land and will not change if there is change in property ownership. The City's rezoning map for the annexation shows those properties with an AA overlay zone. Applicable general plan and zoning maps are attached.

SIGNIFICANT ISSUES:

BOUNDARIES: The proposed boundaries include all of the City's southern sphere of influence. As noted above, much of the area is developed with urban uses and contains a sizable population. The following Commission policy is applicable to the proposal.

- 2.3.8 LAFCO shall encourage all developed urban land inside a city's sphere of influence to annex to the city. The burden of proof as to why any such area should not be annexed shall rest with the residents and owners of the property being annexed.

Several potential boundary issues have been identified and are discussed below.

The local representative of USA Waste, Waste Management Inc. (WMI) has requested nine parcels encompassing approximately 200 acres be excluded from the annexation area. The County of Riverside has subsequently requested the exclusion of the same area, but have extended the request to include an additional three parcels also owned by WMI. Both the landowner and County feel it is most appropriate for these parcels to remain unincorporated since they include access to the El Sobrante Landfill as well as portions of the landfill or landfill-related operations. It has also been a recent practice of this Commission to exclude landfills from cities' boundaries and spheres of influence. The City has concurred with this exclusion.

By limiting the exclusion area to these twelve parcels, the modified annexation boundary will create a jagged irregular City boundary. Staff supports the County's request; however, to improve the boundary, staff suggests the exclusion of adjacent vacant territory as depicted in the attached map. Of the four additional parcels suggested by staff, the largest is owned by WMI and the other three are in other private ownership. The total exclusion area including the staff suggested parcels is approximately 577 acres.

The County and other parties have suggested that other communities that are not contiguous to the subject annexation, including El Cerrito, Home Gardens and Coronita, should be required to be included within the current proposal. All three are isolated inhabited unincorporated pockets.

El Cerrito is the nearest of these three to the proposed annexation, approximately one mile north. In the early 1990s, a proposal to annex the El Cerrito area was initiated by petition of registered voters. Despite outreach efforts by the City and the pro-annexation group El Cerrito Citizens for Annexation and adoption of an El Cerrito Specific

Plan, the proposal was terminated by majority protest. Small annexations have occurred within El Cerrito since that time. Most recently, in 2007 and 2008, two separate proposals were submitted in the northwest quadrant of El Cerrito, north of Foothill Parkway and west of I-15. The uninhabited proposal was approved and completed. The inhabited proposal was approved by the Commission but terminated by majority protest. A portion of El Cerrito has been identified as a Disadvantaged Unincorporated Community (DUC).

Coronita is located several miles northwest of the Temescal Valley along the 91 Freeway. Coronita was almost completely surrounded in the mid-1980's by the Sierra del Oro annexation. The Commission approved that annexation conditioned upon submittal of an application for annexation for the Coronita community. That proposal was submitted, approved, and terminated by majority protest.

Home Gardens is several miles north of the subject annexation. Although only about a square mile in size, it is densely inhabited, with a population of nearly 12,000. It is substantially surrounded by the Cities of Corona and Riverside. A large portion of Home Gardens has been identified as a DUC. There is no record of a proposal to annex the residential core of Home Gardens.

Concerns have been expressed by a few residents concerning the Dawson Canyon and Spanish Hills areas just outside the eastern boundary of the annexation and southerly of the El Sobrante Landfill. Approximately ten homes are located in Dawson Canyon in a remote rural area on a non-County maintained road. The rural community referred to as Spanish Hills is within the annexation area, with the exception of three outlying residences. These remote areas are outside the City's SOI and consequently were not included in the annexation. Although these residences are beyond what would be considered urban response times, there is a concern that emergency service levels could degrade as a result of annexation. If Station 64 is relocated, response time will increase. Sheriff response could be longer depending on how beats are realigned and the location of patrols when a call is dispatched.

Some have noted that the Horsethief Canyon area, which is south of this proposal, should have been included in the subject proposal since it is considered part of Temescal Valley. As part of the reviews of the the spheres of influence of the Cities of Lake Elsinore and Corona in 2006, staff recommended removal of the Horsethief Canyon area from the Lake Elsinore SOI and adding it to the Corona SOI. At that time there was no objection from the City of Lake Elsinore. The Commission ultimately decided to leave that area as it was, in the SOI of Lake Elsinore. As such, it would be inappropriate to include Horsethief Canyon in the current annexation proposal.

REORGANIZATION SERVICES: The City of Corona has submitted a plan of services in support of this proposal describing how municipal services will be extended to the annexation area. A copy of that plan is attached to this report. A few of the services are highlighted below. Within each service section is a description of the services currently provided and how each service will be provided if annexation occurs.

Police: Presently, the Temescal Valley is served by the County of Riverside Sheriff's Department. Deputies stationed at the Lake Elsinore substation located at 333 Limited Avenue provide police protection services to the annexation area, which is part of Beat 71. This beat

also covers Horsethief Canyon and Glen Eden. Deputies serving these areas work 10 hour shifts and provide 30 hours of coverage per day, which is equivalent to a minimum of one deputy per shift around the clock. In addition to the Sheriff, the California Highway Patrol (CHP) is responsible for traffic enforcement in unincorporated areas. This service is typically minimal. Average response times in this area for the County Sheriff have been 16.86 minutes for Priority 1 calls and approximately 42 minutes for Priority 2 calls. The Sheriff has several specialized units, such as Aviation, Hazardous Device, Technology Crime, and Gang Task Force.

Upon annexation, police services will be provided by the City of Corona. The Corona Police Department currently employs 149 sworn officers, yielding an officer to population ratio of .97 officers per 1,000 population. The City is currently divided into four different patrol zones. The proposed annexation will require an additional patrol zone, Zone 5, and 14 additional officers to maintain the City's service level standard. This zone would include only the annexation area.

The additional personnel will provide for a minimum of two patrol officers in Zone 5, 24 hours per day, seven days a week. Officers serving Temescal Valley will be assigned to the City's Public Safety Facility located at 3777 Bedford Canyon Rd., which is approximately one mile north of the annexation boundary. As of 2012, City-wide average response times for Priority 1 calls were 5.14 minutes and 13.57 minutes for Priority 2 calls.

Generally, police response should improve significantly since there will be two patrols serving a smaller area than the County's current patrol beat. The Corona Police Department also has several specialized units, including traffic enforcement, which will be a function transferred from CHP to City Police. Resources provided by the City's traffic Division will be in addition to the two officers mentioned above. For example, in the event of a serious motor vehicle collision, Traffic Division personnel would be called in to cover the incident. Other specialized units include Gang Task Force, Domestic Violence, and Sexual Assault.

Fire Protection: Fire protection service to the annexation area and adjacent communities is one of the most significant issues relative to this proposal. Currently, the proposed annexation area is within the jurisdiction of the Riverside County Fire Department (RCFD). However, due to the close proximity of the City's Fire Station No. 7 (FS No.7) to Temescal Valley and the closure of the County's Fire Station No. 15-El Cerrito, the City provides first response to the northern portion of the annexation area and adjacent areas via contract with the County. The City's Fire Station No. 7 is located on Bedford Canyon Road near the Cajalco Road/I-15 interchange, approximately one and a half miles north of the annexation. It is staffed with four personnel and a Type I Paramedic Engine Company. In addition to serving the northern portion of Temescal Valley, the Corona Fire Department also serves El Cerrito, Coronita and portions of the City of Norco under contract with the County.

Residents within the southern and central portion of the annexation area are served by the County's Sycamore Creek Station No. 64 (FS No. 64) located at 25310 Campbell Road at the very southern end of the subject area. This station is equipped with a Type I Paramedic Engine Company and staffed with three personnel including a firefighter-paramedic. The County's standard for urban area response is 6.5 minutes 90 percent of

the time. The Department strives for a response time of five minutes 90 percent of the time. Average responses times in Temescal Valley have been 4.5 minutes. Station 64 also provides first response to communities south of the subject proposal, including Horsethief Canyon and Glen Eden. The County's contract with the City also calls for the City to provide automatic aid response to the southern portion of Temescal Valley when requested.

Upon annexation, fire protection services to the northernmost portion of the affected area, including The Retreat and Wildrose developments, will remain unchanged. FS No. 7 will continue to provide first response fire services to these areas. Plans for future fire services to the central and southern portions of Temescal Valley are not yet definitive. Initially, the City of Corona explored the option to contract with the RCFD for services from FS No. 64. Under this scenario, service throughout Temecula Valley would remain unchanged. Several months ago, however, discussions between the County and the City regarding fire protection services to the central and southern portion of Temescal Valley ceased.

Due to stalled the negotiations, the City's Plan of Services calls for the City to build a new fire station within the annexation area to maintain the Citywide emergency fire response time of six minutes. The approximate location is identified as the central portion of the annexation area, near the Temescal Canyon Road/ I-15 Interchange. Until a permanent station is constructed, fire protection services would be provided from a temporary fire facility. Both the temporary facility and permanent fire station will house a fire engine and four personnel, including a firefighter-paramedic.

Building a new station to serve Temescal Valley is not an optimal service configuration. Under this scenario, the County will likely have to consider relocating Station 64 to optimize service capabilities in the region or close the station and realign others due to lost property tax revenue.

The City and County have recently met to discuss fire protection services to Temescal Valley and the regional effects of annexation on fire services. As of this writing, no additional information has been provided concerning those discussions.

In addition to structural fire protection, the California Department of Forestry and Fire Protection (CDF or CalFire) provides wildland fire protection to State Responsibility Area (SRA), those unincorporated areas at risk for wildfires. SRA includes natural areas and adjacent urban and rural development. To address this, the City has proposed entering into a Wildland Fire Protection Agreement with CalFire. The City estimates the annual cost for this contract will be \$96,535 (\$22.45 per acre of SRA). LAFCO has previously required such agreements as a condition of annexation.

The County is requesting the Commission also require the City to contract for wildland fire protection within previously annexed territory. Two large annexations were conditioned to enter into wildland fire protection agreements many years ago. The LAFCO condition was very general, leaving it to the parties to negotiate specific provisions. The agreements executed between CDF and the City had terms of only five years. They were not renewed. If the Commission approves the proposal it might want to consider requiring the execution of a

wildland fire agreement covering adjacent areas.

Library Services: The proposed annexation is currently within the service area of the Riverside County Library System. The closest library to Temescal Valley is the El Cerrito Library located at 7581 Rudell Rd. approximately 5.5 miles from the central portion of the annexation area. The facility is approximately 10,000 square feet, holds 21,160 volumes and is in joint use with the Corona-Norco Unified School District. As a result, during school hours the Library is used exclusively by the El Cerrito Middle School. The Library is open to the general public Monday-Thursday 3pm-7pm and a few hours Saturday mornings for a total of 20 hours per week.

The next closest library is the Home Gardens Library, a 20,000 square foot facility located at 3785 Neece Street approximately nine miles from the central portion of Temescal Valley. This library contains 22,655 volumes. The Home Gardens Library is open seven days a week for a total of 50 hours per week.

The City of Corona provides library services from its library located at 650 S. Main Street, approximately ten miles from the center of Temescal Valley. The City library facility is 62,000 square feet and holds a collection of approximately 173,330 volumes. The library is open 52 hours a week.

Currently, residents in the unincorporated area have access to the City Library and vice versa. Upon annexation this will continue to be the case.

Water & Wastewater: The Temescal Valley is primarily served by Lee Lake Water District (LLWD) for water and wastewater services. A small portion, the former Temescal Valley Water Company service area, receives water service from Elsinore Valley Municipal Water District (EVMWD). Also, specific parcels in Temescal Valley are served by the City of Corona's Department of Water and Power.

The City of Corona and Lee Lake Water District executed a non-compete covenant whereby LLWD would continue to serve the Temescal Valley upon annexation. This agreement was presented to the Commission earlier this year. Pursuant to the agreement, any new development within the proposed annexation would be served by the District. The areas in Temescal Valley currently being served by the City are presently being transferred to the District for service since the City has no intention of providing water or wastewater services in Temescal Valley. The provisions of the agreement will remain effective regardless of annexation.

There will not be additional water or wastewater service demand as a result of this annexation. Land use and zoning adopted by the City mirror that of the County. Therefore, increased demand will generally be the same whether or not the area is annexed. There are no issues regarding water or wastewater services resulting from this annexation.

Recreation and Parks: Currently local parks and recreation services are administered by the Riverside County Economic Development Agency (EDA), Community Services Division through two County Service Areas (CSAs), CSA 134 & 152. Park maintenance and recreation programs are funded by assessments levied through these CSAs.

Within Temescal Valley there are three public parks. The parks and their amenities are described in the table below.

In this instance, EDA has created a "zone of benefit" within CSA 152 to provide for maintenance of the three parks. This zone is called CSA 152B. The assessments for this service are only levied on new development since the formation of this zone of benefit in 2001. The proportional benefit and assessment is determined for each tract. The current annual County Service Area 152B assessment for park maintenance is in the range of \$250 to \$300 per lot per year.

Assessments levied through CSA 134 provide funding for recreational programs in the Temescal Valley area. Recreational programs include Movies in the Park and Mobile Activities Recreation Services (M.A.R.S.). M.A.R.S is a roving van recreation center on wheels and provides field trips to youths and supervised recreation.

Riverside County Maintained Public Parks within Temescal Valley

PARK	ACREAGE	AMENITIES	LOCATION
Montecito	6	<ul style="list-style-type: none"> • (1) Ballfield • Tot-lot • Paved Parking lot 	Camino Terraza Street
Coral Canyon	9	<ul style="list-style-type: none"> • (2) Ballfields • Tot-lot 	Mayhew Street (Sycamore Creek)
Deleo Regional Sports	25	<ul style="list-style-type: none"> • Baseball and Soccer Fields • Basketball courts • Splash Park • Children play area (slides, jungle gym) • Skateboard park • Dog park • Restroom facilities 	Santiago Canyon Road (Sycamore Creek)

The City proposes to have assessments from both CSAs (CSA 134 and Zone B of CSA 152) transfer to the City upon annexation to fund park and recreation services. Upon annexation, maintenance and operation of the three park sites will be provided by the City of Corona. The County, through its property tax system, will continue to collect the applicable charges and assessments associated with the County Service Areas 134 and 152B and transfer the funds to the City, rather than the CSAs. Upon annexation the residents of Temescal Valley will no longer be subject to the non-resident fee for recreational programs. The properties that are currently being assessed by CSA 134 and 152B will continue to be assessed at the same rate and methodology as adopted by Riverside County. In essence the City will be inheriting the funding mechanism to support the services. This method was also employed to transfer CSA functions and revenues to our recently incorporated cities.

Regional Parks & Open Space: Temescal Valley is within the Riverside County Regional Park & Open Space District (RPOSD). The District receives a portion of the basic one percent property tax levy. No detachment is proposed from the RPOSD as part of this proposal. All District facilities will remain under the control of the District. Property taxes generated within this area will continue to go to RPOSD. The City indicates it has worked cooperatively with RPOSD. The City has adopted a General Plan policy which states that the City will continue to partner with RPOSD on the planning and establishment of multi-jurisdictional regional trails.

Street Lighting, Signals, Landscape Maintenance, Catch Basins: Street lights in portions of the annexation area are currently funded by CSA

134 and Landscape and Lighting Maintenance District No. 89-1(LLMD 89-1). Property owners within the CSA are currently assessed \$32.78-\$675.22 for street lights.

Traffic signals owned and operated by Riverside County are also funded by LLMD 89-1. Additionally, CSA 134 and LLMD 89-1 fund public landscaping and catch basin fossil filters.

The following table provides an inventory of the maintenance funded by CSA 134 and LLMD 89-1.

County Service Area 134	Landscape and Lighting Maintenance District 89-1
<ul style="list-style-type: none">• 1,331 street lights (electricity only).• 60 acres landscaping in public rights-of-way.• 1.5 miles decomposed granite trail.	<ul style="list-style-type: none">• 50 street lights (electricity only).• Two traffic signals, maintenance and operation.• 17 fossil filters (drainage basins).• 8 acres landscaping.

Temescal Valley has a total of 11 traffic signals. Only two of the signals are funded by LLMD 89-1. The remaining nine signals are currently funded by the County's General Fund and/or Gas Tax Fund. The City of Corona will be responsible for all of the traffic signals in the annexation area. Funding for the traffic signals not covered by LLMD 89-1 will be from the City's General Fund and/or Gas Tax Fund.

The County of Riverside will continue to collect the applicable charges and assessments associated with CSA 134 and LLMD 89-1 through the property tax collection system and transfer those funds to the City to continue applicable services. The properties that are currently being assessed by CSA 134 and LLMD 89-1 will continue to be assessed at the same rate and methodology adopted by Riverside County.

Street Sweeping: Street sweeping of public streets by the County is funded by CSA 152. The County contracts with CR&R for street sweeping in Temescal Valley. However, not all streets are subject to sweeping. Only those properties that are assessed for that service receive the benefit. Streets subject to street sweeping are swept bi-weekly.

The City of Corona contracts with Clean Sweep Environmental for street sweeping services. All residential public streets are swept bi-weekly and all major arterial streets are swept weekly. As with the County, the City is not responsible for sweeping private streets. Homeowner associations within residential developments with private streets are responsible for their own street sweeping.

If the annexation is completed, the City will amend its contract with Clean Sweep Environmental to include street sweeping in Temescal Valley. The City has confirmed that it will sweep all public streets in the annexation area. Assessments currently collected by the County through CSA 152 for street sweeping will transfer to the City to defray a portion of the service costs.

Animal Services: Currently, the County of Riverside Department of Animal Services provides animal control and shelter services, field investigations and dog licensing to the residents of Temescal Valley. The closest County facility to Temescal Canyon is the Animal Shelter located in Jurupa Valley at 6851 Van Buren Blvd., approximately 19.5 miles from the center of Temescal Valley. The facility is open Monday-Saturday for a total of 41 hours per week.

The City of Corona Animal Control Bureau provides similar services to those of the County. The City's Animal Shelter is located at 605 W. Harrington Street, approximately 10.5 miles from the center of the annexation. Beginning September 23, 2013, the shelter's hours will be extended to 36 hours a week and will be open Monday-Saturday.

Solid Waste Collection: Temescal Valley is currently served by Waste Management of the Inland Empire for trash collection. The service consists of weekly refuse collection and bi-weekly recycling collection. The City contracts with the same waste hauler as the County, however, in addition to refuse and recycling bins, green waste bins are also provided for trash collection within the City limits. Upon annexation, the City will gradually implement green waste recycling. The residential weekly service charges collected within the County and City are similar (County: \$19.46/ City: \$19.98). The City does not provide discounted rates for Senior Citizens for refuse collection. Income qualified discounts are only made available to City utility customers. Since Temescal Valley residents would not receive utility service directly from the City, those discounts will not apply to the annexation area.

FISCAL ANALYSIS: For city annexations of 100 acres or greater, a fiscal impact report (FIR) is required. The purpose of the FIR is to provide information to the Commission concerning the fiscal impact on affected agencies, primarily the County.

Based on the City's fiscal analysis, the County General Fund currently receives a surplus of \$3 million from the annexation area. Without annexation, at build-out the subject area is projected to generate a nearly \$6 million surplus to the County General Fund. If annexed, the FIR estimates Temescal Valley would generate a County General Fund surplus of \$3.4 million initially and a \$4.1 million at build-out.

Despite the modeled surpluses to the County General Fund, the City's FIR demonstrates the net impact of annexation is negative at build-out, as the recurring surplus would be reduced by approximately \$1.9 million annually. That is, approximately \$1.9 million more in revenue will be lost than cost savings realized by the County.

The loss to the County's Structural Fire and Library funds is identified as the loss of property tax revenue that would be transferred to the City, as no operational savings by the County is assumed. This equates to approximately \$1.5 million and \$380,000 to the Fire and Library funds, respectively, upon annexation. The County did identify an offset related to its contract with Corona whereby Corona provides fire protection to the northern portion of Temescal Valley. The contract cost savings is estimated to be \$300,000 annually, reducing the initial impact to County fire to approximately \$1.2 million.

The County disagrees with several aspects of the City's FIR, most notably the methodology used to determine the County's cost of providing sheriff services. The cost of this one service accounts for the bulk of the difference in these two analyses. The County indicates the per capita multiplier methodology used by the City overestimates this cost by approximately \$2 million. This has the effect of overestimating the County's cost savings and, therefore, underestimating the fiscal impact of the annexation to the County General Fund.

The accompanying table summarizes the differences between the two studies. Please note the impact to the County General Fund, Structural Fire and Library are tallied separately.

Generally, staff prefers the use of a case study methodology for law enforcement and several other services when such information is available. The County characterizes its approach as a case study methodology, however, it is a different type of multiplier, utilizing proportionate share of unincorporated county-wide patrol costs based on Temescal Valley's share of calls. Although not a true case study approach, staff agrees the method in the County FIR is likely much more accurate in determining current and near term costs. The per capita multiplier can be an acceptable methodology for long term projections, as law enforcement demand characteristics of neighborhoods can change over time.

DETACHMENT FROM COUNTY SERVICE AREA 134: This reorganization proposal also includes detachment of all areas within the proposal boundaries from CSA 134. CSA 134 was formed in 1980 to provide street lighting services to the new developments in Temescal Valley between the Cities of Corona and Lake Elsinore. Subsequent to its formation, the Board of Supervisors added services such as parks, landscape maintenance and enhanced levels of police protection. (Note this last service is neither being assessed for nor provided.) As the area developed, subdivisions were annexed to CSA 134 to receive one or more of these services.

County General Fund FY 12-13:	CITY FIR	COUNTY FIR	Difference
Revenue Loss	-\$3,578,154	-\$3,194,193	-\$383,961
Cost Savings	\$3,953,843	\$2,031,329	\$1,922,514
Net Fiscal Impact to County GF	\$375,689	-\$1,162,864	\$1,538,553
Sheriff Costs Used in Above	\$3,545,973	\$1,708,976	\$1,836,997
County General Fund at Buildout:	CITY FIR	COUNTY FIR	
Revenue Loss	-\$10,061,870	N/A	
Cost Savings	\$8,212,746	N/A	
Net Fiscal Impact to County GF	-\$1,849,124		
Sheriff Costs Used in Above	\$7,365,537	N/A	
Structural Fire Fund FY 12-13:	CITY FIR	COUNTY FIR	Difference
Revenue Loss	-\$1,527,991	-\$1,402,498	-\$125,493
Cost Savings	\$298,802	\$298,802	
Net Fiscal Impact to Fire Fund	-\$1,229,189	-\$1,103,696	-\$125,493
*No cost savings identified in City FIR however, this figure is appropriate for consistency purposes.			
Structural Fire Fund at Buildout:	CITY FIR	COUNTY FIR	
Revenue Loss	-\$2,713,337	N/A	
Cost Savings	N/A	N/A	
Net Fiscal Impact to Fire Fund	-\$2,713,337		
Library Fund FY 12-13:	CITY FIR	COUNTY FIR	Difference
Revenue Loss	-\$381,998	-\$355,180	-\$26,818
Cost Savings	\$0	\$0	\$0
Net Fiscal Impact to Library Fund	-\$381,998	-\$355,180	-\$26,818
Library Fund at Buildout:	CITY FIR	COUNTY FIR	
Buildout Annexation Impact			
Revenue Loss	-\$678,335	N/A	
Cost Savings	\$546,641	N/A	
Net Fiscal Impact to Library Fund	-\$131,694		
Road Fund FY 12-13:	CITY FIR	COUNTY FIR	Difference
Revenue Loss	-\$330,579	-\$342,527	\$11,948
Cost Savings	\$216,335	\$1,260,738	-\$1,044,403
Net Fiscal Impact to Road Fund	-\$114,244	\$918,211	-\$1,032,455
Road Fund at Buildout:	CITY FIR	COUNTY FIR	
Revenue Loss	-\$483,710	N/A	
Cost Savings	\$446,803	N/A	

As previously mentioned in the report, The City will assume the functions of CSA 134. The County will continue to collect the applicable charges and assessments associated with CSA 134 through the

property tax system and transfer those funds to the City to continue the services.

COUNTY SERVICE AREA 152: County Service Area 152 was initially formed to implement programs pursuant to the National Pollutant Discharge Elimination System required by the Federal Clean Water Act. CSA 152 encompasses the unincorporated County and several cities that were either included within the initial formation of the CSA or annexed at a later date. There will be no detachment from CSA 152 since Corona opted into this CSA in the 1990s in order to fund Clean Water Act compliance programs. The County's Fiscal Impact Report (FIR) notes that at the end of FY 12-13, CSA 152, Zone B had a fund balance of \$3.3 million. Since this CSA is not being dissolved, the fund balance will remain within the CSA. Ongoing assessment revenue, as noted earlier, will go to the City of Corona.

It should be noted that although CSA 152, Zone B and CSA 134 both extend south into the Horsethief Canyon area, there are no residences in that area that are currently being assessed for park maintenance or recreation services. There are only two undeveloped tracts in Horsethief Canyon that are within Zone B of CSA 152. If the annexation is approved, these tracts will likely be dropped from any park assessments, as there are no public parks within Horsethief Canyon. All existing Horsethief Canyon tracts within CSA 134 are only assessed for street lighting services. The street lighting assessments and service in this area would be unaffected by annexation.

TAXES, ASSESSMENTS AND CHARGES: The City does not have any property-related general taxes, special taxes or assessments that will be extended to residents or property owners in the annexation area. A library bond was paid off in 2010, therefore, the annexation area will not be subject to any additional bonded indebtedness.

Corona has a business license tax that will be applicable to businesses within the City. The tax is based on gross receipts and type of business. For example, a small personal service or repair business with gross annual receipts of \$300,000 will pay \$176; a grocery store with receipts of \$20 million, \$2,040; and a manufacturing or mining company with gross receipts of \$10 million, \$780. The County's business registration/license fee is \$45 the first year and \$35 thereafter.

Like the County and most cities, Corona has a transient occupancy tax applicable to hotel and motel room rentals. There are currently no hotels or motels in the annexation area. If such establishments are built in the future, the tax will be applicable to guests.

The City charges \$350 for fire department responses requiring emergency medical assistance. In lieu of this fee, the City has a voluntary EMS Subscription Program. Those enrolling in the program pay \$48 annually and are not subject to the \$350 paramedic response charge. The County does not have a similar charge for EMS services.

As noted throughout the report, in order to support services currently provided by and funded through the County Service Areas (CSAs) and Landscape and Lighting Maintenance Districts in Temescal Valley, the City is proposing to have authority to levy those assessments/taxes transferred to the City. This is similar to what the Commission has done in recently incorporated cities in order to provide for the continuation of services. As noted earlier in this report and depicted

in the table below, services provided by CSAs 134 and 152 and LLMD 89-1 that will be assumed by the City include street lighting, landscape maintenance, recreation, park maintenance, drainage basin maintenance, and street sweeping. A comparison of City and County fees for other services, such as trash collection and dog licenses, is included the Plan of Services and addendum. That comparison generally indicates only minor differences will result from annexation.

The following table presents the approximate range of annual rates currently collected for each of the CSAs and the LLMD. The assessment rates vary. Rates are based on the proportional benefit derived by each parcel and are generally established at the time of subdivision based on the Assessment Engineer's Report.

District/Zone	CSA 134 Street lighting	CSA 134 Landscaping	CSA 134 Recreation	CSA 152 Street Sweeping	CSA 152B Park Maintenance	CSA 152 Drainage/ Catch basins	LLMD 89-1 Street lighting, traffic signals, catch basins, landscaping
Annual Levy	\$75*	\$521.54*	\$75*	\$33.10 - \$45.02	\$250.00-\$300.00	\$36.50- 41.06	Not available
	*Based on Sycamore Creek residential properties. Sycamore Creek Shopping Center total levy-\$2,076.						

Although not charged by either the City or the County, the Fire Prevention Benefit Fee charged by the State will be affected by annexation. State law currently authorizes a fee of between \$115 and \$150 per habitable residential unit within the State Responsibility Area (SRA). Portions of the annexation area are within the SRA including parts of The Retreat and Trilogy. Territory within the jurisdiction of a city is not considered to be within SRA and, therefore, not subject to the fee.

Special taxes and assessments collected by other agencies or taxing entities will continue regardless of annexation. These include, but are not necessarily limited to, levies of the Northwest Mosquito and Vector Control District, various Mello-Roos Community Facilities Districts (CFDs), and any applicable water district improvement district taxes.

INCLUSION OF AGRICULTURAL PRESERVE: The proposed annexation includes a single seven acre parcel that is currently within a Williamson Act agricultural preserve (Glen Ivy 1). The parcel is immediately south of the Sycamore Canyon community at the southern end of the proposed annexation. No notice of non-renewal or cancellation has been filed. The owner, the Kiley Children Trust, is in support of the annexation. Concerning agricultural lands and territory subject to Williamson Act contracts, Commission policy states:

- 1.2.2 LAFCO shall deny the annexation of agricultural lands unless they meet the criteria specified below:
- a. The annexation of land located within an agricultural preserve may be approved only when:
 - 1. A notice of non-renewal or cancellation has been filed on the affected property proposed for annexation, or,
 - 2. The jurisdiction's General Plan contains appropriate language:
 - a. To allow for the effective and continued operation of agricultural uses, and;

- b. To provide guidelines for the ultimate development of agricultural land at the time the preserve is terminated or development is proposed.

In this instance, the City has applied general plan and zoning designations similar to that of the County. These call for rural residential uses with a one acre minimum lot size. The City rezoning designations will guide ultimate development unless changed at a future date. The City has also applied an Animal Keeping and Agricultural Operations Overlay zone (AA) to this parcel. The AA overlay zone will allow for the continued use of the property for agricultural purposes.

Using aerial imagery it appears only a small portion of the affected parcel is in agricultural use. This is not part of a larger area of agricultural production, therefore maintaining the integrity of agricultural lands is not a concern.

ENVIRONMENTAL JUSTICE, HOUSING, REGIONAL TRANSPORTATION PLAN: One of the factors the Commission must consider is the extent the proposal will promote environmental justice. In CKH, environmental justice is defined as the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The County contends the proposal would negatively impact environmental justice in lower income areas of Home Gardens and El Cerrito, to the extent that services are diminished in these areas. Library and fire services are specifically mentioned. The comment is speculative as these services would be largely unaffected in these communities. Access to library services will remain the same. As proposed, fire protection first response to these communities would be unchanged. Multiple company response to structure fires could be affected, depending on what happens to County Station 64 and the extent to which Corona engines would respond under mutual aid. To the extent there could be impacts, they would occur across geographic areas regardless of income, race or culture. The City has offered comments pertaining to environmental justice, the effect on regional housing needs allocations and consistency with regional transportation plans in attached correspondence dated August 20, 2013.

COMMENTS FROM AFFECTED AGENCIES/INTERESTED PARTIES:

The **County of Riverside** has submitted a letter in opposition to this annexation. The County is opposed due to the negative fiscal impact to the County, the potential impact of the annexation on public services to adjacent areas, and the level of opposition by affected residents. The letter discusses concerns in several areas, including methodological issues with the City's fiscal analysis, fiscal impacts to the County, applicability of the master property tax agreement, service levels identified in the City's Plan of Services, wildland fire protection, the impact on County services to adjacent areas, boundary concerns, and environmental justice.

These issues have been addressed in applicable sections of this report. The County also indicates the City failed to meet with the County regarding fiscal impacts prior to making application. Meetings did occur, primarily in regards to fire protection, prior to application. Once the County's FIR was released the two agencies renewed discussions. As of this writing, negotiations are continuing.

The County's letter also requests several possible terms and conditions. Among those is a request for reimbursement of road funds

spent in the affected area over the past six years. The Commission did adopt a Transportation Facility Reimbursement Policy approximately 20 years ago. To staff's knowledge, it has never been used. The intent of the policy was to develop a joint planning process coordinated by the Councils of Governments (WRCOG and CVAG), with eligible facilities identified up front. In order to be eligible for reimbursement, previous actions would have been required to be taken by the County, including offering the affected city the opportunity to participate in design and construction management. The final staff report and adopted policy is attached for the Commission's reference.

The City of Corona has responded to several of the County's comments in two letters dated August 29 and September 13, 2013. The two responses are attached.

Assemblywoman Melissa Melendez has sent a letter opposing the annexation based on concerns expressed by her constituents.

Approximately, 4,000 letters have been received, almost exclusively in opposition to this proposal. The letters, which are attached, are primarily from residents and/or property owners either within the proposed annexation or in nearby unincorporated communities. There are several common themes in these comments. Those outside of the proposed annexation area, primarily within Horsethief Canyon or Glen Eden, just south of this proposal and within Lake Elsinore's SOI, express concerns that fire and emergency medical response times provided by the County will be negatively impacted by the annexation if Station 64 closes.

Most letters from within the affected territory include one or more of the following: satisfaction with current County services, increased fees/taxes, specific services/recreation programs will no longer be offered, further isolation of remaining communities that are part of Temescal Valley, little or no benefit from City services, increased traffic and overcrowded schools, and loss of rural lifestyle. The last two concerns are related to the perception that annexation will result in increased development. As noted above, the City general plan and zoning designations are consistent with those of the County, including an overlay zone that will allow animal keeping in accordance with current County regulations. Previously approved but as yet undeveloped County plans, including the Toscana and Serrano Specific Plans, will result in residential, commercial and industrial development in the future, regardless of annexation.

It should be noted that the volume of opposition will not be a consideration in the staff recommendation. The evaluation of and weight attached to written comments and verbal testimony of voters, landowners and residents is a task best suited to the Commission itself. Comments from landowners, voters or residents of the affected territory is one of the factors the Commission is required to consider.

PROCEEDINGS FOLLOWING COMMISSION ACTION: If the proposal is ultimately disapproved by the Commission, there will be no further proceedings. If approved by the Commission, a protest hearing will be scheduled. Registered voters and property owners will have an opportunity to decide the final outcome of the reorganization. Actions and procedures for annexations and other boundary changes are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Section 56000

states that the Act "provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts."

Section 57000 et seq. sets forth the procedure following approval of a proposal by the Commission. Subsequent to Commission approval, the Executive Officer must conduct a protest hearing, except in certain cases where there is 100 percent property owner consent. The statutes also specify precise actions that are dependent solely upon the level of written protest received. In this instance, a protest hearing will be conducted. Generally, the following thresholds apply to inhabited annexations:

- Less than 25% voter protest and less than 25% landowner protest-the proposal will be completed without an election.
- At least 25% but less than to 50% voter protest, or 25% or more landowner protest-the proposal will be ordered subject to voter confirmation.
- 50% or more voter protest-the proceedings will be terminated.

This statutory process cannot be altered by action of the Commission or any other entity.

Due to the number of registered voters and parcels included in the proposed reorganization, both State law and Commission policy call for notice by publication of a one-eighth page display ad rather than direct mailed notice.

EFFECTIVE DATE: Typically, the effective date of any annexation is the date of recordation of the Certificate of Completion. Although this is the fastest method to complete a proposal, it is a somewhat indefinite date. In order to allow for a smooth and definitive transition of services in inhabited annexation areas, staff often recommends a specific effective date. This provides an opportunity for the City and County to coordinate the transition of service responsibilities and land use applications in process. In this case, if the Commission approves the proposal, staff will recommend an effective date of the later of the following: July 1, 2014, 30 days after the certification of protest results, or if an election is required, 30 days after the certification of the election results.

CONCLUSIONS:

The proposed reorganization has impacts on both the County and Temescal Valley Communities. There would be a significant impact on the County General Fund, approximately \$1.2 million per year initially and increasing thereafter. Unlike the revenue neutrality requirement for the incorporation of a new city, however, there is no legal requirement for fiscal mitigation to the County outside of the property tax exchange. The two agencies have met recently regarding additional fiscal mitigation to the County.

This proposal presents both benefits and drawbacks to residents and business owners in the subject area. First and foremost, the area would experience a dramatic increase in police presence. This is clearly the single greatest benefit to annexation. Additionally, all public streets would receive street sweeping rather than only those areas that are currently paying the assessment. Those residences currently within the State Responsibility Area would no longer be subject to a Fire

Prevention Benefit Fee once annexed. On the other side of the equation, residents would be subject to a fee for each emergency medical response unless they had enrolled in the City's subscription program for a \$48 annual charge. The County does not charge for EMS response. Business owners would experience a substantial increase in the cost of a business license. Also, senior discounts for trash collection would no longer be applicable to the area.

Consistent with Commission Policy, it has been staff's practice to recommend approval of inhabited annexation proposals unless the boundary configuration will create significant service inefficiencies. The reasoning is that affected voters will have the opportunity to weigh the advantages and disadvantages and determine whether annexation is ultimately in their best interest through the protest hearing process.

In this instance, although the boundary itself is logical, the proposed configuration of fire protection services could have significant external effects and reduce the overall efficiency of the regional fire protection network. This is avoidable. The current configuration of fire protection resources and contractual arrangements result in adequate coverage for communities within and near the annexation area. Continued cooperative agreements provide the simplest method to preserve this coverage. Unfortunately, the City and County have as yet been unable to arrive at a mutually beneficial equitable arrangement. Until this issue can be effectively addressed, staff cannot recommend approval. Staff recommends the Commission request the parties to continue to work toward an arrangement that will neither degrade service nor cause the needless construction and staffing of new facilities and return at the Commission's next meeting.

SPECIFIC RECOMMENDATIONS:

Based on the factors outlined above, IT IS RECOMMENDED that the Commission:

1. Continue LAFCO 2013-05-1--REORGANIZATION TO INCLUDE ANNEXATION 114 TO THE CITY OF CORONA, CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE RESOURCES MANAGEMENT DISTRICT AND DETACHMENT FROM COUNTY SERVICE AREA 134 (TEMESCAL VALLEY) to its next meeting, December 19, 2013, for the purpose of allowing the County and City to attempt to arrive at a mutually beneficial arrangement for fire protection services.

If the Commission would like to approve this proposal, the following actions are recommended:

1. Determine that the proposal is consistent with the spheres of influence of the City of Corona, as amended, and all other affected agencies;
2. The City of Corona, as lead agency, has adopted a Mitigated Negative Declaration for the proposed reorganization. The Commission has reviewed and considered the information contained in the Mitigated Negative Declaration. Although the proposed project could have a significant effect on the environment, NO FURTHER ENVIRONMENTAL DOCUMENTATION IS REQUIRED because (a) all potentially significant effects of the proposed project have been adequately

analyzed in the Negative Declaration pursuant to applicable legal standards, (b) all potentially significant effects of the proposed project have been avoided or mitigated pursuant to that Negative Declaration, (c) the proposed project will not result in any new significant environmental effects not identified in the Negative Declaration, (d) the proposed project will not substantially increase the severity of the environmental effects identified in the Negative Declaration, (e) no considerably different mitigation measures have been identified and (f) no mitigation measures found infeasible have become feasible.

3. Determine that the reorganization is legally inhabited;
4. Approve **LAFCO 2013-05-1-REORGANIZATION TO INCLUDE ANNEXATION 114 TO THE CITY OF CORONA, CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE RESOURCES MANAGEMENT DISTRICT AND DETACHMENT FROM COUNTY SERVICE AREA 134 (TEMESCAL VALLEY)** with modified boundaries as recommended by staff, subject to the following terms and conditions:
 - a. In accordance with Government Code Section 56886 (t) and 57330, the affected territory shall be subject to the levying and collection of any previously authorized charge, fee, assessment or tax of the City, except that taxes and assessments previously authorized by the City to be extended to the affected territory as a result of this reorganization shall be limited to the City's sales and use tax, business license tax, and transient occupancy tax.
 - b. The City of Corona shall defend, indemnify, and hold harmless the Riverside Local Agency Formation Commission (LAFCO), its agents, officers, and employees from any claim, action, or proceeding against LAFCO, its agents, officers, and employees to attach, set aside, void, or annul an approval of LAFCO concerning this proposal.
 - c. Parks owned by the County of Riverside within the affected area shall be transferred to the City of Corona upon the effective date.
 - d. Prior to recordation of the Certificate of Completion for this proposal, the City of Corona shall enter into a wildland fire protection agreement with CAL FIRE for affected areas within the subject reorganization. The term of the agreement shall be a minimum of ___ years.
 - e. In accordance with Government Code Sections 56886(t), the City shall have the authority to continue the levying and collection of any previously authorized charge, fee, assessment or tax levied within the affected territory by County Service Areas 134 and 152.
 - f. In accordance with Section 56886(u), the authority and responsibility for special assessment districts associated with all zones of Landscape and Lighting Maintenance District 89-1 and CSAs 134 and 152 within the affected territory shall be transferred to the City of Corona upon the effective date.
 - g. Upon the effective date, the City shall assume responsibility

for all functions and services currently authorized, provided, or funded by LLMD 89-1 and County Service Areas 134 and 152 and shall continue such services within the respective areas.

5. Direct the Executive Officer to initiate Protest Proceedings pursuant to Government Code Section 57000 et seq.
6. Direct the Executive Officer to prepare and execute a Certificate of Completion upon receipt of fees required by Government Code Section 54902.5 (made payable to the State Board of Equalization) and compliance with applicable terms and conditions.

Respectfully submitted,

George J. Spiliotis
Executive Officer