

**JOINT RESOLUTION NO. 2018-20  
RESOLUTION HFPD 2018-05**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, AND BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, DETERMINING THE AMOUNT OF PROPERTY TAX REVENUES TO BE EXCHANGED AMONG THE HESPERIA FIRE PROTECTION DISTRICT, THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS NORTH DESERT SERVICE ZONE AND THE CITY OF HESPERIA, RESULTING FROM THE JURISDICTIONAL CHANGE DESCRIBED BY LAFCO 3218 ENCOMPASSING THE JURISDICTIONAL BOUNDARIES OF THE HESPERIA FIRE PROTECTION DISTRICT**

**WHEREAS,** On March 13, 2017, the Hesperia Fire Protection District ("District") submitted an application to the Local Agency Formation Commission ("LAFCO") to annex approximately 48,000 acres located within the boundaries of the District to the San Bernardino County Fire Protection District ("SBCFPD") and its North Desert Service Zone. This change of organization, if approved, will entail the transfer of the District's assets, obligations, liabilities and responsibilities to SBCFPD and its related service zone. SBCFPD currently serves the residents of the District via a contract for services; and

**WHEREAS,** On June 7, 2017 LAFCO issued a Notice of Filing (NOF) notifying the affected agencies of the reorganization proposal. The NOF requires the San Bernardino County Auditor-Controller to estimate the property tax revenue and proportions by agency, which is used to establish the property tax revenue amounts to be transferred. The property tax exchange associated with this action will only be effective upon completion of the reorganization proceedings. In accordance with Section 99 of the California Revenue and Taxation Code, both the City Council of the City of Hesperia ("City") and the Board of Supervisors (Board) must adopt resolutions related to this property tax exchange since revenues are to be distributed to both special districts and the City.

**NOW THEREFORE,** BE IT RESOLVED BY THE CITY OF HESPERIA CITY COUNCIL AND BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT AS FOLLOWS:

Section 1. The City Council and Board of Directors hereby finds and determines that:

- A. Pursuant to Section 99 of the Revenue and Taxation Code, prior to the issuance of a Certificate of Filing by the Local Agency Formation Commission Executive Officer, the governing bodies of all local agencies whose service responsibilities will be altered by change of organization shall negotiate and determine by resolution the amount of property tax revenues to be exchanged among such local agencies.
- B. Except as provided in Section 99.1 of the Revenue and Taxation Code, in the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the Board of Supervisors shall, on behalf of all special districts, negotiate any exchange of property tax revenues.

- C. The Board of Supervisors of the County of San Bernardino and the City Council of the City of Hesperia have determined the amount of property tax revenues to be exchanged as a result of the following jurisdictional change:

**LAFCO 3218 – REORGANIZATION TO INCLUDE ANNEXATIONS TO SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS NORTH DESERT SERVICE ZONE, AND THE DIVESTITURE OF THE FUNCTIONS OF FIRE, EMERGENCY MEDICAL RESPONSE AND AMBULANCE FROM THE HESPERIA FIRE PROTECTION DISTRICT**

- D. This jurisdictional change will affect the following “Negotiated Pass-Through Agreements” between the City of Hesperia Community Redevelopment Agency and the Hesperia Fire Protection District: (a) “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated July 15, 1993 (Attachment 1 to Exhibit “C” hereto); and (b) the “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated December 29, 1993 (Attachment 2 to Exhibit “C” hereto).
- E. It is necessary that the attached Pass-Through Revenue Sharing Agreement (Exhibit “C” hereto) shall be approved by the City, the District, the SBCFPD and the County of San Bernardino (County) in order to maintain the current pass-through revenue stream to the District for the Negotiated Pass-Through Agreements between the District and the Hesperia Community Redevelopment Agency.
- F. It may be necessary to temporarily discontinue the transfer of property tax revenues to SBCFPD and the City from the District if the Pass-Through Revenue Sharing Agreement cannot be implemented or enforced as a result of a final court judgment, state law or regulation change, state action or any action or proceeding by a third party that affects the Pass-Through Revenue Sharing Agreement, until the Negotiated Pass-Through Agreements have expired.

Section 2. The City Council and Board of Directors hereby resolves and orders that:

- A. The negotiated exchange of property tax revenue among the District, City, SBCFPD and its North Desert Service Zone, attached hereto as Exhibit “A” and incorporated herein by reference, resulting from the above described jurisdictional change(s), is hereby accepted.
- B. The Pass-Through Revenue Sharing Agreement attached hereto as Exhibit “C” and the Revenue Sharing Agreement attached hereto as Exhibit “D” are hereby approved, subject to the filing of the Certificate of Completion for LAFCO 3218. The Revenue Sharing Agreement shall only be implemented if one or more of the triggers identified in Section 5 of the Pass-Through Revenue Sharing Agreement occur. If the Certificate of Completion is not issued for LAFCO 3218, both agreements automatically terminate.
- C. If the County Auditor-Controller/Treasurer/Tax Collector notifies the County Chief Executive Officer that the Pass-Through Revenue Sharing Agreement cannot be implemented or enforced as described in Section 1(F) above, the County Chief Executive Officer, upon receipt of such notice and in consultation with County Counsel, shall provide notice to the City, the District, and the SBCFPD that the Pass-Through Revenue Sharing Agreement has terminated and the Revenue Sharing Agreement is

being implemented. The Revenue Sharing Agreement will temporarily implement the property tax revenue exchange in Exhibit "B" to this Resolution. The property tax revenue exchange identified in Exhibit "A" will be permanently reinstated when the Negotiated Pass-Through Agreements expire.

- D. The annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change shall be allocated in future years pursuant to the provisions of Section 98 of the Revenue and Taxation Code.

Section 3. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions, and shall cause a certified copy to be sent to the Executive Officer of the Local Agency Formation Commission of the County of San Bernardino.

**ADOPTED AND APPROVED** this 20<sup>th</sup> day of March, 2018.

\_\_\_\_\_  
Bill Holland, Mayor Pro Tem/Vice Chair

ATTEST:

\_\_\_\_\_  
Melinda Sayre  
City Clerk

**EXHIBIT “A”**

NEGOTIATED EXCHANGE OF  
PROPERTY TAX REVENUE AMONG THE DISTRICT  
CITY, SBCFPD AND ITS NORTH DESERT SERVICE ZONE

[Attached behind this page]



**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit A**

TAX RATE AREA		20003	20004	20007	20008	20009
	Assessed Value	\$ 1,653,047	\$ 21,125	\$ 89,079,309	\$ -	\$ 21,975,750
	RDA Increment	\$ -	\$ 16,845	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 1,653,047	\$ 4,280	\$ 89,079,309	\$ -	\$ 21,975,750
	Tax Revenue	\$ 16,530	\$ 43	\$ 890,793	\$ -	\$ 219,758
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (2,536)	\$ (7)	\$ (136,721)	\$ -	\$ (33,216)
	<b>Total Transfers From</b>	<b>\$ (2,536)</b>	<b>\$ (7)</b>	<b>\$ (136,721)</b>	<b>\$ -</b>	<b>\$ (33,216)</b>
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 2,152	\$ 6	\$ 116,026	\$ -	\$ 28,188
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 137	\$ 0	\$ 7,406	\$ -	\$ 1,799
CITY OF HESPERIA	9.7202%	\$ 247	\$ 1	\$ 13,290	\$ -	\$ 3,229
	<b>Total Transfers To</b>	<b>\$ 2,536</b>	<b>\$ 7</b>	<b>\$ 136,721</b>	<b>\$ -</b>	<b>\$ 33,216</b>
TAX RATE AREA		20010	20012	20013	20015	20016
	Assessed Value	\$ 230,846,337	\$ -	\$ -	\$ 3,472,496	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 230,846,337	\$ -	\$ -	\$ 3,472,496	\$ -
	Tax Revenue	\$ 2,308,463	\$ -	\$ -	\$ 34,725	\$ -
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (354,255)	\$ -	\$ -	\$ (5,374)	\$ -
	<b>Total Transfers From</b>	<b>\$ (354,255)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,374)</b>	<b>\$ -</b>
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 300,632	\$ -	\$ -	\$ 4,560	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 19,189	\$ -	\$ -	\$ 291	\$ -
CITY OF HESPERIA	9.7202%	\$ 34,434	\$ -	\$ -	\$ 522	\$ -
	<b>Total Transfers To</b>	<b>\$ 354,255</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,374</b>	<b>\$ -</b>

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit A**

TAX RATE AREA		20018	20019	20020	20021	20022
	Assessed Value	\$ 3,095,199	\$ 116,033,694	\$ -	\$ -	\$ 4,748,640
	RDA Increment	\$ -	\$ 109,689,239	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 3,095,199	\$ 6,344,455	\$ -	\$ -	\$ 4,748,640
	Tax Revenue	\$ 30,952	\$ 63,445	\$ -	\$ -	\$ 47,486
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (5,016)	\$ (9,490)	\$ -	\$ -	\$ (7,285)
Total Transfers From		\$ (5,016)	\$ (9,490)	\$ -	\$ -	\$ (7,285)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 4,256	\$ 8,054	\$ -	\$ -	\$ 6,182
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 272	\$ 514	\$ -	\$ -	\$ 395
CITY OF HESPERIA	9.7202%	\$ 488	\$ 922	\$ -	\$ -	\$ 708
Total Transfers To		\$ 5,016	\$ 9,490	\$ -	\$ -	\$ 7,285
TAX RATE AREA		20023	20024	20025	20027	20028
	Assessed Value	\$ 4,753,676	\$ 19,645,406	\$ 1,210,821	\$ 6,043,052	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 4,753,676	\$ 19,645,406	\$ 1,210,821	\$ 6,043,052	\$ -
	Tax Revenue	\$ 47,537	\$ 196,454	\$ 12,108	\$ 60,431	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (7,295)	\$ (30,153)	\$ (1,877)	\$ (9,268)	\$ -
Total Transfers From		\$ (7,295)	\$ (30,153)	\$ (1,877)	\$ (9,268)	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 6,191	\$ 25,589	\$ 1,593	\$ 7,865	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 395	\$ 1,633	\$ 102	\$ 502	\$ -
CITY OF HESPERIA	9.7202%	\$ 709	\$ 2,931	\$ 182	\$ 901	\$ -
Total Transfers To		\$ 7,295	\$ 30,153	\$ 1,877	\$ 9,268	\$ -

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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
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Exhibit A

TAX RATE AREA		20029	20032	20033	20036	20037
	Assessed Value	\$ 38,851,324	\$ -	\$ 375,619,875	\$ 3,686	\$ 10,287,375
	RDA Increment	\$ -	\$ -	\$ 228,636,899	\$ -	\$ 9,933,640
	Net Value After RDA / TRA Frozen Base	\$ 38,851,324	\$ -	\$ 146,982,976	\$ 3,686	\$ 353,735
	Tax Revenue	\$ 388,513	\$ -	\$ 1,469,830	\$ 37	\$ 3,537
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (58,724)	\$ -	\$ (225,452)	\$ (6)	\$ (530)
Total Transfers From		\$ (58,724)	\$ -	\$ (225,452)	\$ (6)	\$ (530)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 49,835	\$ -	\$ 191,325	\$ 5	\$ 449
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 3,181	\$ -	\$ 12,212	\$ 0	\$ 29
CITY OF HESPERIA	9.7202%	\$ 5,708	\$ -	\$ 21,914	\$ 1	\$ 51
Total Transfers To		\$ 58,724	\$ -	\$ 225,452	\$ 6	\$ 530
TAX RATE AREA		20038	20039	20042	20043	20044
	Assessed Value	\$ 24,555,282	\$ 10,234,817	\$ -	\$ -	\$ 93,158,487
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ 93,158,487
	Net Value After RDA / TRA Frozen Base	\$ 24,555,282	\$ 10,234,817	\$ -	\$ -	\$ -
	Tax Revenue	\$ 245,553	\$ 102,348	\$ -	\$ -	\$ -
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (36,745)	\$ (15,706)	\$ -	\$ -	\$ -
Total Transfers From		\$ (36,745)	\$ (15,706)	\$ -	\$ -	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 31,183	\$ 13,328	\$ -	\$ -	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 1,990	\$ 851	\$ -	\$ -	\$ -
CITY OF HESPERIA	9.7202%	\$ 3,572	\$ 1,527	\$ -	\$ -	\$ -
Total Transfers To		\$ 36,745	\$ 15,706	\$ -	\$ -	\$ -

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Exhibit A

TAX RATE AREA		20045	20050	20051	20052	20053
Assessed Value		\$ 104,552,894	\$ 7,003,901	\$ 4,967,285	\$ 401,921	\$ 416,581
RDA Increment		\$ 97,890,169	\$ -	\$ -	\$ -	\$ -
Net Value After RDA / TRA Frozen Base		\$ 6,662,725	\$ 7,003,901	\$ 4,967,285	\$ 401,921	\$ 416,581
Tax Revenue		\$ 66,627	\$ 70,039	\$ 49,673	\$ 4,019	\$ 4,166
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
Negotiated Percentage		2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (10,221)	\$ (10,742)	\$ (7,961)	\$ (616)	\$ (640)
Total Transfers From		\$ (10,221)	\$ (10,742)	\$ (7,961)	\$ (616)	\$ (640)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 8,674	\$ 9,116	\$ 6,756	\$ 523	\$ 543
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 554	\$ 582	\$ 431	\$ 33	\$ 35
CITY OF HESPERIA	9.7202%	\$ 993	\$ 1,044	\$ 774	\$ 60	\$ 62
Total Transfers To		\$ 10,221	\$ 10,742	\$ 7,961	\$ 616	\$ 640
TAX RATE AREA		20054	20055	20056	20057	20058
Assessed Value		\$ 2,050,674	\$ -	\$ -	\$ -	\$ 13,888,726
RDA Increment		\$ -	\$ -	\$ -	\$ -	\$ -
Net Value After RDA / TRA Frozen Base		\$ 2,050,674	\$ -	\$ -	\$ -	\$ 13,888,726
Tax Revenue		\$ 20,507	\$ -	\$ -	\$ -	\$ 138,887
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
Negotiated Percentage		2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (3,145)	\$ -	\$ -	\$ -	\$ (21,289)
Total Transfers From		\$ (3,145)	\$ -	\$ -	\$ -	\$ (21,289)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 2,669	\$ -	\$ -	\$ -	\$ 18,067
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 170	\$ -	\$ -	\$ -	\$ 1,153
CITY OF HESPERIA	9.7202%	\$ 306	\$ -	\$ -	\$ -	\$ 2,069
Total Transfers To		\$ 3,145	\$ -	\$ -	\$ -	\$ 21,289

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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
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Exhibit A

TAX RATE AREA		20060	20061	20063	20064	20065
	Assessed Value	\$ 5,618,698	\$ 419,111	\$ 282,007	\$ 271,113	\$ 1,565,707
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 5,618,698	\$ 419,111	\$ 282,007	\$ 271,113	\$ 1,565,707
	Tax Revenue	\$ 56,187	\$ 4,191	\$ 2,820	\$ 2,711	\$ 15,657
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (8,619)	\$ (643)	\$ (429)	\$ (416)	\$ (2,402)
Total Transfers From		\$ (8,619)	\$ (643)	\$ (429)	\$ (416)	\$ (2,402)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 7,314	\$ 546	\$ 364	\$ 353	\$ 2,038
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 467	\$ 35	\$ 23	\$ 23	\$ 130
CITY OF HESPERIA	9.7202%	\$ 838	\$ 63	\$ 42	\$ 40	\$ 233
Total Transfers To		\$ 8,619	\$ 643	\$ 429	\$ 416	\$ 2,402
TAX RATE AREA		20067	20069	20070	20072	20074
	Assessed Value	\$ 575,658	\$ 13,100,982	\$ 10,338,762	\$ 70,556,690	\$ 112,644,579
	RDA Increment	\$ -	\$ -	\$ -	\$ 66,102,050	\$ 71,703,957
	Net Value After RDA / TRA Frozen Base	\$ 575,658	\$ 13,100,982	\$ 10,338,762	\$ 4,454,640	\$ 40,940,622
	Tax Revenue	\$ 5,757	\$ 131,010	\$ 103,388	\$ 44,546	\$ 409,406
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (894)	\$ (20,994)	\$ (15,875)	\$ (6,833)	\$ (62,797)
Total Transfers From		\$ (894)	\$ (20,994)	\$ (15,875)	\$ (6,833)	\$ (62,797)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 759	\$ 17,817	\$ 13,472	\$ 5,798	\$ 53,292
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 48	\$ 1,137	\$ 860	\$ 370	\$ 3,402
CITY OF HESPERIA	9.7202%	\$ 87	\$ 2,041	\$ 1,543	\$ 664	\$ 6,104
Total Transfers To		\$ 894	\$ 20,994	\$ 15,875	\$ 6,833	\$ 62,797

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
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**Exhibit A**

TAX RATE AREA		20076	20077	20079	20080	20082
	Assessed Value	\$ -	\$ 2,040,974	\$ 10,916,814	\$ 146,558,099	\$ 126,119,145
	RDA Increment	\$ -	\$ -	\$ -	\$ 83,935,992	\$ 66,627,367
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 2,040,974	\$ 10,916,814	\$ 62,622,107	\$ 59,491,778
	Tax Revenue	\$ -	\$ 20,410	\$ 109,168	\$ 626,221	\$ 594,918
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ -	\$ (3,130)	\$ (16,753)	\$ (96,055)	\$ (91,252)
Total Transfers From		\$ -	\$ (3,130)	\$ (16,753)	\$ (96,055)	\$ (91,252)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ -	\$ 2,656	\$ 14,217	\$ 81,515	\$ 77,439
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ -	\$ 170	\$ 907	\$ 5,203	\$ 4,943
CITY OF HESPERIA	9.7202%	\$ -	\$ 304	\$ 1,628	\$ 9,337	\$ 8,870
Total Transfers To		\$ -	\$ 3,130	\$ 16,753	\$ 96,055	\$ 91,252
TAX RATE AREA		20083	20084	20085	20086	20087
	Assessed Value	\$ 79,676,065	\$ 10,490,761	\$ 2,638,840	\$ 18,312,439	\$ -
	RDA Increment	\$ -	\$ -	\$ 1,742,298	\$ 8,475,977	\$ (428,141)
	Net Value After RDA / TRA Frozen Base	\$ 79,676,065	\$ 10,490,761	\$ 896,542	\$ 9,836,462	\$ -
	Tax Revenue	\$ 796,761	\$ 104,908	\$ 8,965	\$ 98,365	\$ -
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (122,258)	\$ (16,097)	\$ (1,375)	\$ (15,088)	\$ -
Total Transfers From		\$ (122,258)	\$ (16,097)	\$ (1,375)	\$ (15,088)	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 103,751	\$ 13,661	\$ 1,167	\$ 12,804	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 6,622	\$ 872	\$ 74	\$ 817	\$ -
CITY OF HESPERIA	9.7202%	\$ 11,884	\$ 1,565	\$ 134	\$ 1,467	\$ -
Total Transfers To		\$ 122,258	\$ 16,097	\$ 1,375	\$ 15,088	\$ -

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**Exhibit A**

TAX RATE AREA		20088	20089	20090	20092	20093
	Assessed Value	\$ 163,765,173	\$ -	\$ 2,167,917,493	\$ 395,926,793	\$ 11,258
	RDA Increment	\$ 95,368,688	\$ -	\$ 1,194,812,901	\$ 354,371,667	\$ 3,870
	Net Value After RDA / TRA Frozen Base	\$ 68,396,485	\$ -	\$ 973,104,592	\$ 41,555,126	\$ 7,388
	Tax Revenue	\$ 683,965	\$ -	\$ 9,731,046	\$ 415,551	\$ 74
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (104,913)	\$ -	\$ (1,492,651)	\$ (63,740)	\$ (11)
Total Transfers From		\$ (104,913)	\$ -	\$ (1,492,651)	\$ (63,740)	\$ (11)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 89,032	\$ -	\$ 1,266,709	\$ 54,092	\$ 10
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 5,683	\$ -	\$ 80,854	\$ 3,453	\$ 1
CITY OF HESPERIA	9.7202%	\$ 10,198	\$ -	\$ 145,088	\$ 6,196	\$ 1
Total Transfers To		\$ 104,913	\$ -	\$ 1,492,651	\$ 63,740	\$ 11
TAX RATE AREA		20094	20095	20096	20097	20101
	Assessed Value	\$ 393,149,713	\$ -	\$ 12,183,447	\$ 185,898,843	\$ 16,782,006
	RDA Increment	\$ 229,038,069	\$ -	\$ 3,457,915	\$ 174,417,539	\$ 6,584,617
	Net Value After RDA / TRA Frozen Base	\$ 164,111,644	\$ -	\$ 8,725,532	\$ 11,481,304	\$ 10,197,389
	Tax Revenue	\$ 1,641,116	\$ -	\$ 87,255	\$ 114,813	\$ 101,974
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (251,726)	\$ -	\$ (13,384)	\$ (17,612)	\$ (15,642)
Total Transfers From		\$ (251,726)	\$ -	\$ (13,384)	\$ (17,612)	\$ (15,642)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 213,622	\$ -	\$ 11,358	\$ 14,946	\$ 13,274
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 13,635	\$ -	\$ 725	\$ 954	\$ 847
CITY OF HESPERIA	9.7202%	\$ 24,468	\$ -	\$ 1,301	\$ 1,712	\$ 1,520
Total Transfers To		\$ 251,726	\$ -	\$ 13,384	\$ 17,612	\$ 15,642

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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District

Exhibit A

TAX RATE AREA		20102	20103	20104	20105	20106
	Assessed Value	\$ 113,280,978	\$ 4,110,484	\$ 6,519,609	\$ 695,296	\$ 75,436,544
	RDA Increment	\$ 71,792,892	\$ 1,879,784	\$ 4,482,762	\$ 458,607	\$ 53,831,782
	Net Value After RDA / TRA Frozen Base	\$ 41,488,086	\$ 2,230,700	\$ 2,036,847	\$ 236,689	\$ 21,604,762
	Tax Revenue	\$ 414,881	\$ 22,307	\$ 20,368	\$ 2,367	\$ 216,048
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (63,639)	\$ (3,424)	\$ (3,125)	\$ (363)	\$ (33,139)
Total Transfers From		\$ (63,639)	\$ (3,424)	\$ (3,125)	\$ (363)	\$ (33,139)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 54,006	\$ 2,905	\$ 2,652	\$ 308	\$ 28,123
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 3,447	\$ 185	\$ 169	\$ 20	\$ 1,795
CITY OF HESPERIA	9.7202%	\$ 6,186	\$ 333	\$ 304	\$ 35	\$ 3,221
Total Transfers To		\$ 63,639	\$ 3,424	\$ 3,125	\$ 363	\$ 33,139
TAX RATE AREA		20107	20108	20109	20110	20111
	Assessed Value	\$ -	\$ 181,189,707	\$ -	\$ 20,171,793	\$ -
	RDA Increment	\$ -	\$ 110,795,463	\$ -	\$ 10,995,384	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 70,394,244	\$ -	\$ 9,176,409	\$ -
	Tax Revenue	\$ -	\$ 703,942	\$ -	\$ 91,764	\$ -
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ -	\$ (107,980)	\$ -	\$ (14,084)	\$ -
Total Transfers From		\$ -	\$ (107,980)	\$ -	\$ (14,084)	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ -	\$ 91,635	\$ -	\$ 11,952	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ -	\$ 5,849	\$ -	\$ 763	\$ -
CITY OF HESPERIA	9.7202%	\$ -	\$ 10,496	\$ -	\$ 1,369	\$ -
Total Transfers To		\$ -	\$ 107,980	\$ -	\$ 14,084	\$ -



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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
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Exhibit A

TAX RATE AREA		20112	20113	20114	20115	20116
	Assessed Value	\$ -	\$ 14,168,993	\$ 18,600,482	\$ 2,786,560	\$ 3,811,050
	RDA Increment	\$ -	\$ 13,457,795	\$ 15,042,065	\$ 2,704,317	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 711,198	\$ 3,558,417	\$ 82,243	\$ 3,811,050
	Tax Revenue	\$ -	\$ 7,112	\$ 35,584	\$ 822	\$ 38,111
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ -	\$ (1,091)	\$ (5,703)	\$ (126)	\$ (5,847)
Total Transfers From		\$ -	\$ (1,091)	\$ (5,703)	\$ (126)	\$ (5,847)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ -	\$ 926	\$ 4,840	\$ 107	\$ 4,962
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ -	\$ 59	\$ 309	\$ 7	\$ 317
CITY OF HESPERIA	9.7202%	\$ -	\$ 106	\$ 554	\$ 12	\$ 568
Total Transfers To		\$ -	\$ 1,091	\$ 5,703	\$ 126	\$ 5,847
TAX RATE AREA		20117	20118	20119	20120	20121
	Assessed Value	\$ 128,243	\$ 30,858,525	\$ 12,950,768	\$ 4,355,821	\$ 5,724,509
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 128,243	\$ 30,858,525	\$ 12,950,768	\$ 4,355,821	\$ 5,724,509
	Tax Revenue	\$ 1,282	\$ 308,585	\$ 129,508	\$ 43,558	\$ 57,245
		Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18	Change In Base Year 2017-18
	Negotiated Percentage					
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (199)	\$ (47,276)	\$ (20,696)	\$ (6,671)	\$ (8,769)
Total Transfers From		\$ (199)	\$ (47,276)	\$ (20,696)	\$ (6,671)	\$ (8,769)
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 169	\$ 40,120	\$ 17,563	\$ 5,661	\$ 7,442
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 11	\$ 2,561	\$ 1,121	\$ 361	\$ 475
CITY OF HESPERIA	9.7202%	\$ 19	\$ 4,595	\$ 2,012	\$ 648	\$ 852
Total Transfers To		\$ 199	\$ 47,276	\$ 20,696	\$ 6,671	\$ 8,769

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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
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Exhibit A

TAX RATE AREA		20122	20124	20125	20127	54011
	Assessed Value	\$ 6,509,869	\$ 17,628,645	\$ 21,068,901	\$ 2,314,195	\$ 1,332,733
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 6,509,869	\$ 17,628,645	\$ 21,068,901	\$ 2,314,195	\$ 1,332,733
	Tax Revenue	\$ 65,099	\$ 176,286	\$ 210,689	\$ 23,142	\$ 13,327
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ (9,970)	\$ (26,989)	\$ (33,671)	\$ (3,698)	\$ -
Total Transfers From		\$ (9,970)	\$ (26,989)	\$ (33,671)	\$ (3,698)	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ 8,461	\$ 22,904	\$ 28,574	\$ 3,138	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ 540	\$ 1,462	\$ 1,824	\$ 200	\$ -
CITY OF HESPERIA	9.7202%	\$ 969	\$ 2,623	\$ 3,273	\$ 359	\$ -
Total Transfers To		\$ 9,970	\$ 26,989	\$ 33,671	\$ 3,698	\$ -
TAX RATE AREA		54066	54086	79001	79003	79018
	Assessed Value	\$ -	\$ 39,027,179	\$ -	\$ -	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 39,027,179	\$ -	\$ -	\$ -
	Tax Revenue	\$ -	\$ 390,272	\$ -	\$ -	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER FROM</b>						
HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers From		\$ -	\$ -	\$ -	\$ -	\$ -
<b>TRANSFER TO</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ -	\$ -	\$ -	\$ -	\$ -
SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ -	\$ -	\$ -	\$ -	\$ -
CITY OF HESPERIA	9.7202%	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers To		\$ -	\$ -	\$ -	\$ -	\$ -

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Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District

Exhibit A

TAX RATE AREA		79044	21036			GRAND TOTAL
	Assessed Value	\$ -	\$ 118,832			\$ 5,719,122,266
	RDA Increment	\$ -	\$ -			\$ 3,180,980,896
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 118,832			\$ 2,537,713,229
	Tax Revenue	\$ -	\$ 1,188			\$ 25,377,132
		Change In	Change In			Change In
		Base Year	Base Year			Base Year
	Negotiated Percentage	2017-18	2017-18			2017-18
<b>TRANSFER FROM</b>						
	HESPERIA FIRE PROTECTION DISTRICT	-100.00%	\$ -	\$ -		\$ (3,832,313)
	Total Transfers From		\$ -	\$ -		\$ (3,832,313)
<b>TRANSFER TO</b>						
	SAN BDNO CNTY FIRE - NORTH DESERT	84.8630%	\$ -	\$ -		\$ 3,252,217
	SAN BDNO CNTY FIRE - ADMIN	5.4168%	\$ -	\$ -		\$ 207,588
	CITY OF HESPERIA	9.7202%	\$ -	\$ -		\$ 372,508
	Total Transfers To		\$ -	\$ -		\$ 3,832,313

Note: The transfer amounts will be adjusted to account for growth in assessed valuation, with the intention to transfer 90.2798% of Hesperia Fire Protection District's ad valorem property taxes to the San Bernardino County Fire Protection District (6% to Administration and 94% to the North Desert Service Zone), and 9.7202% of the Hesperia Fire's ad valorem property taxes to the City of Hesperia.

**EXHIBIT “B”**

**PROPERTY TAX REVENUE EXCHANGE**

[Attached behind this page]

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20003	20004	20007	20008	20009
	Assessed Value	\$ 1,653,047	\$ 21,125	\$ 89,079,309	\$ -	\$ 21,975,750
	RDA Increment	\$ -	\$ 16,845	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 1,653,047	\$ 4,280	\$ 89,079,309	\$ -	\$ 21,975,750
	Tax Revenue	\$ 16,530	\$ 43	\$ 890,793	\$ -	\$ 219,758
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 2,536	\$ 7	\$ 136,721	\$ -	\$ 33,216
<b>Total Transfers From</b>		<b>\$ 2,536</b>	<b>\$ 7</b>	<b>\$ 136,721</b>	<b>\$ -</b>	<b>\$ 33,216</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (2,152)	\$ (6)	\$ (116,026)	\$ -	\$ (28,188)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (137)	\$ (0)	\$ (7,406)	\$ -	\$ (1,799)
CITY OF HESPERIA	-9.7202%	\$ (247)	\$ (1)	\$ (13,290)	\$ -	\$ (3,229)
<b>Total Transfers To</b>		<b>\$ (2,536)</b>	<b>\$ (7)</b>	<b>\$ (136,721)</b>	<b>\$ -</b>	<b>\$ (33,216)</b>
TAX RATE AREA		20010	20012	20013	20015	20016
	Assessed Value	\$ 230,846,337	\$ -	\$ -	\$ 3,472,496	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 230,846,337	\$ -	\$ -	\$ 3,472,496	\$ -
	Tax Revenue	\$ 2,308,463	\$ -	\$ -	\$ 34,725	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 354,255	\$ -	\$ -	\$ 5,374	\$ -
<b>Total Transfers From</b>		<b>\$ 354,255</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,374</b>	<b>\$ -</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (300,632)	\$ -	\$ -	\$ (4,560)	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (19,189)	\$ -	\$ -	\$ (291)	\$ -
CITY OF HESPERIA	-9.7202%	\$ (34,434)	\$ -	\$ -	\$ (522)	\$ -
<b>Total Transfers To</b>		<b>\$ (354,255)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,374)</b>	<b>\$ -</b>

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20018	20019	20020	20021	20022
	Assessed Value	\$ 3,095,199	\$ 116,033,694	\$ -	\$ -	\$ 4,748,640
	RDA Increment	\$ -	\$ 109,689,239	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 3,095,199	\$ 6,344,455	\$ -	\$ -	\$ 4,748,640
	Tax Revenue	\$ 30,952	\$ 63,445	\$ -	\$ -	\$ 47,486
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 5,016	\$ 9,490	\$ -	\$ -	\$ 7,285
Total Transfers From		\$ 5,016	\$ 9,490	\$ -	\$ -	\$ 7,285
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (4,256)	\$ (8,054)	\$ -	\$ -	\$ (6,182)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (272)	\$ (514)	\$ -	\$ -	\$ (395)
CITY OF HESPERIA	-9.7202%	\$ (488)	\$ (922)	\$ -	\$ -	\$ (708)
Total Transfers To		\$ (5,016)	\$ (9,490)	\$ -	\$ -	\$ (7,285)
TAX RATE AREA		20023	20024	20025	20027	20028
	Assessed Value	\$ 4,753,676	\$ 19,645,406	\$ 1,210,821	\$ 6,043,052	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 4,753,676	\$ 19,645,406	\$ 1,210,821	\$ 6,043,052	\$ -
	Tax Revenue	\$ 47,537	\$ 196,454	\$ 12,108	\$ 60,431	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 7,295	\$ 30,153	\$ 1,877	\$ 9,268	\$ -
Total Transfers From		\$ 7,295	\$ 30,153	\$ 1,877	\$ 9,268	\$ -
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (6,191)	\$ (25,589)	\$ (1,593)	\$ (7,865)	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (395)	\$ (1,633)	\$ (102)	\$ (502)	\$ -
CITY OF HESPERIA	-9.7202%	\$ (709)	\$ (2,931)	\$ (182)	\$ (901)	\$ -
Total Transfers To		\$ (7,295)	\$ (30,153)	\$ (1,877)	\$ (9,268)	\$ -

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20029	20032	20033	20036	20037
	Assessed Value	\$ 38,851,324	\$ -	\$ 375,619,875	\$ 3,686	\$ 10,287,375
	RDA Increment	\$ -	\$ -	\$ 228,636,899	\$ -	\$ 9,933,640
	Net Value After RDA / TRA Frozen Base	\$ 38,851,324	\$ -	\$ 146,982,976	\$ 3,686	\$ 353,735
	Tax Revenue	\$ 388,513	\$ -	\$ 1,469,830	\$ 37	\$ 3,537
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 58,724	\$ -	\$ 225,452	\$ 6	\$ 530
<b>Total Transfers From</b>		<b>\$ 58,724</b>	<b>\$ -</b>	<b>\$ 225,452</b>	<b>\$ 6</b>	<b>\$ 530</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (49,835)	\$ -	\$ (191,325)	\$ (5)	\$ (449)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (3,181)	\$ -	\$ (12,212)	\$ (0)	\$ (29)
CITY OF HESPERIA	-9.7202%	\$ (5,708)	\$ -	\$ (21,914)	\$ (1)	\$ (51)
<b>Total Transfers To</b>		<b>\$ (58,724)</b>	<b>\$ -</b>	<b>\$ (225,452)</b>	<b>\$ (6)</b>	<b>\$ (530)</b>
TAX RATE AREA		20038	20039	20042	20043	20044
	Assessed Value	\$ 24,555,282	\$ 10,234,817	\$ -	\$ -	\$ 93,158,487
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ 93,158,487
	Net Value After RDA / TRA Frozen Base	\$ 24,555,282	\$ 10,234,817	\$ -	\$ -	\$ -
	Tax Revenue	\$ 245,553	\$ 102,348	\$ -	\$ -	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 36,745	\$ 15,706	\$ -	\$ -	\$ -
<b>Total Transfers From</b>		<b>\$ 36,745</b>	<b>\$ 15,706</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (31,183)	\$ (13,328)	\$ -	\$ -	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (1,990)	\$ (851)	\$ -	\$ -	\$ -
CITY OF HESPERIA	-9.7202%	\$ (3,572)	\$ (1,527)	\$ -	\$ -	\$ -
<b>Total Transfers To</b>		<b>\$ (36,745)</b>	<b>\$ (15,706)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20045	20050	20051	20052	20053
	Assessed Value	\$ 104,552,894	\$ 7,003,901	\$ 4,967,285	\$ 401,921	\$ 416,581
	RDA Increment	\$ 97,890,169	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 6,662,725	\$ 7,003,901	\$ 4,967,285	\$ 401,921	\$ 416,581
	Tax Revenue	\$ 66,627	\$ 70,039	\$ 49,673	\$ 4,019	\$ 4,166
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 10,221	\$ 10,742	\$ 7,961	\$ 616	\$ 640
<b>Total Transfers From</b>		<b>\$ 10,221</b>	<b>\$ 10,742</b>	<b>\$ 7,961</b>	<b>\$ 616</b>	<b>\$ 640</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (8,674)	\$ (9,116)	\$ (6,756)	\$ (523)	\$ (543)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (554)	\$ (582)	\$ (431)	\$ (33)	\$ (35)
CITY OF HESPERIA	-9.7202%	\$ (993)	\$ (1,044)	\$ (774)	\$ (60)	\$ (62)
<b>Total Transfers To</b>		<b>\$ (10,221)</b>	<b>\$ (10,742)</b>	<b>\$ (7,961)</b>	<b>\$ (616)</b>	<b>\$ (640)</b>
TAX RATE AREA		20054	20055	20056	20057	20058
	Assessed Value	\$ 2,050,674	\$ -	\$ -	\$ -	\$ 13,888,726
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 2,050,674	\$ -	\$ -	\$ -	\$ 13,888,726
	Tax Revenue	\$ 20,507	\$ -	\$ -	\$ -	\$ 138,887
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 3,145	\$ -	\$ -	\$ -	\$ 21,289
<b>Total Transfers From</b>		<b>\$ 3,145</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,289</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (2,669)	\$ -	\$ -	\$ -	\$ (18,067)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (170)	\$ -	\$ -	\$ -	\$ (1,153)
CITY OF HESPERIA	-9.7202%	\$ (306)	\$ -	\$ -	\$ -	\$ (2,069)
<b>Total Transfers To</b>		<b>\$ (3,145)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (21,289)</b>



**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20060	20061	20063	20064	20065
	Assessed Value	\$ 5,618,698	\$ 419,111	\$ 282,007	\$ 271,113	\$ 1,565,707
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 5,618,698	\$ 419,111	\$ 282,007	\$ 271,113	\$ 1,565,707
	Tax Revenue	\$ 56,187	\$ 4,191	\$ 2,820	\$ 2,711	\$ 15,657
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
		2017-18	2017-18	2017-18	2017-18	2017-18
	Negotiated Percentage					

**TRANSFER TO**

HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 8,619	\$ 643	\$ 429	\$ 416	\$ 2,402
<b>Total Transfers From</b>		<b>\$ 8,619</b>	<b>\$ 643</b>	<b>\$ 429</b>	<b>\$ 416</b>	<b>\$ 2,402</b>

**TRANSFER FROM**

SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (7,314)	\$ (546)	\$ (364)	\$ (353)	\$ (2,038)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (467)	\$ (35)	\$ (23)	\$ (23)	\$ (130)
CITY OF HESPERIA	-9.7202%	\$ (838)	\$ (63)	\$ (42)	\$ (40)	\$ (233)
<b>Total Transfers To</b>		<b>\$ (8,619)</b>	<b>\$ (643)</b>	<b>\$ (429)</b>	<b>\$ (416)</b>	<b>\$ (2,402)</b>

TAX RATE AREA		20067	20069	20070	20072	20074
	Assessed Value	\$ 575,658	\$ 13,100,982	\$ 10,338,762	\$ 70,556,690	\$ 112,644,579
	RDA Increment	\$ -	\$ -	\$ -	\$ 66,102,050	\$ 71,703,957
	Net Value After RDA / TRA Frozen Base	\$ 575,658	\$ 13,100,982	\$ 10,338,762	\$ 4,454,640	\$ 40,940,622
	Tax Revenue	\$ 5,757	\$ 131,010	\$ 103,388	\$ 44,546	\$ 409,406
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
		2017-18	2017-18	2017-18	2017-18	2017-18
	Negotiated Percentage					

**TRANSFER TO**

HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 894	\$ 20,994	\$ 15,875	\$ 6,833	\$ 62,797
<b>Total Transfers From</b>		<b>\$ 894</b>	<b>\$ 20,994</b>	<b>\$ 15,875</b>	<b>\$ 6,833</b>	<b>\$ 62,797</b>

**TRANSFER FROM**

SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (759)	\$ (17,817)	\$ (13,472)	\$ (5,798)	\$ (53,292)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (48)	\$ (1,137)	\$ (860)	\$ (370)	\$ (3,402)
CITY OF HESPERIA	-9.7202%	\$ (87)	\$ (2,041)	\$ (1,543)	\$ (664)	\$ (6,104)
<b>Total Transfers To</b>		<b>\$ (894)</b>	<b>\$ (20,994)</b>	<b>\$ (15,875)</b>	<b>\$ (6,833)</b>	<b>\$ (62,797)</b>

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20076	20077	20079	20080	20082
	Assessed Value	\$ -	\$ 2,040,974	\$ 10,916,814	\$ 146,558,099	\$ 126,119,145
	RDA Increment	\$ -	\$ -	\$ -	\$ 83,935,992	\$ 66,627,367
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 2,040,974	\$ 10,916,814	\$ 62,622,107	\$ 59,491,778
	Tax Revenue	\$ -	\$ 20,410	\$ 109,168	\$ 626,221	\$ 594,918
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ -	\$ 3,130	\$ 16,753	\$ 96,055	\$ 91,252
Total Transfers From		\$ -	\$ 3,130	\$ 16,753	\$ 96,055	\$ 91,252
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ -	\$ (2,656)	\$ (14,217)	\$ (81,515)	\$ (77,439)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ -	\$ (170)	\$ (907)	\$ (5,203)	\$ (4,943)
CITY OF HESPERIA	-9.7202%	\$ -	\$ (304)	\$ (1,628)	\$ (9,337)	\$ (8,870)
Total Transfers To		\$ -	\$ (3,130)	\$ (16,753)	\$ (96,055)	\$ (91,252)
TAX RATE AREA		20083	20084	20085	20086	20087
	Assessed Value	\$ 79,676,065	\$ 10,490,761	\$ 2,638,840	\$ 18,312,439	\$ -
	RDA Increment	\$ -	\$ -	\$ 1,742,298	\$ 8,475,977	\$ (428,141)
	Net Value After RDA / TRA Frozen Base	\$ 79,676,065	\$ 10,490,761	\$ 896,542	\$ 9,836,462	\$ -
	Tax Revenue	\$ 796,761	\$ 104,908	\$ 8,965	\$ 98,365	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 122,258	\$ 16,097	\$ 1,375	\$ 15,088	\$ -
Total Transfers From		\$ 122,258	\$ 16,097	\$ 1,375	\$ 15,088	\$ -
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (103,751)	\$ (13,661)	\$ (1,167)	\$ (12,804)	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (6,622)	\$ (872)	\$ (74)	\$ (817)	\$ -
CITY OF HESPERIA	-9.7202%	\$ (11,884)	\$ (1,565)	\$ (134)	\$ (1,467)	\$ -
Total Transfers To		\$ (122,258)	\$ (16,097)	\$ (1,375)	\$ (15,088)	\$ -

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20088	20089	20090	20092	20093
	Assessed Value	\$ 163,765,173	\$ -	\$ 2,167,917,493	\$ 395,926,793	\$ 11,258
	RDA Increment	\$ 95,368,688	\$ -	\$ 1,194,812,901	\$ 354,371,667	\$ 3,870
	Net Value After RDA / TRA Frozen Base	\$ 68,396,485	\$ -	\$ 973,104,592	\$ 41,555,126	\$ 7,388
	Tax Revenue	\$ 683,965	\$ -	\$ 9,731,046	\$ 415,551	\$ 74
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 104,913	\$ -	\$ 1,492,651	\$ 63,740	\$ 11
Total Transfers From		\$ 104,913	\$ -	\$ 1,492,651	\$ 63,740	\$ 11
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (89,032)	\$ -	\$ (1,266,709)	\$ (54,092)	\$ (10)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (5,683)	\$ -	\$ (80,854)	\$ (3,453)	\$ (1)
CITY OF HESPERIA	-9.7202%	\$ (10,198)	\$ -	\$ (145,088)	\$ (6,196)	\$ (1)
Total Transfers To		\$ (104,913)	\$ -	\$ (1,492,651)	\$ (63,740)	\$ (11)
TAX RATE AREA		20094	20095	20096	20097	20101
	Assessed Value	\$ 393,149,713	\$ -	\$ 12,183,447	\$ 185,898,843	\$ 16,782,006
	RDA Increment	\$ 229,038,069	\$ -	\$ 3,457,915	\$ 174,417,539	\$ 6,584,617
	Net Value After RDA / TRA Frozen Base	\$ 164,111,644	\$ -	\$ 8,725,532	\$ 11,481,304	\$ 10,197,389
	Tax Revenue	\$ 1,641,116	\$ -	\$ 87,255	\$ 114,813	\$ 101,974
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 251,726	\$ -	\$ 13,384	\$ 17,612	\$ 15,642
Total Transfers From		\$ 251,726	\$ -	\$ 13,384	\$ 17,612	\$ 15,642
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (213,622)	\$ -	\$ (11,358)	\$ (14,946)	\$ (13,274)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (13,635)	\$ -	\$ (725)	\$ (954)	\$ (847)
CITY OF HESPERIA	-9.7202%	\$ (24,468)	\$ -	\$ (1,301)	\$ (1,712)	\$ (1,520)
Total Transfers To		\$ (251,726)	\$ -	\$ (13,384)	\$ (17,612)	\$ (15,642)

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
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**Exhibit B**

TAX RATE AREA		20102	20103	20104	20105	20106
	Assessed Value	\$ 113,280,978	\$ 4,110,484	\$ 6,519,609	\$ 695,296	\$ 75,436,544
	RDA Increment	\$ 71,792,892	\$ 1,879,784	\$ 4,482,762	\$ 458,607	\$ 53,831,782
	Net Value After RDA / TRA Frozen Base	\$ 41,488,086	\$ 2,230,700	\$ 2,036,847	\$ 236,689	\$ 21,604,762
	Tax Revenue	\$ 414,881	\$ 22,307	\$ 20,368	\$ 2,367	\$ 216,048
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 63,639	\$ 3,424	\$ 3,125	\$ 363	\$ 33,139
Total Transfers From		\$ 63,639	\$ 3,424	\$ 3,125	\$ 363	\$ 33,139
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (54,006)	\$ (2,905)	\$ (2,652)	\$ (308)	\$ (28,123)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (3,447)	\$ (185)	\$ (169)	\$ (20)	\$ (1,795)
CITY OF HESPERIA	-9.7202%	\$ (6,186)	\$ (333)	\$ (304)	\$ (35)	\$ (3,221)
Total Transfers To		\$ (63,639)	\$ (3,424)	\$ (3,125)	\$ (363)	\$ (33,139)

  

TAX RATE AREA		20107	20108	20109	20110	20111
	Assessed Value	\$ -	\$ 181,189,707	\$ -	\$ 20,171,793	\$ -
	RDA Increment	\$ -	\$ 110,795,463	\$ -	\$ 10,995,384	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 70,394,244	\$ -	\$ 9,176,409	\$ -
	Tax Revenue	\$ -	\$ 703,942	\$ -	\$ 91,764	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ -	\$ 107,980	\$ -	\$ 14,084	\$ -
Total Transfers From		\$ -	\$ 107,980	\$ -	\$ 14,084	\$ -
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ -	\$ (91,635)	\$ -	\$ (11,952)	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ -	\$ (5,849)	\$ -	\$ (763)	\$ -
CITY OF HESPERIA	-9.7202%	\$ -	\$ (10,496)	\$ -	\$ (1,369)	\$ -
Total Transfers To		\$ -	\$ (107,980)	\$ -	\$ (14,084)	\$ -

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20112	20113	20114	20115	20116
	Assessed Value	\$ -	\$ 14,168,993	\$ 18,600,482	\$ 2,786,560	\$ 3,811,050
	RDA Increment	\$ -	\$ 13,457,795	\$ 15,042,065	\$ 2,704,317	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 711,198	\$ 3,558,417	\$ 82,243	\$ 3,811,050
	Tax Revenue	\$ -	\$ 7,112	\$ 35,584	\$ 822	\$ 38,111
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ -	\$ 1,091	\$ 5,703	\$ 126	\$ 5,847
<b>Total Transfers From</b>		<b>\$ -</b>	<b>\$ 1,091</b>	<b>\$ 5,703</b>	<b>\$ 126</b>	<b>\$ 5,847</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ -	\$ (926)	\$ (4,840)	\$ (107)	\$ (4,962)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ -	\$ (59)	\$ (309)	\$ (7)	\$ (317)
CITY OF HESPERIA	-9.7202%	\$ -	\$ (106)	\$ (554)	\$ (12)	\$ (568)
<b>Total Transfers To</b>		<b>\$ -</b>	<b>\$ (1,091)</b>	<b>\$ (5,703)</b>	<b>\$ (126)</b>	<b>\$ (5,847)</b>
TAX RATE AREA		20117	20118	20119	20120	20121
	Assessed Value	\$ 128,243	\$ 30,858,525	\$ 12,950,768	\$ 4,355,821	\$ 5,724,509
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 128,243	\$ 30,858,525	\$ 12,950,768	\$ 4,355,821	\$ 5,724,509
	Tax Revenue	\$ 1,282	\$ 308,585	\$ 129,508	\$ 43,558	\$ 57,245
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 199	\$ 47,276	\$ 20,696	\$ 6,671	\$ 8,769
<b>Total Transfers From</b>		<b>\$ 199</b>	<b>\$ 47,276</b>	<b>\$ 20,696</b>	<b>\$ 6,671</b>	<b>\$ 8,769</b>
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (169)	\$ (40,120)	\$ (17,563)	\$ (5,661)	\$ (7,442)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (11)	\$ (2,561)	\$ (1,121)	\$ (361)	\$ (475)
CITY OF HESPERIA	-9.7202%	\$ (19)	\$ (4,595)	\$ (2,012)	\$ (648)	\$ (852)
<b>Total Transfers To</b>		<b>\$ (199)</b>	<b>\$ (47,276)</b>	<b>\$ (20,696)</b>	<b>\$ (6,671)</b>	<b>\$ (8,769)</b>

**LAFCO 3218**  
**Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,**  
**and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District**

**Exhibit B**

TAX RATE AREA		20122	20124	20125	20127	54011
	Assessed Value	\$ 6,509,869	\$ 17,628,645	\$ 21,068,901	\$ 2,314,195	\$ 1,332,733
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ 6,509,869	\$ 17,628,645	\$ 21,068,901	\$ 2,314,195	\$ 1,332,733
	Tax Revenue	\$ 65,099	\$ 176,286	\$ 210,689	\$ 23,142	\$ 13,327
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ 9,970	\$ 26,989	\$ 33,671	\$ 3,698	\$ -
Total Transfers From		\$ 9,970	\$ 26,989	\$ 33,671	\$ 3,698	\$ -
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ (8,461)	\$ (22,904)	\$ (28,574)	\$ (3,138)	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ (540)	\$ (1,462)	\$ (1,824)	\$ (200)	\$ -
CITY OF HESPERIA	-9.7202%	\$ (969)	\$ (2,623)	\$ (3,273)	\$ (359)	\$ -
Total Transfers To		\$ (9,970)	\$ (26,989)	\$ (33,671)	\$ (3,698)	\$ -
TAX RATE AREA		54066	54086	79001	79003	79018
	Assessed Value	\$ -	\$ 39,027,179	\$ -	\$ -	\$ -
	RDA Increment	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 39,027,179	\$ -	\$ -	\$ -
	Tax Revenue	\$ -	\$ 390,272	\$ -	\$ -	\$ -
		Change In	Change In	Change In	Change In	Change In
		Base Year	Base Year	Base Year	Base Year	Base Year
	Negotiated Percentage	2017-18	2017-18	2017-18	2017-18	2017-18
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers From		\$ -	\$ -	\$ -	\$ -	\$ -
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ -	\$ -	\$ -	\$ -	\$ -
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ -	\$ -	\$ -	\$ -	\$ -
CITY OF HESPERIA	-9.7202%	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers To		\$ -	\$ -	\$ -	\$ -	\$ -

## LAFCO 3218

Reorganization to include Annexation to the San Bernardino County Fire Protection District, its North Desert Service Zone,  
and the Divestiture of the Functions of Fire, Emergency Medical Response and Ambulance from Hesperia Fire Protection District

## Exhibit B

TAX RATE AREA		79044	21036			GRAND TOTAL
	Assessed Value	\$ -	\$ 118,832			\$ 5,719,122,266
	RDA Increment	\$ -	\$ -			\$ 3,180,980,896
	Net Value After RDA / TRA Frozen Base	\$ -	\$ 118,832			\$ 2,537,713,229
	Tax Revenue	\$ -	\$ 1,188			\$ 25,377,132
		Change In	Change In			Change In
		Base Year	Base Year			Base Year
		2017-18	2017-18			2017-18
	Negotiated Percentage					
<b>TRANSFER TO</b>						
HESPERIA FIRE PROTECTION DISTRICT	100.00%	\$ -	\$ -			\$ 3,832,313
<b>Total Transfers From</b>		\$ -	\$ -			\$ 3,832,313
<b>TRANSFER FROM</b>						
SAN BDNO CNTY FIRE - NORTH DESERT	-84.8630%	\$ -	\$ -			\$ (3,252,217)
SAN BDNO CNTY FIRE - ADMIN	-5.4168%	\$ -	\$ -			\$ (207,588)
CITY OF HESPERIA	-9.7202%	\$ -	\$ -			\$ (372,508)
<b>Total Transfers To</b>		\$ -	\$ -			\$ (3,832,313)

**EXHIBIT “C”**

**PASS-THROUGH REVENUE SHARING AGREEMENT**

[Attached behind this page]



**PASS-THROUGH REVENUE SHARING AGREEMENT**

**AMONG THE CITY OF HESPERIA, THE HESPERIA FIRE PROTECTION DISTRICT, THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, AND THE COUNTY OF SAN BERNARDINO FOR THE PURPOSES OF PARTIALLY FUNDING THE ANNEXATION OF FIRE AND RELATED SERVICES AND THE UNFUNDED RETIREMENT OBLIGATIONS RELATED TO THE HESPERIA FIRE PROTECTION DISTRICT AS WELL AS OTHER CITY COSTS**

WHEREAS, the Hesperia Fire Protection District ("District") and the San Bernardino County Fire Protection District ("SBCFPD") have jointly initiated an application to the Local Agency Formation Commission ("LAFCO") for reorganization to annex the area within the District into the SBCFPD, for the provision of fire and related services ("Reorganization"); and

WHEREAS, the District and the City of Hesperia Community Redevelopment Agency have executed two negotiated pass-through agreements: 1) Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds dated July 15, 1993; and 2) Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds dated December 29, 1993, (collectively, the "Negotiated Pass-Through Agreements") that shall remain in effect after the Reorganization; and

WHEREAS, the Negotiated Pass-Through Agreements do not have language included which would allow a transfer of tax increment revenues to SBCFPD as required by the LAFCO action regarding the Reorganization of the District; and

WHEREAS, the revenue from the Negotiated Pass-Through Agreements is required to assist in fully funding the costs of fire and related services to be provided by the SBCFPD and is the basis for the Reorganization; and

WHEREAS, LAFCO, pursuant to its authority under Government Code section 56886, may subject the Reorganization to certain terms and conditions, as described in this Agreement; and

WHEREAS, as a term and condition of the Reorganization, LAFCO is requiring a contractual agreement to direct the San Bernardino County Auditor-Controller/Treasurer/Tax Collector ("ATC") to use the SBCFPD Property Tax Percentage and the City Property Tax Percentage, as those terms are defined in Section 2, when distributing tax increment revenue related to the Negotiated Pass-Through Agreements, for the term of this Agreement; and

WHEREAS, as a term and condition of the Reorganization, LAFCO is requiring a contractual agreement to direct ATC to transfer a percentage of tax increment revenue related to the Negotiated Pass-Through Agreements (referred to herein as the "SBCFPD Property Tax Percentage") to the SBCFPD to fund the costs of fire and related services, for the term of this Agreement; and

WHEREAS, a percentage of the District's share of property tax will be transferred to SBCFPD by adoption of a property tax transfer resolution approved by the County of San Bernardino ("County") as a term and condition of the Reorganization; and

WHEREAS, the City of Hesperia (“City”) and the District will have an agreement that provides for the City’s assumption of liability for the CalPERS obligations of the District, including, but not limited to, timely payment of annual employer contributions to CalPERS required of the District and any withdrawal liability assessed as a result of the voluntary or involuntary termination of the District’s contract for pensions with CalPERS. The agreement will also state that the City’s assumption of liability continues until all the District’s obligations to CalPERS have been fully satisfied; and

WHEREAS, as a term and condition of the Reorganization, LAFCO is requiring a contractual agreement to direct ATC to transfer a percentage of tax increment revenue related to the Negotiated Pass-Through Agreements (referred to herein as the “City Property Tax Percentage”), to the City in order to fund the District’s unfunded retirement obligations for the legacy inactive retirement costs with CalPERS as well as other City costs, for the term of this Agreement; and

WHEREAS, a percentage of the District’s share of property tax will be transferred to the City by adoption of a property tax transfer resolution approved by the City as a term and condition of the Reorganization; and

WHEREAS, the provisions of this Agreement among the District, City, SBCFPD, and County (collectively, the “Parties”) are necessary to provide assurance that all Parties agree to the terms herein, including the requirement that ATC will be directed to transfer a percentage of the District’s property tax revenue and tax increment revenue related to the Negotiated Pass-Through Agreements to the SBCFPD to fund the costs associated with the annexation of fire and related services, and a percentage of the District’s property tax revenue and tax increment revenue related to the Negotiated Pass-Through Agreements to the City to fund the District’s unfunded retirement obligations for the legacy inactive retirement costs with CalPERS as well as other City costs, as provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and promises set forth below, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree as follows:

**Section 1.**     Incorporation of Recitals. The Recitals set forth above are true and correct and are incorporated herein.

**Section 2.**     Definitions

(a)     “*Agreement*” refers to this “Pass-Through Revenue Sharing Agreement” among the City of Hesperia, the Hesperia Fire Protection District, the San Bernardino County Fire Protection District, and the County of San Bernardino for the purposes of partially funding the annexation of fire and related services and the unfunded retirement obligations related to the Hesperia Fire Protection District as well as other City costs,” together with the Recitals (and the Attachments), and shall constitute the complete and exclusive statement of understanding between the Parties which supersedes all previous agreements, written or oral, and all communications between the Parties relating to the subject matter of this Agreement.

(b)     “*Allocation Period*” refers to the period of time commencing on the effective date of the Reorganization and continuing through the Term of this Agreement.

(c) “ATC” refers to the San Bernardino County Auditor-Controller/Treasurer/Tax Collector, or its successor agency.

(d) “City” refers to the City of Hesperia.

(e) “City Property Tax Percentage” refers to the percentage of tax increment revenue related to the Negotiated Pass-Through Agreements (as defined below) attributable to the District that shall be transferred to the City pursuant to the provisions of this Agreement. The percentage shall be fixed at 9.7202% of the District’s share in each Tax Rate Area within the annexation area to SBCFPD.

(f) “County” refers to the County of San Bernardino.

(g) “District” refers to the Hesperia Fire Protection District.

(h) “LAFCO” refers to the Local Agency Formation Commission.

(i) “Negotiated Pass-Through Agreements” refers to the negotiated pass-through agreements between the City of Hesperia Community Redevelopment Agency and the District attached as follows: (a) “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated July 15, 1993 (Attachment 1 hereto); and (b) the “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated December 29, 1993 (Attachment 2 hereto).

(j) “Property Tax Transfer Resolutions” refers collectively to the following: (a) the Resolution of the County accepting the transfer of property tax revenue from the District to the SBCFPD and City, which is adopted as a term and condition of the Reorganization (Attachment 3 hereto); and (b) the Resolution of the City accepting the transfer of property tax revenue from the District to the SBCFPD and City which is adopted as a term and condition of the Reorganization (Attachment 4 hereto).

(k) “Reorganization” refers to the LAFCO 3218 reorganization to include annexation to the SBCFPD, its North Desert Service Zone, and the divestiture of the functions of fire, emergency medical response and ambulance from the District.

(l) “SBCFPD” refers to the San Bernardino County Fire Protection District.

(m) “SBCFPD Property Tax Percentage” refers to the percentage of tax increment revenue related to the Negotiated Pass-Through Agreements attributable to the District that shall be transferred to SBCFPD pursuant to the provisions of this Agreement. The percentage shall be fixed at 90.2798% of the District’s share in each Tax Rate Area within the annexation area to SBCFPD.

**Section 3. Allocation Period.** During the Allocation Period, ATC, or its successor agency, shall calculate the property tax allocation in accordance with governing law and shall distribute funds in the amount calculated to the SBCFPD and the City as required by the Reorganization. The calculation and distributed funds shall be based on the Property Tax Resolutions and the City Property Tax Percentage and the SBCFPD Property Tax Percentage as defined in Section 2, for the following property tax revenues:

- (a) base property tax; and
- (b) revenues from pass-through agreements, both negotiated or statutory; and
- (c) residual distributions as a result of redevelopment dissolution pursuant to Health and Safety Code 34188; and
- (d) any and all other property tax that may be allocated to the District from time to time during the Term of this Agreement.

Pursuant to Health and Safety Code Section 34187(h), pass-through payments will cease when all enforceable obligations of the Successor Agencies have been retired and is formally dissolved.

**Section 4.** Term. The Term of this Agreement shall commence on the effective date of the Reorganization and shall remain in full force and effect until the Negotiated Pass-Through Agreements have expired.

**Section 5.** Inability to Implement or Enforce this Pass-Through Revenue Sharing Agreement. Pursuant to the provisions of the Reorganization and this Agreement, the revenues from the Negotiated Pass-Through Agreements will be transferred from the District to SBCFPD and the City in consideration for their assumption of the duties, responsibilities, services and/or obligations set forth in the Reorganization, this Agreement and the agreement between the City and District regarding the CalPERS obligations. If the terms of this Agreement cannot be implemented or enforced by the Parties as a result of a final court judgement, state law or regulation change, state action or any action or proceeding by a third party that affects the Pass-Through Revenue Sharing Agreement, the Parties agree to the following:

- (a) Exhibit “B” of the Property Tax Transfer Resolutions approved by the County Board of Supervisors and the City of Hesperia shall be temporarily implemented and all property tax revenue received by SBCFPD and the City will be returned to the District; and
- (b) This Agreement shall terminate upon the implementation of the agreement described in (c) below; and
- (c) The District, SBCFPD and the City have already executed the Revenue Sharing Agreement (Exhibit “D” of the Property Tax Transfer Resolutions), whereby the District has agreed to transfer all revenue received through property tax, pass-through agreements, residual distributions and any and all other property tax on the basis of 90.2798% to SBCFPD and 9.7202% to the City, with said Revenue Sharing Agreement to be effective from the date of implementation of the agreement through such time as the Negotiated Pass-Through Agreements have expired; and
- (d) At the expiration of the Negotiated Pass-Through Agreements, Exhibit “A” of the Property Tax Transfer Resolutions will be permanently reinstated. The parties agree to cooperate and take all action to ensure that the Property Tax Transfer Resolutions are operational and in full force and effect.

**Section 6.** *Notice.* Any notice to be given pursuant to this Agreement shall be deemed fully given when made in writing and served personally, or by facsimile transmission, or deposited in the United States mail, postage prepaid and addressed as follows:

If to the City: Office of the City Manager  
9700 Seventh Avenue  
Hesperia, CA 92345  
Attn: City Manager

If to the District: Office of the City Manager  
9700 Seventh Avenue  
Hesperia, CA 92345  
Attn: City Manager

If to the SBCFPD: Fire Chief/Fire Warden  
San Bernardino County Fire Protection District  
157 West Fifth Street, Second Floor  
San Bernardino, CA 92415-0451

If to the County: Deputy Executive Officer/Fire  
385 N. Arrowhead, 4th Floor  
San Bernardino, CA 92415-0120

**Section 7.** Amendments and Modifications. The Parties agree that any alterations, amendments or modifications of the provisions of this Agreement shall be valid only when reduced to writing, executed and approved by the persons authorized to do so on behalf of each of the Parties, provided that any amendment to this Agreement that alters the property tax distribution shall not be valid without the consent of LAFCO. LAFCO retains its sole and unfettered discretion as to any consent required hereby.

**Section 8.** Counterpart Signatures Allowed. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which when executed and delivered shall together constitute one and the same instrument.

CITY OF HESPERIA

By: \_\_\_\_\_  
Bill Holland, Mayor Pro Tem  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

HESPERIA FIRE PROTECTION DISTRICT

By: \_\_\_\_\_  
Bill Holland, Vice Chair  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

SAN BERNARDINO COUNTY FIRE  
PROTECTION DISTRICT

By: \_\_\_\_\_  
Robert Lovingood, Chairman  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT

By: \_\_\_\_\_  
Michelle Blakemore, County Counsel

COUNTY OF SAN BERNARDINO

By: \_\_\_\_\_  
Robert Lovingood, Chairman  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
COUNTY OF SAN BERNARDINO

By: \_\_\_\_\_  
Michelle Blakemore, County Counsel

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**ACKNOWLEDGED AS TO THE DIRECTIONS CONTAINED IN SECTIONS 3 AND 5  
OF THE AGREEMENT.**

SAN BERNARDINO COUNTY AUDITOR-  
CONTROLLER/TREASURER/TAX COLLECTOR

By: \_\_\_\_\_  
Oscar Valdez, Auditor-Controller/  
Treasurer/Tax Controller  
Date: \_\_\_\_\_

**ATTACHMENT C-1**

CAPITAL FACILITIES AGREEMENT AND AGREEMENT FOR  
REIMBURSEMENT OF TAX INCREMENT FUNDS  
DATED JULY 15, 1993

[Attached behind this page]

CAPITAL FACILITIES AGREEMENT AND AGREEMENT  
FOR REIMBURSEMENT OF TAX INCREMENT FUNDS

**Hesperia Redevelopment Project**

THIS CAPITAL FACILITIES AGREEMENT AND AGREEMENT FOR REIMBURSEMENT OF TAX INCREMENT FUNDS (the "Agreement") is made and entered into this 15th day of July, 1993, by and between THE CITY OF HESPERIA COMMUNITY REDEVELOPMENT AGENCY ("Agency") and HESPERIA FIRE PROTECTION DISTRICT ("District").

RECITALS

A. Agency is proposing, and the City Council of the City of Hesperia is considering adoption of an ordinance approving the Redevelopment Plan for Hesperia Redevelopment Project (the "Plan") pursuant to the California Community Redevelopment Law ("CRL") (Health and Safety Code Section 33000, et seq.), which Plan delineates a project area (the "Project Area").

B. The Plan includes provisions authorizing the allocation to Agency of property taxes levied each year on the increase in the assessed valuation of property within the Project Area above the sum of the assessed values for the Project Area as shown on the 1992-1993 assessment roll.

C. The Project Area is located within District boundaries and is served by District.

D. District is an affected taxing entity, as defined in Section 33353.2 of the Health and Safety Code, and has ad valorem property taxes levied on its behalf by the County of San



Bernardino ("County") on certain areas that comprise portions of the Project Area.

E. District has taken the position with Agency that, by virtue of its tax allocation provisions, the Plan will result in a "financial burden or detriment" to District within the meaning of Section 33012 of the California Health and Safety Code and that the Plan will increase the need for additional District capital facilities. The Agency has found and determined that it is appropriate to address the financial impact of the Plan on District and the District's capital needs.

F. The CRL expressly authorizes and enables Agency to assist District financially to address the financial burden or detriment caused to District by the Plan. Agency is authorized by Health and Safety Code Section 33401 to compensate affected taxing entities, including District, by paying to such taxing entities any amount of money which Agency determines is appropriate to alleviate any financial burden or detriment to such taxing entities caused by its implementation of the Plan. The CRL also expressly authorizes and enables Agency to assist District by funding District's capital improvement needs. Section 33445 of the Health and Safety Code authorizes the Agency to expend property tax increment to fund capital improvements and facilities which are publicly owned which are inside or outside the Project Area and of benefit to such Project Area, including funding the capital improvements of other public agencies such as District.

G. Agency and District are authorized by Health and Safety Code Section 33676 to enter into an agreement providing for District's receipt of certain tax increments. The purpose of this Agreement is to provide for appropriate payments to be made by Agency to District pursuant to Health and Safety Code Section 33401 in order to alleviate financial burden or detriment caused to District by the tax allocation provisions of the Plan, to provide District with financial assistance to address District's capital facilities needs, and to set forth an agreement in lieu of the District's election under Health and Safety Code Section 33676.

H. By entering into this Agreement, Agency finds and determines (i) the payments to District as set forth in this Agreement are necessary to alleviate financial burden or detriment caused to District by the Plan, and (ii) District's capital facilities funded in whole or in part by Agency are of benefit to the Project Area and there are no other reasonable means of financing such facilities and improvements available to the community.

I. District and Agency desire to resolve and settle all differences with respect to adoption of the Plan. In consideration of Agency's obligations as set forth in this Agreement, District has agreed to waive any and all claims, demands, and disputes with Agency and City arising from the adoption of the Plan.

NOW, THEREFORE, in consideration of the foregoing, and the mutual promises and covenants set forth herein, the parties agree as follows:

COVENANTS

1. Recitals Incorporated. The above Recitals are incorporated herein and made a part of this Agreement.

2. Definitions. The words and terms used in this Agreement shall have the following meanings:

a. "Agency" shall mean the City of Hesperia Community Redevelopment Agency.

b. "City" shall mean the City of Hesperia.

c. "Community Redevelopment Law" shall mean Part 1 of Division 24 (commencing with Section 33000) of the California Health and Safety Code.

d. "District" shall mean the Hesperia Fire Protection District.

e. "District Share" shall mean that portion of the Property Tax Increment allocated to and paid to Agency pursuant to Health and Safety Code Section 33670(b) the District would have received as determined by application of the tax rate levied on behalf of District in the Project Area, but for adoption of the Plan.

f. "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

g. "Plan" shall mean the Redevelopment Plan for the Hesperia Redevelopment Project, approved and adopted by the City Council of City.

h. "Project Area" shall mean the Project Area identified in the Plan, the redevelopment of which is necessary for the public purposes of the California Community Redevelopment Law.

i. "Property Tax Increment" shall mean the full amount of property tax revenues generated from within the Project Area that are allocated to and paid to Agency pursuant to Health and Safety Code Section 33670(b), which amounts are attributable to increases in assessed valuation above the valuation shown on the 1992-93 assessment roll, plus any identifiable California state legislative supplements to or substitutes for ad valorem property taxes which are paid to Agency during the term of this Agreement. Not by way of limitation of the foregoing, Property Tax Increment shall include (i) payments made to District and other affected taxing entities, whether such payments are made by Agency or directly by the County of San Bernardino, and (ii) funds set aside or expended by Agency pursuant to Health and Safety Code Section 33334.2 or successor statute.

3. Agency Payment of District Share. For each Fiscal Year during and after the life of the Plan, the Agency is allocated Property Tax Increment for any purpose, Agency shall pay District fifty percent (50%) of the District share, less the portion of such District Share the Agency is required to set



aside for low and moderate income housing purposes pursuant to Health and Safety Code Section 33334.2, said low and moderate income housing set aside reduction being subject to the following additional conditions:

a. The maximum portion Agency may deduct from the District Share for low and moderate income housing purposes pursuant to Health and Safety Code Section 33334.2 shall not be greater than an amount equal to the product obtained by multiplying the minimum set-aside percentage stated in Section 33334.2 [which as of the Effective Date of this Agreement is twenty percent (20%)] times the District Share;

b. No deduction for the low and moderate income housing set-aside from the District Share shall occur in any Fiscal Year the Agency fails to set aside funds into the Low and Moderate Income Housing Fund;

c. The deduction for the low and moderate income housing set-aside from the District Share shall be adjusted proportionately should Agency place less than the minimum percentage of Property Tax Increment into the Low and Moderate Income Housing Fund; and

d. In the event State law is changed, either by State Legislative enactment, applicable trial court decision, or appellate opinion, to eliminate the set-aside for low and moderate income housing as applicable to the District Share (e.g., a change from calculating the set-aside on Agency's "gross" Property Tax Increment to calculating the set aside on

Agency's "net" Property Tax Increment), Agency shall not thereafter deduct the low and moderate income housing set-aside amount from the District Share.

Agency shall pay the District Share to District within ten (10) days of Agency's receipt of Property Tax Increment.

4. Agency Indebtedness. Agency's obligations hereunder to make payments for the benefit of District constitute an indebtedness of Agency within the meaning of California Health and Safety Code Section 33670(b).

5. That portion of the District Share retained by Agency, less the portion thereof which Agency is required to set aside for low and moderate income housing purposes pursuant to Health and Safety Code Section 33334.2 shall be expended as follows:

a. One-half thereof, or an amount of bond proceeds proportionate to said one-half, shall be applied to provide capital facilities, furnished or unfurnished, for District's use; and

b. One-half thereof shall be applied to defray any valid Agency debt at Agency's discretion.

6. Books and Records. Each party shall, within thirty (30) days after receipt of written request from the other, make available to the other for review or audit its books and records regarding the payments and expenditures referenced in this Agreement.

7. Agreement in Lieu of District Election Under Section 33676. The parties hereto into that this Agreement shall be in lieu of any payments which otherwise would be paid to District from the Project Area pursuant to Health and Safety Code Section 33676(a).

8. Covenant Not to Sue; Miscellaneous Matters Relating to Litigation. District hereby waives any and all causes of action, cases, claims, counts, actions and/or complaints related to, and agrees not to challenge, the validity of the Plan, or the ordinance adopting the Plan and/or the validity, on the grounds of the invalidity of the Plan, of bonds to finance or refinance in whole or in part the Plan, including, without limiting the generality of the foregoing, the legality and validity of all proceedings heretofore taken or in any way connected with the designation of the survey area, the Project Area, the formulation of the Preliminary Plan, the adoption of the Plan, and the formulation and certification of the Environmental Impact Report and other environmental documents for the Plan. District acknowledges it is familiar with Section 1542 of the Civil Code of the State of California, which provides:

"A general release does not extend to claims a creditor does not now or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor."

District hereby waives and relinquishes any rights and benefits which it may have under Section 1542 of the Civil Code of the State of California to the full extent that District may lawfully waive such rights. By agreeing to the provisions of this Paragraph 8, District does not waive the right to dispute the validity of any future amendments to the Plan or the adequacy of any environmental documents related to any such future amendments to the Plan, and/or the right to challenge any illegal implementation of the Plan.

9. City and Agency Obligations. City shall have no financial obligation or liability by virtue of or pursuant to this Agreement. Agency shall have no financial obligation or liability by virtue of or pursuant to this Agreement except for payments solely from Property Tax Increment allocated to and received by Agency as set forth in this Agreement.

10. Repeal of Section 33676(b) Resolutions. Within sixty (60) days of executing this Agreement, District shall, pursuant to Health and Safety Code Section 33676(c), repeal any resolution it has adopted pursuant to Health and Safety Code Section 33676(b) regarding the Plan.

11. Severability. In the event any section or portion of this Agreement shall be held, found, or determined to be unenforceable or invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the parties hereto shall take further actions as may be reasonably necessary and available



to them to effectuate the intent of the parties as to all provisions set forth in this Agreement.

12. Default. Except to the extent required by law, failure or delay by any party to perform any term or obligation of this Agreement constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, correction, or remedy within thirty (30) days. For such defaults or delays that cannot be cured, corrected, or remedied within thirty (30) days, the defaulting or delaying party shall commence to cure, correct, or remedy the failure or delay within thirty (30) days and shall diligently prosecute such cure, correction, or remedy to completion within a reasonable period of time after commencement. If the failure or delay is not cured, corrected, or remedied within the required period of time, the defaulting party shall be liable for any damages caused by such default and the nondefaulting party may thereafter commence an action for damages with respect to such default or for specific performance of this Agreement. Prior to a failure or delay being deemed a default hereunder or the period to cure, correct, or remedy being deemed to have commenced, the nondefaulting party shall serve the defaulting party with notice of default; provided, however, that District shall not be required to provide Agency with any notice of any failure or delay by Agency in transmitting the District Share to District.

13. Notices. All notices required by this Agreement or by law shall be in writing and delivered by personal delivery, by United States mail, prepaid, certified, return receipt requested, or by a reputable document delivery service that provides a receipt showing date and time of delivery. Notices personally delivered or delivered by document delivery shall be effective upon receipt. Notices sent by United States mail shall be effective on the second business day following deposit.

Notices shall be addressed to:

If to Agency: City of Hesperia Community  
Redevelopment Agency  
15776 Main Street  
Hesperia, California 92345  
Attention: Executive Director

If to District: Hesperia Fire Protection District  
17288 Olive Street  
Post Office Box 400049  
Hesperia, California 92345  
Attention: District Administrator

14. Attorney's Fees. In the event of any dispute between the parties hereto arising out of or connected to this Agreement, the prevailing party in such litigation shall be entitled, in addition to whatever other relief the Court may grant, to reasonable attorney's fees and costs. Reasonable attorney's fees and costs shall accrue on the date of filing of such litigation and shall include attorney's fees and costs incurred in discovery and on appeal.

15. Time of Essence. Time is of the essence in the performance of this Agreement.

16. Governing Law; Forum. This Agreement shall be governed by, and construed under, the laws of the State of California. The parties agree that the Municipal and Superior Courts of the State of California in and for the County of San Bernardino shall have exclusive jurisdiction of any litigation between the parties hereto arising out or connected to this Agreement.

17. Further Assurances. Agency and District each agree, without further consideration, to execute such other and further documents, and to perform such other and further acts, as may be necessary or proper in order to consummate the transactions set forth in and contemplated by this Agreement.

18. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties and supersedes all previous negotiations between them pertaining to the subject matter hereof. It is the intent of Agency and District that the payment herein provided constitute a full, complete, fair, and equitable adjustment for all financial and other impacts which have or may result to District during the term of the Plan. This Agreement shall remain in effect during the entire term of the Plan, and to the extent necessary to carry out its provisions any period beyond the expiration of the Plan during which Agency is allocated Property Tax Increment. This Agreement shall not be changed or modified except by written agreement of the parties.

19. Tax Increment Limit. Amounts paid by Agency to District pursuant to this Agreement shall not count against the limit on the total number of dollars to be allocated as Property Tax Increment to Agency under the Plan.

IN WITNESS WHEREOF, Agency and District have entered into this Agreement as of the date first above written.

"Agency"

CITY OF HESPERIA COMMUNITY  
REDEVELOPMENT AGENCY

By: Michael J. Longifiano  
Chairman

ATTEST:

By: Margaret A. Valle  
Secretary

APPROVED AS TO FORM:

By: James J. Hoffman  
Agency Counsel

"District"

HESPERIA FIRE PROTECTION DISTRICT

By: Michael J. Longifiano  
Chairman

**ATTACHMENT C-2**

CAPITAL FACILITIES AGREEMENT AND AGREEMENT FOR  
REIMBURSEMENT OF TAX INCREMENT FUNDS  
DATED DECEMBER 29, 1993

[Attached behind this page]

ATTACHMENT 2 TO EXHIBIT "C"

**CAPITAL FACILITIES AGREEMENT AND AGREEMENT  
FOR REIMBURSEMENT OF TAX INCREMENT FUNDS**

**HESPERIA COMMUNITY REDEVELOPMENT AGENCY**

THIS CAPITAL FACILITIES AGREEMENT AND AGREEMENT FOR REIMBURSEMENT OF TAX INCREMENT FUNDS (the "Agreement") is made and entered into this 29th day of December, 1993, by and between THE CITY OF HESPERIA COMMUNITY REDEVELOPMENT AGENCY ("Agency") and HESPERIA FIRE PROTECTION DISTRICT ("District").

Recitals

A. Agency is proposing, and the City Council of the City of Hesperia is considering, adoption of an ordinance approving the Redevelopment Plan for Hesperia Redevelopment Project Area #2 (the "Plan") pursuant to the California Community Redevelopment Law ("CRL") (Health and Safety Code Section 33000, et seq.), which Plan delineates project area #2 (the "Project Area").

B. The Plan includes provisions authorizing the allocation to Agency of property taxes levied each year on the increase in the assessed valuation of property within the Project Area above the sum of the assessed values for the Project Area as shown on the 1993-1994 assessment roll.

C. The Project Area is located within District boundaries and is served by District.

D. District is an affected taxing entity, as defined in Section 33353.2 of the Health and Safety Code, and has ad valorem property taxes levied on its behalf by the County of San Bernardino ("County") on certain areas that comprise portions of the Project Area.

E. District has taken the position with Agency that, by virtue of its tax allocation provisions, the Plan will result in a "financial burden or detriment" to District within the meaning of Section 33012 of the California Health and Safety Code and that the Plan will increase the need for additional District capital facilities. The Agency has found and determined that it is appropriate to address the financial impact of the Plan on District and the District's capital needs.

F. The CRL expressly authorizes and enables Agency to assist District financially to address the financial burden or detriment caused to District by the Plan. Agency is authorized by Health and Safety Code Section 33401 to compensate affected taxing entities, including District, by paying to such taxing entities any amount of money which Agency determines is appropriate to alleviate any financial burden or detriment to such taxing entities caused by its implementation of the Plan.

The CRL also expressly authorizes and enables Agency to assist District by funding District's capital improvement needs. Section 33445 of the Health and Safety Code authorizes the Agency to expend property tax increment to fund capital improvements and facilities which are publicly owned which are inside or outside the Project Area and of benefit to such Project Area, including funding the capital improvements of other public agencies such as District.

G. Agency and District are authorized by Health and Safety Code Section 33676 to enter into an agreement providing for District's receipt of certain tax increments. The purpose of this Agreement is to provide for appropriate payments to be made by Agency to District pursuant to Health and Safety Code Section 33401 in order to alleviate financial burden or detriment caused to District by the tax allocation provisions of the Plan, to provide District with financial assistance to address District's capital facilities needs, and to set forth an agreement in lieu of the District's election under Health and Safety Code Section 33676.

H. By entering into this Agreement, Agency finds and determines (i) the payments to District as set forth in this Agreement are necessary to alleviate financial burden or detriment caused to District by the Plan, and (ii) District's capital facilities funded in whole or in part by Agency are of benefit to the Project Area and there are no other reasonable means of financing such facilities and improvements available to the community.

I. District and Agency desire to resolve and settle all differences with respect to adoption of the Plan. In consideration of Agency's obligations as set forth in this Agreement, District has agreed to waive any and all claims, demands, and disputes with Agency and City arising from the adoption of the Plan.

NOW, THEREFORE, in consideration of the foregoing, and the mutual promises and covenants set forth herein, the parties agree as follows:

Covenants:

1. Recitals Incorporated. The above Recitals are incorporated herein and made a part of this Agreement.

2. Definitions. The words and terms used in this Agreement shall have the following meanings:

a. "Agency" shall mean the City of Hesperia Community Redevelopment Agency.

b. "City" shall mean the City of Hesperia.



c. "Community Redevelopment Law" shall mean Part 1 of Division 24 (commencing with Section 33000) of the California Health and Safety Code.

d. "District" shall mean the Hesperia Recreation and Park District.

e. "District Share" shall mean that portion of the Property Tax Increment allocated to and paid to Agency pursuant to Health and Safety Code Section 33670(b) the District would have received as determined by application of the tax rate levied on behalf of District in the Project Area, but for adoption of the Plan.

f. "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

g. "Plan" shall mean the Redevelopment Plan for the Hesperia Redevelopment Project, approved and adopted by the City Council of the City.

h. "Project Area" shall mean the Project Area identified in the Plan, the redevelopment of which is necessary for the public purposes of the California Community Redevelopment Law.

i. "Property Tax Increment" shall mean the full amount of property tax revenues generated from within the Project Area that are allocated to and paid to Agency pursuant to Health and Safety Code Section 33670(b), which amounts are attributable to increases in assessed valuation above the valuation shown on the 1993-1994 assessment roll, plus any identifiable California State Legislative supplements to or substitutes for ad valorem property taxes which are paid to Agency during the term of this Agreement. Not by way of limitation of the foregoing, Property Tax Increment shall include (i) payments made to District and other affected taxing entities, whether such payments are made by Agency or directly by the County of San Bernardino, and (ii) funds set aside or expended by Agency pursuant to Health and Safety Code Section 33334.2 or successor statute.

3. Agency Payment of District Share. For each Fiscal Year during and after the life of the Plan, the Agency is allocated Property Tax Increment for any purpose, Agency shall pay District fifty percent (50%) of the District Share, less only the portion of such District Share the Agency is required to set aside for low and moderate income housing purposes pursuant to Health and Safety Code Section 33334.2, said low and moderate income housing set aside reduction subject to the following additional conditions:

a. the maximum portion Agency may deduct from the District Share for low and moderate income housing purposes



pursuant to Health and Safety Code Section 33334.2 shall not be greater than an amount equal to the product obtained by multiplying the minimum set-aside percentage stated in Section 33334.2 {which as of the Effective Date of this Agreement is twenty percent (20%)} times the District Share;

b. no deduction for the low and moderate income housing set-aside from the District Share shall occur in any fiscal year the Agency fails to set aside funds into the Low and Moderate Income Housing Fund;

c. the deduction for the low and moderate income housing set-aside from the District Share shall be adjusted proportionately should Agency place less than the minimum percentages of Property Tax Increment into the Low and Moderate Income Housing Fund; and

d. in the event State law is changed, either by State Legislative enactment, applicable trial court decision, or appellate opinion, to eliminate the set-aside for low and moderate income housing as applicable to the District Share (e.g., a change from calculating the set aside on Agency's "gross" Property Tax Increment to calculating the set aside on Agency's "net" Property Tax Increment), Agency shall not thereafter deduct the low and moderate income housing set aside amount from the District Share.

Agency shall pay the District Share to District within ten (10) days of Agency's receipt of Property Tax Increment.

4. Agency Indebtedness. Agency's obligation hereunder to make payment for the benefit of District constitutes an indebtedness of Agency within the meaning of California Health and Safety Code Section 33670(b).

5. That portion of the District Share retained by Agency, less the portion thereof which Agency is required to set aside for low and moderate income housing purposes pursuant to Health and Safety Code Section 33334.2 shall be expended as follows:

a. One-half thereof, or an amount of bond proceeds proportionate to said one-half, shall be applied to provide capital facilities, furnished or unfurnished, for District's use; and

b. One-half thereof shall be applied to defray any valid Agency debt at Agency's discretion.

6. Books and Records. Each party shall, within thirty (30) days after receipt of written request from the other, make available to the other for review or audit its books and records regarding the payments and expenditures referenced in this Agreement.

7. Agreement in Lieu of District Election Under Section 33676. The parties hereto intend that this Agreement shall be in lieu of any payments which otherwise would be paid to District from the Project Area pursuant to Health and Safety Code Section 33676(a).

8. Covenant Not to Sue; Miscellaneous Matters Relating to Litigation. District hereby waives any and all causes of action, cases, claims, counts, actions, and/or complaints related to, and agrees not to challenge, the validity of the Plan, or the ordinance adopting the Plan and/or the validity, on the grounds of the invalidity of the Plan, of bonds to finance or refinance in whole or in part the Plan, including without limiting the generality of the foregoing, the legality and validity of all proceedings heretofore taken or in any way connected with the designation of the survey area, the Project Area, the formulation of the Preliminary Plan, the adoption of the Plan, and the formulation and certification of the Environmental Impact Report and other environmental documents for the Plan. District acknowledges it is familiar with Section 1542 of the Civil Code of the State of California, which provides:

"A general release does not extend to claim a creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor."

District hereby waives and relinquishes any rights and benefits which it may have under Section 1542 of the Civil Code of the State of California to the full extent that District may lawfully waive such rights. By agreeing to the provisions of this Paragraph 8, District does not waive the right to dispute the validity of any future amendments to the Plan or the adequacy of any environmental documents related to any such future amendments to the Plan, and/or the right to challenge any illegal implementation of the Plan.

9. City and Agency Obligations. City shall have no financial obligation or liability by virtue of or pursuant to this Agreement. Agency shall have no financial obligation or liability by virtue of or pursuant to this Agreement except for payments solely from Property Tax Increment allocated to and received by Agency as set forth in this Agreement.

10. Repeal of Section 33676(b) Resolutions. Within sixty (60) days of executing this Agreement, District shall, pursuant to Health and Safety Code Section 33676(c), repeal any resolution it has adopted pursuant to Health and Safety Code Section 33676(b) regarding the Plan.

11. Severability. In the event any section or portion of this Agreement shall be held, found, or determined to be

unenforceable or invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the parties hereto shall take further actions as may be reasonably necessary and available to them to effectuate the intent of the parties as to all provisions set forth in this Agreement.

12. Default. Except to the extent required by law, failure or delay by any party to perform any term or obligation of this Agreement constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, corrections, or remedy within thirty (30) days. For such defaults or delays that cannot be cured, corrected, or remedied within thirty (30) days, the defaulting or delaying party shall commence to cure, correct, or remedy the failure or delay within thirty (30) days and shall diligently prosecute such cure, correction, or remedy to completion within a reasonable period of time after commencement. If the failure or delay is not cured, corrected, or remedied within the required period of time, the defaulting party shall be liable for any damages caused by such default and the non-defaulting party may thereafter commence an action for damages with respect to such default or for specific performance of this Agreement. Prior to a failure or delay being deemed a default hereunder or the period to cure, correct, or remedy being deemed to have commenced, the non-defaulting party shall serve the defaulting party with notice of default; provided, however, that District shall not be required to provide Agency with any notice of any failure or delay by Agency in transmitting the District Share to District.

13. Notices. All notices required by this Agreement or by law shall be in writing and delivered by personal delivery, by United States mail, prepaid, certified, return receipt requested, or by a reputable document delivery service that provides a receipt showing date and time of delivery. Notices personally delivered or delivered by document delivery shall be effective upon receipt. Notices sent by United States mail shall be effective on the second business day following deposit. Notices shall be addressed to:

If to Agency: City of Hesperia Community  
Redevelopment Agency  
15776 Main Street  
Hesperia, CA 92345  
Attn: Executive Director

If to District: Hesperia Fire Protection District  
17288 Olive Street  
Post Office Box 400049  
Hesperia, CA 92345  
Attn: District Administrator



14. Attorney's Fees. In the event of any dispute between the parties hereto arising out of or connected to this Agreement, the prevailing party in such litigation shall be entitled, in addition to whatever other relief the court may grant, to reasonable attorney's fees and costs. Reasonable attorney's fees and costs shall accrue on the date of filing of such litigation and shall include attorney's fees and costs incurred in discovery and on appeal.

15. Time of Essence. Time is of the essence in the performance of the terms of this Agreement.

16. Governing Law; Forum. This Agreement shall be governed by, and construed under, the laws of the State of California. The parties agree that the Municipal and Superior Courts of the State of California in and for the County of San Bernardino shall have exclusive jurisdiction of any litigation between the parties hereto arising out of or connected to this Agreement.

17. Further Assurances. Agency and District each agree, without further consideration, to execute such other and further documents, and to perform such other and further acts, as may be necessary or proper in order to consummate the transactions set forth in and contemplated by this Agreement.

18. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties and supersedes all previous negotiations between them pertaining to the subject matter hereof. It is the intent of Agency and District that the payment herein provided constitutes a full, complete, fair, and equitable adjustment for all financial and other impacts which have or may result to District during the term of the Plan. This Agreement shall remain in effect during the entire term of the Plan, and to the extent necessary to carry out its provisions any period beyond the expiration of the Plan during which Agency is allocated Property Tax Increment. This Agreement shall not be changed or modified except by written agreement of the parties.

19. Tax Increment Limit. Amounts paid by Agency to District pursuant to this Agreement shall not count against the limit on the total number of dollars to be allocated as Property Tax Increment to Agency under the Plan.

IN WITNESS WHEREOF, Agency and District have entered into this Agreement as of the date first above written.

"Agency"

CITY OF HESPERIA  
COMMUNITY REDEVELOPMENT AGENCY

By: Michael J. Longignans  
Chairman

ATTEST:

By: Margaret A. Vall  
Secretary

APPROVED AS TO FORM:

By: James F. Markman  
Agency Counsel

"District"

HESPERIA FIRE PROTECTION DISTRICT

By: Michael J. Longignans  
Chairman

ATTACHMENT 3 TO EXHIBIT "C"

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DETERMINING THE AMOUNT OF PROPERTY TAX REVENUES TO BE EXCHANGED AMONG THE HESPERIA FIRE PROTECTION DISTRICT, THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS NORTH DESERT SERVICE ZONE AND THE CITY OF HESPERIA, RESULTING FROM THE JURISDICTIONAL CHANGE DESCRIBED BY LAFCO 3218 ENCOMPASSING THE JURISDICTIONAL BOUNDARIES OF THE HESPERIA FIRE PROTECTION DISTRICT**

On Tuesday March 20, 2018 on motion of Supervisor \_\_\_\_\_, duly seconded by Supervisor \_\_\_\_\_ and carried, the following resolution is adopted by the Board of Supervisors of San Bernardino County, State of California.

**SECTION 1.** The Board of Supervisors of the County of San Bernardino hereby finds and determines that:

- A. Pursuant to Section 99 of the Revenue and Taxation Code, prior to the issuance of a Certificate of Filing by the Local Agency Formation Commission Executive Officer, the governing bodies of all local agencies whose service responsibilities will be altered by change of organization shall negotiate and determine by resolution the amount of property tax revenues to be exchanged among such local agencies.
- B. Except as provided in Section 99.1 of the Revenue and Taxation Code, in the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the Board of Supervisors shall, on behalf of all special districts, negotiate any exchange of property tax revenues.
- C. The Board of Supervisors of the County of San Bernardino and the City of Hesperia have determined the amount of property tax revenues to be exchanged as a result of the following jurisdictional change:

**LOCAL AGENCY FORMATION COMMISSION 3218 – REORGANIZATION TO INCLUDE ANNEXATIONS TO SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS NORTH DESERT SERVICE ZONE, AND THE DIVESTITURE OF THE FUNCTIONS OF FIRE, EMERGENCY MEDICAL RESPONSE AND AMBULANCE FROM THE HESPERIA FIRE PROTECTION DISTRICT**

- D. This jurisdictional change will affect the following "Negotiated Pass-Through Agreements" between the City of Hesperia Community Redevelopment Agency and the Hesperia Fire Protection District: (a) "Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds" dated July 15, 1993 (Attachment 1 to Exhibit "C" hereto); and (b) the "Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds" dated December 29, 1993 (Attachment 2 to Exhibit "C" hereto).
- E. It is necessary that the attached Pass-Through Revenue Sharing Agreement (Exhibit "C" hereto) shall be approved by the City of Hesperia (City), the Hesperia Fire Protection District (District), the San Bernardino County Fire Protection District (SBCFPD) and the County of San Bernardino (County) in order to maintain the current pass-through revenue stream to the District for the Negotiated Pass-Through Agreements between the District and the Hesperia Community Redevelopment Agency.
- F. It may be necessary to temporarily discontinue the transfer of property tax revenues to SBCFPD and the City from the District if, the Pass-Through Revenue Sharing Agreement cannot be

implemented or enforced as a result of a final court judgement, state law or regulation change, state action or any action or proceeding by a third party that affects the Pass-Through Revenue Sharing Agreement, until the Negotiated Pass-Through Agreements have expired.

**SECTION 2.** The Board of Supervisors of the County of San Bernardino hereby resolves and orders that:

- A. The negotiated exchange of property tax revenue among the District, City, SBCFPD and its North Desert Service Zone, attached hereto as Exhibit "A" and incorporated herein by reference, resulting from the above described jurisdictional change(s), is hereby accepted.
- B. The Pass-Through Revenue Sharing Agreement attached hereto as Exhibit "C" and the Revenue Sharing Agreement attached hereto as Exhibit "D" are hereby approved, subject to the filing of the Certificate of Completion for LAFCO 3218. The Revenue Sharing Agreement shall only be implemented if one or more of the triggers identified in Section 5 of the Pass-Through Revenue Sharing Agreement occur. If the Certificate of Completion is not filed by LAFCO, both agreements automatically terminate.
- C. If the County Auditor-Controller/Treasurer/Tax Collector notifies the County Chief Executive Officer that the Pass-Through Revenue Sharing Agreement cannot be implemented or enforced as described in (F) above, the County Chief Executive Officer, upon receipt of such notice and in consultation with County Counsel, shall provide notice to the City, the District, and the SBCFPD that the Pass-Through Revenue Sharing Agreement has terminated and the Revenue Sharing Agreement is being implemented. The Revenue Sharing Agreement will temporarily implement the property tax revenue exchange in Exhibit "B" to this Resolution. The property tax revenue exchange identified in Exhibit "A" will be permanently reinstated when the Negotiated Pass-Through Agreements have expired.
- D. The annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change shall be allocated in future years pursuant to the provisions of Section 98 of the Revenue and Taxation Code.

**SECTION 3.** The Clerk of the Board of Supervisors is hereby directed to certify the passage of this resolution and to cause a certified copy to be sent to the Executive Officer of the Local Agency Formation Commission of the County of San Bernardino.

PASSED AND ADOPTED by the Board of Supervisors of the County of San Bernardino, State of California, by the following vote:

AYES: SUPERVISORS:

NOES: SUPERVISORS:

ABSENT: SUPERVISORS:

\* \* \* \* \*

STATE OF CALIFORNIA                    )  
  )       ss.  
COUNTY OF SAN BERNARDINO        )

I, **LAURA H. WELCH**, Clerk of the Board of Supervisors of the County of San Bernardino, State of California, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Supervisors, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of March 20, 2018.

LAURA H. WELCH  
Clerk of the Board of Supervisors

By \_\_\_\_\_  
Deputy



**EXHIBIT “D”**

**REVENUE SHARING AGREEMENT**

[Attached behind this page]

## REVENUE SHARING AGREEMENT

**AMONG THE CITY OF HESPERIA, THE HESPERIA FIRE PROTECTION DISTRICT, THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT AND THE COUNTY OF SAN BERNARDINO FOR THE PURPOSES OF PARTIALLY FUNDING FIRE AND RELATED SERVICES AND THE UNFUNDED RETIREMENT OBLIGATIONS RELATED TO THE HESPERIA FIRE PROTECTION DISTRICT AS WELL AS OTHER CITY COSTS.**

WHEREAS, the Hesperia Fire Protection District ("District") and the San Bernardino County Fire Protection District ("SBCFPD") have jointly initiated an application to the Local Agency Formation Commission ("LAFCO") for reorganization to annex the area within the District into the SBCFPD for the provision of fire and related services ("Reorganization"); and

WHEREAS, pursuant to the Reorganization, the County of San Bernardino ("County") adopted Property Tax Transfer Resolution\_\_\_\_ dated March 20, 2018 (Attachment 3 to the Pass-Through Revenue Sharing Agreement), and the City of Hesperia ("City") adopted Property Tax Transfer Resolution\_\_\_\_ dated March 20, 2018 (Attachment 4 to the Pass-Through Revenue Sharing Agreement). The Property Tax Transfer Resolutions transfer 90.2798% of the District's share of property tax revenue to SBCFPD and 9.7202 % of the District's share of property tax revenue to the City. In addition, the parties entered into a Pass-Through Revenue Sharing Agreement dated March 20, 2018 (Exhibit "C" of the Property Tax Transfer Resolutions), whereby 90.2798% of the District's share of Pass-Through Agreement Revenues would also be transferred to SBCFPD and 9.7202% of the District's share of Pass-Through Agreement Revenues would be transferred to City.

WHEREAS, both the Property Tax Transfer Resolutions and the Pass-Through Revenue Sharing Agreement provide that in the event that the Pass-Through Revenue Sharing Agreement cannot be implemented or enforced, Exhibit "B" of the Property Tax Transfer Resolutions and Exhibit "D" of the Property Tax Transfer Resolutions (this Agreement) would be implemented through the expiration of the Negotiated Pass-Through Agreements, and the Pass-Through Revenue Sharing Agreement would be terminated without further action on the part of the parties; and

WHEREAS, the parties agree that the change in implementation of the Property Tax Transfer Resolutions and termination of the Pass-Through Revenue Sharing Agreement requires a new agreement for the funding of the fire and related services, the unfunded retirement obligations related to the Hesperia Fire Protection District as well as other City costs; and

WHEREAS, the parties desire to address the issues of funding for the unfunded District retirement liability as well as other City costs and funding of fire protection services for the area annexed into SBCFPD from the District pursuant to the Reorganization in the event of the inability to implement the Pass-Through Revenue Sharing Agreement; and

WHEREAS, the City and the District will have executed an agreement prior to the filing of the Certificate of Completion for the Reorganization that provides for the City's assumption of liability for the CalPERS obligations of the District, including, but not limited to, timely payment of annual employer contributions to CalPERS required of the District and any withdrawal liability assessed as a result of the voluntary or involuntary termination of the District's contract for pensions with CalPERS. The agreement will also state that the City's assumption of liability continues until all the District's obligations to CalPERS have been fully satisfied; and

WHEREAS, SBCFPD has assumed full responsibility for fire and related services within District; and

WHEREAS, District agrees that it is required to pay for the services rendered by SBCFPD and City; and

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and promises set forth below, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree as follows:

**Section 1.**     Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated herein.

**Section 2.**     Definitions.

(a)     “*Agreement*” refers to this “Revenue Sharing Agreement” (Exhibit “D” of the Property Tax Transfer Resolutions) among the City of Hesperia, the Hesperia Fire Protection District, the San Bernardino County Fire Protection District and the County of San Bernardino for the purposes of partially funding the fire and related services and the unfunded retirement obligations related to the Hesperia Fire Protection District as well as other City costs, together with the Recitals (and any Attachments), and shall constitute the complete and exclusive statement of understanding between the Parties which supersedes all previous agreements, written or oral, and all communications between the Parties relating to the subject matter of this Agreement.

(b)     “*City*” refers to the City of Hesperia.

(c)     “*County*” refers to the County of San Bernardino.

(d)     “*District*” refers to the Hesperia Fire Protection District.

(e)     “*LAFCO*” refers to the Local Agency Formation Commission.

(f)     “*Negotiated Pass-Through Agreements*” refers to the negotiated pass-through agreements between the City of Hesperia Community Redevelopment Agency and the District as follows: (a) “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated July 15, 1993 (Attachment 1 to the Pass-Through Revenue Sharing Agreement); and (b) the “Capital Facilities Agreement and Agreement for Reimbursement of Tax Increment Funds” dated December 29, 1993 (Attachment 2 to the Pass-Through Revenue Sharing Agreement).

(g) “*Property Tax Transfer Resolutions*” refers collectively to the following: (a) the Resolution of the County accepting the transfer of property tax revenue from the District to the SBCFPD and City, which is adopted as a term and condition of the Reorganization (Attachment 3 to the Pass-Through Revenue Sharing Agreement); and (b) the Resolution of the City accepting the transfer of property tax revenue from the District to the SBCFPD and City which is adopted as a term and condition of the Reorganization (Attachment 4 to the Pass-Through Revenue Sharing Agreement).

(h) “*Reorganization*” refers to the LAFCO 3218 reorganization to include annexation to the SBCFPD, its North Desert Service Zone, and the divestiture of the functions of fire, emergency medical response and ambulance from the District.

(i) “*SBCFPD*” refers to the San Bernardino County Fire Protection District.

**Section 3.** Allocation Period. The parties hereto agree that if the Pass-Through Revenue Sharing Agreement cannot be implemented or enforced:

(a) Exhibit “B” of The Property Tax Transfer Resolutions shall be temporarily implemented until such time as the Negotiated Pass-Through Agreements have expired.

(b) The Pass-Through Revenue Sharing Agreement shall terminate upon the implementation of this Agreement;

(c) The County Chief Executive Officer, upon receipt of notice from the County Auditor-Controller/Treasurer/Tax Collector that one or more of the trigger events identified in Section 5 of the Pass-Through Revenue Agreement has occurred and upon consultation with County Counsel, shall provide notice to the City, the District and the SBCFPD that the Pass-Through Revenue Sharing Agreement has been terminated and this Agreement is being implemented;

(d) The District shall transfer all revenue received through base property tax, the Negotiated Pass-Through Agreements, residual distributions and any other property tax related revenue to SBCFPD and City on the basis of 90.2798% being transferred to SBCFPD and 9.7202% to the City. This Agreement shall remain in effect until such time as the Negotiated Pass-Through Agreements have expired.

(e) At the expiration of the Negotiated Pass-Through Agreements, Exhibit “A” of the Property Tax Transfer Resolutions shall be permanently reinstated. The parties agree to cooperate and take all action to ensure that the Property Tax Transfer Resolutions are operational and in full force and effect.

**Section 4.** Notice. Any notice to be given pursuant to this Agreement shall be deemed fully given when made in writing and served personally, or by facsimile transmission, or five days after deposit in the United States mail, postage prepaid and addressed as follows:

If to the City:	Office of the City Manager
	9700 Seventh Avenue

Hesperia, CA 92345  
Attn: City Manager

If to the District: Office of the City Manager  
9700 Seventh Avenue  
Hesperia, CA 92345  
Attn: City Manager

If to the SBCFPD: Fire Chief/Fire Warden  
San Bernardino County Fire Protection District  
157 West Fifth Street, Second Floor  
San Bernardino, CA 92415-0451

If to the County: Deputy Executive Officer/Fire  
385 N. Arrowhead, 4th Floor  
San Bernardino, CA 92415-0120

**Section 5.** Amendments and Modifications. The Parties agree that any alterations, amendments or modifications of the provisions of this Agreement shall be valid only when reduced to writing, executed and approved by the persons authorized to do so on behalf of each of the Parties, provided that any amendments to this Agreement that alters the property tax distribution shall not be valid without the consent of LAFCO. LAFCO retains its sole and unfettered discretion as to any consent required hereby.

**Section 6.** Counterpart Signatures Allowed. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which when executed and delivered shall together constitute one and the same instrument.

CITY OF HESPERIA

By: \_\_\_\_\_  
Bill Holland, Mayor Pro Tem  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

HESPERIA FIRE PROTECTION DISTRICT

By: \_\_\_\_\_  
Bill Holland, Vice Chair  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

SAN BERNARDINO COUNTY FIRE  
PROTECTION DISTRICT

By: \_\_\_\_\_  
Robert A. Lovingood, Chairman  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT

By: \_\_\_\_\_  
Michelle Blakemore, County Counsel

COUNTY OF SAN BERNARDINO

By: \_\_\_\_\_  
Robert A. Lovingood, Chairman  
Date: \_\_\_\_\_

APPROVED AS TO FORM:  
COUNTY OF SAN BERNARDINO

By: \_\_\_\_\_  
Michelle Blakemore, County Counsel

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**ACKNOWLEDGED AS TO THE DIRECTIONS CONTAINED IN SECTION 3 OF THE  
AGREEMENT.**

SAN BERNARDINO COUNTY AUDITOR-  
CONTROLLER/TREASURER/TAX COLLECTOR

By: \_\_\_\_\_  
Oscar Valdez,  
Auditor-Controller/Treasurer/Tax Collector  
Date: \_\_\_\_\_