

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

April 23, 2024

**FROM**

**LUTHER SNOKE, Chief Executive Officer, County Administrative Office**

**SUBJECT**

Property Tax Exchange Related to LAFCO 3268 – Reorganization to Include Annexation to the City of Chino and Detachment from County Service Area 70

**RECOMMENDATION(S)**

1. Adopt **Resolution No. 2024-42** accepting the property tax revenue amounts that would be transferred as a result of the pending jurisdictional change related to Local Agency Formation Commission proposal LAFCO 3268 – Reorganization to Include Annexation to the City of Chino and Detachment from County Service Area 70 (East End Annexation).
2. Adopt **Resolution No. 2024-43** opposing the current LAFCO 3268 – Reorganization proposal unless modified to include three additional parcels (Assessor Parcel Numbers 1013-531-09, 1013-531-10, and 1013-531-11) to avoid the creation of an unincorporated County island.

(Presenter: Matthew Erickson, County Chief Financial Officer, 387-5423)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally Responsible and Business-Like Manner.**

**Ensure Development of a Well-Planned, Balanced, and Sustainable County.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Approval will potentially result in an ongoing decrease of \$52,056 in funding for the County General Fund due to the transfer of property tax revenue to the City of Chino (City). However, the City will assume responsibility and cost for municipal services for the reorganization proposal area. The proposed transfer does not affect County Service Area (CSA) 70 as it currently does not receive property tax revenue for the reorganization area. The property tax exchange associated with this action will only be effective upon completion of the reorganization proceedings.

The recommended redistribution of annual property tax revenue as a result of the pending reorganization related to Local Agency Formation Commission (LAFCO) proposal LAFCO 3268 is as follows:

<b>Affected Agency</b>	<b>Transfer From</b>	<b>Transfer To</b>
County General Fund	\$52,056	\$0
County Service Area 70	\$0	\$0
City of Chino	\$0	\$52,056

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<b>Affected Agency</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>Transfer Total</b>	<b>\$52,056</b>	<b>\$52,056</b>

**BACKGROUND INFORMATION**

LAFCO 3268 is a proposal initiated by the City on October 3, 2023, requesting reorganization to include annexation to the City and detachment from CSA 70. The reorganization proposal area encompasses approximately 57.6 acres and is generally bounded by a combination of the San Bernardino Countyline, the San Antonio Creek Channel, and parcel lines on the west, Francis Avenue on the north, East End Avenue (portion of existing City boundary) on the east, and a combination of Philadelphia Street and parcel lines (existing City boundary) on the south, within the City’s northern sphere of influence.

On December 21, 2023, LAFCO issued a Notice of Filing (NOF) notifying the affected agencies of the reorganization proposal. The NOF requires the San Bernardino County Auditor-Controller/Treasurer/Tax Collector to estimate the property tax revenue and proportions by agency, which is used to establish the property tax revenue amounts to be transferred. A determination of the property tax revenue exchange associated with the jurisdictional change must occur prior to the issuance of the Certificate of Filing by LAFCO. In accordance with Section 99 of the California Revenue and Taxation Code, the Board of Supervisors (Board) must, on behalf of any impacted special district, negotiate any exchange of property tax revenues and adopt a resolution related to the property tax exchange.

The current LAFCO 3268 proposal would create an unincorporated County island encompassing three parcels (Assessor Parcel Numbers 1013-531-09, 1013-531-10, and 1013-531-11) (Island Properties) adjacent to the reorganization proposal area. If LAFCO approves the reorganization as proposed, then the property tax exchange being considered today would stand. However, the County opposes the current proposal and recommends that LAFCO 3268 be modified to include the Island Properties.

If the LAFCO proposal is modified subsequently, the exchange of property tax revenues would be reviewed and potentially revised. The modified proposal would then be presented to the Board to adopt a new resolution related to the updated property tax exchange, superseding any prior resolutions. The property tax exchange associated with this action will only be effective upon completion of the reorganization proceedings by LAFCO.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, 387-5455) on March 4, 2024; Finance (Allegra Pajot, Administrative Analyst, 387-5005) on February 26, 2024; LAFCO (Samuel Martinez, Executive Officer, 388-0480) on March 5, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on April 4, 2024.

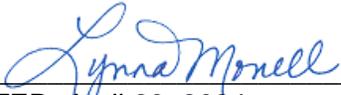
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: April 23, 2024



cc: File - Administrative Office w/resolution w/attach  
CCM 04/29/2024