

Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis City of San Bernardino

Prepared for:

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SRHA Job # 1408

CERTIFICATION

The City of San Bernardino hereby certifies that this document presents the data and information required for the Plan for Service and Fiscal Impact Analysis for the *Meyers Road Island Area Annexation* to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE _____

SIGNATURE OF APPLICANT

TITLE OF APPLICANT

City of San Bernardino, California

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EXECUTIVE SUMMARY

This Plan for Service and Fiscal Analysis report provides an assessment of public service delivery capabilities of the City of San Bernardino and other agencies, or special districts affected by the proposed annexation of the Meyers Road “Island Area” to the City of San Bernardino (the City). A commitment to annex the Island Area by the City was made a precondition by the San Bernardino County Local Agency Formation Commission (LAFCO) for approving the City annexation of the Spring Trails specific plan located to the north-east of the Island Area. The specific plan’s annexation to the City would create an unincorporated county island (the Island Area), which is now being assessed for LAFCO approval in this study.

This report is being submitted to the San Bernardino County LAFCO as a “Plan for Service” required by California Government Code Section 56653. Currently, the County of San Bernardino provides many services to the annexation area including fire and paramedic services, general government, development services, sheriff patrol, public library, regional parks and recreation, street lighting, transportation, flood control and drainage, and health and welfare. Public schools are provided by the San Bernardino Unified School District.

After annexation, the City is anticipated to provide services including general government, community development, police protection, local parks and recreation, community services and public works’ services. The City has annexed into the San Bernardino County Fire Protection District (SBCFPD) and its Service Zone FP-5 for fire protection and emergency medical response services. Since the Island Area is already within SBCFPD and Service Zone FP-5, the SBCFPD will continue to be the service provider for fire protection and emergency medical services. The County of San Bernardino will continue to provide other services such as regional parks and recreation, regional flood control and drainage and health and welfare.

Fiscal Impacts

Based on an analysis of current service delivery capabilities, the City is equipped to handle additional demand from the proposed Island Area annexation comprising six parcels totaling 26.38 acres with four existing homes. No additional growth is assumed in the Island Area for the 5-year post-annexation analysis period required by LAFCO, which is presented in this study.

Roads, drainage systems, lighting, and utilities will be maintained by the City. The San Bernardino Municipal Water Department will maintain the onsite and offsite water and sewer systems. This report explains the transfer of service requirements upon annexation, estimates development impact fees and other cost responsibilities.

As required by LAFCO, this study analyzes and presents the fiscal impacts of the Island Area on the City General Fund and other funds for the first five years upon annexation. First year post-annexation is assumed to be 2026.

General Fund. As shown in Table 1, projected recurring fiscal impacts to the City General Fund for the Island Area Annexation is shown to generate an extremely small deficit for all years.

Projected deficit to the General Fund declines slightly from \$2,756 in Year 1 upon annexation through \$2,474 in Year 5. The calculation assumes revenues from the recently adopted CFD 2018-1 tax for safety services family unit, which increases over time.

Other Funds. Projected recurring revenues for the Gas Tax Fund and Measure I Fund that are earmarked for street and road related expenditures are presented in Table 2.

Gas Tax Fund. As shown in Panel A of Table 2, projected recurring gasoline revenues to the City are projected at \$292 across all years.

Measure I Fund. Projected recurring Measure I sales tax revenues to the City are projected at \$89 across all years.

Table 1
Summary of Projected General Fund Recurring Fiscal Impacts
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

General Fund	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030
Estimated Annual Recurring Revenues	\$5,456	\$5,522	\$5,591	\$5,664	\$5,738
Estimated Annual Recurring Costs	<u>\$8,212</u>	<u>\$8,211</u>	<u>\$8,212</u>	<u>\$8,212</u>	<u>\$8,212</u>
Estimated Annual Recurring Surplus	(\$2,756)	(\$2,689)	(\$2,620)	(\$2,548)	(\$2,474)
<u>Estimated Annual Revenue/Cost Ratio</u>	0.66	0.67	0.68	0.69	0.70

Sources: Stanley R. Hoffman Associates, Inc.

Table 2
Summary of Projected Other Funds Recurring Revenues
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Other Funds	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030
A. Fund 126 - Gas Tax ¹					
Annual Recurring Gasoline Tax	\$292	\$292	\$292	\$292	\$292
B. Fund 129 - Measure I ¹					
1/2 cent sales and road tax	\$89	\$89	\$89	\$89	\$89

1. Annual recurring gasoline tax and Measure I revenues are restricted to street related expenditures.

Sources: Stanley R. Hoffman Associates, Inc.

CHAPTER 1

INTRODUCTION

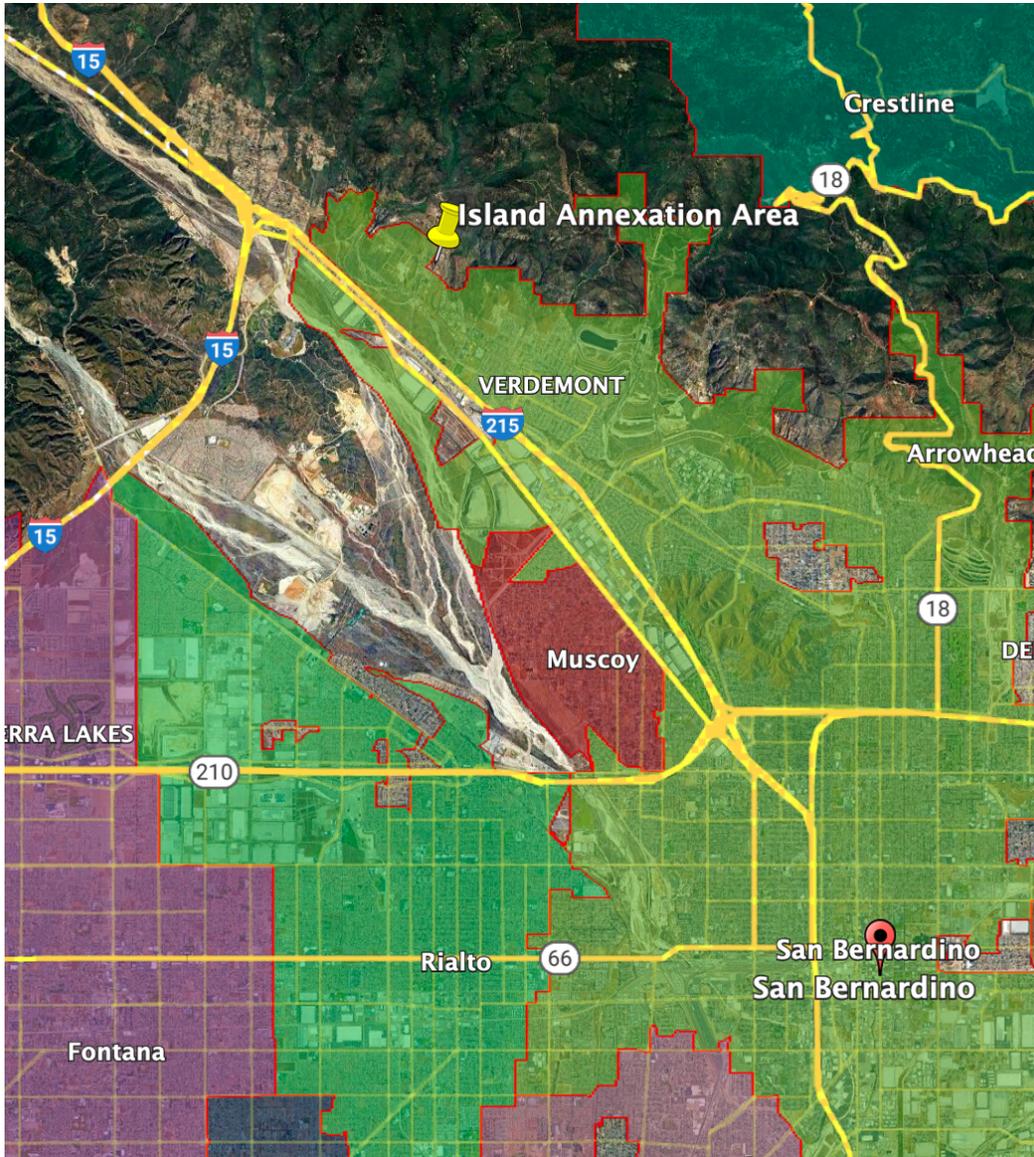
The Meyers Road Island Area is in unincorporated San Bernardino County located on the northern edge of the City of San Bernardino in the foothills of the San Bernardino Mountains, as shown in Figure 1.1. The annexation area is approximately 1.5 miles east of the unincorporated community of Devore and the junction of Interstate 215 (I-215) and I-15. The Island Area is bounded by the San Bernardino National Forest on three sides and the City of San Bernardino on the southern side.

1.1 Purpose of the Study

The Local Agency Formation Commission (LAFCO) of the County of San Bernardino requires a jurisdiction to submit a Plan for Service and Fiscal Impact Analysis when the jurisdiction is affected by a proposed change in boundaries, formation, or organization. The annexation of the Island Area into the City requires the City to show that necessary infrastructure improvements and services can be provided to this area. Per the application form in the *LAFCO Policy and Procedure Manual*, Updated July 2023, the Plan for Service must include the following components:

- a. *A description of the level and range of each service to be provided to the affected territory.*
- b. *An indication of when those services can feasibly be extended to the affected territory.*
- c. *An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory.*
- d. *The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the service and a description of how the service or required improvements will be financed. The Fiscal Impact Analysis shall provide, at a minimum, a five (5)-year projection of revenues and expenditures. A narrative discussion of the sufficiency of revenues for anticipated service extensions and operations is required.*
- e. *An indication of whether the affected territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.*
- f. *If retail water service is to be provided through this change of organization, provide a description of the timely availability of water for projected needs within the area based upon the factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).*

Figure 1-1
Meyers Road Island Area Annexation Regional Vicinity
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino



Sources: Stanley R. Hoffman Associates, Inc.

1.2 Overview of the City of San Bernardino

The City of San Bernardino is the county seat of San Bernardino County, occupying 62.5 square miles and is an anchor city for the Inland Empire. The 2023 city population is estimated at 223,230. Residents have access to more than 40 parks and fields, including premier athletic facilities, 7 community centers, a year-round aquatics center, a public library system, two higher education institutions, and 73 K-12 public schools. Major employers in the city include the County of San Bernardino, San Bernardino City Unified School District, California State University, the City of San Bernardino, Saint Bernardine Medical Center, the Community Hospital of San Bernardino, Caltrans, Stater Bros. Markets, Wells Fargo and Omnitrans. The city has been a major transit hub for over 100 years with the Interstate 10 and 215, the 210 and 259 Freeways, and the Metrolink commuter rail service. San Bernardino is a charter city, which means that the city has supreme authority over its municipal affairs, rather than being bound by the state's general law if the City were a general law city. The City operates under a City Council-City Manager form of government. The Mayor and the seven-seat City Council are elected positions. Under the supervision of the City Council, the City Manager is the Chief Administrative Officer and directs most of the City Departments, other than the City Attorney and City Clerk, who report directly to the City Council, and the Municipal Water Department and the Library, which are governed by the Water Board and the Library Board of Trustees, respectively.

1.3 Organization of the Report

Chapter 2 contains the description of the annexation area and existing development. The analysis of existing public service delivery in the annexation area and upon annexation into the City is presented in Chapter 3. Chapter 4 discusses the development impact fees and charges for infrastructure associated with the proposed annexation. The fiscal impact analysis of the annual operations and maintenance costs for the provision of services to the annexation area is provided in Chapter 5. Chapter 6 covers the revenue and cost assumptions used for the fiscal analysis.

Appendix A includes a summary of the neighborhood infrastructure improvements associated with the Spring Trails Specific Plan. Supporting tables for the fiscal assumptions appear in Appendix B. Appendix C lists the project contacts and references used in the preparation of this study.

CHAPTER 2 PROJECT DESCRIPTION

This chapter presents the land uses for the Meyers Road Island Area. Information includes housing units, population, assessed valuation and taxable sales. The total Meyers Road Island Area includes six parcels with four existing single-family units and two vacant parcels.

As shown in Figure 2-1, the Island Area is fronted by Meyers Road between Wendy Ranch Road and Martin Ranch Road. This area is generally about one-third mile northwest of the intersection of Meyers Road and Little League Drive, with the latter connecting to the frontage road along I-215. Freeway access is from the Palm Avenue interchange and the Glen Helen Parkway/Devore Road interchange.

As shown in Figure 2-2, the Island Area includes six parcels zoned for single-family residential use for a total of 26.38 acres. Of these, four parcels include existing single-family residential units, and two parcels are currently vacant. The parcel APNs include 034811147, 034811148, 034811149, 034811150, 034811136, and 034811109.

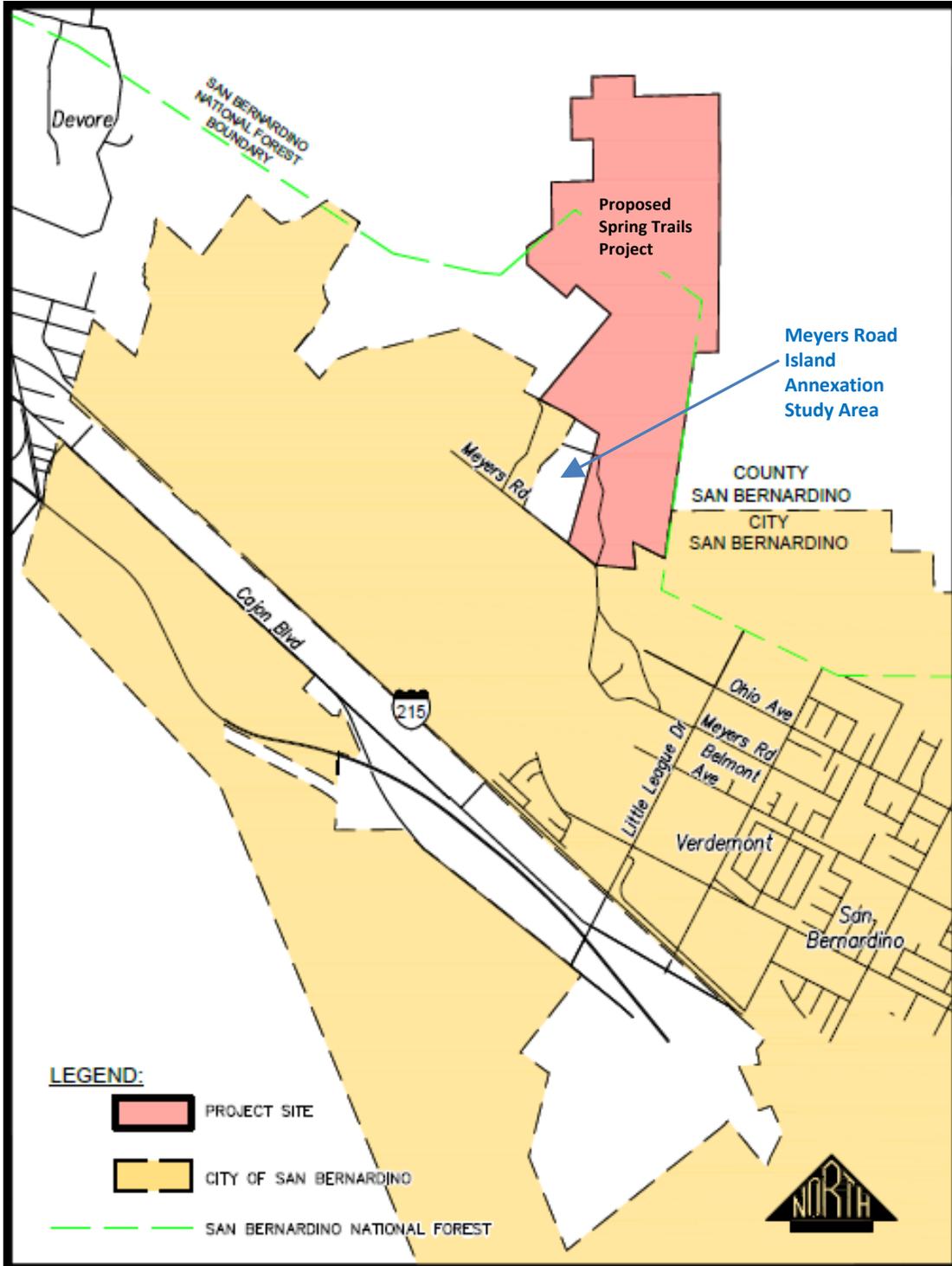
The annexation area is abutted by San Bernardino City to the south and west. To the north and east is the proposed Spring Trails Specific Plan, which was approved by San Bernardino LAFCO in October 2019 for annexation into the City pending certain conditions of approval. The Island Area, in the first place, was created due to the Spring Trails annexation, which LAFCO's conditions of approval remedied by requiring the City to adopt a resolution for commitment to annex the Island Area at some point in the future.

2.1 Residential Development

As shown in Panel A of Table 2-1, there are an estimated 4 single family residential units in the Island Area, while 2 parcels are vacant. No additional development is assumed in this area for the LAFCO required 5-year post-annexation period that is analyzed in this study.

Based on the January 1, 2023, Citywide average estimate of 3.34 persons per unit from the Department of Finance, total population for the Annexation is projected at 13 persons over the 5-year period, as shown in Panel B of Table 2-1.

Figure 2-1
Meyers Road Island Area Annexation Local Vicinity
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino



Sources: Stanley R. Hoffman Associates, Inc.
 J.P. Weber Group, November 2016

Table 2-1
Residential Development Description
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

Category	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Total
A. Residential Units						
Existing Units	4	0	0	0	0	4
New Units	0	0	0	0	0	0
Total Annual Units	4	0	0	0	0	4
Total Cumulative Units	4	4	4	4	4	
<u>New Annual Residential Square Feet</u> ²	n/a	0	0	0	0	0
<i>Total Cumulative New Square Feet</i>	<i>n/a</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
B. Population ³						
Total Annual Population	13	0	0	0	0	13
Total Cumulative Population	13	13	13	13	13	

1. Population is projected at the Citywide average of 3.34 persons per unit for January 1, 2023.

Sources: Stanley R. Hoffman Associates, Inc.

2.2 Assessed Valuation and Property Tax

Assessed valuation for the total Meyers Road Island Area is estimated at \$2.57 million at Year 5 after annexation, as shown in Panel B of Table 2-2. The current assessed valuation of about \$2.57 million is estimated for Year 1, which remains unchanged as no new development is assumed over the 5-year study period. Existing assessed valuation is based on the County Assessor’s 2023 tax roll value (accessed in March 2024), as shown in Table 2-3.

Projected Property Tax

As shown in Panel C of Table 2-2, the City General Fund will not receive property tax for the assessed valuation of the annexation area. The San Bernardino County Fire Protection District (SBCFPD) is now providing fire protection to the City. Based on the service agreement between the two jurisdictions, the property tax that would usually accrue to the City will remain with the SBCFPD and no property tax from other County funds and districts will be allocated to the City.

Table 2-2
Assessed Valuation and Property Tax
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Category	Existing	New Growth	New Growth	New Growth	New Growth	Total
	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	
A. Residential Units ¹						
Existing Units	4					4
New Units	-	0	0	0	0	0
Total Annual Units	4	0	0	0	0	4
Total Cumulative Units	4	4	4	4	4	
B. Assessed Valuation						
Current Valuation ²	\$2,565,029					
New Valuation		\$0	\$0	\$0	\$0	
Total Annual Valuation	\$2,565,029	\$0	\$0	\$0	\$0	\$2,565,029
Total Cumulative Valuation	\$2,565,029	\$2,565,029	\$2,565,029	\$2,565,029	\$2,565,029	
C. Projected Property Tax - Cumulative						
<u>Annual 1 Percent Property Tax Levy</u> (@ 1% of Valuation)	\$25,650	\$25,650	\$25,650	\$25,650	\$25,650	\$128,251
<u>Annual General Fund Property</u> ³ (@ 0% of 1 Percent Levy)	\$0	\$0	\$0	\$0	\$0	\$0
Total Cumulative Projected Property Tax	\$0	\$0	\$0	\$0	\$0	
D. Projected Property Tax In Lieu VLF						
<u>Total Annual Valuation for Property Tax In Lieu VLF</u> ⁴	\$0	\$0	\$0	\$0	\$0	\$0
Total Cumulative Valuation for Property Tax In Lieu VLF	\$0	\$0	\$0	\$0	\$0	
Total Cumulative Projected Property Tax In Lieu VLF (@ \$1,270 per \$1,000,000 Assessed Valuation)	\$0	\$0	\$0	\$0	\$0	
times						
Share Allocated to General Fund ⁵	73.5%	73.5%	73.5%	73.5%	73.5%	
equals						
General Fund Property In Lieu VLF	\$0	\$0	\$0	\$0	\$0	

1. Existing units obtained from the County Assessor data. No incremental growth is assumed over the 5-year period.
2. Current assessed valuation is based on the 2024 County Assessor tax roll values.
3. The San Bernardino County Fire Protection District (SBCFPD) provides fire protection to the City. Based on an agreement between the City and the SBCFPD, the City will not receive any allocation of the basic one percent property tax levy upon annexation of the Spring Trails project.
4. Property tax in lieu of vehicle license fees (VLF) is projected based on the increase in assessed valuation in a jurisdiction. Per State law, when an annexation occurs the existing valuation in the annexing area cannot be used in adjusting the amount of assessed valuation in the annexing City. Therefore, the current valuation of \$2,569,029 is not included in the projection of property tax in lieu of VLF. No PTVLF is projected because there is no new development assumed.
5. Based on the agreement between the SBCFPD and the City, the City will receive 73.5 percent of the projected property tax in lieu of VLF and the remaining 26.5 percent of the property tax in lieu of VLF will go to the SBCFPD. No PTVLF is projected because no new growth is assumed.

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Finance Director

Table 2-3
Estimated Existing Assessed Valuation: 2023 Tax Roll
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

APN	Building		Valuation			Tax Rate Area	Land Use
	Acres	Sq.Ft.	Land	Improvement	Total		
034811147	2.92	2,300	\$234,812	\$547,895	\$782,707	107150	SFR
034811148	2.94	1,888	\$170,000	\$405,000	\$575,000	107150	SFR
034811149	2.93	3,698	\$96,584	\$393,574	\$490,158	107150	SFR
034811150	2.92	0	\$208,080	\$0	\$208,080	107150	SFR - Vacant
034811136	10.37	2,447	\$206,196	\$293,388	\$499,584	107150	SFR
034811109	<u>4.30</u>	<u>0</u>	<u>\$9,500</u>	<u>\$0</u>	<u>\$9,500</u>	107150	SFR - Vacant
	26.38	10,333	\$925,172	\$1,639,857	\$2,565,029		

Sources: Stanley R. Hoffman Associates, Inc.
San Bernardino County Assessor, 2024

Projected Property Tax in Lieu VLF

The City General Fund will receive property tax in lieu of vehicle license fees (PTVLF) based on the increase in assessed valuation in the City. Per State law, when an annexation occurs the existing valuation in the area that is being annexed cannot be used in adjusting the base amount of assessed valuation in the annexing City. The City will receive property tax in-lieu of VLF based on the change in its gross assessed valuation of taxable property for new development in the annexed area. As shown in Appendix Table B-5, the property tax in lieu of VLF in the City is projected to increase at \$1,270 per million dollars of new assessed valuation (AV). However, based on the service agreement between the San Bernardino County Fire Protection District (SBCFPD) and the City, the City will receive 73.5 percent of the projected property tax in lieu of VLF and the remaining 26.5 percent will go to the SBCFPD.

As shown in Panel D of Table 2-2, no PTVLF is projected for the Island Area over the 5-year post-annexation study period, as no new development is assumed over this time frame. Over the long-term (beyond Year 5), it is possible that the study area parcels might redevelop, including new development on currently vacant parcels, which will then generate the PTVLF revenues as described above.

2.3 Sales and Use Tax

Sales and use tax are shown for the retail taxable sales that can be attributed to the existing residents in the Island Area. Offsite retail sales and use tax is estimated based on the estimated

household income and taxable retail purchases. Household income is estimated at 28 percent of average housing value based on a mortgage cost analysis by Stanley R. Hoffman Associates. Based on the U.S. Bureau of Labor Statistic, *Consumer Expenditure Survey*, the fiscal analysis estimates the current residents generate total taxable retail purchases at about 33 percent of household income.

As shown in Table 2-5, estimated annual offsite retail sales and use tax that can currently be attributed to the Island Area is estimated at \$954 per annum, and stays at this level through Year 5. This is based on the estimated total annual household income for the Island Area, at about \$718,000, 33 percent of which are spent on retail taxable purchases with a 35 percent capture within the City. A use tax factor of 14.9 percent is applied to the Bradley-Burns 1 percent point sales tax in the calculation.

Table 2-4
Estimated Offsite Sales and Use Tax by Project Residents
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Category	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Cumulative Total
A. ANNUALIZED PROJECTIONS						
<u>Annual New Residential Valuation</u>	\$2,565,029	\$0	\$0	\$0	\$0	\$2,565,029
<u>Annual Household Income (@ 28% of household valuation) ¹</u>	\$718,208	\$0	\$0	\$0	\$0	\$718,208
<u>Annual Taxable Retail Spending (@ 33% of household income)</u>	\$237,009	\$0	\$0	\$0	\$0	\$237,009
<u>Annual Projected Off-Site Retail Taxable Sales Captured in City</u> (@ 35% capture)	\$82,953	\$0	\$0	\$0	\$0	\$82,953
<u>Annual Projected Sales and Use Tax to City</u>						
Sales Tax (@ 1% of taxable sales)	\$830	\$0	\$0	\$0	\$0	\$830
Use Tax (@ 14.9% of sales tax)	<u>124</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>124</u>
Total Projected Sales and Use Tax	\$954	\$0	\$0	\$0	\$0	\$954
B. CUMULATIVE PROJECTIONS						
<u>Cumulative Sales and Use Tax</u>	\$954	\$954	\$954	\$954	\$954	

1. Based on current mortgage-based estimates obtained from Zillow, and with housing expenditures at 30% of household income.

Sources: Stanley R. Hoffman Associates, Inc.

CHAPTER 3 PUBLIC FACILITIES BEFORE AND AFTER ANNEXATION

This chapter describes the existing and anticipated future service providers for the proposed Meyers Road Island Area Annexation project area. The level and range of the services for the annexation area are described, if they are known. The following services are detailed in this chapter:

- General Government
- Fire and Paramedic
- County Sheriff and Public Safety
- Library
- Parks and Recreation
- Animal Control
- Street Lighting
- Landscape Maintenance
- Water
- Sewer
- Transportation
- Flood Control and Drainage
- Utilities
- Schools
- Solid Waste Management
- Health and Welfare

On a general note, the Island Area will experience positive spillover neighborhood benefits from the many improvements required for the proposed Spring Trails Specific Plan annexation. This includes roadways, open space, parks and trails, landscaping, and water/sewer system infrastructure improvements. This will reduce the network costs for the City to service the overall area, including the Island Area. These details are not discussed in this report and can be found in the Plan for Services for the Spring Trails Specific Plan annexation. A summary table of these improvements is included in Appendix A-1.

Table 3-1 presents current and anticipated service providers in the Meyers Road Island Area Annexation area. In many cases, such as general government, community development, economic development, and sheriff/police, among others, responsibilities shift from the County of San Bernardino to the City of San Bernardino. The City of San Bernardino has annexed into the San Bernardino County Fire Protection District (SBCFPD) and its Service Zone FP-5 for fire protection and emergency medical response services. Since the annexation area is already within SBCFPD and Service Zone FP-5, the SBCFPD will continue to be the service provider for fire protection and emergency medical services upon annexation.

Table 3-1
Current and Anticipated Service Providers in the Meyers Road Island Area Annexation
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

Service Type	Current Service Provider	Anticipated Service Provider
General Government - Administrative Services:		
Finance Division	County of San Bernardino	City of San Bernardino
Human Resources Division	County of San Bernardino	City of San Bernardino
Business Registration	County of San Bernardino	City of San Bernardino
Community Development:		
Planning	County of San Bernardino	City of San Bernardino
Building & Safety	County of San Bernardino	City of San Bernardino
Code Compliance	County of San Bernardino	City of San Bernardino Police Department
Fire and Paramedic	San Bernardino County Fire Protection District (SBCFPD), Service Zone FP-5	San Bernardino County Fire Protection District (SBCFPD), Service Zone FP-5
Sheriff/Police	County of San Bernardino Sheriff's Department	City of San Bernardino Police Department
Library	County of San Bernardino Library District	City of San Bernardino Public Library
Parks and Recreation:		
Local Facilities	County of San Bernardino	City of San Bernardino
Regional Facilities	County of San Bernardino	County of San Bernardino
Animal Control	Contract with City of San Bernardino Animal Services Department	City of San Bernardino Animal Services Department
Street Lighting	City of San Bernardino	City of San Bernardino Public Works Department
Landscape Maintenance	Forest/Natural	City of San Bernardino Public Works Department
Water:		
Domestic Water	Private	City of San Bernardino Municipal Water Dept. (SBMWD)
Recycled Water	Private	City of San Bernardino Municipal Water Dept. (SBMWD)
Water Quality	Private	City of San Bernardino Municipal Water Dept. (SBMWD)
Sewer	Private/Septic Systems	City of San Bernardino Municipal Water Dept. (SBMWD)
Transportation:		
Freeways and Interchanges	Caltrans	Caltrans
Arterials and Collectors	San Bernardino County - Public Works	City of San Bernardino Public Works Department
Local Roads	San Bernardino County - Public Works	City of San Bernardino Public Works Department
Transit	Omnitrans	Omnitrans
Flood Control and Drainage:		
Local Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District
Regional Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District
Utilities:		
Cable/Internet Provider/Phone	Charter Communications	Charter Communications
Telephone	Verizon	Verizon
Power	Southern California Edison	Southern California Edison
Natural Gas	Southern California Gas Company	Southern California Gas Company
Schools	San Bernardino City Unified School District (SBCUSD)	San Bernardino City Unified School District (SBCUSD)
Solid Waste Management	San Bernardino County Solid Waste Management Division contract with Burrtec	City of San Bernardino contract with Burrtec
Health and Welfare	San Bernardino County Department of Public Health	San Bernardino County Department of Public Health

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Website

3.1 General Government

Before Annexation

The County of San Bernardino provides general government services, including: all Administrative services, Community Development services, and Economic Development services to the annexation area.

After Annexation

After the annexation, the City of San Bernardino will provide the general government services

which include administrative services as well as General Governance, Community Development and Economic Development.

3.2 Fire and Paramedic

Before Annexation

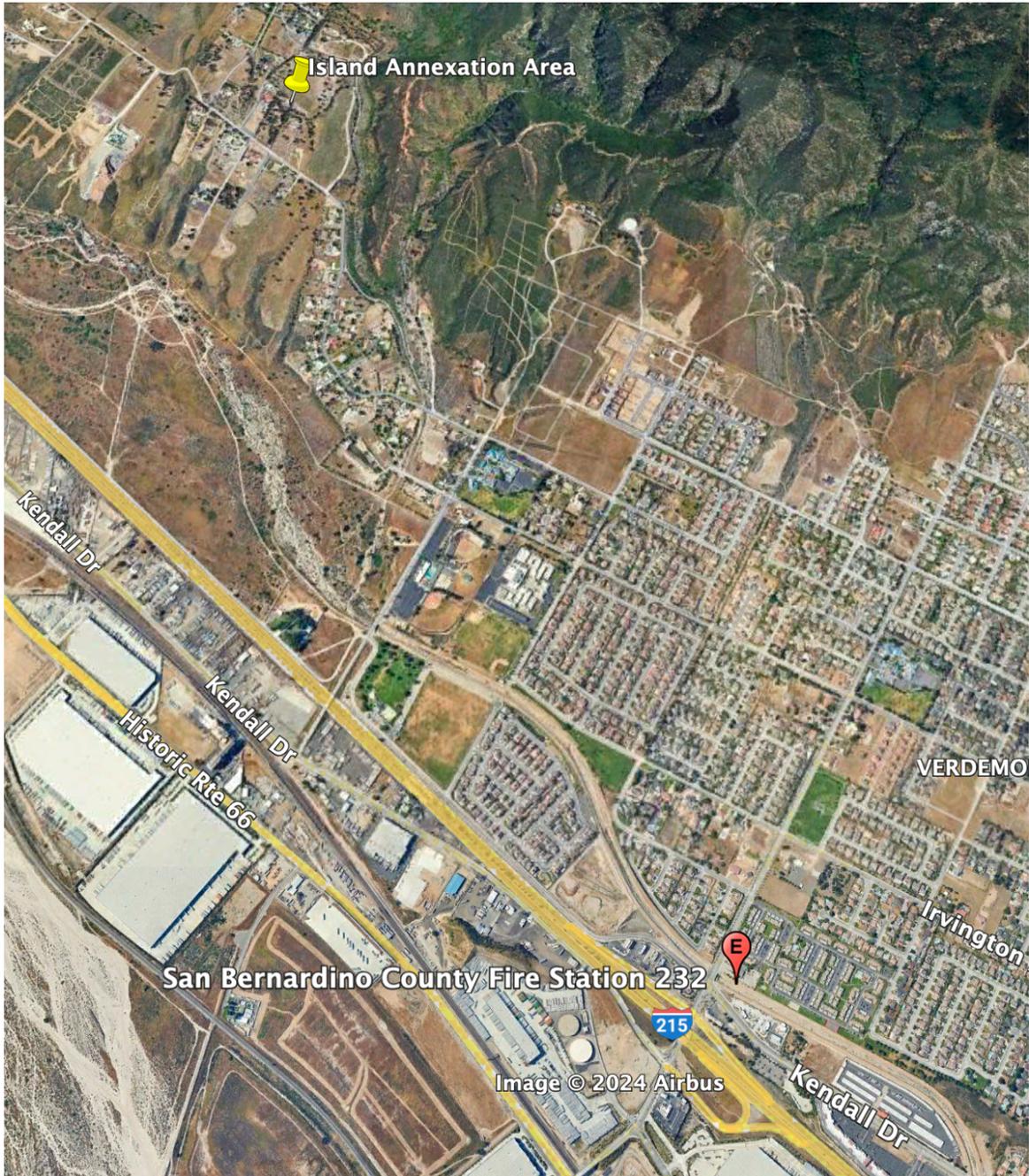
Currently, the annexation area is in a State Responsibility Area (SRA), where CAL FIRE is responsible for fire and emergency response services. The area is also serviced by San Bernardino County Fire Station Number 2 (Devore Station). The proposed project is also located within the recently expanded boundary of the San Bernardino County Fire Protection District (SBCFPD), Service Zone FP-5 which is a special tax zone for funding fire protection and EMS. The current annual special tax for property in Service Zone FP-5 is estimated at \$157.26 per parcel. The tax includes an annual inflationary factor up to a maximum of 3 percent. No water facilities are available to serve fire protection in the project area.

After Annexation

The City of San Bernardino has annexed their fire protection services to the SBCFPD. Therefore, the SBCFPD, Service Zone FP-5 will be the service provider for fire prevention, fire protection and emergency medical services (EMS) after annexation. Most of the existing City fire stations and equipment are transferred to the SBCFPD; with existing Station 232 (City), located at 6065 Palm Avenue, being the closest (approximately 1 mile) to Island Area, as shown in Figure 3-1.

Water facilities for fire protection will be owned and operated by the San Bernardino Municipal Water Department. All water facilities, hydrants, and water systems for fire protection in the area shall meet the water flow demands and be installed prior to development. All previous agreed upon egress for the project site that has been approved in the Environmental Impact Report shall be in place prior to construction. This includes the primary and secondary egress outlets.

Figure 3-1
Fire Protection
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino



Sources: Stanley R. Hoffman Associates, Inc.
Google Earth Pro

3.3 Sheriff/Police

Before Annexation

The San Bernardino County Sheriff-Coroner's Department provides public safety services to the unincorporated areas. The County Sheriff operates from an office in the City of San Bernardino at 655 East Third Street. The Sheriff's Department and the City Police Department provide mutual backup services upon request within both the City and unincorporated areas. The California Highway Patrol in San Bernardino provides traffic patrol on State Highways within the unincorporated areas of the County. The Highway Patrol can also provide emergency response backup to the City Police and the County Sheriff upon request.

After Annexation

After the annexation, the City of San Bernardino Police Department will be providing the public safety services for the Island Area and Spring Trails. The area is served by a main police station, located at 710 North D Street, and four designated geographical patrol districts (Northwest, Northeast, Southwest, and Southeast). The project site belongs to patrol beat B1 in the Northwest Patrol District, as shown in Figure 3-2. The San Bernardino Police Department maintains a ratio of approximately one sworn officer for every 1,000 residents.

The City Police Department operates under a mutual aid agreement with police agencies in the surrounding cities that allows use of up to fifty percent of adjacent agency resources upon request and for automatic response within zones of mutual aid. The California Highway Patrol in San Bernardino will continue to provide traffic patrol on State Highways within the unincorporated areas.

3.4 Library

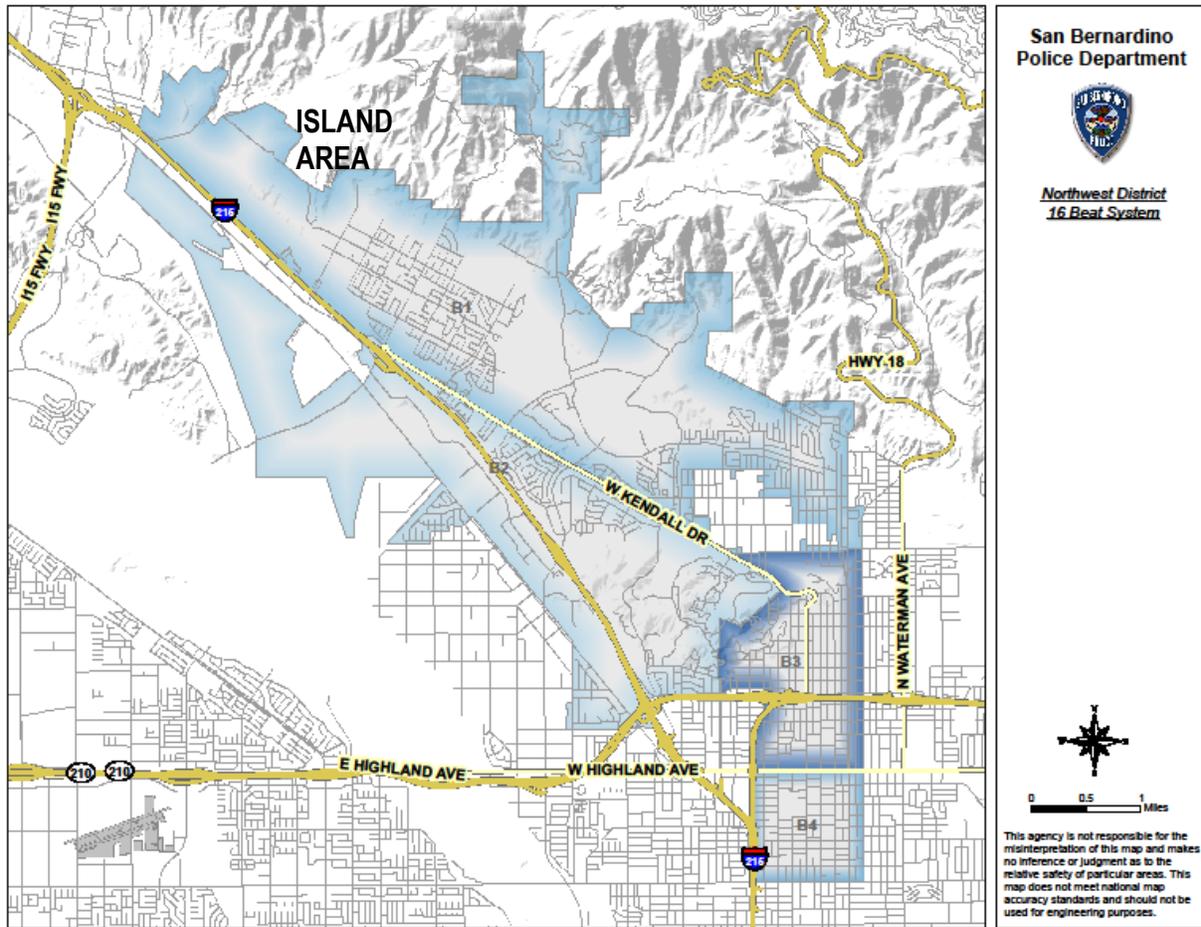
Before Annexation

Currently, the existing households within the annexation area is served by the San Bernardino County Library system. However, the nearest County library, the Carter Branch Library is located at 2630 North Linden Drive in Rialto and is a driving distance of about 12.2 miles away from the annexation area.

After Annexation

The Howard M. Rowe Branch Library facility is a branch of the San Bernardino City Library system. Located at 108 East Marshall Boulevard in the City of San Bernardino, this branch is closest to the Island Area, with a driving distance of about 9.6 miles. The annexation area would continue to receive library services from the City of San Bernardino Branch library upon annexation.

Figure 3-2
City of San Bernardino Police Department: Northwest District
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino



M. Good 50336

Sources: Stanley R. Hoffman Associates, Inc.
 City of San Bernardino, Police Department

3.5 Parks and Recreation

Before Annexation

The County Regional Parks Department provides regional park services to all residents within the County, including unincorporated areas. The County Regional Parks system includes the following parks: Glen Helen, Yucaipa, Lake Gregory, Cucamonga, Guasti, and Prado. The closest regional park is Glen Helen Regional Park which has various recreation areas with amenities for fishing, boating, and picnicking. However, the County does not provide local park services, and, currently, there are no local parks within the annexation area.

After Annexation

The City of San Bernardino General Plan indicates that there are a total of 52 developed parks and recreational facilities in the City. There are a variety of different types of parks, including: 19 neighborhood, 10 community, 17 mini-parks, 3 regional parks, and 3 special facilities. The parks contain a broad range of facilities; including children’s play equipment, tennis and volleyball courts, and athletic fields. The special facilities include community buildings and senior centers. Al Guhin Park, located at 3650 Little League Drive, is the closest City park to the annexation area (approximately 1.3 miles).

The proposed Spring Trails Specific Plan to the north of the Island Area will add additional open spaces that are meant to function as recreational opportunities, buffers, visual landmarks, and interconnecting trails. The facilities will consist of community trails, equestrian/pedestrian trails and hiking trails.

3.6 Animal Control

Before Annexation

Currently, the annexation area is serviced by the City of San Bernardino’s Animal Control on a contract basis. Animal Control is a field service provided by the City of San Bernardino Animal Services Department and is responsible for animal licensing, dead animal pickup, loose animal investigations, animal shelter management, and other services.

After Annexation

The Animal Control field service of the City of San Bernardino Animal Services Department will continue to provide services to the area after annexation.

3.7 Street Lighting

Before Annexation

Street lighting is a service provided to the area by Southern California Edison. However, the street lighting only extends to the southern border at Meyers Road, and no street lighting exists within the Island Area along Wendy Ranch Road.

After Annexation

Upon annexation, the City of San Bernardino Public Works Department is responsible for the maintenance of lighting in the public right of ways.

3.8 Landscape Maintenance

Before Annexation

San Bernardino County provides road pavement and minimal landscaping maintenance.

After Annexation

Upon annexation and development, the responsibility will fall upon the City of San Bernardino Public Works Department.

3.9 Water

Before Annexation

Currently, public water facilities do not serve the parcels in the Island Area.

After Annexation

Upon annexation, the City of San Bernardino Municipal Water Department (SBMWD) would provide water services to the Island Area. The area lies between the 2,300 to 3,000-foot pressure zones. The nearest existing reservoir is the Meyers Canyon Reservoir, which is within the 2,100-foot pressure zone, but is not adequate for Verdemont Heights. Therefore, including the demand from the proposed Spring Trails project, water will be supplied from lower elevations by a combination of expanding and improving the offsite water system and the provision of onsite reservoirs and transmission lines.

3.10 Wastewater Collection

Before Annexation

Sewer service to the project site is currently via septic tanks.

After Annexation

The Island Area is within the City's Public Works Department's sanitary sewer service area. The City's engineering sewer capacity study concluded that the existing sewer system has the capacity to accommodate the Island Area and the proposed Spring Trails project. Beginning May 2017, operation and maintenance of the City's wastewater collection system was transferred to the City of San Bernardino Municipal Water Department (SBMWD).

Under proposed improvements for Spring Trails, the project would connect to the existing 10-inch sewer line located on Little League Drive, which connects to a major interceptor system to the south and is eventually treated in the San Bernardino Water Reclamation Plant operated by

SBMWD. The only offsite improvement that may be required is North Little League Drive, which may be upgraded from an 8" to a 10" line depending upon the ultimate slope as determined in final engineering.¹

3.11 Transportation

Before Annexation

Current transportation services for the annexation area include freeways and interchanges serviced by Caltrans; arterials and collectors serviced by the County Public Works Department; local roads also serviced by the Public Works Department of San Bernardino County; and public transit serviced by Omnitrans. The closest Omnitrans bus stop to the annexation area is at Kendall Drive and Palm Avenue with a driving distance of about 2.2 miles.

After Annexation

Caltrans and Omnitrans will continue to provide their services post annexation for arterials, collectors and public transit. Upon annexation, the City becomes responsible for the regional transportation fee associated with the proposed project, which is included in the review of City fees for new development in Chapter 4, Table 4-2.

3.12 Flood Control and Drainage

Before Annexation

The drainage area to which the Island Area belongs flows into Cable Canyon, then into Cable Creek, then into Devil Creek Diversion Channel, then into Lytle Creek Wash and eventually into the Santa Ana River. Currently, there are no local flood control or drainage facilities in the annexation area. On a regional level, the San Bernardino County Flood Control District intercepts and manages flood flows through and away from developed areas throughout the County. The District is also responsible for water conservation and storm drain construction.

After Annexation

Upon annexation, flood control and drainage systems remain under the San Bernardino County Flood Control District. The existing Cable Canyon and Meyers Canyon drainage ways would remain relatively unchanged, except for necessary roadway and infrastructure improvements.

¹ Montecito Equities, *Spring Trails Specific Plan, October 2012, p. 3-112*

3.13 Utilities

Before and After Annexation

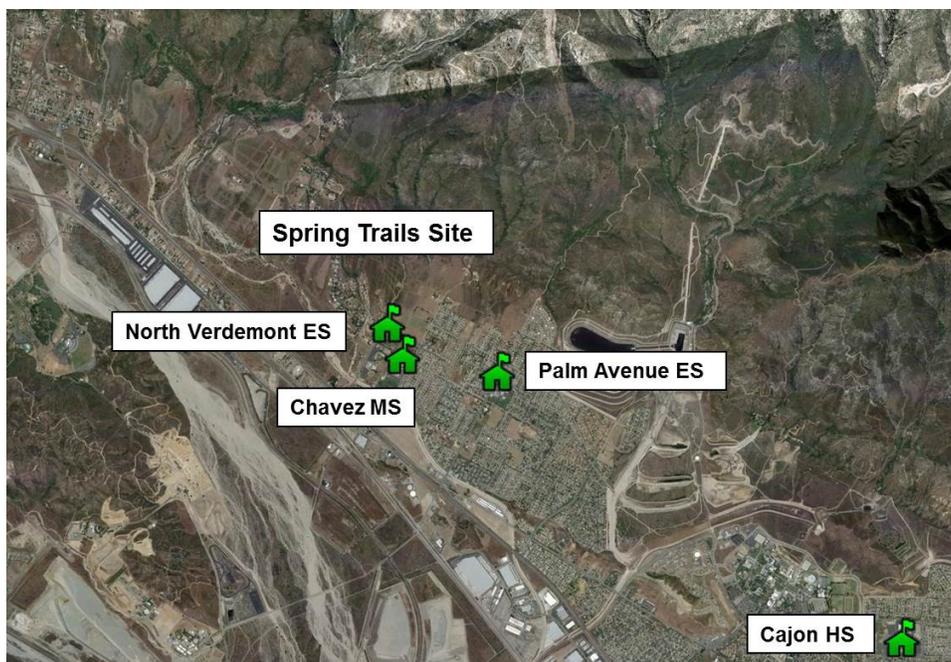
Utilities include cable television, internet, telephone, electric power, and natural gas. Currently, Charter Communications is the cable television and internet service provider. Verizon maintains telephone service to the annexation area. Electricity is provided by Southern California Edison, while natural gas is supplied by the Southern California Gas Company. These service providers are not anticipated to change upon annexation.

3.14 Schools

Before and After Annexation

Public education in the City of San Bernardino is provided by San Bernardino City Unified School District (SBCUSD). SBCUSD is the eighth-largest public school district in California with over 54,379 students enrolled at 44 elementary schools, 10 middle schools, 8 high schools and 3 special education schools. Before the annexation, the SBCUSD served the unincorporated area. SBCUSD will continue to serve the existing development as well as any future development in the annexation with North Verdemont Elementary School (3555 West Meyers Road), Chavez Middle School (6650 North Magnolia Avenue), and Cajon High School (1200 Hill Drive), as shown in Figure 3-9. Palm Avenue Elementary School is also located near the annexation area at 6565 Palm Avenue.

Figure 3-3
Local Elementary, Middle and High Schools
San Bernardino City Unified School District
City of San Bernardino



Source: Stanley R. Hoffman Associates, Inc.

3.15 Solid Waste Management

Before Annexation

The current service provider of solid waste management for the annexation area is the San Bernardino County Department of Public Works' Solid Waste Management Division, under the contract with Burrtec. The division oversees the operation and management of the County's solid waste disposal system, which includes five regional landfills and nine transfer stations.

After Annexation

Solid waste collection within the City of San Bernardino and a portion of the unincorporated planning area is provided by Burrtec on a contract basis with the City.

3.16 Public Health and Welfare

Before and After Annexation

The San Bernardino County Department of Public Health currently serves the City for the general public's health and welfare services. The department provides a variety of programs and services that informs and educates the public about health issues. The County Department of Public Health additionally provides public assistance welfare and healthcare needs for all residents within San Bernardino County. There are no anticipated changes in service levels or costs after the annexation of the proposed project.

CHAPTER 4

PAYING FOR PUBLIC FACILITIES AND INFRASTRUCTURE

4.1 Overview of Development Impact Fees

Any new development in the Island Area will pay one-time development impact fees (DIF) to offset the additional public capital costs required of new development. If the developer constructs any facilities covered by DIFs, the developer will receive credit toward construction costs for an equivalent amount of DIF fees.

At this time, no new development is assumed for the period of 5 years post-annexation being analyzed in this study. Therefore, no development impact fees are projected for this period for the Island Area Annexation.

For information purposes, one-time development impact fees that could be collected by the City and the Municipal Water Department upon annexation are shown in Table 4-1. City fees include Community Development, Public Safety and Engineering fees.

4.2 Schools

There is a one-time School Impact Fee of \$4.31 per square foot for new, single-family residential development in the City of San Bernardino.

4.3 Utilities

Cable television, internet, power, and gas utilities are enterprise services, where fees are determined by each company's rate structure.

4.4 Roads and Drainage

The local circulation systems fee is \$233 per unit, while the regional circulation systems fee is \$2,435 per unit, as shown in Table 4-1.

4.5 Water and Sewer

The San Bernardino Municipal Water Department (SBMWD) charges a Sewer Capacity Fee of \$3,500 per unit and a Water Connection Fee of \$7,110 per unit, as shown in Table 4-1.

Table 4-1
Summary of City Development Impact Fees
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Development Impact Fee Category ¹	Amount	Estimated Development Fees Impact Fees
<u>New Residential Units</u>	0	
	Fee per Unit	
<u>City Fees</u> ²		
Community Development Fees		
Aquatic Facilities	\$326	\$0
Cultural Development	\$3,000	\$0
Library Facilities	\$638	\$0
Public Meeting Facilities	\$1,090	\$0
Parkland and Open Space	<u>\$9,518</u>	<u>\$0</u>
Subtotal	\$14,571	\$0
Public Safety Fees		
Law Enforcement	<u>\$639</u>	<u>\$0</u>
Subtotal	\$639	\$0
Engineering Fees		
Local Circulation Systems	\$233	\$0
Regional Circulation Systems	\$2,435	\$0
Storm Drain	\$3,926	\$0
Verdemont (Chestnut Drainage Fee -- \$0.289/ sq. ft.)	\$957	\$0
Verdemont (Palm Box Culvert/ Signal -- \$0.022/ sq. ft.)	<u>\$74</u>	<u>\$0</u>
Subtotal	\$7,624	\$0
Total City Fees	\$22,835	\$0
<u>Water & Sewer - City of San Bernardino Municipal Water Department (SBMWD)</u> ⁴		
Sewer Capacity	\$3,500	\$0
Water Connection (3/4" x 3/4")	<u>\$7,110</u>	<u>\$0</u>
Total SBMWD Fees	\$10,610	\$0
TOTAL FEES	\$33,445	\$0

1. Note that the analysis does not include engineering processing fees, applicable fee credits, potential CFD/AD proceeds or potential impact of a Development Agreement, Mitigation Agreement, SB 50 Agreement, or similar agreement.
2. Represents the applicable fees per the City of San Bernardino fee schedule cited below. Actual fee amounts may differ at the time of application for building permits or connection to services.
3. Upon annexation, payment of the regional circulation system fee which was the requirement of the County prior to annexation will transfer to the City.
4. Represents the applicable water fees per the City of San Bernardino Municipal Water Department.

Sources: Stanley R. Hoffman Associates, Inc.

City of San Bernardino, *Land Development Division Impact Fees, Effective February 15, 2022 (Accessed 8/2023)*

CHAPTER 5 FISCAL IMPACTS

This chapter describes the fiscal analysis of the Meyers Road Island Area annexation. Fiscal impacts are first presented to the City of San Bernardino General Fund followed by the projected recurring revenues to the City’s Gas Tax Fund, and the City’s Measure I Fund. Fiscal impacts are shown in constant 2024 dollars with no adjustment for possible future inflation.

As required by LAFCO, this study analyzes and presents the fiscal impacts of the Island Area on the City General Fund and other funds for the first five years upon annexation. First year post-annexation is assumed to be 2026.

5.1 City General Fund

A small deficit of \$2,474 is projected to the City General Fund for the Meyers Road Island Area Annexation at Year 5 upon annexation, as shown in Table 5-1. The projected deficit is based on recurring revenues of about \$5,738 and recurring costs of about \$8,212. This projection includes assumed revenues from the recently adopted CFD 2018-1 tax for safety services. The revenue-to-cost ratio is estimated at about 0.70 at Year 5 upon annexation.

Projected deficit to the General Fund declines slightly from \$2,756 in Year 1 upon annexation through \$2,474 in Year 5. The calculation assumes revenues from the recently adopted CFD 2018-1 tax for safety services family unit, which increases over time.

Table 5-1
Summary of Projected General Fund Recurring Fiscal Impacts
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

General Fund	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030
Estimated Annual Recurring Revenues	\$5,456	\$5,522	\$5,591	\$5,664	\$5,738
Estimated Annual Recurring Costs	<u>\$8,212</u>	<u>\$8,211</u>	<u>\$8,212</u>	<u>\$8,212</u>	<u>\$8,212</u>
Estimated Annual Recurring Surplus	(\$2,756)	(\$2,689)	(\$2,620)	(\$2,548)	(\$2,474)
<u>Estimated Annual Revenue/Cost Ratio</u>	0.66	0.67	0.68	0.69	0.70

Sources: Stanley R. Hoffman Associates, Inc.

General Fund Projected Recurring Revenues

The CFD 2018-1 (safety services) taxes, Utility User tax, and off-site and Measure-S sales taxes account for about 82 percent of the total projected General Fund revenues at Year 5, as shown in the detailed projected fiscal impacts in Table 5-2.

General Fund Projected Recurring Costs

As also shown in Table 5-2, police protection and general government account for about 76 percent of total projected recurring General Fund costs for the project after buildout.

Table 5-2
Detailed General Fund Projected Recurring Fiscal Impacts
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

General Fund	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Percent of Buildout
<u>Estimated Recurring Revenues</u>						
Property tax ¹	\$0	\$0	\$0	\$0	\$0	0.0%
Property tax in lieu of VLF	0	0	0	0	0	0.0%
Off-site retail sales and use tax	954	954	954	954	954	16.6%
Measure S - sales tax	852	852	852	852	852	14.8%
Franchise tax	548	548	548	548	548	9.5%
CFD 2018-1 (safety services) ²	1,666	1,732	1,802	1,874	1,949	34.0%
Charges for current services	143	143	143	143	143	2.5%
Fines and forfeitures	58	58	58	58	58	1.0%
Intergovernmental revenues	78	78	78	78	78	1.4%
Miscellaneous revenues	56	56	56	56	56	1.0%
Tow franchise revenues	28	28	28	28	28	0.5%
Property transfer tax-turnover ³	0	0	0	0	0	0.0%
Sales tax - public safety	76	76	76	76	76	1.3%
Utility user tax	<u>997</u>	<u>997</u>	<u>997</u>	<u>997</u>	<u>997</u>	<u>17.4%</u>
Total Projected Revenues	\$5,456	\$5,522	\$5,591	\$5,664	\$5,738	100.0%
<u>Estimated Recurring Costs</u>						
Economic and housing development	\$68	\$68	\$68	\$68	\$68	0.8%
Police protection	4,949	4,949	4,949	4,949	4,949	60.3%
Parks, recreation and community services	268	268	268	268	268	3.3%
Public works' services	1,236	1,236	1,236	1,236	1,236	15.1%
Transfer to Animal Control Fund	197	197	197	197	197	2.4%
Library	153	153	153	153	153	1.9%
General government - O&M/contracts	458	458	458	458	458	5.6%
General government - overhead	<u>883</u>	<u>883</u>	<u>883</u>	<u>883</u>	<u>883</u>	<u>10.8%</u>
Total Recurring Costs	\$8,212	\$8,211	\$8,212	\$8,212	\$8,212	100.0%
<u>Estimated Net Recurring Surplus</u>	-\$2,756	-\$2,689	-\$2,620	-\$2,548	-\$2,474	
<u>Estimated Revenue/Cost Ratio</u>	0.66	0.67	0.68	0.69	0.70	

1. Based on information from the City Finance Director, per the agreement between the City and the San Bernardino County Fire Protection District (SBCFPD) the City will not receive any of the basic one percent property tax upon annexation of the Spring Trails project.
2. The City formed CFD 2018-1 in October 2018 which levies a special tax to provide finances for a portion of ongoing citywide public safety services. The special tax is \$385 per single family unit and \$358 per multi-family unit effective July 1, 2019 through June 2024. Beginning July 1, 2024, these rates will increase by four percent each following July 1.
3. Residential turnover is not anticipated within first 5 years of annexation.

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Finance Director

5.2 Other Funds

Fund 126 – Gas Tax

As shown in Panel A of Table 5-3, recurring Gas Tax Fund revenues to the City are projected at \$292 per year for the Island Area annexation over the 5-year period. These revenues are earmarked for transportation related expenditures.

Fund 129 – Measure I

Measure I includes a ½ cent sales tax for transportation expenditures. Recurring Measure I revenues are projected at \$89 per year over the 5-year period, as shown in Panel B of Table 5-3.

Table 5-3
Summary of Projected Other Funds Recurring Revenues
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Other Funds	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030
A. Fund 126 - Gas Tax ¹					
Annual Recurring Gasoline Tax	\$292	\$292	\$292	\$292	\$292
B. Fund 129 - Measure I ¹					
1/2 cent sales and road tax	\$89	\$89	\$89	\$89	\$89

1. Annual recurring gasoline tax and Measure I revenues are restricted to street related expenditures.

Sources: Stanley R. Hoffman Associates, Inc.

CHAPTER 6

CITY OF SAN BERNARDINO FISCAL ASSUMPTIONS

This chapter presents the revenue and cost assumptions for projecting the ongoing operations and maintenance costs to the City General Fund and related City Funds for the Meyers Road Island Area annexation into the City of San Bernardino. As discussed earlier, the annexation area is currently located in the unincorporated area of San Bernardino County, within the existing sphere of influence of the City of San Bernardino.

The general City demographic and economic assumptions used for calculating fiscal factors are first presented. The assumptions for projecting recurring revenues are then presented followed by the assumptions for projecting recurring costs. The fiscal factors are based on discussion with City finance staff and the City's *Fiscal Year 2023-24 Adopted Budget*.

6.1 City General Assumptions

Fiscal impacts that are not based on valuation and taxable sales are generally projected based on a per capita, per employee, or per service population basis. Some fiscal impacts are projected based on other factors, such as per unit or per acre, based on the available data. General fund revenue and cost factors are estimated by dividing the FY 2023-24 budget categories by the City's resident population, employment, total service population, or developed acres where appropriate. Table 6-1 provides the City's general assumptions for this fiscal analysis.

Population

As shown in Table 6-1, the State Department of Finance (DOF) estimates the City of San Bernardino's January 1, 2023, total population at 223,230. The City population estimate is used for projecting certain revenues and costs on a per capita basis, such as State subvented gas taxes.

Housing Units

DOF estimates 67,593 total housing units for the City of San Bernardino for January 1, 2023. DOF estimates that 64,905 units are occupied.

Persons per Household

The 2023 average persons per household for the City is estimated at 3.34 persons based on dividing the household population estimate of 216,854 by the 64,905 estimated occupied units.

Table 6-1
City Population, Housing and Employment Assumptions
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

Assumption	Description
	<u>Population and Housing</u> ¹
216,854	Total Household Population
<u>6,376</u>	Group Quarters Population
223,230	Total Resident Population
43,315	Single Family Units
<u>24,278</u>	Multi-Family Units
67,593	Total Housing Units
64,905	Occupied Housing Units
3.34	Citywide Average Household Size
	<u>Employment</u>
112,478	Total City Employment ²
	<u>Service Population</u> ³
223,230	Total Resident Population
<u>56,239</u>	Employment Weighted at 50%
279,469	Total Service Population

Note: 1. Population and housing estimates are January 1, 2023 estimates provided by the California Department of Finance (DOF).

2. The total employment estimate for 2023 based on an interpolation of the 2019 and 2035 estimates from the Southern California Association of Governments, (SCAG) 2024 RTP preliminary estimates.

3. This analysis has weighted the employment at 50% to account for the estimated less frequent use of City services by employment versus population. Service population equals the total resident population plus the weighted employment.

Sources: Stanley R. Hoffman Associates, Inc.

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State - January 1, 2021-2023*, Sacramento, May 2023

Southern California Association of Governments (SCAG), *Preliminary RTP 2024 Projections Data*

Employment

For fiscal factors that are impacted by only employment, such as business license taxes, the City's total employment is used as the basis for calculating the factor. The total City employment of 112,478 for the year 2023 represents an interpolation of the years 2019 and 2035 from the Southern California Association of Governments (SCAG) 2024 *Regional Transportation Plan (RTP), Preliminary Data*.

Service Population

Fiscal factors that are impacted by both population and employment growth are estimated by allocating total budgeted revenues or costs to the estimated service population. Service population includes the City's resident population plus 50 percent of the total estimated City employment. Employment is weighted at 50 percent to account for the estimated less frequent use of City services by employment versus population.

As shown in Table 6-1, The City's service population is estimated at 279,469 and represents the City's estimated resident population of 223,230 plus 50 percent of the City's estimated total employment, or 56,239 (50 percent of the total employment of 112,478).

6.2 City Revenue Assumptions

The General Fund and Gas Tax Fund revenue factors that are used in preparing the fiscal analysis for the Island Area are presented in Table 6-2. These factors are based on the City's Fiscal Year (FY) 2023-24 Adopted revenues for the General Fund and Other Funds shown in Appendix Table B-1 and Table B-2 and the City's population, employment and service population estimates that are presented in Table 6-1.

General Fund

Property Taxes - General Fund. The San Bernardino County Fire Protection District (SBCFPD) is now providing fire protection to the City. Based on the agreement between the City and the SBCFPD, the City will not receive a share of the 1.0 percent basic levy. The SBCFPD will receive the entire allocations that would have previously been allocated to the City.

Property Tax In Lieu of Vehicle License Fees. Cities and counties began receiving additional property tax revenue to replace vehicle license fee (VLF) revenue that was lowered in 2004 when the state reduced the vehicle license tax. This property tax in lieu of VLF is projected to grow with the change in the citywide gross assessed valuation (AV) of taxable property from the prior year.

As shown in Appendix Table B-3, the property tax in lieu of VLF in the City is projected to increase at an average of \$1,270 per million dollars of new assessed valuation (AV). This factor is based on the change in AV and the change in property tax in lieu of VLF in the City over the last 10 years.

Table 6-2
General Fund and Other Funds Recurring Revenue Factors
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Revenue Source	FY 2023-24 Adopted Budget	Projection Basis ¹	Projection Factor
GENERAL FUND			
<u>Property Taxes</u> ²	n/a	Case Study: Project Valuation	0.00% City general share of 1% levy
<u>Property Tax In Lieu VLF (PTVLF)</u> ³	\$23,000,000	Case Study	\$1,270 per \$1,000,000 assessed valuation 73.5% of PTVLF allocated to General Fund of 1% of projected sales and use 100% tax
<u>Sales and Use Tax</u>	\$51,500,000	Taxable Sales	14.9% of sales tax
Use Tax Factor		Use Tax as Percent of Sales Tax	\$893.00 per \$1,000 of sales and use tax
<u>Measure S - Sales Tax</u> ⁴	\$46,000,000	Case Study	\$42.15 per service population
<u>Franchise Taxes</u>	\$11,781,000	Service Population = 279,469	\$400 per single family unit \$372 per multi-family unit
<u>CFD 2018-1 (Safety Services)</u> ⁵	n/a	Residential Units	\$10.98 per capita
<u>Charges for Current Services</u>	\$2,450,750	Population = 223,230	\$4.49 per service population
<u>Fines and Forfeitures</u>	\$1,255,500	Service Population = 279,469	\$5.98 per capita
<u>Intergovernmental Revenues</u>	\$1,335,500	Population = 223,230	\$71.13 per employee
<u>Business Registration</u>	\$8,000,000	Employment = 112,478	\$4.33 per service population
<u>Miscellaneous Revenues</u>	\$1,209,056	Service Population = 279,469	\$2.17 per service population
<u>Tow Franchise</u>	\$606,000	Service Population = 279,469	5.0% Residential turnover rate
<u>Property Transfer Tax</u>	\$1,100,000	Property turnover and valuation assumptions	\$0.55 per \$1,000 assessed valuation
<u>Sales Tax - Public Safety</u>	\$1,300,000	Population = 223,230	\$5.82 per capita
<u>Utility User Tax</u>	\$21,430,500	Service Population = 279,469	\$76.68 per service population
GAS TAX FUND 126			
State gasoline tax	\$5,008,561	Population = 223,230	\$22.44 per capita
MEASURE I FUND 129			
1/2% sales tax	\$4,808,000	City Sales and Use Tax = \$51,500,000	\$93.36 per \$1,000 City sales and use tax

- For fiscal factors that are based on population and employment, an estimated service population factor is applied, which represents the total population plus 50% of the total employment estimate.
- Based on information from the City Finance Director, at this time the City General Fund will not receive any of the one percent basic property tax levy on the property's assessed valuation because of the property tax exchange agreement between the City and the County Fire Protection District. The County Fire Protection District now provides fire protection to the City.
- The State has lowered the VLF rate, which reduces the amount of VLF received by cities and counties. However, the State is providing property taxes to offset the VLF reduction. VLF is estimated to change according to the City's increased in assessed valuation, as shown in Appendix Table B-3. Based on the property tax agreement between the City and the County Fire Protection District, the City will receive 73.5 percent of the projected property tax in lieu of VLF from the project.
- The City enacted Measure S in 2006 which is a 0.25 percent sales tax and increased to 1 percent in 2020 by voters.
- The City formed Community Facilities District (CFD) 2018-1 in October 2018 which levies a special tax to provide finances for a portion of ongoing citywide public safety services. The special tax is \$385 per single family unit and \$358 per multi-family unit effective July 1, 2019 through June 2024. Beginning July 1, 2024, these rates will increase by four percent each following July 1.

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Fiscal Year 2023-24 Adopted Budget
City of San Bernardino, Finance Director
State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State - January 1, 2021-2023, Sacramento, May 2023
Southern California Association of Governments (SCAG), Preliminary RTP 2024 Projections Data

The City receives property tax in-lieu of VLF based on the change in its gross assessed valuation of taxable property for new development in the annexed area. Per State law, the existing valuation in an annexing area cannot be used in adjusting the base amount of assessed valuation in the annexing City. However, based on the agreement between the City and the San Bernardino County Fire Protection District the City will receive only 73.5 percent of the projected property tax in lieu of VLF.

Sales and Use Tax. Sales tax revenues to the local jurisdiction are projected at one percent of taxable sales. The City receives one percent of the taxable sales of most goods occurring within City limits. In addition to sales tax revenue, the City receives revenues from use tax, which is levied on shipments into the state and on construction materials for new development not allocated to a situs location. Use tax is allocated by the California Department of Tax and Fee Administration (CDTFA) based on each jurisdiction's proportion of countywide and statewide direct taxable sales.

Use tax revenues to the City of San Bernardino are estimated at an additional 14.9 percent of point-of-sale sales tax, as shown in Appendix Table B-4. Half-year 2022 sales tax data provided obtained from CDTFA estimates that \$3,549,772 of total sales and use tax were made from levies designated as use tax and the remaining \$23,826,715 of the sales and use tax was point-of-sale sales tax. Therefore, use tax revenues to the City of San Bernardino are estimated at an additional 14.9 percent of point-of-sale sales tax.

Measure S – Sales Tax. As shown in Table 6-2, Measure Z sales tax is projected at \$893 per \$1,000 of City sales and use tax. This tax is an additional component of sales and use tax that established an additional 0.25 percent sales tax that took effect in 2007. Measure S was increased to 1 percent sales tax by voters in 2020. Based on discussion with the City's finance director, this revenue is assumed for the fiscal analysis.

Franchise Taxes. Franchise taxes are projected at \$42.15 per service population based on FY 2023-24 Adopted Budget revenues of \$11,781,000 and the service population estimate of 279,469. City franchise taxes are collected for providers of cable, electric, gas, and telephone.

Community Facilities District (CFD) 2018-1 (Safety Services). The City formed CFD 2018-1 In October 2018 which levies a special tax to provide financing for a portion of ongoing public safety services. The special tax was \$385 per single family unit and \$358 per multi-family unit.

Collection of the fee began July 1, 2019, and will remain at the current rate for five years. Beginning July 1, 2024, these rates will increase by four percent each following July 1.

Charges for Current Services. Based on estimated FY 2023-24 Adopted Budget recurring revenues of \$2,450,750 and the City's population estimate, charges for current services are projected at \$10.98 per capita. These revenues do not include one-time fees and charges, as shown in Appendix Table B-1.

Fines and Forfeitures. These revenues include vehicle code fines, parking citations and other fines and penalties, and are projected at \$4.49 per service population based on estimated FY 2023-24 Adopted Budget revenues of \$1,255,500 and the City's service population of 279,469.

Intergovernmental Revenues. As shown in Table 6-2, these revenues are projected at \$5.98 per capita based on estimated FY 2023-24 Adopted Budget revenues of \$1,335,000 and the City's population estimate of 223,230.

Business Registration. These revenues are not projected for the Island Area because there is no employment projected for the project.

Miscellaneous Revenue. These revenues are projected at \$4.28 per service population based on estimated FY 2023-24 Adopted Budget recurring revenues of \$1,209,056 and the City's service population estimate of 279,469. Water Fund contributions for administrative services are included in this category. Revenues that are generated on a one-time basis and revenues that are not directly generated by the project are not included in this category.

Tow Franchise. Tow franchise revenues are projected at \$2.17 per service population based on FY 2023-24 Adopted Budget revenues of \$606,000 and the service population of 279,469.

Property Transfer Tax. Sales of real property are taxed by San Bernardino County at a rate of \$1.10 per \$1,000 of property value. For property located in the City, property transfer tax is divided equally between the City and the County, with the City receiving \$0.55 per \$1,000 of transferred property value. Based on the U.S. Census Bureau, American Community Survey for the period from 2015 to 2021, residential development in the City of San Bernardino is estimated to change ownership at an average rate of about 5.0 percent per year (Appendix Table B-5).

Sales Tax – Public Safety. These revenues are projected at \$5.82 per capita based on the City FY 2023-24 Adopted revenue amount of \$1,300,000 and the population estimate of 223,230.

Utility User Tax. The City of San Bernardino levies a utility user tax on the users of cable, natural gas, electricity and telephone services within the City. Based on the City FY 2023-24 Adopted Budget revenue amount of \$21,430,500 and the City’s estimated service population of 279,469, utility user taxes are projected at \$76.68 per service population.

Gas Tax Fund 126

As shown in Table 6-2, total State gasoline tax revenues to the City are projected at \$22.44 per capita based on estimated FY 2023-24 Adopted Budget revenues of \$5,008,561 and the City’s total population estimate of 223,230. These revenues include appropriations the shown in Appendix Table B-2. These revenues are earmarked for road related expenditures.

Measure I Fund 129

Measure I includes is a ½ cent sales tax. As shown in Table 6-2, total Measure I sales tax revenues to the City are projected at \$93.36 per \$1,000 of total sales and use tax. This factor is based on estimated FY 2023-24 Adopted Budget revenues of \$4,808,000 for Measure I sales tax and the City’s total sales and use tax of \$51,500,000. These revenues are earmarked for transportation related expenditures.

6.3 City Cost Assumptions

The General Fund cost factors that are used in preparing the fiscal analysis for the Meyers Road Island Area Annexation are presented in Table 6-3. These factors are based on the City’s Fiscal Year (FY) 2023-24 Adopted Budget net expenditures shown in Table 6-3 and the City’s population and service population estimates that are presented in Table 6-1.

City General Fund expenditures are projected for general government, or overhead functions; community development; police; parks, recreation and community services; public works; and transfers from the General Fund to the Animal Control Fund and to Library services.

Water and sewer operations are assumed to not impact the General Fund because they are enterprise functions and maintenance costs are assumed to be covered through the payment of user fees and charges. Fire protection to the City is provided by the San Bernardino County Fire Protection District, and these costs are not included in this analysis.

Table 6-3
General Fund Recurring Cost Factors
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Cost Category	FY 2023-24 Adopted Budget		Projection Basis ¹	Cost Factor ¹
	Total	Net		
<u>General Government - Overhead</u>	\$19,914,991	\$19,914,991	Share of Line Costs	12.0% of direct department costs
<u>General Government - Operations and Maintenance (O&M)/Contracts</u>	\$9,846,601	\$9,846,601	Service Population = 279,469	\$35.23 per service population
<u>Community and Economic Devevelopment</u> ²	\$11,923,799	\$1,452,799	Service Population = 279,469	\$5.20 per service population
<u>Police Protection</u>	\$106,395,588	\$106,395,588	Service Population = 279,469	\$380.71 per service population
<u>Parks, Recreation and Community Services</u>	\$4,596,710	\$4,596,710	Population = 223,230	\$20.59 per capita
<u>Public Works Services</u>	\$26,567,943	\$26,567,943	Service Population = 279,469	\$95.07 per service population
<u>Transfer to Animal Control Fund</u>	\$3,378,783	\$3,378,783	Population = 223,230	\$15.14 per capita
<u>Library</u>	\$2,633,501	\$2,633,501	Population = 223,230	\$11.80 per capita

1. For fiscal factors that are based on population and employment, an estimated service population factor is applied, which represents the total population plus 50% of the total employment estimate.
2. Net community and economic development services costs are calculated from budgeted costs minus projected one-time charges for services revenues, license revenues and permit revenues that offset the budgeted costs, as shown in Table B-6.

Sources: Stanley R. Hoffman Associates, Inc.

City of San Bernardino, Fiscal Year 2023-24 Adopted Budget
City of San Bernardino, Finance Director

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State - January 1, 2021-2023*,
Sacramento, California, May 2023

Southern California Association of Governments (SCAG), *2024 Regional Transportation Plan (RTP), Preliminary Data*.

General Government

General government costs include administration and support of the departmental functions. General government costs for City of San Bernardino include Mayor, City Council, City Clerk, City Attorney, City Manager, Human Resources, Finance, Benefits, Dues and Subscriptions and Debt Service. These are generalized citywide services and can't be directly linked to a specific department or project.

As shown in Table 6-4, Fiscal Year 2023-24 Adopted Budget general government costs are estimated at \$19,914,991 and direct departmental costs (or non-general government) are estimated at \$165,342,925. Average general government costs are projected at about 12.0 percent of direct non-general government costs.

Table 6-4
Calculation of City General Government Overhead Rate
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
(In Constant 2024 Dollars)

General Fund Expenditures	FY 2023-24 Adopted Budget		
	Total	General Government	Non-General Government
<u>General Government</u>			
Mayor	\$317,840	\$317,840	
City Council	959,087	959,087	
City Clerk	1,586,893	1,586,893	
City Attorney	3,310,443	3,310,443	
City Manager	2,401,885	2,401,885	
Human Resources	2,587,614	2,587,614	
Finance	6,218,078	6,218,078	
General Government:			
Transfer to Animal Control	3,378,783		3,378,783
Net Personnel	45,090	45,090	
Dues and Subscriptions	122,953	122,953	
Maintenance and Operations/Contractual	9,846,601		9,846,601
Debt Service	<u>2,365,108</u>	2,365,108	
<i>General Government Subtotal</i>	<i>15,758,535</i>		
<u>Non-General Government</u>			
Community & Economic Development	\$11,923,799		\$11,923,799
Police	106,395,588		106,395,588
Parks, Recreation and Community Services	4,596,710		4,596,710
Public Works	26,567,943		26,567,943
Library	2,633,501		2,633,501
GRAND TOTAL GENERAL FUND	\$185,257,916	\$19,914,991	\$165,342,925
<u>Current General Government Overhead Rate</u>			
General Government Expenditures			\$19,914,991
		<i>divided by</i>	
Direct General Fund Expenditures			\$165,342,925
		<i>equals</i>	
Current General Government Overhead Rate			12.0%
Sources: Stanley R. Hoffman Associates, Inc. City of San Bernardino, Fiscal Year 2023-24 Adopted Budget City of San Bernardino, Finance Director			

General Government – Operations and Maintenance (O&M)/Contracts

About \$9,846,601 of General Fund expenditures are for operations and maintenance contracts. Based on this amount and the City’s estimated service population of 279,469, these costs are projected at \$35.23 per service population, as shown in Table 6-3.

Community and Economic Development

As also shown in Table 6-3, Community and Economic Development costs are projected on net cost basis. Fiscal Year 2023-24 Adopted Budget Community and Economic Development costs of \$11,923,799 are offset by one-time development related permit and fee revenues, as shown in Appendix Table B-6, to result in net costs of \$1,452,799. This divided by the service population of 279,469 results in \$5.20 per service population.

Police Department

Based on expenditures of \$106,395,588 in the FY 2023-24 Adopted Budget budget, and the City's service population estimate of 279,469, police costs are projected at \$380.71 per service population. As discussed in Chapter 3, the San Bernardino Police Department maintains a ratio of approximately one sworn officer for every 1,000 residents. The annexation area will be served by a main police station, located at 710 North D Street. The project site belongs to patrol beat B1 in the Northwest Patrol District.

Parks, Recreation and Community Services

Citywide average annual costs for parks, recreation and community services are projected at \$20.59 per capita based on the City's FY 2023-24 Adopted Budget recurring costs for these services of \$4,569,710 and the City's population estimate of 223,230. Onsite parks, trails and open space will be maintained through a homeowners association.

Public Works Services

The Public Works Department maintains streets, sidewalks, curbs, gutters; street signs, street trees, traffic signals, streetlights, storm drains and sewer main lines. The Department also works with the Police Department for the prevention and removal of graffiti and provides collection services for refuse, recyclables and green waste.

Based on FY 2023-24 expenditures of \$26,567,943 and the City's service population estimate of 279,469, average costs for all General Fund Public Works services are projected at \$95.07 per service population. All project onsite streets, drains and streetlights will be maintained through a homeowners association and a lighting/ landscaping maintenance district.

Transfer to Animal Control Fund

Animal Control services are financed through a separate Animal Control Fund. Based on the City's FY 2023-24 Adopted Budget General Fund transfers of \$3,378,783 to the Animal Control Fund and the City's population estimate of 223,230, these costs are projected at \$15.14 per capita, as shown in Table 6-3.

Library Fund

Library services are also paid through a separate fund. Library service costs are projected at \$11.80 per capita based on the City's FY 2022-23 Adopted Budget General Fund transfers of \$2,633,501 to the Library Fund and the City's population estimate of 223,230.

APPENDIX A NEIGHBORHOOD INFRASTRUCTURE IMPROVEMENTS

Table A-1 Road, Drainage, Sewer, Parks, Trails and Open Space Phasing Spring Trails Specific Plan

Roads ¹							
Road Type	Unit of Measure	Offsite		Onsite (Private)			
				Phase 1		Phase 2	
		Lane Miles	Square Feet	Lane Miles	Square Feet	Lane Miles	Square Feet
Primary Access	Miles/Square Feet	1.04	153,216	0.19	25,188		
Secondary Access	Miles/Square Feet	2.61	344,789	0.08	10,254		
Primary Local	Miles/Square Feet			2.96	309,382	0.97	250,669
Secondary Local	Miles/Square Feet					0.27	28,275
Cul-De-Sac I	Miles/Square Feet			0.63	99,076	0.31	43,960
Cul-De-Sac II	Miles/Square Feet			0.84	110,501	2.41	288,137
Total		3.65	498,005	4.70	554,401	3.96	611,041

Drainage (Basins, Storm Drain) ²							
Facility Type	Unit of Measure	Offsite		Onsite			
				Phase 1		Phase 2	
		Public	Private	Public	Private	Public	Private
Detention Basin	Square Feet				298,277		178,392
Infiltration Trench	Square Feet						
Reinforced Concrete Box	Lineal Feet	1,430			2,286		
Reinforced Concrete Pipe	Lineal Feet	3,685			7,460		2,378
Arch Culvert	Lineal Feet	580					
Total Lineal Feet		5,695			9,746		2,378

Sewer ³							
Facility Type	Unit of Measure	Offsite		Onsite			
				Phase 1		Phase 2	
		Public	Private	Public	Private	Public	Private
Sewer Main	Lineal Feet	4,017		10,857		13,479	

Parks, Trails and Open Space ⁴					
Facility Type	Unit of Measure	Phase 1		Phase 2	
		Public	Private	Public	Private
Open Space	Acre		47.4		27
Graded Slopes	Acre		25.18		9
12' Pedestrian/Equestrian Trail	Lineal Feet		5,700		6,100
4' Hiking Trail	Lineal Feet		4,600		2,700
Observation Point	Each		3		3
Trailhead	Each		2		1
Park	Square Feet		57,331		

- Note: 1. All proposed offsite roads are assumed to be public maintained roads. Road sections are based on the proposed section on the Tentative Map exhibit. All roads are proposed as 2-lane roads. Lane miles are calculated by doubling the centerline length of a road segment. Road square footage is based on the entire road section, from R/W to R/W.
2. Detention basins are measured by square footage of the entire drainage lot. There are 2 basins in Phase 1 and 1 basin in Phase 2. Infiltration trenches are as proposed in the project WQMP and Hydrology Report. RCB quantities are based on the length of the centerline of each cell within a multiple celled box culvert. Arch Culverts are assumed for the Secondary Access Road crossing of Cable Creek. Arch Culverts are also proposed for Street " " and Street "DD" crossing of Cable Canyon.
3. Offsite sewer is from the tract boundary on Verdemon Drive to Little League Drive, and in Little League Drive to existing facilities as depicted on the proposed Tentative Map.
4. Parks, Trails and Open Space sections are based on the Trails, Parks, and Open Space Plan in the Spring Trails Specific Plan. Trail lengths are approximate based on the Trails, Parks, and Open Space Plan. Open Space is areas on the Tentative Map that is not impacted by any development activity, except trail grading. Graded Slopes are areas within the proposed open space lots that have proposed grading and landscaping.

Sources: Stanley R. Hoffman Associates, Inc.
J. P. Weber Group, October 2016

APPENDIX B
SUPPORTING FISCAL TABLES

Table B-1 (page 1 of 2)
General Fund Revenues, Fiscal Year 2022-23 Adopted Budget
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Revenue Category	Total	Non-Recurring ¹	Not Projected ²	Projected
Property Taxes				
Property Tax In Lieu of VLF	\$23,000,000	\$0	\$0	\$23,000,000
Sales and Use Tax				
Sales and Use Tax	\$51,500,000	\$0	\$0	\$51,500,000
Measure Z - Sales Tax				
Measure Z - Sales Tax	\$46,000,000	\$0	\$0	\$46,000,000
Franchise Tax				
Franchise Tax - So Cal Edison	\$1,000,000	\$0	\$0	\$1,000,000
Franchise Tax - So Cal Gas	550,000	0	0	550,000
Franchise Tax - Charter Cable TV	1,100,000	0	0	1,100,000
Franchise Tax - Verizon	120,000	0	0	120,000
Franchise Tax - AT&T (Pacific Bell)	11,000	0	0	11,000
Franchise Tax - Burrtec Disposal	9,000,000	0	0	9,000,000
Total Franchise Taxes	\$11,781,000	\$0	\$0	\$11,781,000
Charges For Services				
On Site Plan Check Fees	\$425,000	\$425,000	\$0	\$0
Cannabis Permit Application Fee	20,000	20,000	0	0
Cannabis Permit Regulatory Fee	85,000	85,000	0	0
Passport Fees	0	0	0	0
Subdivision Filing Fee	100,000	100,000	0	0
Planning Development PR	650,000	650,000	0	0
Technology Fee Development Services	135,000	135,000	0	0
Plan Review	170,000	170,000	0	0
C&D Application Fee	0	0	0	0
Plan Check Fee - B&S	1,700,000	1,700,000	0	0
Plan Check Fee - Fire	0	0	0	0
Board Up/Demolition	325,000	325,000	0	0
CDBG Revenue	10,000	0	10,000	0
Pendency Release	3,500	0	3,500	0
Miscellaneous Police Receipts	1,200,000	0	0	1,200,000
Sale of Photos	1,500	0	0	1,500
Traffic Offender OTS Fee	150,000	0	0	150,000
Police Tow Release	575,000	0	0	575,000
Private Property Tow Fee	145,000	0	0	145,000
Fingerprint Fee	14,000	0	0	14,000
Property Auction	2,000	0	0	2,000
False Alarm Fee	65,000	0	0	65,000
Vehicle Repossession Fee	5,000	0	0	5,000
Investigation Fee	5,000	0	0	5,000
Fireworks Enforcement	50,000	0	0	50,000
Code SFIF	40,000	40,000	0	0
Administrative Citations SFRPIP	55,000	55,000	0	0
Payoff Demand Fee	0	0	0	0
Crime Free Rental Housing	0	0	0	0
Cemetery Burial Fee	7,500	0	0	7,500
Sale of Cemetery Vaults and Liners	0	0	0	0
Blanket Inspection Fee	225,000	225,000	0	0
Miscellaneous Engineering Receipt	120,000	120,000	0	0
Plan Check Fee - Engineering	1,600,000	1,600,000	0	0
Archival Fee - Development Services	0	0	0	0
NPDES Storm Drain Utility Fee	175,000	175,000	0	0
NPDES Inspection Fee	1,000	1,000	0	0
Weed Abatement Destruction	25,000	0	0	25,000
Program & Facility Use Fees	150,000	0	0	150,000
Park Energy Fee	0	0	0	0
Signal maint/energy	0	0	0	0
Class Registration Fee	5,750	0	0	5,750
Swimming Pool Fee	50,000	0	0	50,000
Burrtec Host Fee	415,000	415,000	0	0
Library Fines	6,000	6,000	0	0
Election Filing Fees	3,000	3,000	0	0
Sale of Vases	500	500	0	0
Non Resident Fee	500	500	0	0
Crime Prevention Revenue	400	400	0	0
Total Charges for Services	\$8,715,650	\$6,251,400	\$13,500	\$2,450,750

Table B-1 (page 2 of 2)
General Fund Revenues, Fiscal Year 2022-23 Adopted Budget
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Revenue Category	Total	Non-Recurring ¹	Not Projected ²	Projected
<u>Fines and Forfeitures</u>				
General Fines	\$15,000	\$0	\$0	\$15,000
Code Administration Citations	69,000	0	0	69,000
Parking Citations	575,000	0	0	575,000
General Administrative Civil Penalty	130,000	0	0	130,000
Police Administrative Civil Penalty	0	0	0	0
PW Administrative Civil Penalty	0	0	0	0
Code Administrative Civil Penalty	465,000	0	0	465,000
Private Property Tow Fee	0	0	0	0
Library Fines	0	0	0	0
City Attorney Administrative Citations	<u>1,500</u>	<u>0</u>	<u>0</u>	<u>1,500</u>
<i>Total Fines and Forfeitures</i>	\$1,255,500	\$0	\$0	\$1,255,500
<u>Intergovernmental</u>				
Motor Vehicle In Lieu Tax	\$145,000	\$0	\$0	\$145,000
Other Governmental Agencies	2,051,260	0	2,051,260	0
State Aid - POST	0	0	0	0
State Mandated Cost Reimbursement	65,000	0	0	65,000
SBIAA Reimbursement	2,000	0	2,000	0
Recoverable Expense Income	1,100,000	0	0	1,100,000
San Manuel Community Credit	1,000,000	0	1,000,000	0
Water Reimbursement	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
<i>Total Intergovernmental</i>	\$4,388,260	\$0	\$3,053,260	\$1,335,000
<u>Investment Income</u>				
Land and Building Rental/Lease	\$525,000	\$0	\$525,000	\$0
ATS Land and Building Rental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Use of Money and Property</i>	\$525,000	\$0	\$525,000	\$0
<u>Licenses and Permits</u>				
Business Registration	\$8,000,000	\$0	\$0	\$8,000,000
Miscellaneous Planning Permits	15,000	15,000	0	0
Annual Alarm Permits	50,000	50,000	0	0
Building Permits	2,000,000	2,000,000	0	0
Mechanical Permits	125,000	125,000	0	0
C&D Self Haul Permit	5,000	5,000	0	0
Street Cut Permits	0	0	0	0
Miscellaneous Licenses and Permits	400,000	400,000	0	0
Grading Permits	15,000	15,000	0	0
Public Works Construction Permits	380,000	380,000	0	0
On Site Permits	1,750,000	1,750,000	0	0
Mobile Home Park Permit	<u>3,000</u>	<u>0</u>	<u>3,000</u>	<u>0</u>
<i>Total Licenses & Permits</i>	\$12,740,000	\$4,740,000	\$0	\$8,000,000
<u>Miscellaneous</u>				
Miscellaneous Planning Receipts	\$125,000	\$0	\$0	\$125,000
Miscellaneous Library Receipts	4,500	0	0	4,500
Miscellaneous Receipts	180,000	0	0	180,000
Refunds and Rebates	6,000	0	0	6,000
Litigation Settlements	60,000	0	0	60,000
Restitutions	0	0	0	0
Water Fund Contributions	793,556	0	0	793,556
Vehicle Take Home Reimbursement	0	0	0	0
DUI Reimbursement	10,000	0	0	10,000
Off-Track Betting	<u>30,000</u>	<u>0</u>	<u>0</u>	<u>30,000</u>
<i>Total Miscellaneous</i>	\$1,209,056	\$0	\$0	\$1,209,056
<u>Other Taxes</u>				
Tow Franchise	606,000	\$0	\$0	\$606,000
Transient Occupancy Tax	4,650,000	0	0	4,650,000
Property Transfer Tax	1,100,000	0	0	1,100,000
Sales Tax - Public Safety	1,300,000	0	0	1,300,000
Cannabis Tax	<u>4,000,000</u>	<u>0</u>	<u>0</u>	<u>4,000,000</u>
<i>Total Other Taxes</i>	\$11,656,000	\$0	\$0	\$11,656,000
<u>Use of Money and Property</u>				
Interest on Idle Cash	\$350,000	\$0	\$350,000	\$0
Rental Income From Former EDA Properties	200,000	0	200,000	0
Vending Machine Commission	<u>4,000</u>	<u>0</u>	<u>4,000</u>	<u>0</u>
<i>Total Use of Money and Property</i>	\$554,000	\$0	\$554,000	\$0
<u>Utility Users Tax</u>				
Utility Users Tax	\$21,430,500	\$0	\$0	\$21,430,500
General Fund Total	\$194,754,966	\$10,991,400	\$4,145,760	\$179,617,806

Note: 1. One-time development related fees are not projected as recurring revenues because they are netted from projected development services costs.

2. Certain recurring revenues (such as transient occupancy tax, intergovernmental revenues and set payment amounts) that are not impacted by the proposed project are not projected in the fiscal analysis.

Sources: Stanley R. Hoffman Associates, Inc.

City of San Bernardino, Fiscal Year 2023-24 Adopted Budget

Table B-2
Fiscal Year 2022-23 Adopted Budget: Revenues for Other City Funds ¹
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Revenue Category	Total	Not Projected ²	Recurring
Fund 124 - Animal Control			
Animal Licenses	\$210,000	\$0	\$210,000
Miscellaneous Licenses and Permits	2,500	0	2,500
General Fines	5,200	0	5,200
Animal License Penalty	13,500	0	13,500
Animal Adoption Fee	53,000	0	53,000
Contracted Shelter Fee	0	0	0
Apprehension Fee	11,000	0	11,000
Boarding Fee	0	0	0
Field Service Fee	6,000	0	6,000
Owner Release Fee	13,400	0	13,400
Vaccination Fee	36,000	0	36,000
Microchip Identification Fee	31,000	0	31,000
Miscellaneous Receipts	12,500	0	12,500
Transfers from General Fund	3,306,435	0	3,306,435
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>
Total Animal Control Fund	<u>\$3,700,535</u>	<u>\$0</u>	<u>\$3,700,535</u>
Fund 126 - Gas Tax			
State Gasoline Tax:			
- HUTA Prop 42 Replacement (for Section 2103)	\$1,608,248	\$0	\$1,608,248
- Proposition 111 (Section 2105)	1,181,427	0	1,181,427
- Section 2106	716,333	0	716,333
- Section 2107	<u>1,502,553</u>	<u>0</u>	<u>1,502,553</u>
Subtotal	\$5,008,561	\$0	\$5,008,561
- Section 2107.5 flat amount ³	23,939	0	23,939
Use of Money and Property	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Gas Tax Fund	<u>\$5,037,500</u>	<u>\$5,000</u>	<u>\$5,032,500</u>
Fund 129 - Measure I			
1/2 Cent Sales Tax	\$4,808,000	\$0	\$4,808,000
Federal Aid Street Construction	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	\$4,808,000	\$0	\$4,808,000
Interest on Idle Cash	<u>28,000</u>	<u>28,000</u>	<u>0</u>
Total Gas Tax Fund	<u>\$4,836,000</u>	<u>\$28,000</u>	<u>\$4,808,000</u>

1. This table includes only the special fund revenues that are projected in the fiscal analysis.
2. Revenues that are not impacted by the proposed project are not projected as recurring revenues. Also, revenues allocated to capital expenditures and interest on idle cash revenues are not projected.
3. Section 2107.5 gas tax revenues are allocated based on the population size-range population of the City.

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Fiscal Year 2023-24 Adopted Budget

Table B-3
Estimated In Lieu Property Tax of Vehicle License Fees (VLF) Factor
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

Fiscal Year	VLF - Property Tax In Lieu ¹	Assessed Valuation (AV) ²	VLF per \$1,000,000 AV ³
2013-2014	\$16,328,700	\$10,695,499,230	\$1,530
2014-2015	\$17,249,209	\$11,298,819,747	\$1,530
2015-2016	\$18,206,540	\$11,924,444,131	\$1,530
2016-2017	\$17,844,545	\$12,662,283,004	\$1,410
2017-2018	\$15,000,000	\$13,395,373,121	\$1,120
2018-2019	\$15,800,000	\$14,215,676,776	\$1,110
2019-2020	\$16,805,900	\$15,437,323,990	\$1,090
2020-2021	\$18,316,742	\$16,296,056,728	\$1,120
2021-2022	\$19,267,608	\$17,611,502,086	\$1,090
2022-2023	\$22,500,000	\$18,993,544,611	\$1,180
<i>Average of Ten Years</i>			<i>\$1,270</i>

1. The property tax in lieu VLF amounts are from the City's budget as cited below.
2. City assessed valuation is from the County Assessor report as cited below.
3. Estimated VLF per \$1,000,000 AV is rounded to the nearest tens.

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Adopted *Budgets, 2013-2014 through 2022-23.*
County of San Bernardino, Assessed *Rolls, 2013 through 2023*

Table B-4
Calculation of Use Tax Factor
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

City of San Bernardino	Amount ¹
<u>Use Tax</u>	
County Pool	\$3,539,112
State Pool	<u>\$10,660</u>
Total Use Tax	\$3,549,772
	<i>divided by</i>
Point-of-Sale	\$23,826,715
	<i>equals</i>
Use Tax Rate ²	14.9%

1. Obtained from CDTFA data for Half-year 2022.
2. The use tax rate is the County Pool plus the State Pool divided by point-of-sale taxable sales tax.

Sources: Stanley R. Hoffman Associates, Inc.
California Department of Tax and Fee Administration, CDTFA, 2023

Table B-5
Estimated Annual Residential Turnover
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino

City of San Bernardino	Occupied Housing Units	Percent Turnover
Total Owner Occupied Units	32,391	
Moved in 2019 or later	5,241	
Moved in 2015 to 2018	<u>6,044</u>	
Total Moved 2015 to 2021	11,285	
Estimated Annual Turnover Rate: 2015 to 2021 ¹	1,612	5%

1. The annual turnover rate is based on the assumption of seven years for the 2015 to 2021 period.

Sources: Stanley R. Hoffman Associates, Inc.

U.S. Census Bureau, *2021 American Community Survey (ACS) 1-Year Estimate, Tenure by Year Householder Moved Into Unit, Report B25038, San Bernardino, California*

Table B-6
General Fund Net Community and Economic Development Cost Factor
Meyers Road Island Area Annexation Plan for Service and Fiscal Analysis
City of San Bernardino
(In Constant 2024 Dollars)

Category	Amount
<u>Total General Fund Community and Economic Development Costs</u>	\$11,923,799
	<i>minus</i>
<u>Charges for Service</u>	
On Site Plan Check Fees	\$425,000
Cannabis Permit Application Fee	20,000
Cannabis Permit Regulatory Fee	85,000
Subdivision Filing Fee	100,000
Planning Development PR	650,000
Technology Fee Development Services	135,000
Plan Review	170,000
C&D Application Fee	0
Plan Check Fee - B&S	1,700,000
Board Up/Demolition	325,000
Blanket Inspection Fee	225,000
Miscellaneous Engineering Receipt	120,000
Plan Check Fee - Engineering	1,600,000
Archival Fee - Development Services	0
NPDES Storm Drain Utility Fee	175,000
NPDES Inspection Fee	<u>1,000</u>
Total One-Time Charges for Service	\$5,731,000
	<i>minus</i>
<u>One-Time Licenses and Permits</u>	
Miscellaneous Planning Permits	\$15,000
Annual Alarm Permits	\$50,000
Building Permits	2,000,000
Mechanical Permits	125,000
C&D Self Haul Permit	5,000
Street Cut Permits	0
Miscellaneous Licenses and Permits	400,000
Grading Permits	15,000
Public Works Construction Permits	380,000
On Site Permits	<u>1,750,000</u>
Total One-Time Licenses and Permits	\$4,740,000
	<i>equals</i>
<u>Recurring Net Community Development Costs</u>	\$1,452,799
	<i>divided by</i>
<u>City Service Population</u>	279,469
	<i>equals</i>
Community Development Costs per Service Population	\$5.20

Sources: Stanley R. Hoffman Associates, Inc.
City of San Bernardino, Fiscal Year 2023-24 Adopted Budget
City of San Bernardino, Finance Department

APPENDIX C PROJECT REFERENCES

City of San Bernardino

www.sbcity.org/

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Facilities/Operations Division, Facilities Management

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Omnitrans

www.omnitrans.org/