# COUNTY SERVICE AREA NO. 2 TENAYA PARK

## MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the Fresno Local Agency Formation Commission

MSR-16-13

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### **COUNTY SERVICE AREA NO. 2 (Tenaya Park)**

Park Maintenance Services

### **Contact Information**

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### Management Information

**District Formation:** 1962

Principal Act: County Service Area Law, Government Code section 25210-25217.4

**Special District Powers:** Prescribed in Government Code section 25212-25212.4

LAFCo

**Authorized Services:**Parks and recreation facilities, levy and collect tax assessments, perform

agreements, enter into contracts, and provide governmental services

necessary to maintain its public facilities.

Governing Body: Fresno County Board of Supervisors, Dependent Special District

Citizen Advisory Committee: Meetings held twice per year, or as necessary

Board Members: Buddy Mendes, Chairman Elected 2015-Expires 2018

Brian Pacheco, Vice Chairman Elected 2015-Expires 2018
Henry Perea Elected 2013-Expires 2016
Andreas Borgeas Elected 2013-Expires 2016
Debbie Poochigian Elected 2013-Expires 2016

**Board Meetings:** On scheduled Tuesdays, the dates which have been approved at a regularly

scheduled board meeting of the Board of Supervisors

Staffing: Fresno County Public Works and Planning, Resources Division, composed

of a district administrator, three staff analysts, one office assistant, and

administrative and technical support staff

Service Information

**Population Served:** 339 residents **Acres Served:** 60 acres

**Infrastructure:** 2.5 acre park, lighting, and pedestrian walkways

<u>Fiscal Information</u>

**Budget:** \$56,239

**Sources of Funding:** Property taxes and special assessment

**Rate Structure:** \$324 per year per parcel

<u>Administrative Policies</u>

Master Plan:NoPolicies/Procedures:YesBylaws:N/ABoundary Updated:1962SOI Updated:2016Other:N/A

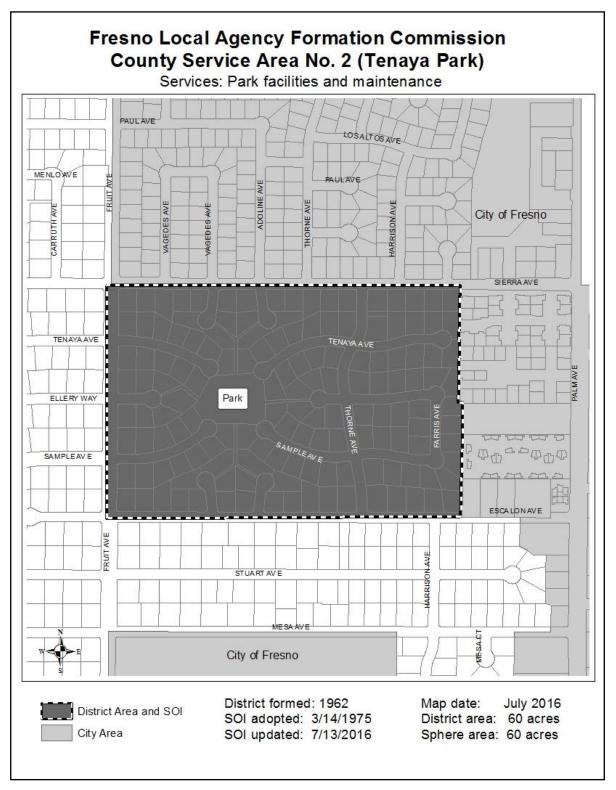
MSR and Sphere Update

<sup>&</sup>lt;sup>1</sup> Pursuant to Government Code Section 56425(i)

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Figure 1- County Service Area No. 2 (Tenaya Park)



### 1. MUNICIPAL SERVICE REVIEW

#### PRINCIPAL ACT

County Service Area No. 2 (District) was formed in 1962 pursuant to County Service Area Law (Government Code sections 25210-25217) to provide recreational park service and maintenance of public facilities within the subdivision known as Tenaya Estates in Fresno County. The District is a dependent special district governed by the Fresno County Board of Supervisors (BOS). The Fresno County Public Works and Planning Department, Resource Division (County Resource Division) provides staff support for the District's administration.

The District's service area and sphere of influence (SOI) are coterminous, and encompass 60 acres located south of Sierra Avenue and east of Fruit Avenue. The District service area is comprised of 142 single family residential parcels and a recreational park facility near the center of the subdivision. The District's park facilities include a two and one-half acre park space, park lighting, and 1,500 linear feet of pedestrian walkways within the Tenaya Estates subdivision.

### DISTRICT SERVICE AREA

The District is generally located east of Fruit Avenue and south of Sierra Avenue adjacent to the City of Fresno limits. The District service area is bounded by Sierra Avenue on the north, Fruit Avenue to the west, Escalon Avenue to the south, and the east side of parcels facing the east side of the Farris Avenue alignment. The District service area and SOI span 60 acres, and include 142 single family residential parcels. The District serves an estimated population of 339 residents.<sup>2</sup> The District's north and east edges are contiguous with the City of Fresno; and, majority of the land around the District is substantially developed with residential land uses. The District service area lies within a larger unincorporated island inside City of Fresno city limits.

#### AUTHORIZED DISTRICT SERVICES

Government Code Section 56425(i) states, "When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts." Under the CSA's principal act, County Service Areas have the potential to provide up to 26 types of municipal services within their limited boundaries.<sup>3</sup>

The District is currently authorized to provide park and recreation facilities, levy and collect tax assessments, perform agreements, enter into contracts, and provide governmental services necessary to maintain its public facilities.

All other services or powers enumerated in the District's principal act are herein determined to be "latent," meaning that they are authorized by the principal act, but are not currently being

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<sup>&</sup>lt;sup>2</sup> Fresno Council of Governments, Current and Historic Data-Population and Housing, Average Household Size and Occupancy by Census Tract – Census Tract 45.03.

<sup>&</sup>lt;sup>3</sup> California Government Code (GC) section 25213-25213.6

exercised by the agency. Activation of these latent powers will require LAFCo authorization as pursuant to Government Code section 25213.5.<sup>4,5</sup>

#### Fresno LAFCO MSR Policy Designation

Fresno LAFCo's MSR policy designates the District as a "level two" special district that provides a type of municipal service to its constituency. As this term is applied to the subject CSA, the term "municipal service" means a service provided by a local agency to a relatively dense population at comparatively high levels of service. The District provides recreation and maintenance services within the park facilities located in the District. The District is a dependent special district that generally does not request or experience modifications to its service area or request a revision to the Commission's adopted SOI. Special districts with a municipal service local agency designation means, in Fresno LAFCo's judgment, that services provided by the agency facilitate, or have potential to induce population growth.

LAFCo's assessment on the District's services provisions indicate that park and recreation services are a type of municipal service, however it is incidental to services associated with industrial or municipal water, sewer treatment, police services, or fire protection.

In accordance with Government Code (GC) section 56066, Fresno County is the principal county. Fresno LAFCo is responsible for updating the SOI for the District consistent with GC section 56425(g). In order to update the agency's SOI, Fresno LAFCo has prepared this service review consistent with GC sections 56430.

### DISTRICT GROWTH AND POPULATION PROJECTIONS

The County of Fresno is the land use authority for the unincorporated portions of Fresno County, including the District. County General Plan Policy LU-G.8 states, "...The County shall establish and maintain land use controls on unincorporated land within the spheres of influence consistent with the policies of the County community plan...." The District is within the County's Bullard Community Plan and designated for residential and park/open space land uses. Staff notes that the last amendment of the County's Bullard Community Plan denoted on the land use diagram was in 1991 and the policy document in 1994.

The District is also identified in the City of Fresno's general plan and the Bullard Community Plan. Both City policy documents anticipate minimal growth and support existing land uses within the District's boundaries.

Using the Commission's 20-year planning horizon for SOIs,<sup>6</sup> the County Resources Division informed LAFCo that the District does not expect any boundary growth to occur as it relates to additional territory, population, or expansion of District services. Land within the District service area is already completely developed with single family residential uses.

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<sup>&</sup>lt;sup>4</sup> GC section 56050.5, "Latent service or power."

<sup>&</sup>lt;sup>5</sup> GC section 25213.5 (a) "Services and Facilities."

<sup>&</sup>lt;sup>6</sup> Fresno LAFCo policy 107-03.

The District service area is located in an unincorporated portion within the City of Fresno's metropolitan area. Future population growth will be directed to the City of Fresno.<sup>7</sup> For this reason, within the next 20 years the District is not expected to experience any modifications to its service provisions.

As a matter of Fresno LAFCo policy and the terms of the City/County memorandum of understanding, the City should be the provider of municipal services within the City SOI. If the District is annexed, the City of Fresno would assume responsibility for the maintenance and operation of the park facilities. The 2007 District MSR notes that a governmental reorganization such as district dissolution could occur if the City were to express interest in annexing the District territory. LAFCo notes that residents of the Tenaya Estates are stakeholders in any potential future reorganization that could lead to the merger or dissolution of the District.

In LAFCo's judgment, the County Resource Division, Citizens Advisory Committee, and City of Fresno should consider exploring a joint evaluation effort to identify the District's long-range vision. Such an evaluation should consider the District's unincorporated status, the District's service area, and identify opportunities and obstacles that could influence a potential modification of the District boundaries. It is important to note that during the City of Fresno's 2015 MSR update, the City lacked interest to actively pursue annexation of developed unincorporated land contiguous to the city limits and within the Fresno SOI due to the potential fiscal impacts and liabilities that could arise from annexing developed territories. Nevertheless, should the City's annexation perspective shift, LAFCo encourages the joint cooperation and coordination of both agencies to evaluate the District's long-range vision.

### DISADVANTAGED UNINCORPORATED COMMUNITIES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires LAFCo to make determinations regarding "disadvantaged unincorporated communities" ("DUCs") when considering a change of organization, reorganization, SOI expansion, and when conducting municipal service reviews.

For any updates to a SOI of a local agency (city or special district) that provides public facilities or services related to sewer, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies for any disadvantaged unincorporated community within or contiguous to the SOI of a city or special district.

Government Code sec. 56033.5 defines a DUC as: i) all or a portion of a "disadvantaged community" as defined by sec. 79505.5 of the Water Code (territory with an annual median household income (MHI) that is less than 80 percent of the statewide annual median household income and as defined in Government Code sec. 56046 and Water Code sec. 79505.5); and a status of ii) "inhabited territory" (12 or more registered voters), as defined by GC sec. 56046, or as determined by Commission policy. Fresno LAFCo policy further refines a DUC as having at least 15 dwelling units at a density not less than one unit per acre.

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<sup>&</sup>lt;sup>7</sup> County of Fresno and City of Fresno Memorandum of Understanding, Section 4.1, which states that the County shall refer any new development proposals within one-half mile of the City's boundary.

U.S. Census Bureau information was used for this section to quantify the economic composition of all the census block groups within the vicinity of the District's boundaries. A census block group is a geographical unit used by the U.S. Census Bureau to sample data, which is only collected from a fraction of all households within the census unit. On average a census block group has a population of 600 to 3,000 people. Geographic Information System (GIS) files were derived from the U.S. Census Bureau's American Community Survey (ACS) compiled for the five-year period 2006-2010 to identify the demographic composition for the various census geographies. Although the ACS provides annual and three-year estimates, the five-year reports between years 2006-2010 provide more precise data and mapping information for analyzing small sample populations. California's statewide MHI reported for years 2006 through 2010 was \$60,883. The DUC MHI threshold is any geographic unit within the District boundaries with an income less than \$48,706.

The District's entire boundary lies within census tract 45.03, which includes geographic areas within the City limits. The average MHI level reported for this census geographic unit between years 2006 to 2010 is \$67,958.8 The District is located within a census geographic unit that exceeds the threshold for Disadvantaged Communities as defined by California Water Code section 79505.5. District services are limited to recreational park and maintenance of its public facilities. Fresno LAFCo observes that services provided by the District would not present a direct benefit to a DUC and no further analysis is provided for this section of the MSR.

### DISTRICT INFRASTRUCTURE

In 2007, the property owners within the District's service area formed a public benefit corporation named "Tenaya Estates, Incorporation" (TEI) for the purposes of creating community control over the park and public facilities maintenance. At the beginning of 2008, the County began providing reimbursement of operation and maintenance costs to the TEI with funds generated from the collection of an annual property tax assessment. County Resources Division staff administers the District finances and prepares annual budgets that include costs for preparing independent auditor's reports, evaluates administration fees, and allocates funds for County legal counsel services.

The District infrastructure consists of a park area measuring two and one-half acres, lighting, and approximately 1,500 linear feet of pedestrian walkways.

Most recent on June 17, 2014, the District held a successful Proposition 218 proceeding to charge a new annual special assessment. The election was requested by the District's residents in order to increase tax assessment fees to adequately generate funds to finance annual operation costs, ongoing maintenance expenses, and to assimilate a District fund reserve. Additional funds generated from the Proposition 218 proceeding enabled the District to finance the replacement of major facilities within the District's park and public facilities. As part of the increase in the property tax assessment there may be an annual maximum increase of 5% for inflation and to build District reserves. In accordance with the Proposition 218 proceeding

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<sup>&</sup>lt;sup>8</sup> U.S. Census Bureau's American Community Survey (ACS) compiled for the five-year period 2006-2010.

agreement, the BOS, sitting as the ex officio District board, will receive an annual report analyzing the District financial performance.<sup>9</sup>

#### DISTRICT FINANCES

This section of the MSR examines financial information provided by the District in order to determine if the District has sufficient revenues and financial systems to continue providing services to its customers. The following information and analysis section is based on annual budgets, and supportive documents made available by the County Resource Division. The District's primary source of financing is annual property tax assessments charged on the 142 parcels within the District. The BOS adopts an annual budget for the District which projects operational and maintenance costs for that year.

County staff reviews rates and fees as part of the annual budget preparation cycle to maintain a consistent updated revenue stream to assure that revenues cover the expense of providing services. Fees are established to cover on-going expenses which appear to be reasonably stable in the past several years. The District has updated its current fee structure through the Proposition 218 proceeding process.

For Fiscal Year 2015-16, the District's budget included expenditures for maintenance equipment, maintenance of facilities, office expenditures, and professional and specialized services. The District's adopted budget for FY 2015-16 totaled \$53,023, with \$3,216 in its reserves account. The total District budget plus reserves amount to \$56,239. The District's budgeted expenditures include the following:

- \$60 maintenance equipment
- \$47,000 maintenance buildings and grounds
- \$5 office expenses
- \$360 people soft financial
- \$5,598 professional & specialized services

At the time this MSR was prepared, the District indicated that it had no outstanding loans or debts.

The District collects an annual special assessment to finance its annual operational costs. The District generates \$10,056 in tax revenues collected from the 142 parcels within the District; \$110 of interest shown as revenue; and \$65 in State in lieu homeowners' property taxes. Additionally, the District charges a special assessment fee on each of the 142 parcels equal to \$324 per year, or \$27 per month. The additional special assessment generates \$46,008 annually for the District. The District generates adequate revenues to finance its operational costs. Based on financial information provided to LAFCo, District financial practices and special assessments appear to be financially sound and adequate to support District operations.

MSR and Sphere Update

<sup>&</sup>lt;sup>9</sup> Count of Fresno Report to the Board of Supervisors CSA No. 2 Tenaya Estates FY 2015-16, prepared on June 2015 <a href="http://www.co.fresno.ca.us/viewdocument.aspx?id=65325">http://www.co.fresno.ca.us/viewdocument.aspx?id=65325</a>.

#### OPPORTUNITIES FOR SHARED FACILITIES

This section of the MSR considers the use of shared facilities, and their potential to offset costs or promote greater efficiency in the provision of services within the region.

The County Resource Division works together with other jurisdictions to minimize operational expenses and to reduce duplication of services. Opportunities for shared facilities are limited to the District's park and open space recreational facilities.

The District is currently located in the unincorporated portion of the Fresno Metropolitan Area. A determination made in the District's 2007 MSR to dissolve the District and annex the territory to the City of Fresno requires political support from Fresno County, District residents, and the City. LAFCo observes that there has been no active outreach by the City to annex this particular CSA and there is no sign of interest by any of these parties that would lead towards the annexation of the District service area.

As indicated earlier, LAFCo observes that the County's Resources Division staff and citizens advisory committee would benefit from a long-term plan for the District services. Such a plan should consider addressing the District's unincorporated status, City of Fresno outlook, identify opportunities, and identify obstacles that could stall the possible reorganization of the District. LAFCo encourages the County Resource Division and Citizen Advisory Committee to consider such a joint evaluation study.

Opportunities for shared facilities are limited to the District's park and recreational public facilities. The City of Fresno is the water and sewer provider for areas inside the District. If annexation were to materialize, a mutual service agreement between City and Tenaya Park Estates, Inc. should be considered in order for residents of the District to retain local control of park facilities. No additional opportunities for shared facilities have been identified by Fresno LAFCo.

The District is located within the following special districts' service area:

- West Fresno Red Scale Protective District
- Fresno Mosquito and Vector Control District
- Fresno Metropolitan Flood Control District
- North Central Fire Protection District
- Fresno Irrigation District

### GOVERNMENT ACCOUNTABILITY

This section of the MSR considers the adequacy of the District's current boundaries, SOI, and governing structure under which the District was formed and operates. Government Code section 25210-25217 enables the formation of the District to provide park and recreational services. The California Government code offers limited governmental restructure options for dependent Districts such as CSA No. 2 (Tenaya Park).

The District is a dependent special district, which means that the BOS sits as the District's governing body. Fresno County Resource Division provides staff support, administers all functions of the District, and manages the daily operations of all CSAs located in the County.

Under GC section 25212.4, the BOS may appoint an advisory committee comprised of residents or landowners residing in the District to advise the Resources Division regarding the District services. The District has an active citizen advisory committee which assists to facilitate communication between the residents, County Resources Division, and BOS.

The BOS creates District policies by adopting resolutions through duly-noticed public hearings and the Resource Division implements those policies. The BOS meets on scheduled Tuesdays, or dates which have been approved at regularly-scheduled BOS meetings with the exception of holidays and or planned recesses. BOS meetings are held at the Fresno County Hall of Records located at 2281 Tulare Street, Room 301 Fresno, CA 93721 beginning at 9:00 a.m. and/or the afternoon sessions at 2:00 p.m. Meeting agendas are posted on the east entrance doors on the first floor in the Hall of Records building and on the Fresno County website at least 72 hours prior to the BOS meeting.

BOS meetings are open to the public and the residents are invited to attend. Opportunity to address the BOS on items not on the agenda is provided on each meeting agenda. If a public member desires to present to the Board, the person is encourage to contact the Clerk to the Board in advance. Meetings are noticed consistent with Brown Act requirements, which include postings in public places.

The District's government structure is appropriate to ensure adequate services are provided and managed. At the time preparing this MSR, the District's government structure appears to be adequately structured, and fulfills its role as a service provider within the Fresno area.

ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY

None at this time.

### 2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews and provides analysis in conformance with Government Code §56425 and Fresno LAFCo policy. Pursuant to Government Code §56430, the Commission prepares the following written determinations.

### 1. Growth and Population Projections for the Affected Area

- Fresno LAFCo MSR policy designates the District as a "level two" special district that provides municipal services to its constituency.
- The District service area includes 60 acres and is comprised of 142 residential parcels. District facilities include a two and one-half acre park, park lighting, and 1,500 linear feet of pedestrian walkways.
- The County of Fresno is the land use authority for the unincorporated portions of Fresno County, including the District.
- The District is within the County's Bullard Community Plan and designated for residential and park/open space land uses. Staff notes that the last amendment of the County's Bullard Community Plan denoted on the land use diagram was in 1991 and the policy document in 1994.
- The District is also identified in the City's general plan and the Bullard Community Plan. Both policy documents anticipate minimal additional growth and support existing land uses within the District's boundaries.
- The District is fully built out and does not anticipate any additional growth.
- The District is currently in an unincorporated portion of the City of Fresno's metropolitan area, future population growth will be directed to the City of Fresno. For this reason, within the next 20 years the District is not expected to experience any substantial modifications to its service provisions.

## 2. THE LOCATION AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE

- The District does not provide services related to sewer, municipal and industrial water, or structural fire protection.
- District services are limited to park services and maintenance of those public facilities.

MSR and Sphere Update

<sup>&</sup>lt;sup>10</sup> County of Fresno and City of Fresno Memorandum of Understanding, Section 4.1, which states that the County shall refer any new development proposals within one-half mile of the City's boundary.

### 3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND INFRASTRUCTURE NEEDS OR DEFICIENCIES

- The District infrastructure consists of a two and one-half acre park facility, pedestrian lighting, and approximately 1,500 linear feet of pedestrian walkway.
- On June 17, 2014, the District held a successful Proposition 218 proceeding to charge a
  new special assessment. The election was requested by the District's residents in order
  to increase tax assessment fees to adequately generate funds to finance annual
  operation costs, ongoing maintenance expenses, and to assimilate a District fund
  reserve.
- The District's existing infrastructure is adequate to meet the existing and foreseeable demands of District customers.

#### 4. FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

- County of Fresno, Public Works and Planning, Resources Division staff administers the
  District finances and prepares annual budgets that include costs for preparing
  independent auditor's reports, evaluates administration fees, and allocates funds for
  County legal counsel services.
- The District collects revenues from an annual property tax assessment collected from 142 parcels within the District service area. The District annually generates approximately \$10,056 in tax revenues; the District generates \$110 of interest shown as revenue, and \$65 in State in lieu homeowners' property taxes.
- The Fresno County Board of Supervisors adopts an annual budget for the District which projects operational and maintenance costs for services on an annual basis.
- Based on financial information provided to LAFCo, District financial practices and special assessments appear to be financially sound and adequate to support District operations.

### 5. STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

- Opportunities for future shared facilities are limited to the District's park and open space recreational facilities.
- In 2007, the property owners within the District's service area formed a public benefit corporation named "Tenaya Estates, Inc." (TEI) for the purposes of creating community control over the park and public facilities maintenance.
- LAFCo notes that there has not been active outreach conducted by the City to annex this CSA, therefore at this time there is no obvious sign of political support that would lead towards the annexation of the District. Neither agency has expressed interest to annex since 2007.

• If annexation were to materialize, a mutual service agreement between the City and Tenaya Park Estates, Inc. should be considered in order for residents of the District to retain local control of park facilities.

## 6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENT STRUCTURE AND OPERATIONAL EFFICIENCIES

- The District is a dependent special district, which means that the Fresno County BOS sits as the District's governing body. The Fresno County Public Works and Planning, Resource Division, provides staff support and administers all functions of the District.
- The Districts have an active citizen advisory committee which assists to facilitate communication between the District residents, County's Resources Division, and BOS.
- The Fresno County Board of Supervisors meets on every scheduled Tuesday, or dates which have been approved at regular scheduled board meetings with the exception of holidays and/or planned recesses. Board meeting agendas are posted on the east entrance doors on the first floor in the Hall of Records building and on the Fresno Count website at least 72 hours prior to the BOS meeting.
- At the time preparing this MSR, the District's government structure appears to be adequately structured, operates, and fulfills its role as a service provider within the Fresno area.

### 7. ANY OTHER MATTERS RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY

None at this time.

### 3. SPHERE OF INFLUENCE UPDATE

In order to carry out the Commission's purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to its jurisdiction, the Commission shall develop and determine the sphere of influence of each city and each special district within the County and enact policies designed to promote the logical and orderly development of areas within the sphere. A sphere of Influence is defined as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission."

In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following:

- 1. The present and planned land uses in the area, including agricultural and open space lands:
- 2. The present and probable need for public facilities and services in the area;
- 3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- 4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency;
- 5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

In determining a sphere of influence, the Commission may assess the feasibility of governmental reorganization of particular agencies and recommend reorganization of those agencies when reorganization is found to be feasible and if reorganization will further the goals of orderly development and efficient and affordable service delivery. The Commission shall make all reasonable efforts to ensure wide public dissemination of the recommendations.

When adopting, amending, or updating a sphere of influence for a special district, the Commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts. The Commission may require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.

Chapter one of this MSR provides the foundation for the Commission's SOI determinations. As previously indicated, the District's boundaries and sphere of influence are coterminous; the District service area and SOI encompasses 60 acres. The District reports its sphere and boundaries are correct at this time and no changes are requested. The County of Fresno is the land use authority for land located within the District's service area; however, the District's service areas lie contiguous to the City of Fresno's limits and within the City's SOI.

Consequently, residents within the District should look to the city for the provision of urban services. As previously indicated, the District's service area is not anticipated to experience change in land use as it is already developed with residential uses. LAFCo observes that annexation of the District's service area will primarily be driven by resident interests, and not necessarily initiated by the City of Fresno.

In accordance with Government Code Section 56066, Fresno is the principal county and Fresno LAFCO is responsible for preparing the following determinations for the Sphere of Influence include in this Municipal Service Review. When Fresno LAFCO updates a sphere of influence it must adopt specific determinations with respect to the following factors:

### 1. Present and planned land uses, including agricultural and open-space lands

• The District is fully built out and does not anticipate any additional growth. Land within the District's boundaries and SOI are within City of Fresno's SOI and identified within the City of Fresno's Bullard Community Plan.

### 2. Present and probable need for public facilities and services in the area

- There is minimal growth anticipated for area in the District. The District is capable of addressing and adjusting its probable service needs for public facilities.
- The District successfully conducted a Proposition 218 proceeding which enabled the District to charge a special assessment fee on the 142 parcels in the District. The special assessment is a fee on each parcel equal to \$324 per year, or \$27 per month. The total District revenues generated from the special assessment increase is \$46,008 annually.

## 3. PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES THAT THE AGENCY PROVIDES OR IS AUTHORIZED TO PROVIDE

• Present capacity of District facilities and services appear adequate. District provides services consistent with its principal act and as authorized by the Fresno LAFCo.

## 4. EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA IF THE COMMISSION DETERMINES THAT THEY ARE RELEVANT TO THE AGENCY

• There are no relevant social or economic communities of interest relevant to the District's service provisions.

# 5. THE PRESENT AND PROBABLE NEED FOR THOSE PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE

 The District has no public facilities and provides services related to sewer, municipal and industrial water, or structural fire protection that would present opportunity to extend services to a disadvantaged unincorporated community.

### 4. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review, it is recommended the Commission:

- 1. Accept public testimony regarding the proposed Municipal Service Review.
- 2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
- 3. Approve the recommended Sphere of Influence determinations and affirm the current Sphere of Influence.
- 4. Recommend that the County Resource Division and Citizen Advisory Committee identify a long-term plan for the provision of District services. Such an evaluation should consider addressing the District's unincorporated status, City of Fresno's outlook, identify opportunities, and identify obstacles that could stall the possible reorganization of the District.

### 5. ACKNOWLEDGEMENTS

This Municipal Service Review update was prepared by Fresno LAFCO. County of Fresno Public Works and Planning, Resources Division provided substantial information included in this service review. Supporting documentation was made available through the effective partnership between the Resources Division and Fresno LAFCo. Fresno LAFCo staff extends its appreciation to the Fresno County Resources Division, for their assistance in the development of this Municipal Service Review. Responsibility for any errors or omissions rests with those who provided information to support the report.

Available Documentation – Documents used for the preparation of this report are available in the LAFCO office. A significant amount of effort has been invested in bringing the District's Municipal Service Review and Sphere of Influence Update to this point. Documents are available at the Fresno Local Agency Formation Commission Office located at:

Fresno Local Agency Formation Commission 2607 Fresno Street, Suite B Fresno, California 93721

The Draft Municipal Service Review is available on Fresno LAFCo's website, http://www.fresnolafco.org/default.asp

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