

PLAN OF SERVICES

CITY OF DESERT HOT SPRINGS
ANNEXATION CASE NO. _____

September 2017

Prepared for:

City of Desert Hot Springs
65950 Pierson Boulevard
Desert Hot Springs, CA 92240
Telephone: (760) 329-6411



Prepared by:

MSA Consulting, Inc.
34200 Bob Hope Drive
Rancho Mirage, CA 92270

PLAN OF SERVICES

ANNEXATION OF 33+/- ACRES INTO THE CITY OF DESERT HOT SPRINGS

Southwest Corner of Little Morongo Road and Two Bunch Palms

Prepared for:

The City of Desert Hot Springs
65950 Pierson Boulevard
Desert Hot Springs, CA 92240

Approved: _____
Chuck Maynard, City Manager
City of Desert Hot Springs

Date: _____

September 2017

Prepared by:

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I. INTRODUCTION

KD-DHS, LLC proposes the annexation of approximately 33 acres of vacant desert land within the City of Desert Hot Springs Sphere of Influence. The proposed annexation site is currently in unincorporated territory under the jurisdiction of Riverside County.

The site is located at the southwest corner of Little Morongo Road and Two Bunch Palms Trail. The property is a triangular shape and constrained by the adjacent Little Morongo Wash to the west and Two Bunch Palms Trail to the north. It is assigned Assessor's Parcel Number (APN) 666-040-020. The project location can also be described as being a portion of the North ½ of Section 2, Township 3 South, Range 4 East, San Bernardino Base and Meridian.

The 33 acre proposed annexation site is located within the Desert Hot Springs Disadvantaged Unincorporated Community 1 (DUC1). As a general LAFCO rule, where a site of more than 10-acres is contiguous to a DUC, LAFCO is prohibited from approving an annexation unless an application to annex the entire DUC has also been filed or a majority of registered voters in the DUC oppose the annexation. A LAFCO approved poll was conducted by a professional polling firm showing that more than 50% of registered voters within DUC 1 opposed annexation into the City. Therefore, the 33-acre site is permitted to annex without including additional property within DUC 1.

The proposed annexation is a logical extension of the City's boundaries and would allow the City to have influence over the design and impacts to services. The site has been pre-zoned by the 2000 Desert Hot Springs General Plan as Light Industrial (I-L). Future development in the project area would occur pursuant to the current pre-zoning of Light Industrial as designated by the City. This designation allows for a broad range of industrial and commercial uses operating entirely in enclosed buildings with integrated access and internal circulation. Any development within this area would require the processing and approval of a Development Permit or Conditional Use Permit in conjunction with any development proposals.

II. EXISTING SETTING

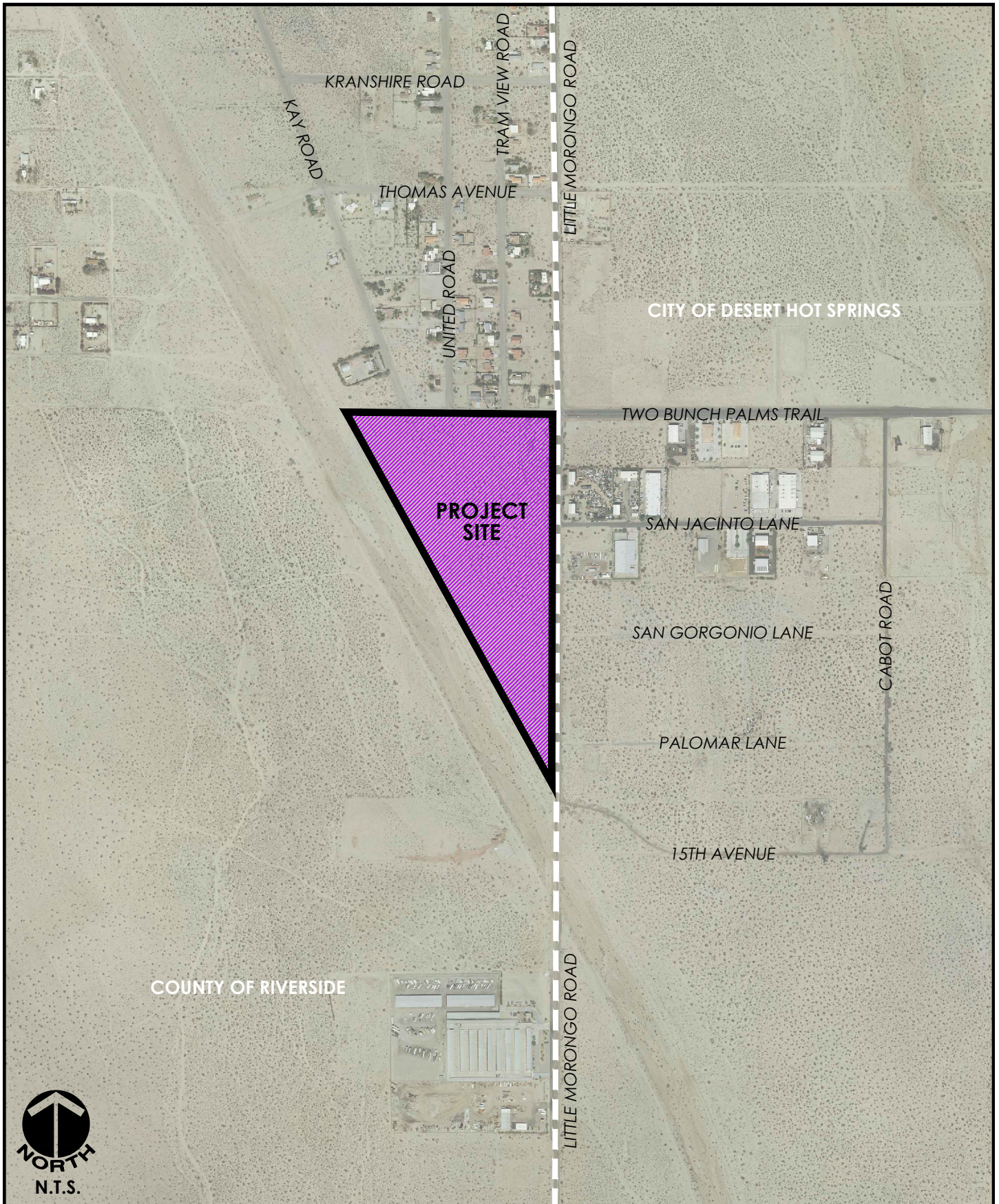
The current General Plan land use designation under the Riverside County Integrated Plan (RCIP) is Rural Desert (RD); the County zoning designation is Controlled Development (W-2). The City of Desert Hot Springs Sphere of Influence designates this area as Light Industrial (I-L). See Exhibit 4 and 5 for reference.

The project site is vacant undeveloped land and dominated by natural desert terrain. Surrounding land uses include, the City of Desert Hot Springs, industrial district with vacant and light industrial uses to the east. Land to the north is occupied by scattered single family residential development in the Unincorporated Riverside County with a land use designation of Medium Density Residential (MDR) and zoned Controlled Development (W-2). West of the site,

is the Mission Springs Flood Channel and vacant desert land; land to the south is vacant and undisturbed.

The RCIP General Plan land use designation for this area is Rural Desert (RD), and the zoning is Controlled Development (W-2).

EXISTING ON-SITE LAND USES AND ZONING				
	CITY OF DESERT HOT SPRINGS SPHERE OF INFLUENCE		RIVERSIDE COUNTY INTEGRATED PROJECT (RCIP)	
	GENERAL PLAN	ZONING	GENERAL PLAN	ZONING
EXISTING	Light Industrial (I-L)	Light Industrial (I-L)	Rural Desert (RD)	Controlled Development Areas (W-2)
PROPOSED	Light Industrial (I-L)	Light Industrial (I-L)	City	Not Applicable



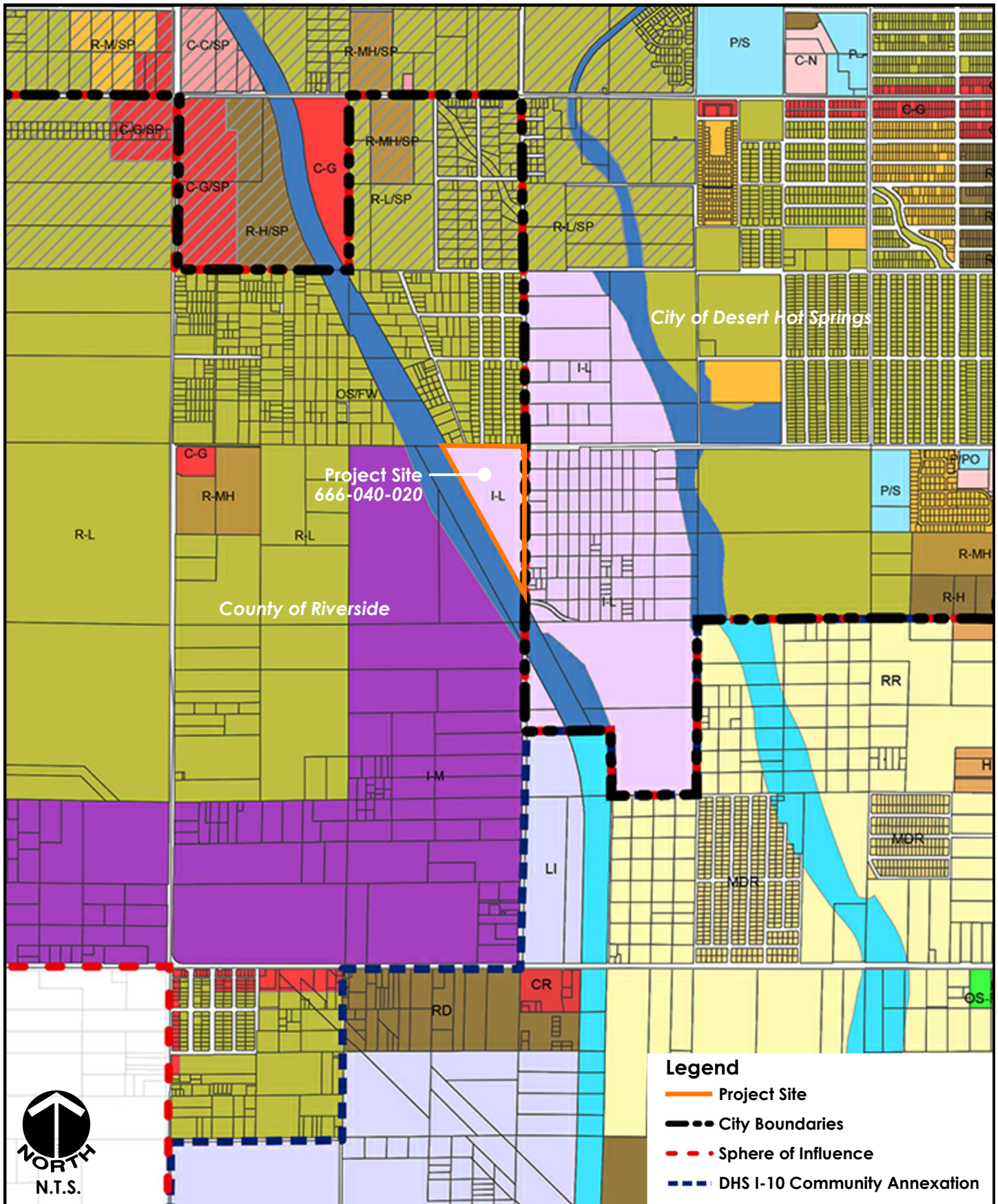
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Aerial Photograph

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 Plan of Services

Exhibit 1
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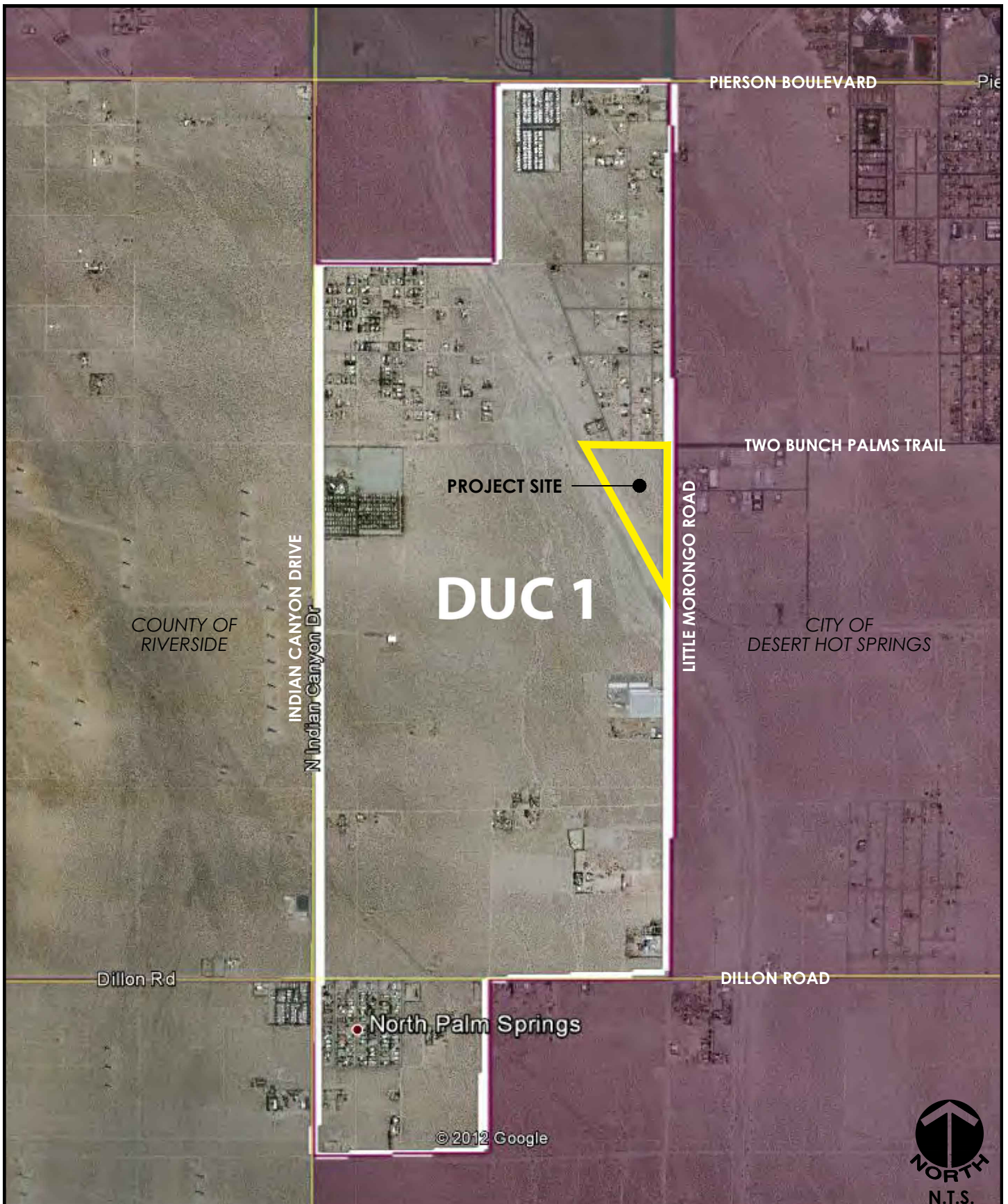
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City of Desert Hot Springs Pre-Zoning

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Exhibit 2
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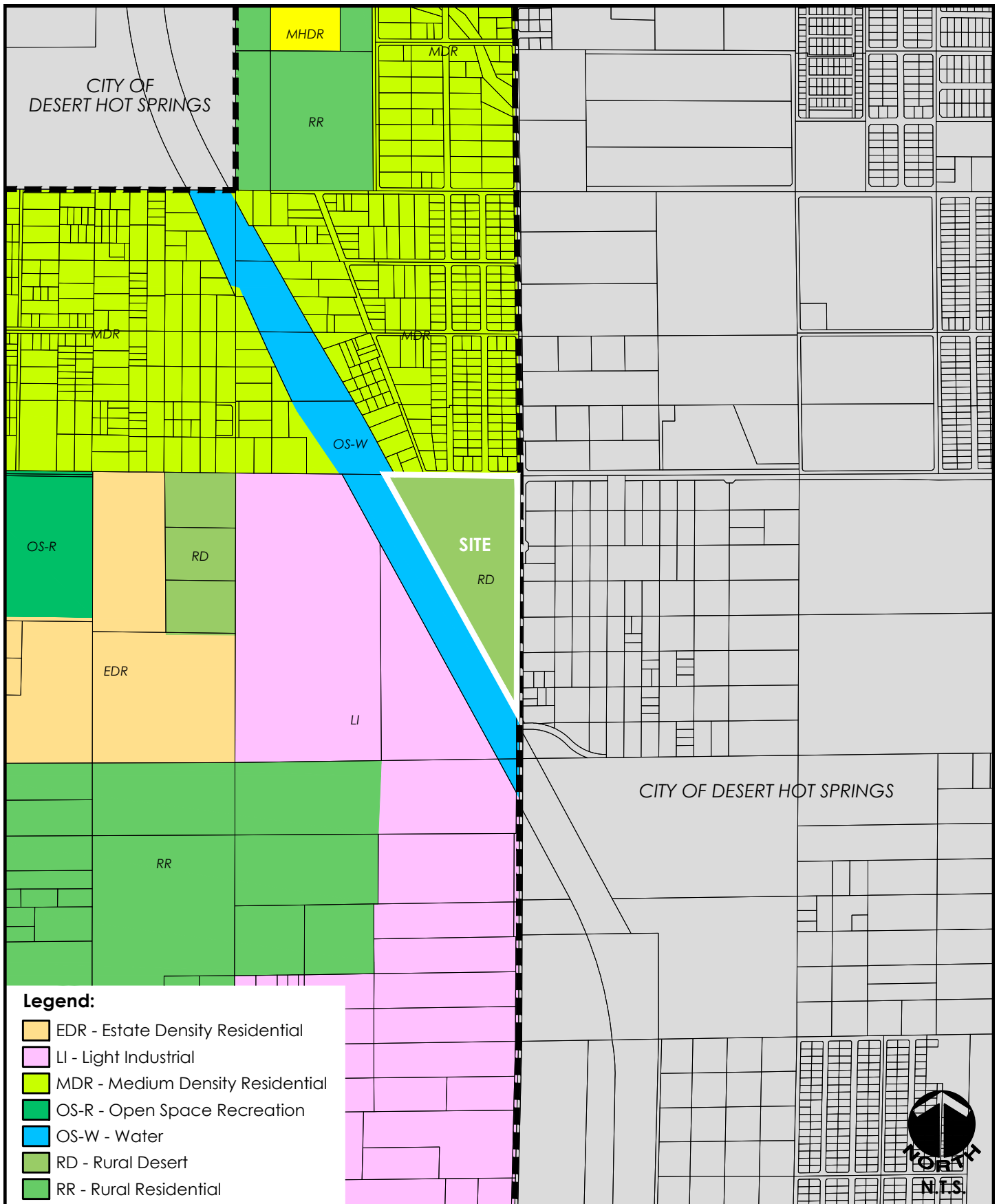
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**Disadvantaged Unicorporated
Communities DUC 1**

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Exhibit 3
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Legend:

- EDR - Estate Density Residential
- LI - Light Industrial
- MDR - Medium Density Residential
- OS-R - Open Space Recreation
- OS-W - Water
- RD - Rural Desert
- RR - Rural Residential



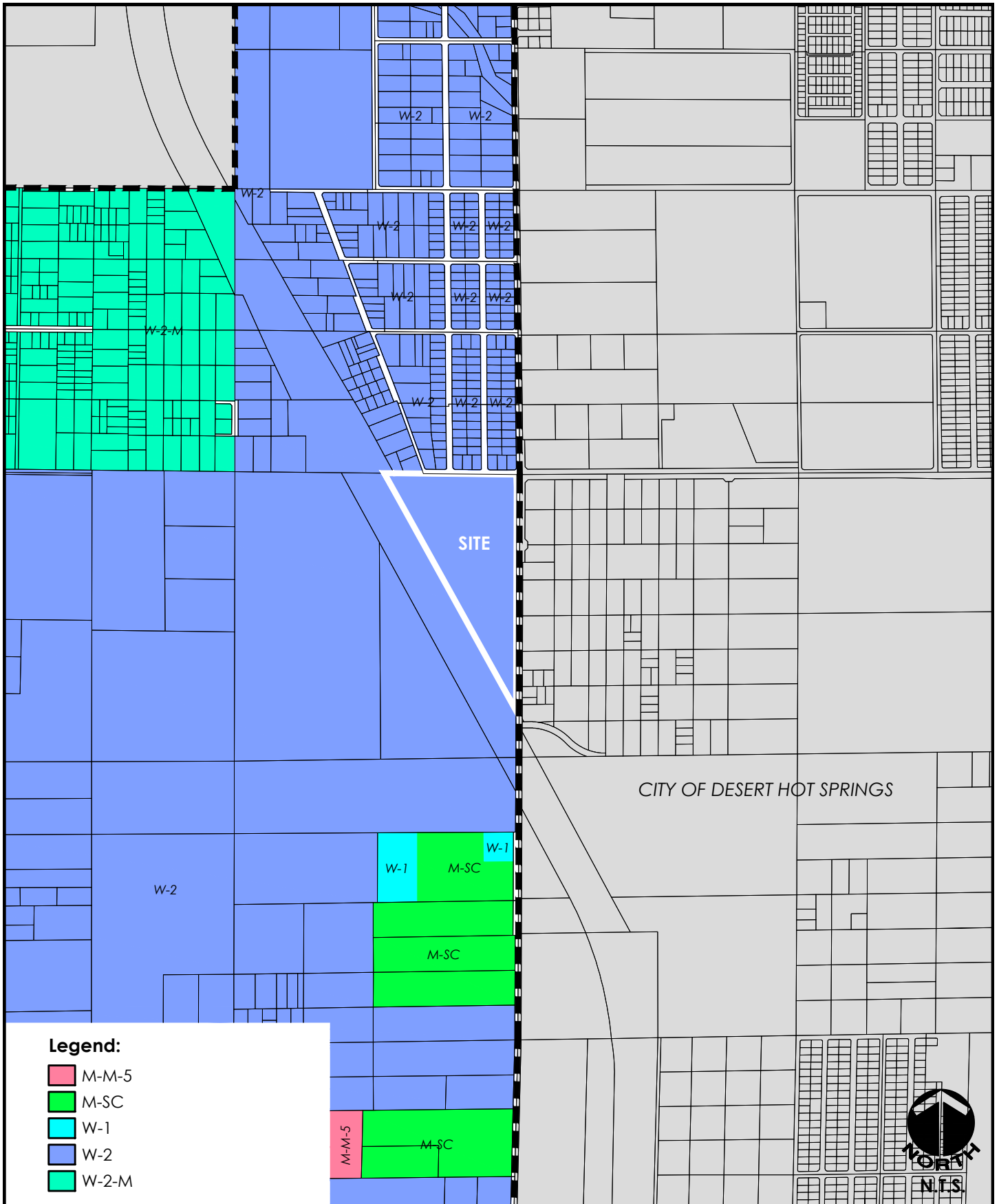
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Riverside County General Plan Land Use

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Riverside County Zoning Use

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III. PROPOSED USE

KD-DHS, LLC proposes the annexation of a 33 +/- acre vacant site located in the Desert Hot Springs, Sphere of Influence. The project site has been pre-zoned as Light Industrial (I-L) by the City's 2000 General Plan in anticipation of a future annexation. The site is a triangular shape and constrained by Two Bunch Palms Road to the north and the Mission Creek Channel to the west. Development of the site would be consistent with the surrounding light industrial uses currently operating in this area of the City.

The light industrial land use designation would allow for a flexible range of uses within this area. The annexation site does not include any development or entitlement proposals at this time. If the annexation is approved it will allow the property owner to submit an application for development, design review, and discretionary approvals.

IV. MUNICIPAL/AGENCY SERVICES REQUIRED BY THE PROJECT

This Plan of Services analyzes the proposed annexation and determines the impact of the cost/benefit relationship of the services required by the property in the City Desert Hot Springs. Included with the analysis is a brief evaluation of the service needs for the proposed uses of the site, and the extent to which the services and their providers will be affected. The Plan addresses the following services affected by the annexation:

- Water Services
- Waste Water
- Solid Waste
- Roadways
- Law Enforcement
- Fire Protection
- Parks and Recreation
- Schools
- Public Library
- Electrical Services
- Natural Gas
- Telephone Service
- Cable Services

A Fiscal Analysis is not required of projects less than 100 acres in size.

V. WATER SERVICE PLAN

The site is currently vacant undeveloped land and under the jurisdiction of Mission Springs Water District (MSWD). The District's water service area consists of 135 square miles and provides water service to approximately 37,600 people in their water service area. MSWD receives 100% of its water supply from groundwater produced from subbasins within the Coachella Valley Groundwater Basin which underlies the District's water service area. The District has more than 1.25 million feet of pipelines, 14 water wells and 24 reservoirs.

Existing Services

Existing infrastructure includes a 16-inch water line in Little Morongo Road, a 12-inch and 16-inch water line in Two Bunch Palms, a 12-inch water line in San Jacinto, and a 15-inch water line in 15th Avenue.

Improvement Requirement

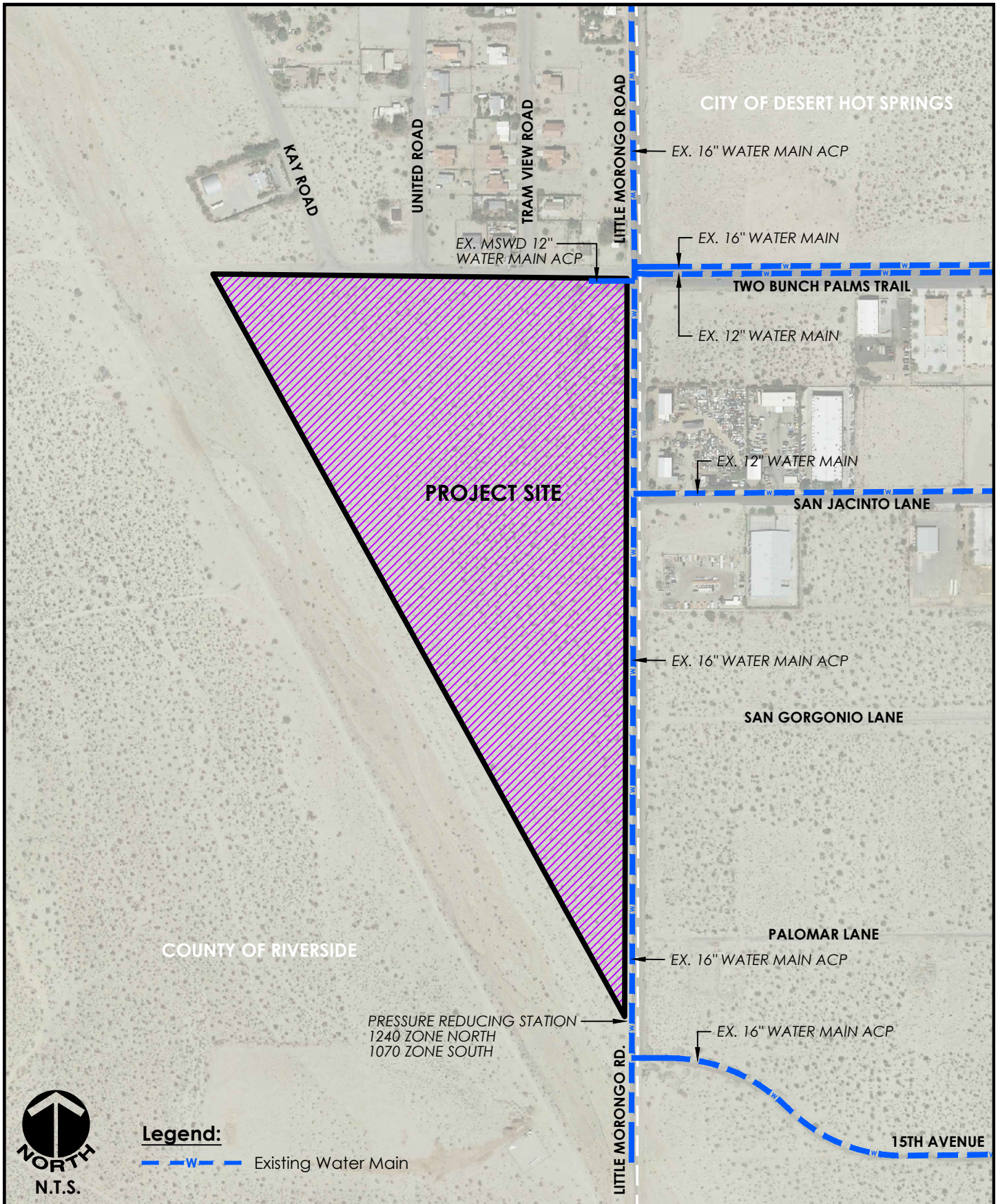
This annexation request proposes to annex approximately 33 acres of vacant land into the City of Desert Hot Springs under the Light Industrial pre-zoning. This designation would allow for a broad range of industrial and commercial uses operating entirely in enclosed buildings. It is anticipated that buildout of the 33 acres under this pre-zoned land use can be accommodated by existing infrastructure.

Timeframe for Extension of Services

No water improvements will be needed at the time of annexation. Future development of the Project site will be subject to final implementation of those services not already installed in accordance with MSWD.

Financing of Service

Improvements will be developer financed at the time the property is developed, including a payment of the appropriate MSWD fees.



Legend:

—W— Existing Water Main



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Existing Water Supply

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VI. WASTEWATER SERVICE PLAN

The site is currently vacant undeveloped land and under the jurisdiction of Mission Springs Water District (MSWD).

Existing Services

Currently no waste water service is provided to the site. A 21-inch Sewer main line is in Little Morongo Road and turns east at Two Bunch Palms Trail.

MSWD operates two wastewater treatment plants serving 7,300 parcels. As part of the overall sewer improvements, MSWD has installed approximately 65,700 linear feet of sewer since 2010 and has abated approximately 1,275 septic tanks. The District is continuing to make additional sewer improvements and when complete will result in 31,300 linear feet of new sewer and service to 695 parcels and approximately 518 additional active septic tanks will be abated.

The 2007 MSWD Sewer Master Plan identifies the need for a Regional Waste Water Treatment Plant (RWWTP) which is proposed at the northeast intersection of I-10 and Indian Ave. At this location, a majority of the MSWD service area can be served and wastewater collected and conveyed to the proposed RWWTP via a gravity system. Per the 2015 MSWD Urban Water Management Plan, the RWWTP is expected to be in operation by 2018.

Improvement Requirement

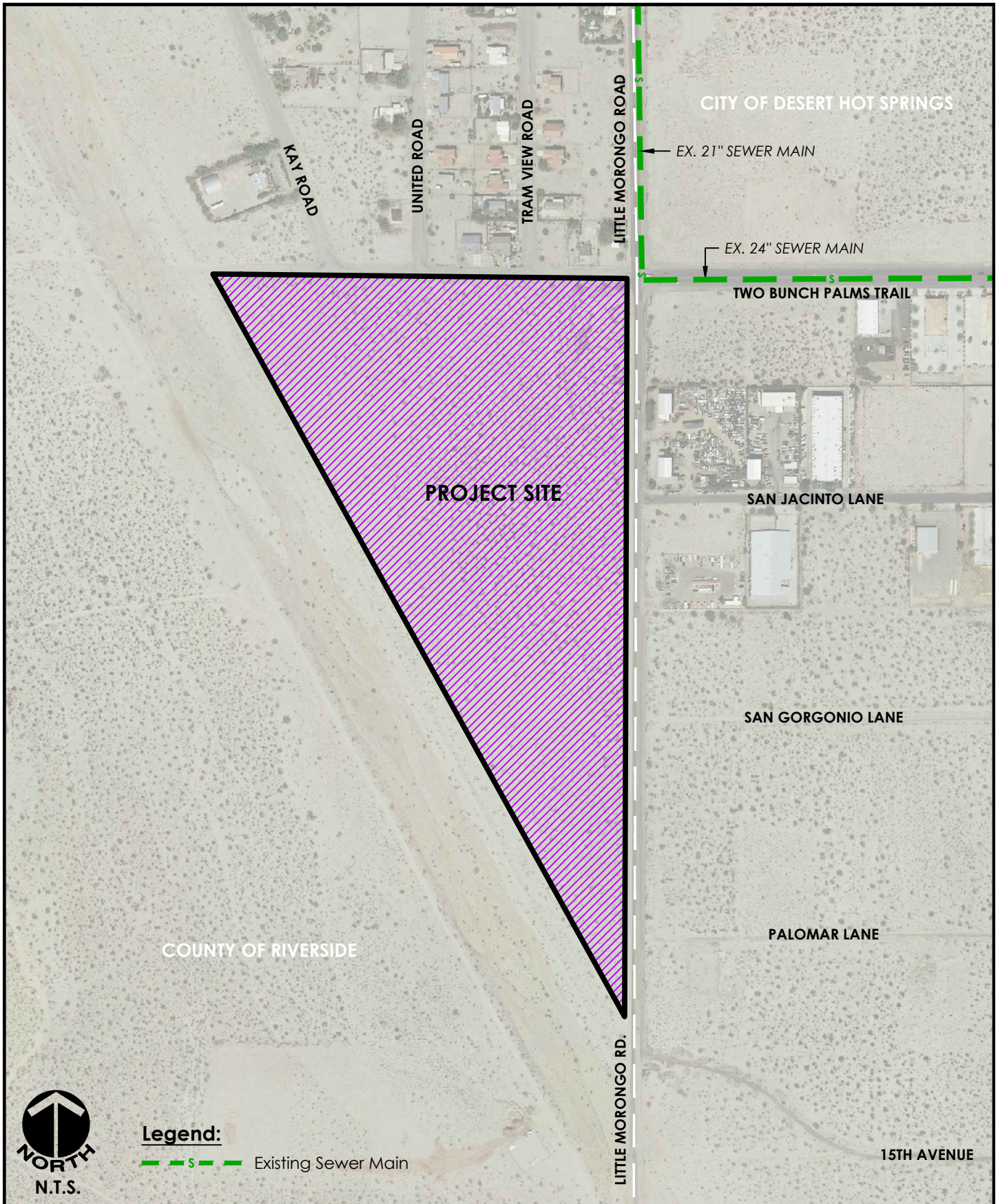
The annexation request proposes to annex approximately 33 acres of vacant land into the City of Desert Hot Springs under the Light Industrial pre-zoning. This designation would allow for a broad range of industrial and commercial uses operating entirely in enclosed buildings. Since the natural grade of this site falls away from the Little Morongo Road and Two Bunch Palms Trail intersection. A private lift station may need to be utilized to connect into the existing sewer main in Little Morongo Road. A 12" Trunk line is proposed at the southern tip of Palomar Lane and could be installed by the middle of 2018. Installation of this line would eliminate the necessity for a private lift station.

Timeframe for Extension of Services

When specific development is proposed for the project site, the wastewater impacts will be evaluated and the appropriate construction or expansion of services will be implemented. No improvements will be needed at the time of annexation.

Financing of Service

Project developer will pay for the costs of construction and expansion of any sewer/wastewater improvements. Developer will also complete financial arrangements with MSWD prior to MSWD providing sewer services.



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Existing Waste Water

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VII. ELECTRICAL POWER SERVICE PLAN

Electric Power to the City of Desert Hot Springs is provided by Southern California Edison (SCE). The proposed annexation site falls in SCE territory.

Existing Services

Along Little Morongo Road are existing overhead Transmission and Distribution lines. There is also an existing overhead and underground distribution line in Two Bunch Palms Trail. The Transmission lines are served from the Garnett Substation located on the south side of Interstate 10 and just east of N. Indian Canyon. The majority of the power serving these circuits comes from the Sentinel Energy Project about three miles to the west.

Improvement Requirement

The annexation request proposes to annex 33 acres of vacant land into the City of Desert Hot Springs under the City's existing pre-zone of Light Industrial. This land use designation allows for a broad range of industrial and commercial uses operating entirely in enclosed buildings. The future buildout of the proposed 33 are annexation site would not place a large demand on SCE services. All future development will be reviewed by the City for impacts to utility services. SCE cannot make commitments to the type of improvements or costs that may be required until a detailed usage plan and layout are established; however, services will be provided to the project site. By City ordinance, most new electrical service is located underground.

Timeframe for Extension of Services

Connection to facilities will occur in accordance with project development.

Financing of Service

Any new infrastructure necessary to serve the subject property will be financed by the developer. The charges will be based on SCE's established rate schedule at the time of development.

VIII. NATURAL GAS SERVICE PLAN

Natural Gas is provided by The Southern California Gas Company (SCGC) which provides service to over 21.6 million customers in more than 500 communities, including the City of Desert Hot Springs and the proposed annexation site.

Existing Services

There is a high pressure 6" gas main located in Varner Road about 1 mile south, and a medium pressure 4" gas main located in Pearson Road about one half mile north. Either of these main lines would serve as the point of connection for gas. There are no other gas facilities located on the proposed project site and no special Gas Company conditions or requirements are expected.

Improvement Requirement

The Project is proposing to annex 33+/- acres into the City of Desert Hot Springs under the City's current pre-zoning of light industrial (IL). Buildout of the proposed annexation would add a moderate increase in demand to SCGS services, which SCGC has the ability to meet.

All new development will be reviewed for their impact on utility services. Future entitlements would be reviewed by the Gas Company on an individual basis and will be required to comply with requirements, programs and fees in place at the time of development.

Timeframe for Extension of Services

Services will be provided at the time of project development.

Financing of Service

All improvements required by the Gas Company would be financed by individual developers based on the current fee schedule at the time of development.

IX. TELEPHONE SERVICES

Frontier Communications, Inc. provides telephone service to the City of Desert Hot Springs and would be the provider of the proposed annexation site.

Existing Services

Frontier reports that there is a direct buried telephone line along the west side of Little Morongo Road. Frontier would need to upgrade their buried line depending on the needs of the project. Through this upgrade, full services would be available to the site.

Improvement Requirement

Build out of the proposed annexation site may increase the demand of phone usage. Frontier indicates that it will have the capacity to meet this increase in demand. Future development of the site will be reviewed for their impact on utility services. Entitlements will be reviewed by Frontier on an individual basis and developers will be required to comply with requirements, programs and fees in place at the time of development.

Timeframe for Extension of Services

Services will be provided at the time of project development.

Financing of Service

Telephone infrastructure is provided by the service provider and is placed in a joint utility trench provided by the developer. Developers will comply with requirements, programs and fees in place at the time of development.

X. CABLE SERVICES

The City of Desert Hot Springs is served by Spectrum Charter Communications. Charter Communications is America's fastest growing TV, internet and voice company. It connects more than 26 million residential and business customers in 41 states.

Existing Services

Spectrum currently does not have facilities in the area and a line extension would be required to bring services to the site.

Improvement Requirement

The future buildout of the proposed annexation site would increase the demand on cable service. A full submittal of plans to Spectrum is required to determine the nearest point of connection. Future entitlements and plans at the time of development will be reviewed by the City for impacts to utility services.

Timeframe for Extension of Services

Connection to existing facilities will occur in accordance with project development.

Financing of Service

Spectrum provides the infrastructure for new development which is placed in a joint utility trench provided by the developer. Developers will be required to comply with the fees in place at the time of development.

XI. POLICE SERVICES

The annexation site currently falls under the jurisdiction of the Riverside County Sheriff's Department out of the Palm Desert Substation, located at 73705 Gerald Ford Avenue. This is approximately 16 miles from the annexation site. This Palm Desert Station covers the western half of the Coachella Valley's unincorporated areas. The Sheriff's Department provides all municipal police services associated with a City police department, such as criminal investigations, traffic enforcement and crime prevention.

The County's goal of Officer to population ratio is 1.5 per 1,000 population, however, depending on budget considerations, staff levels may vary. Response time goals by priority are 5 minutes for Priority One calls, 10 minutes for Priority Two calls and 15 minutes for Priority Three calls.

Upon annexation, police services would be provided to the Project area by the Desert Hot Springs Police Department. Their office is located at 65-950 Pierson Blvd, approximately 2.1 miles from the Project site. Per communication with City of DHS police department, the DHSPD has 29 sworn officers and 6 support staff, totaling 33 positions.

The City also has a Community Policing Initiative that collaborates with residents and business. This initiative is designed to facilitate direct personal communication efforts between officers and the community members they serve. The fundamental feature of this approach is that every DHS Police officer has direct responsibility for a neighborhood or business district within the city, which is called a "Community Policing Beat" (CPB). Every person who lives or works within the CPB has access to that assigned officer for the purpose of dealing with local problems or concerns or talking about law enforcement issues

The patrol unit is the first responder to all emergency calls. Each police shift entails one Sergeant and two officers, working 12 hour shifts with the mid-shift running from 12:00am to 12:00pm. The current officer ratio is 0.9 officers per 1,000 population served and 9.5 officers on duty in a 24-hour period.

Improvement Requirement

The annexation site is pre-zoned by the City as Light Industrial, which allows for a broad range of business parks and industrial uses operating entirely in enclosed buildings. As a result of project buildout, it is likely that the demand for police services would increase and additional personnel would be required to continue to provide adequate response times.

A Special Municipal Election is being held on November 7, 2017 for residents of the City to vote on extending two special taxes that assist in the financing of public services. The City's voter approved Utility Users Tax (Measure A) and a Public Service Parcel Tax (Measure G) is set to expire in June of 2020. Two new Measures (Measure B and Measure C) are being proposed to extend the Utility Users Tax and Public Safety Parcel Tax. The passing of these two measures

would allow the City to maintain current staffing and emergency response times. The loss of these funds could result in the reduction of police personnel.

Timeframe for Extension of Services

Development of the proposed annexation area will be reviewed by the City of Desert Hot Springs and Police department and required to comply with the City's license tax, special tax and development impact fees imposed on all new construction.

Financing of Service

The cost of providing public safety and police services comes through the General Fund and the voter approved Special Utility Tax (Measure A) and Public Safety Parcel Tax (Measure G). Fees also include the City's Development Impact Fee (DIF) imposed on all new construction.

Measure A and G collectively provide the City \$5 million annually in City funding. These voter approved funds are set aside to be specifically utilized for public safety services in the City. Both of these Measures are set to expire in June of 2020. In effort to extend these voter approved taxes, two ballot measures (Measure B and Measure C) will be put to the residents of the City through its Special Municipal Election on November 7, 2017. If passed, Measure B would extend the current Public Safety Tax, until repealed by voters and would provide approximately \$2 Million annually with an additional \$91k annually. Measure C would extend the existing Utility Users Tax, until repealed by voters, providing approximately \$2.8 Million annually. This extension of special taxes would allow the City to maintain their current emergency services and response times as well as special training and recruitment.

As a result, sufficient revenue would be available for necessary improvements to provide for acceptable police and public safety services.

XII. FIRE SERVICES

A full range of fire protection services are provided to the project site by the Riverside County Fire Department. The City of Desert Hot Springs contracts with Riverside County Fire Department/Cal Fire (RCFD) for a full range of fire and emergency services that are provided 24 hours a day 7 days a week. After annexation, Riverside County Fire will continue to provide fire services through its contract. The Riverside County Fire Department (RCFD) is staffed with a combination of State of California Department of Forestry & Fire Protection firefighters. Together they operate 96 fire stations that serve 1,360,000 residents over 6,970 miles of Riverside County.

In addition to the other RCFD facilities located in the Coachella Valley, RCFD maintains a cooperative mutual aid agreement with other agencies and communities to assist in suppressing fire or controlling emergency incidents. Mutual aid is an agreement among emergency responders to lend assistance across jurisdictions provided resources are available and is not to the detriment of their own service area.

There are two RCFD fire stations located the City of Desert Hot Springs, Battalion 10, and Station 36; located at 11535 Karen Avenue is approximately 3.4 miles from the annexation site. Station 37 is the City's busiest fire station and is located at 65-958 Pierson Blvd, approximately 2.1 miles from the proposed annexation site. Both stations are staffed by 8.2 full time personal and each 72-hour shift has 3 professionals consisting of a Fire Captain/and or engineer and one or two Firefighter II / licensed paramedic on duty at all times. Each station is also equipped with a Type I, 1500 GPM fire engine. The primary response station would be Fire Station 37, which is located in Desert Hot Springs, and is 2.1 miles from the annexation area.

A future fire station is planned in the City but a location has not been identified at this time. It is unknown what equipment or staffing will be assigned at the new station.

The Department's targeted response time for fire suppression and hazardous materials calls is 6 minutes for emergency medical and paramedic calls. In 2015, the Department averaged a 7 minute response time. The department responded to 4,561 emergency calls, of which 3,637 were emergency medical and paramedic calls, 178 were fire suppression related calls, and 10 hazardous material related calls.

In addition to fighting fires, the Fire Department provides Advanced Life Support and emergency ambulance services, reviews development plans, and performs construction inspections and fire investigations. The Fire Department plays a key role in disaster preparedness and is responsible for coordinating, in conjunction with other agencies, the City's response to a wide range of hazards and threats.

Improvement Requirement

The annexation site is pre-zoned by the City as Light Industrial, which allows for a broad range of business parks and industrial uses operating entirely in enclosed buildings. The annexation itself will not impact current fire services. Both of the City's fire stations are within the target goal range of emergency response times and have adequate fire equipment to serve the needs of the City. Project buildout of an additional 33 acres could result in the need for additional staffing in order to maintain response times and adequate staffing for emergency services.

A Special Municipal Election is being held on November 7, 2017 for residents of the City to vote on extending two special taxes that assist in the financing of public services. The City's voter approved Utility Users Tax (Measure A) and a Public Service Parcel Tax (Measure G) is set to expire in June of 2020. Two new Measures (Measure B and Measure C) are being proposed to extend the Utility Users Tax and Public Safety Parcel Tax. The passing of these two measures would allow the City to maintain current staffing and emergency response times. The loss of these funds could result in the closure of one of the two fire stations in the City.

Timeframe for Extension of Services

Upon annexation, the city will assume full responsibility for fire service as well as first response into the area. Development of the proposed annexation area will be reviewed for their impact on safety and fire services. Future entitlements would be reviewed by the City of Desert Hot Springs on an individual basis and will be required to comply with requirements in place at the time of development. New development will be required to comply with the City's license tax, special tax and development impact fees imposed on all new construction.

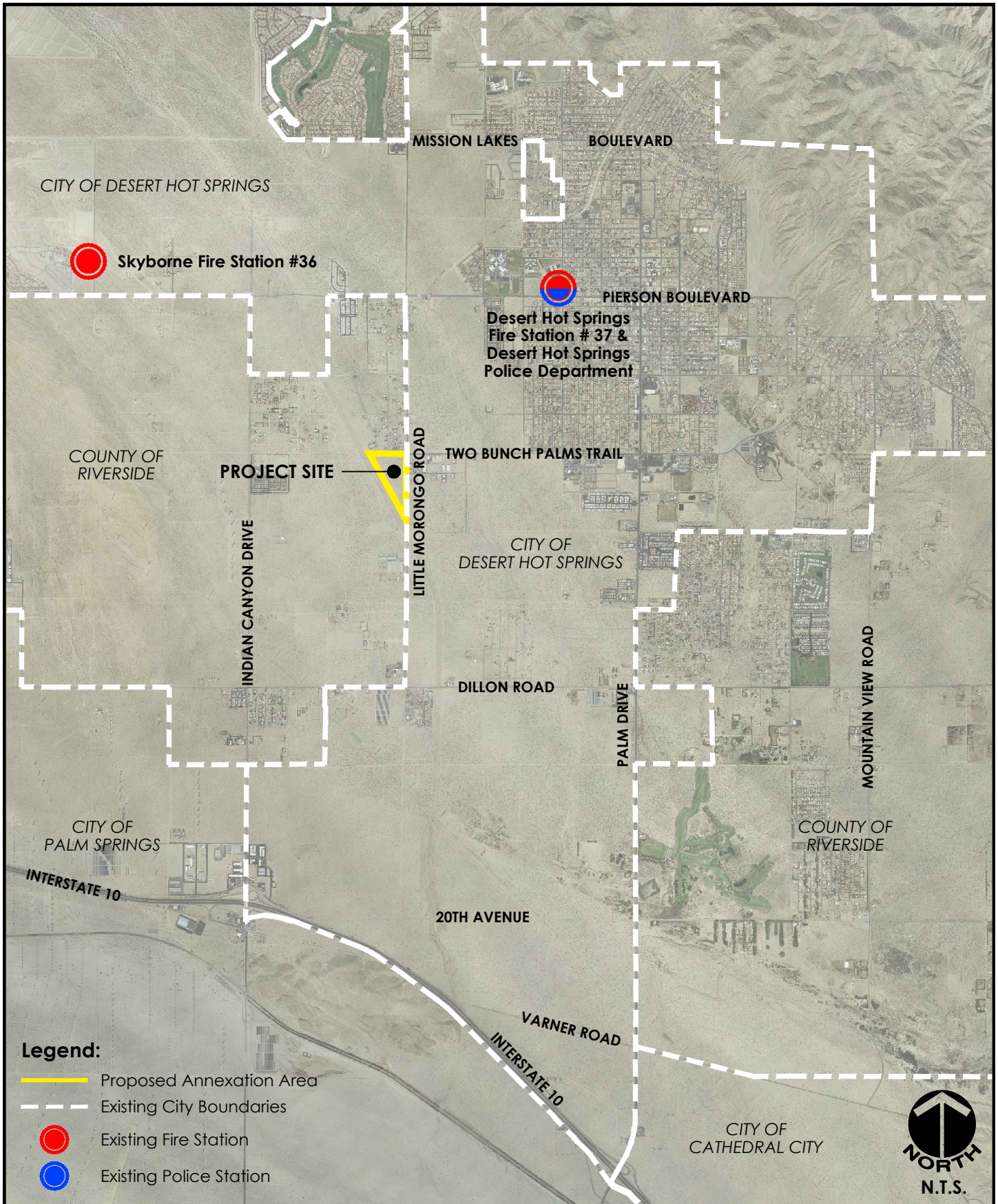
Financing of Service

The City's budget for fire services, to include Fire Suppression and Paramedic services, for Fiscal Year 2017 is \$1.7 million. The cost of providing fire and paramedic services comes through the General Fund and the City-established Special Utility Tax (Measure A) and Public Safety Parcel Tax (Measure G). Fees also include the City's Development Impact Fee (DIF) imposed on all new construction.

Measure A and G collectively provide the City \$5 million annually in City funding. These voter approved funds are set aside to be specifically utilized for public safety services in the City. Both of these Measures are set to expire in June of 2020. In effort to extend these voter approved taxes, two ballot measures (Measure B and Measure C) will be put to the residents of the City through its Special Municipal Election on November 7, 2017. If passed, Measure B would extend the current Public Safety Tax, until repealed by voters and would provide approximately \$2 Million annually with an additional \$91k annually. Measure C would extend the existing Utility Users Tax, until repealed by voters, providing approximately \$2.8 Million annually. This extension of special taxes would allow the City to maintain their current emergency services and response times as well as special training and recruitment.

Since fire services are contracted with Riverside County, scaling back on staffing is not an option, because a fire station cannot function without the minimum staffing of a Captain, Engineer and Firefighter/Paramedic. Losing the staffing of just one person would result in the closure of one of the City's two fire stations.

As the City continues to grow, so will the need for additional fire protection, the City will be responsible for monitoring growth patterns and responding to the demand for additional public safety facilities and services. Considerations will include land use and circulation patterns, the provision of water for adequate fire flows, the financing of future fire stations, and the adequacy of emergency response times. Demands for additional fire services resulting from this annexation are projected to be minimal in the near to intermediate term.



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Existing Emergency Services

KD-DHS, LLC
 Plan of Services

Exhibit 8
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XIII. PARKS AND RECREATION SERVICES

The proposed annexation site is currently under the jurisdiction of Riverside County. Park and recreation services are provided by the Desert Recreation District through a contract with Riverside County. The closest recreation facility is the Thousand Palms Community Center & Park located at 31189 Robert Road in the neighboring community of Thousand Palms (14.6 miles). The park provides various recreation amenities such as basketball, softball fields, walking trails, picnic areas, BBQ's and a playground. The Community Center provides a range of activities for all ages and is also used for meetings and community gatherings.

Upon annexation, the City of Desert Hot Springs would provide park and recreation services to the 33+/- acres of vacant land. The City provides a mix of mini, community and neighborhood parks that offer a range of recreational activities. The City also has a 32,200 square foot Desert Hot Springs Community Health and Wellness Center. The closest City parks are Guy J. Tedesco Park (1.9 miles) and Mission Springs Parks (2 miles). Guy J. Tedesco is a 4-acre neighborhood park with basketball courts, BMX park, waterspray area, shaded play area, walking trail, and picnic area. Mission Springs Park is a 12-acre community park used for soccer and serves as the major soccer sports complex for AYSO, community park amenities also include, children's playground, perimeter walking trail and picnic facilities.

Improvement Requirement

The annexation site is pre-zoned for Light Industrial (I-L) but the City of Desert Hot Springs 2000 General Plan and zoning map. This land use designation allows for a broad use of commercial and light industrial uses operating entirely within in enclosed buildings. Buildout of the 33 acre site would not likely add to the demand on park or recreation services, given the size and land use. Future development of the project site would be reviewed by the City of Desert Hot Springs and required to comply with fees in place at the time of building permits. Such fees would include a parcel tax and Development Impact fees.

Timeframe for Extension of Services

Development of the proposed annexation site would not require the construction or expansion of parks and recreational facilities within the City beyond those already planned.

Financing of Service

Funding for maintenance and development of public parks are derived from various sources including general revenue funds, developer assessments through use of the Quimby Ordinance and exactions of commercial developments, business or fund-raising contributions, special taxes, benefit assessment districts, facilities bonding, and state and federal grants or loans.

XIV. SCHOOLS

Desert Hot Springs is served by the Palm Springs Unified School District (PSUSD). The annexation site is within the boundary of the PSUSD. The District operates eight (8) schools that serve the City, five (5) elementary schools for grades K-5, two (2) middle schools for grades 6-8, and one (1) high school for grades 9-12. PSUSD has an open enrollment policy so that students may choose to commute to another school outside of their school boundary but within the district, provided space is available.

School age children may also attend several private schools located near Desert Hot Springs or throughout the Coachella Valley. Private schools near Desert Hot Springs are Montessori School of Palm Springs for K-6 in Palm Springs, St. Theresa Catholic School in Palm Springs (K-8), and Xavier High School (9-12) is located within the unincorporated Thousand Palms Community.

Improvement Requirement

The annexation site is pre-zoned by the City as Light Industrial, which allows for a broad range of commercial and industrial uses operating entirely in enclosed buildings. Given the sites size, zoning designation, and surrounding light industrial uses, buildout of the 33 acre site would not likely increase the demand on school services within the Palm Springs Unified School District boundaries.

Development of the property will be reviewed by the City of Desert Hot Springs and additional needs for school services will be addressed when compliance with the school impact fees is met. Payment of these fees would offset potential impacts on any demand on school services associated with the buildout of the proposed annexation site.

Timeframe for Extension of Services

New development will be reviewed for its impacts on educational services. Future entitlements will be reviewed by the City of Desert Hot Springs and will be required to comply with requirements and fees in place at the time of development.

Financing of Service

PSUSD collects school fees for all new development. These fees are designed to fund new schools based on the impact the new development has on the school system. All new construction is subject to any school fees in place at the time development occurs. At the time of writing, current 2017 fees for commercial development is charged at 0.56 cents a square foot and \$3.48 per square foot for residential development. As a result, sufficient revenue would be available for necessary improvements or additional school facilities.

XV. LIBRARY

The City of Desert Hot Springs library is located at 11691 West Drive and is one of 35 branches of the Riverside County Library System. It is open weekly Monday thru Wednesday 10am to 6pm, Thursdays from 12pm to 8pm, Saturday from 9am to 3pm, and closed on Fridays and Sundays. Library cards are offered to all California residents free of charge and a \$10 annual fee is charged for non-California residents. This 3,608 square foot library branch opened up in 1972 and provides public computers with free internet access, approximately 33,000 volumes of books, audio books, and DVDs for check out. The library features various family programs, children's story time, reading programs and activities for children and families throughout the year.

The City is also served by the Coachella Valley Bookmobile as part of the Riverside County Library System. The bookmobile is in Desert Hot Springs the 2nd and 4th week of every month from 4:45pm-5:30pm at the Golden Lantern Market, located at 77041 Dillion Road.

The next closest Riverside County Library is the Thousand Palms library is located at 31189 Robert Road. The library is 4,500 square feet and is open 5 days a week, the library features books, CDs, DVDs and computers with free internet access and offers community classes and activities for all ages.

Improvement Requirement

The Project site is zoned as Light Industrial (I-L) by the City's General Plan. This land use and zoning designation would allow for a broad range of business parks and industrial uses operating entirely in enclosed buildings. Since the development of this site would be geared towards industrial uses, the library is not likely to be heavily impacted by a project of this nature or size. Additionally, the County has five (5) more branches throughout the Coachella Valley and a bookmobile stationed at various locations during the week. At this time there is no need for a new library facility; however, all new development will pay required impact fees at the time of building permits.

Timeframe for Extension of Services

Future entitlements will be reviewed by the City of Desert Hot Springs and will be required to comply with requirements and fees in place at the time of development.

Financing of Service

The project will comply with impact fees in effect at the time of development. Sufficient revenue would be available for any necessary improvements to the existing facilities should they be needed.

XVI. SOLID WASTE SERVICES

Desert Valley Disposal (DVD) would provide solid waste collection services to the annexation site. Services would include, waste removal, and recycling programs. There is currently no regular scheduled pick-up of green waste, but customers can call the DVD office for an appointment to have the green waste removed. Solid waste and recycling materials are picked up once a week and include two 96-gallon carts with lids. Commercial recycling is also available in yard bins. Bulky Items pick-up is also available to individual residents by appointment only.

Solid waste from Desert Hot Springs is taken to the Edom Hill transfer station, which is owned and operated by Burrtec Waste. Solid waste from this location is then taken to one of Burrtec's regional landfills. The Lamb Canyon facility is the primary disposal site for the Coachella Valley, this facility accepts 5,500 tons per day with a capacity estimate of over 19,242, 950 cubic yards remaining.

Improvement Requirement

Buildout of the 33 acre site under the current light industrial zoning (I-L) waste services would be increased. However, future development is not expected to exceed the permitted capacities of the Land Canyon landfill. Future development of the project site within the City will be required to determine whether project related solid waste would cause significant impacts to landfills. Additionally, all applicants will be required to comply with the City's waste and recycling provisions and provide a construction and demolition plan, prior to initiating the development, grading permit process. All solid waste activities resulting from the future development of the annexation site will be carried out in compliance with all State, Federal and local statutes regulating solid waste.

Timeframe for Extension of Services

New development will be reviewed for their impacts onto the landfills; future entitlements will be reviewed by the City of Desert Hot Springs on an individual basis and will be required to comply with requirements and fees in place at the time of development.

Financing of Service

Individual developers will be charged fees accordingly by Desert Valley Disposal. Additionally, all new construction will be subject to Development Impact Fees at the time of building permits.

XVII. STREET AND SIGNAL IMPROVEMENTS

The project site is located at the southwest corner of the intersection of Little Morongo Road and Two Bunch Palms Trail. Each road consists of two lanes with a four-way stop sign for traffic control.

Improvement Requirement

The Project site is pre-zoned as Light Industrial (I-L) by the City's General Plan. This land use and zoning designation would allow for a broad range of business parks and industrial uses operating entirely in enclosed buildings. No development is currently proposed as part of this annexation request. The annexation of the project site will not involve initial improvements to roads, streets or signals. However, once development of the vacant project site is initiated, street and signal improvements may be necessary. The City's Roadway Design Standards will be implemented and reviewed by the City once project plans have been submitted.

Timeframe for Extension of Services

Detailed requirements for future development of the property will require a Development Permit or Conditional Use Permit in conjunction with any development proposals as part of the required entitlement process.

Financing of Service

Future development will install all required street improvements at the time of development and shall also pay the required Development Impact Fees and Transportation Uniform Mitigation Fees (TUMF). Road maintenance will be funded through a Community Facility District (CFD).

XVIII. FINANCIAL INFORMATION

The following tax would apply to the development.

General Taxes

Transient Occupancy Tax (TOT) would apply to any hotel establishment. Current 2017 TOT is 12% Citywide.

Any commercial business development that is built in the area is subject to the sales tax. The current 2017 sales tax for Desert Hot Springs is 7.75. %.

Debt

Per the City of Desert Hot Springs, there is no general bonded indebtedness applicable to the annexed area.

XIX. SUMMARY OF SERVICE IMPACTS

The Following is a summary of the changes to the service providers.

<u>Service</u>	<u>Service Provider</u>	<u>Change Upon Annexation</u>
Domestic Water Service	Mission Springs Water District	None
Wastewater Service	Mission Springs Water District	None
Natural Gas Service	The Gas Company	None
Electricity Service	Southern California Edison	None
Telephone Service	Verizon	None
Solid Waste Service	Burrtec	Desert Valley Disposal
Cable Service Services	Spectrum	None
Roadways	Riverside County	City of Desert Hot Springs
Parks and Recreation	Riverside County	City of Desert Hot Springs
Street Maintenance	Riverside County	City of Desert Hot Springs
Fire Services	Riverside County	None
Police Services	Riverside County	City of Desert Hot Springs
Library Services	Riverside County	None
School	Palm Springs Unified School District	None

XX. SUPPORTING FINDINGS

This section is designated to provide supportive findings that address goals and objectives of LAFCO policies regarding annexations.

A. Discouraging Urban Sprawl and Encouraging Orderly Formation and Development of Agencies.

1. The proposed annexation is located within the City's Sphere of Influence as initially approved by the Riverside LAFCO. It is consistent with the City of Desert Hot Springs 2000 General Plan and General Plan EIR.
2. The public utilities necessary to serve the project area are made available by the existing service providers.

The following service providers to project area will need to be changed:

- Police service will be provided by the City of Desert Hot Springs.
 - Fire service will be provided by Riverside County/CALFIRE.
 - Road maintenance will shift from Riverside County Transportation Department to the City of Desert Hot Springs.
 - Recreation service will shift from Riverside County Parks to the City of Desert Hot Springs.
3. No overlapping of illogical boundaries will occur as a result of the proposed annexation. The proposed annexation will represent a logical extension of the City's boundaries.
 4. To maximize existing resources, annexation to the City of Desert Hot Springs is proposed.
 5. The formation of new agencies is not necessary as a result of the proposed annexation.
 6. No islands of unincorporated area will remain or occur as a result of the annexation request.

B. Encouraging Consistency with Spheres of Influence and Recommended Reorganizations of Agencies.

1. The proposed area of annexation is located within the City's Sphere of Influence.

2. A sphere amendment will not be necessary to accommodate the annexation request.
 3. No service will need to be extended beyond the City's Sphere of Influence to accommodate the annexation request.
 4. No special districts are affected by the request.
- C. Encouraging Orderly Urban Development and Preservation of Open Space Patterns.
1. Urban development is imminent in the vicinity of the annexation request. Development of the site is a logical extension of existing land use patterns.
 2. The proposed area of annexation is consistent with the City's existing General Plan land use designations and is consistent with the City's zoning.
- D. Encouraging Conservation of Prime Agricultural Land and Open Space Areas.
1. The land is not classified as prime agricultural land and does not impact the agricultural integrity of adjacent lands.