

PLANNING COMMISSION AGENDA

REGULAR MEETING

Date: July 11, 2013

Time: 6:30 P.M.

COMMISSION MEMBERS

Chris Elvert, Chair

William A. Muller, Vice Chair

Jim Heywood, Commissioner

Tom Murphy, Commissioner

Tom Steeno, Commissioner

* - * - * - * - * - * - *

Dave Reno, Principal Planner

Jeff M. Malawy, Assistant City Attorney



CITY OF HESPERIA
9700 Seventh Avenue
Council Chambers
Hesperia, CA 92345
City Offices: (760) 947-1000

The Planning Commission, in its deliberation, may recommend actions other than those described in this agenda.

Any person affected by, or concerned regarding these proposals may submit written comments to the Planning Division before the Planning Commission hearing, or appear and be heard in support of, or in opposition to, these proposals at the time of the hearing. Any person interested in the proposal may contact the Planning Division at 9700 Seventh Avenue (City Hall), Hesperia, California, during normal business hours (7:30 a.m. to 5:30 p.m., Monday through Thursday, and 7:30 a.m. to 4:30 p.m. on Fridays) or call (760) 947-1200. The pertinent documents will be available for public inspection at the above address.

If you challenge these proposals, the related Negative Declaration and/or Resolution in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to the public hearing.

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact Dave Reno, Principal Planner (760) 947-1200. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.10235.104 ADA Title 11]

Documents produced by the City and distributed less than 72 hours prior to the meeting regarding any item on the Agenda will be made available in the Planning Division, located at 9700 Seventh Avenue during normal business hours or on the City's website.

JULY 11, 2013

**AGENDA
HESPERIA PLANNING COMMISSION**

Prior to action of the Planning Commission, any member of the audience will have the opportunity to address the legislative body on any item listed on the agenda, including those on the Consent Calendar. PLEASE SUBMIT A COMMENT CARD TO THE COMMISSION SECRETARY WITH THE AGENDA ITEM NUMBER NOTED.

CALL TO ORDER

6:30 p.m.

- A. Pledge of Allegiance to the Flag
- B. Invocation
- C. Roll Call:

Chair Chris Elvert
Vice Chair William Muller
Commissioner Jim Heywood
Commissioner Tom Murphy
Commissioner Tom Steeno

JOINT PUBLIC COMMENTS

Please complete a "Comment Card" and give it to the Commission Secretary. Comments are limited to three (3) minutes per individual. State your name and address for the record before making your presentation. This request is optional, but very helpful for the follow-up process.

Under the provisions of the Brown Act, the Commission is prohibited from taking action on oral requests. However, Members may respond briefly or refer the communication to staff. The Commission may also request the Commission Secretary to calendar an item related to your communication at a future meeting.

CONSENT CALENDAR

- D. Approval of Minutes: June 13, 2013 Planning Commission Meeting Draft Minutes.

-1-

PUBLIC HEARINGS

- 1. Consideration of APP13-00003 for an appeal of the Development Review Committee's denial of Site Plan Review Extension SPRE13-00003, to grant a one-year extension of time for SPR-2007-74, allowing construction of a two-story, 21,047 square foot office building inconsistent with the Main Street and Freeway Corridor Specific Plan at 15621 Main Street. (Applicant: Khalil Kkoshavi: APN: 0413-111-45) *Continued item from June 13, 2013 Planning Commission meeting.*
- 2. Consideration of Development Code Amendment DCA13-00001 and Mitigated Negative Declaration ND-2013-01 pertaining to Freeway Pylon Signs. (Applicant: City of Hesperia; Affected Area: Citywide) *Continued item from June 13, 2013 Planning Commission meeting.*

1-1

2-1

PRINCIPAL PLANNER'S REPORT

The Principal Planner or staff may make announcements or reports concerning items of interest to the Commission and the public.

E. DRC Comments

3-1

F. Major Project Update

PLANNING COMMISSION BUSINESS OR REPORTS

The Commission Members may make comments of general interest or report on their activities as a representative of the Planning Commission.

ADJOURNMENT

The Chair will close the meeting after all business is conducted.

I, Kathy Stine, Planning Commission Secretary for City of Hesperia, California do hereby certify that I caused to be posted the foregoing agenda on Monday, July 8, 2013 at 5:30 p.m. pursuant to California Government Code §54954.2.


Kathy Stine
Planning Commission Secretary

HESPERIA PLANNING COMMISSION MEETING
REGULAR MEETING
June 13, 2013
MINUTES

DRAFT

The Regular Meeting of the Planning Commission was called to order at 6:32 p.m. by Chair Elvert in the Council Chambers, 9700 Seventh Avenue, Hesperia, California.

CALL TO ORDER

- A. Pledge of Allegiance to the Flag
- B. Invocation
- C. Roll Call:

**Present: Chris Elvert
James Heywood
Tom Murphy
Tom Steeno
William Muller**

JOINT PUBLIC COMMENTS

Chair Elvert opened Public Comments at 6:35 p.m.

No Comments.

Chair Elvert closed Public Comments at 6:35 p.m.

CONSENT CALENDAR

- D. Approval of Minutes: April 11, 2013 Planning Commission Meeting Draft Minutes.
Motion by William Muller to approve the April 11, 2013 Planning Commission Meeting Draft Minutes. Seconded by Tom Murphy and passed with the following roll call vote:

AYES: Chris Elvert, James Heywood, Tom Murphy, Tom Steeno, and William Muller
NOES: None

PUBLIC HEARING

- 1. Consideration of Conditional Use Permit CUP13-00002 to construct a 9,500 square foot car wash facility on 1.8 gross acres within the Regional Commercial (RC) District located 280 feet south of Main Street, on the east side of Escondido Avenue. (Applicant: Fred Simab: APN: 3057-011-43)

Senior Planner Daniel Alcayaga gave a PowerPoint presentation and stated Staff recommended approval of the project.

Jim Heywood asked about the ingress and egress in the Wal-Mart parking lot. Daniel explained the route of traffic.

Chair Elvert opened the public hearing at 6:47 p.m.

Applicant Fred Simab explained the layout of the project and answered Commissioner's questions.

Colleen Butcher of Raventek Realty represented the applicant and spoke in favor of the project.

Chair Elvert closed public comments at 6:55 p.m.

Motion by Chris Elvert to adopt Resolution No. PC-2013-07, approving Conditional Use Permit CUP13-10002. Seconded by William Muller and passed with the following roll call vote:

AYES: Chris Elvert, James Heywood, Tom Murphy, Tom Steeno, and William Muller
NOES: None

2. [Consideration of APP13-00003 for an appeal of the Development Review Committee's denial of Site Plan Review Extension SPRE13-00003, to grant a one-year extension of time for SPR-2007-74, allowing construction of a two-story, 21,047 square foot office building inconsistent with the Main Street and Freeway Corridor Specific Plan at 15621 Main Street. \(Applicant: Khalil Kkoshavi: APN: 0413-111-45\)](#)

Senior Planner Stan Liudahl introduced a letter from applicant Doug Browne requesting a continuance as a green sheet item.

Chair Elvert opened the public hearing at 6:58 p.m.

Khalil Kkoshavi, applicant for the project submitted a business plan for the Commission to review.

Chair Elvert closed the public hearing at 6:58 p.m.

Motion by Chris Elvert to continue Resolution No. PC-2013-06, denying Appeal APP13-00003, upholding the Development Review Committee's denial of Site Plan Review Extension SPRE13-00003, which would grant a one-year extension of Site Plan Review SPR-2007-74 to the July 11, 2013 Planning Commission meeting. Seconded by Tom Murphy and passed with the following roll call vote:

AYES: Chris Elvert, James Heywood, Tom Murphy, Tom Steeno, and William Muller
NOES: None

4. [Consideration of Development Code Amendment DCA13-00001 and Mitigated Negative Declaration ND-2013-01 pertaining to Freeway Pylon Signs. \(Applicant: City of Hesperia; Affected Area: Citywide\)](#)

Assistant Planner Lisette Sanchez-Mendoza gave a PowerPoint presentation.

Assistant City Attorney Jeff Malawy stated that the ordinance was a work in progress. He stated that the ordinance required a legal review prior to approval.

Chair Elvert opened the Public Hearing at 7:13 p.m.

Chris Fahey owner of the former Kmart property at Mariposa and Main Street spoke and gave a brief history of a sign being removed by CalTrans illegally off his property.

The Commission stated concerns about the number of signs that potentially could crop up along the freeway corridor.

Colleen Butcher, representative for the major developers, spoke in favor of the sign ordinance.

Chair Elvert closed the Public Hearing at 7:13 p.m.

Motion by Chris Elvert to continue Resolution No. PC-2013-08 recommending that the City Council approve DCA13-00001, to amend sign regulations to include Freeway Pylon Signs to the July 11, 1013 Planning Commission meeting. Seconded by James Heywood and passed with the following roll call vote:

AYES: Chris Elvert, James Heywood, Tom Murphy, Tom Steeno, and William Muller
NOES: None

3. [Consideration of Development Code Amendment DCA13-00005, \(Applicant: JR's Recycling; Affected Area: Citywide\)](#)

Assistant Planner Lisette Sanchez-Mendoza gave a PowerPoint presentation.

Chair Elvert opened the Public Hearing at 7:39 p.m.

No comments.

Chair Elvert closed the Public Hearing at 7:39 p.m.

Motion by Chris Elvert to adopt Resolution No. PC-2013-05 recommending that the City Council approve DCA13-00005, to amend recycling facility regulations. Seconded by James Heywood and passed with the following roll call vote:

AYES: Chris Elvert, James Heywood, Tom Murphy, Tom Steeno, and William Muller
NOES: None

[PRINCIPAL PLANNER'S REPORT](#)

E. [DRC Comments](#)

F. [Major Project Update](#)

Principal Planner Dave Reno, AICP updated the Commission on the grand opening ceremonies of the Ranchero Road underpass scheduled for June 29th.

Dave Reno discussed the City's budget adoption process, staffing for Fire Station #301 and the Council's Budget Workshop, held on July 11th.

INDESENG, INC.

PO Box 18021
Anaheim, California 92817

June 13, 2013

The Hesperia Planning Commission
c/o Mr. Stan Budahl
Senior Planner
City of Hesperia Planning Department
9700 Seventh Ave.
Hesperia, California 92345

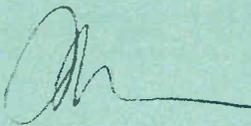
Re: *SPR-2007-74 (SPR08-10003)*

To: the Planning Commission of the City of Hesperia

We request a continuance of the hearing for the entitlement extension for the above entitled action to the next regularly scheduled (July) Commission Meeting, due to the inability of one of the Owners to attend the June 13 meeting. This individual has substantial information in support of the project and it is very important that he be able to make his presentation to the Commission.

Thank you in advance for your cooperation with our request.

Very truly yours



Doug Browne
Applicant Agent

GLOBAL MEDICAL CENTER OF SOUTHERN CALIFORNIA REGIONAL CENTER



*Comprehensive Business Plan
September 15, 2012*



GLOBAL MEDICAL CENTER OF SOUTHERN CALIFORNIA, LLC
Address: 7025 East Avenida De Santiago
Anaheim, CA 92807
(714) 553-2920

Version 00, Copy __ of __

This document contains confidential and proprietary information belonging exclusively to Global Medical Center of Southern California, LLC

This business plan is prepared in conjunction with an application for immigration to the United States. It is not intended, nor should it be perceived, as a solicitation for outside investment or the sale of securities. It is based on information prepared by independent contractors including tax preparers and accountants as well as statistical and demographic information obtained from public sources.

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1. EXECUTIVE SUMMARY

NEW COMMERCIAL ENTERPRISE

Global Medical Center of Southern California Partners, LP (GMCSC Partners, LP), is a California limited partnership registered on September 15, 2012.

REGIONAL CENTER AFFILIATION

The General Partner of GMCSC Partners, LP is Global Medical Center of Southern California, LLC, (GMCSC, LLC) which has received designation from USCIS as a Regional Center under the Immigrant Investor Pilot Program.

BUSINESS DESCRIPTION

Global Medical Center of Southern California, LLC, (GMCSC, LLC) will operate Global Medical Center of Southern California, LP (GMCSC, LP), which will engage in business within the industry sector of owning, building and operating a professional Medical Care facilities, in the present geographic of underserved areas of San Bernardino County, specifically municipally of Hesperia, in the State of California.

INVESTMENT STRUCTURE

GMCSC, LP will receive at-risk equity investment from Limited Partners (EB-5 investors), who will be co-owners in the Limited Partnership. A full 100% of the capital raised through Global Medical Center of Southern California, LP, GMCSC, LP will be used to operate the business and hire employees.

USE OF FUNDS

Global Medical Center of Southern California, LLC, GMCSC, LLC seeks to raise \$4,000,000 of working capital to build and manage a 21,000 sq. foot medical center, and medical facilities, including acquisition of assets used in its operations, without limitation, a facilities, construction and equipment and software.

JOB CREATION

Global Medical Center of Southern California Partners, LP, GMCSC, LP is projected to have a total job creation impact of 136 new jobs, including jobs created indirectly, according to GMCSC, LLC personnel plan and an Economic Impact Analysis using RIMS II methodology by the Beacon Economic Group (2012).

2. BUSINESS OVERVIEW

2.1 ORGANIZATION STRUCTURE

Global Medical Center of Southern California Partners, LP, (GMSCC, LP) is a California Limited Partnership formed on October 30, 2012 by Global Medical Center of Southern California, LLC, (GMSCC, LLC) for the purpose of raising EB-5 investment capital for use in the medical health care sector. Global Medical Center of Southern California, L.L.C, was designated by USCIS on XXXXXXXXXX as a Regional Center under the Immigrant Investor Pilot Program.

A full 100% of the EB-5 capital invested in the new commercial enterprise, GMSCC L.P., will be invested in expanding the business of Global Medical Center of Southern California, L.L.C., and thus will be helping to create jobs.

2.2 GENERAL PARTNER

The General Partner intends to contribute to the Partnership certain of its assets which include the land, zoning and the plans, and forwarded expenses which will be used in connection with the intended business of the Partnership. In addition, the General Partner will contribute its services in managing the business affairs and operations of the Partnership. The General Partner will receive an interest in the Partnership equal to one hundred percent (100%) less the interests in the Partnership owned by the Limited Partners.

2.3 LIMITED PARTNERS

Each investor of a Unit who is admitted as a Limited Partner will make a capital contribution of \$500,000 per Unit. The Limited Partners will collectively own not more forty eight percent (48%) of the Partnership interests in the Partnership. EB-5 investors will have the full rights of Limited Partners in the new commercial enterprise.

3. MANAGEMENT PROFILE

3.1 GLOBAL MEDICAL CENTER OF SOUTHERN CALIFORNIA, LLC (GMCSC, LLC), GENERAL PARTNER OF GMCSC, LP

Global Medical Center of Southern California, LLC, (GMCSC, LLC) is based in San Bernardino County, California, United States. The company is registered as a local business, located at Hesperia Enterprise Zone. It will engage in the business of construction, operation and management of the 21,000 sq. foot medical center under the name of Global Medical Center of Southern California. The General Partner was formed to combine the managerial, business and professional experience of the principals in the general partner to build this business model on a local level to targeted employment areas for the purpose of providing high quality Medical Care in areas. Prior to any operational activities, the General Partner will obtain designation as a “regional center” under the Immigrant Investor Program.

Upon, receiving said designation, general partner will invest funds obtained through a limited partnership in construction, facility acquisition, equipment acquisition, computerization, hiring of required and anticipated employees for management, administration & professional services and assistance, and the continuation of the diversification of the services it provides its customers. In so doing, the General Partner expects that it will greatly contribute to the economy of the region and the employment in services that are of the utmost importance for not only local and regional growth and development, but national growth and security.

Max Ahmadi, *Co-Managing Member of Global Medical Center of Southern California, LLC.*

Max Ahmadi is an aggressive businessman whose ability to direct and manage several projects at the same time and whose keen eye concerning qualified employees will be critical to the growth and development of the Company.

After receiving his Master’s degree in Urban and Regional Planning from Kansas State University, Manhattan KS, he was hired by City of Long Beach Department of Planning and Zoning as a planning aide from March 1986 to September 1987. Thereafter, he undertook employment with the City of Anaheim Department of Planning and Building as an associate planner from November 1987 to April 1998.

Business Plan

Since 1998 he has owned a Land Use consulting business which has performed planning, permitting and development tasks for clients as well maintaining equity ownership in several of these ventures. Some of those projects include a 10 lot subdivision in Yukaipa California, a car wash in Lancaster California, 19 different bar/entertainment businesses and the present proposed 20,000sq. ft. medical office in Hesperia, CA

Khalil Khosravi, *Co-Managing Member of Global Medical Center of Southern California, LLC.*

Khalil Khosravi, a seasoned professional and effectual leader with the ability to always exceed sales in business enterprises. He has over 21 years of experience in sales, marketing sales and service experience. He is very passionate for gaining customers for his projects and an has developed and implemented strong marketing strategies to create maximum sales. A successful entrepreneur, Mr. Khosravi has been the owner/operator of American Bathtub Refinishing and in charge of managing over 12 employees. From 1996 to 2005 he was owner of Sunland Auto Services and in charge of Bear Valley Car Wash, Victor Valley Car Wash, Smog Express, Western Auto Sales with direct supervision and management of over 150 employees.

At present he is managing and operating various real-estate investment such as 7TH and Roy, KFMN Venture Inc., Bear Valley Circle Inc., and Lee Lapri International Inc.

Khalil graduated from Georgia Southern Collage in Bachelor in EET. He was born in 1956, married and has two children.

Dr. Edwin Oghoorian, D.P.M., FACMSP, FAPWCA

Although not a managing member, Dr. Edwin Oghoorian is an integral part to the projects anticipated success. A licensed physician and specializing in podiatry, he has completed a comprehensive residency in Podiatric Medicine and Surgery with emphasis on sports medicine, Diabetic foot care, wound care and limb salvage. He is Board Certified in diabetic foot and wound care. Dr. Oghoorian is the professional fellow of American Professional Wound Care Association, an associate of American Academy of Podiatric Management, an associate of American Academy of Podiatric Sports Medicine and a fellow of the American College of Multiple Specialties in Podiatry. He currently serves as the Medical Director of the Pacific Diabetes Institute, the co-director of the wound care program at Rancho Specialty Hospital in Rancho Cucamonga, CA and a faculty instructor for the hospital's residency program.

4. ENTERPRISE DESCRIPTION

4.1 PROJECT BACKGROUND

Global Medical Center of Southern California, LLC, (GMCSC, LLC) Regional Center will initially target areas for the establishment of approved target industries such as Hospital, Medical Offices, Dental Offices, Management Services and Construction.

Our project will engage in business within the industry sector of owning, building and operating a professional Medical Care and facilities, and in the present geographic of underserved areas of San Bernardino County, specifically the municipality of Hesperia the State of California.

It will involve the planning and construction in Hesperia's enterprise zone, the staffing and administration, establishment and management of a state of the art medical care facility.

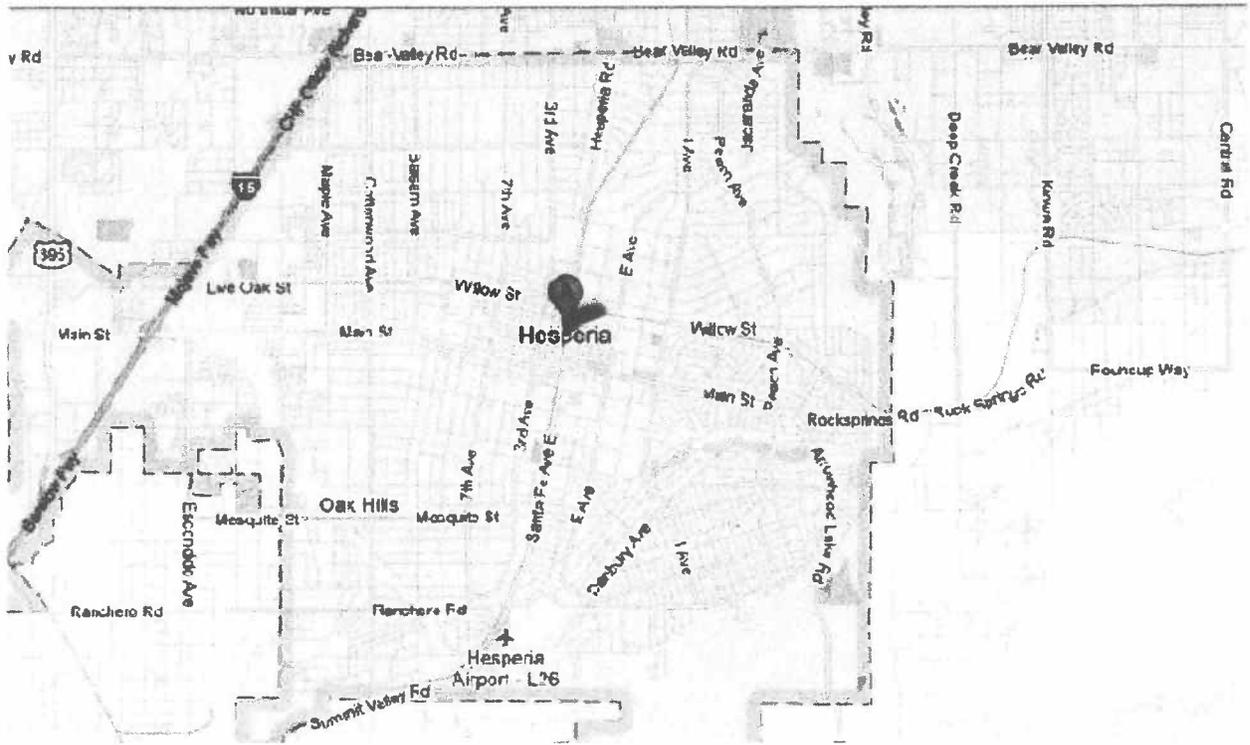
Furthermore it will include its ultimate goals like reducing and controlling environmental hazards and risks; preventing accidents and injuries; maintaining safe conditions for patients, staff and visitors; maintaining an environment sensitive to patient needs; and minimizing environmental stresses for patients, staff and visitors.

To ensure a superior customer experience and highest levels of satisfaction, Global Medical Center of Southern California Partners, LP, (GMCSC, LP) will invest in the latest methods of service delivery, employee training, management systems, and utilize the latest technologies. A powerful customer feedback process and system will be implemented which will, in turn, provide measurable feedback to guarantee superior customer experience.

4.2 LOCATION

Hesperia is a city in San Bernardino County, California, United States. It is located in the Mojave Desert 15 miles (24 km) north of San Bernardino. The locals refer to the surrounding area as the High Desert. As of the 2010 census, the city had a population of 90,173.

The central office of Global Medical Center of Southern California, LLC is located at 15621 Main Street, Hesperia, CA 92345



Cities and Towns in San Bernardino County

| | | |
|----------------------|------------------------|----------------------|
| Valley Region | Mountain Region | Desert Region |
| Bloomington* | Angelus Oaks* | Adelanto |
| Chino | Big Bear City* | Apple Valley |
| Chino Hills | Big Bear Lake | Baker* |
| Cotton | Crestline* | Barstow |
| Fontana | Forest Falls* | Big River* |
| Grand Terrace | Lake Arrowhead* | Bluewater* |
| Highland | Little Creek* | Fort Irwin* |
| Loma Linda | Oak Glen* | Helendale* |
| Mentone* | Running Springs* | Hesperia |
| Monterey | Wrightwood* | Homestead Valley* |
| Muscoy* | | Joshua Tree* |
| Ontario | | Lenwood* |
| Rancho Cucamonga | | Lucerne Valley* |
| Redlands | | Morongo Valley* |
| Rialto | | Mountain View Acres* |
| San Antonio Heights* | | Needles |
| San Bernardino | | Newberry Springs* |
| Upland | | Oak Hills* |
| Yucaipa | | Phelan* |
| | | Piñon Hills* |
| | | Searles Valley* |
| | | Silver Lake* |
| | | Spring Valley Lake* |
| | | Twentynine Palms |
| | | Victorville |
| | | Yermo* |
| | | Yucca Valley |

*Unincorporated

Source: San Bernardino County-Land Use Services Department, 2007 Census 2008
 (http://www.sanbernardino.net/Planning/Community_Development/Cities_and_Towns_in_San_Bernardino_County.html) and Census Bureau, 2010 Census Total Population Report (http://www.census.gov/ipeds/data/c2k10/totpop.html)

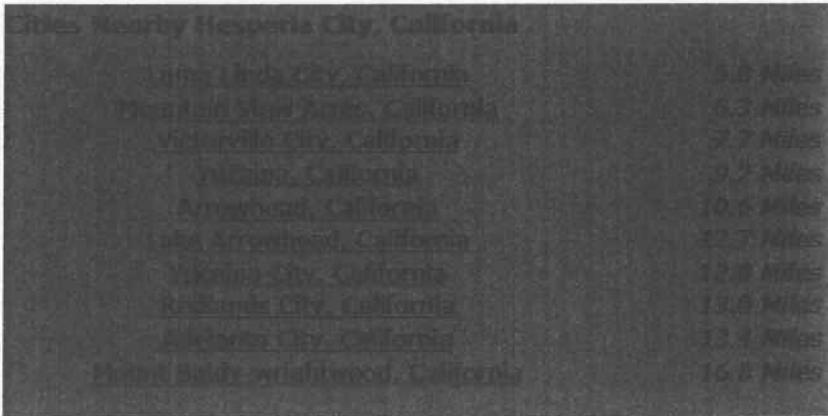
GEOGRAPHY

San Bernardino County is located in southeastern California, with Inyo and Tulare counties to the north, Kern and Los Angeles counties to the west, and Orange and Riverside counties to the south. The county is bordered on the east by the states of Nevada and Arizona.

The county's diverse geography and extensive natural resources, as well as its proximity to major economic and population centers provide unique opportunities for varied industry sectors to thrive, including commerce, education, tourism and recreation.

San Bernardino County is the **largest county in the contiguous** United States:

- The county covers over 20,000 square miles of land.
- There are 24 cities in the county and multiple unincorporated areas.
- 81% of the land is outside the governing control of the County Board of Supervisors or local jurisdictions; the majority of then on-jurisdiction land is owned and managed by federal agencies.



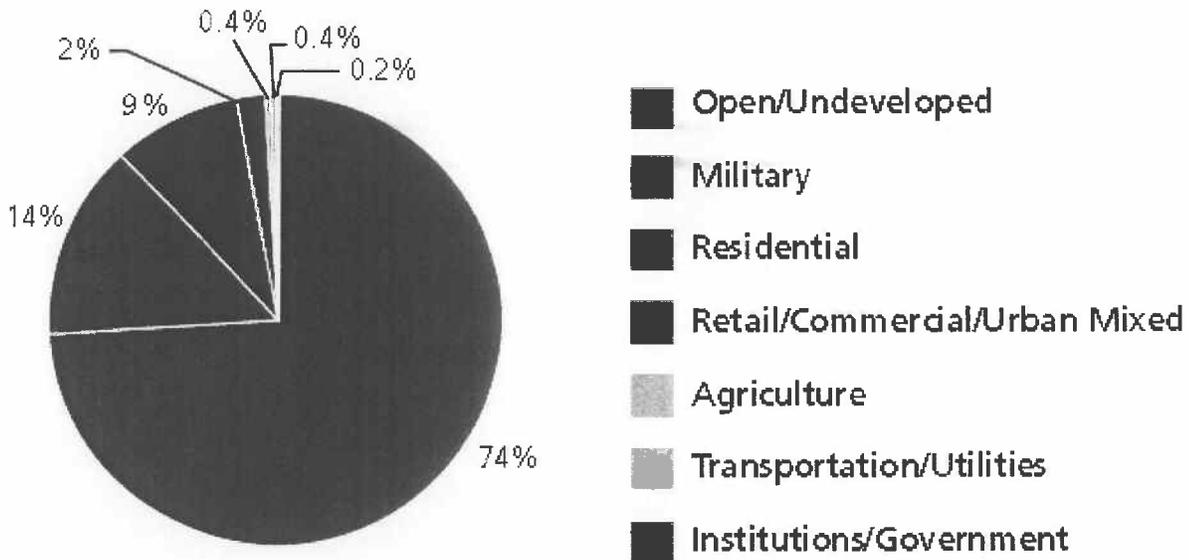
Sources: San Bernardino County Land Use Services Department, 2007 General Plan (<http://cms.sbcounty.gov/lus/Planning/GeneralPlan.aspx>); California State Association of Counties (www.counties.org); Census Bureau, 2010 Census Tract Reference Maps (www.census.gov/geo/www/maps/CP_MapProducts.htm)

LAND USE

Aside from open or undeveloped land, the largest land use in the county is for military purposes:

- Almost three-quarters (74%) of San Bernardino County is open or undeveloped land.
- 14% of the land is used for military purposes.
- Residential housing comprises 9% of the land area.
- Retail, commercial, and urban mixed uses make up 2% of the county’s land use.
- Agriculture (0.4 %), transportation/utilities (0.4%), and government (0.2%) make up the remainder.

San Bernardino County Land Uses



Source: Calculated from San Bernardino Associated Governments (SANBAG), GIS Data, General Plan Land Use Data, 2008

5. PROPOSED INVESTMENT

The General Partner recently formed the Partnership for the intended purpose of engaging in the business of providing a high quality Medical facility in an underserved area, using funds invested by GMCSC, LP. We intend to secure funds from foreign investors under the Employment Based 5th Preference- Investor program after qualifying as a Regional Investment Center in accordance with 8 C.F.R. Section 204.6 (c) for investment in the economically and employment deficient geographical and political subdivisions of San Bernardino County.

5.1 BREAKDOWN OF THE EXPENSES

Expense projection for Global medical project

1. Land cost \$630,000.00
2. Demolition \$7,000.00
3. Architectural plans and plan check \$40,000.00
4. Building permits and assessment fees 50,000.00
5. Building construction \$1,650,000.00
6. Medical equipment \$500,000.00
7. Administrative cost \$20,000.00
8. Operational cost for first 4 months \$900,000 including advertisement, marketing, pay roll and all other overhead expenses (this amount does not take into account any revenue generated during the first 4-months)

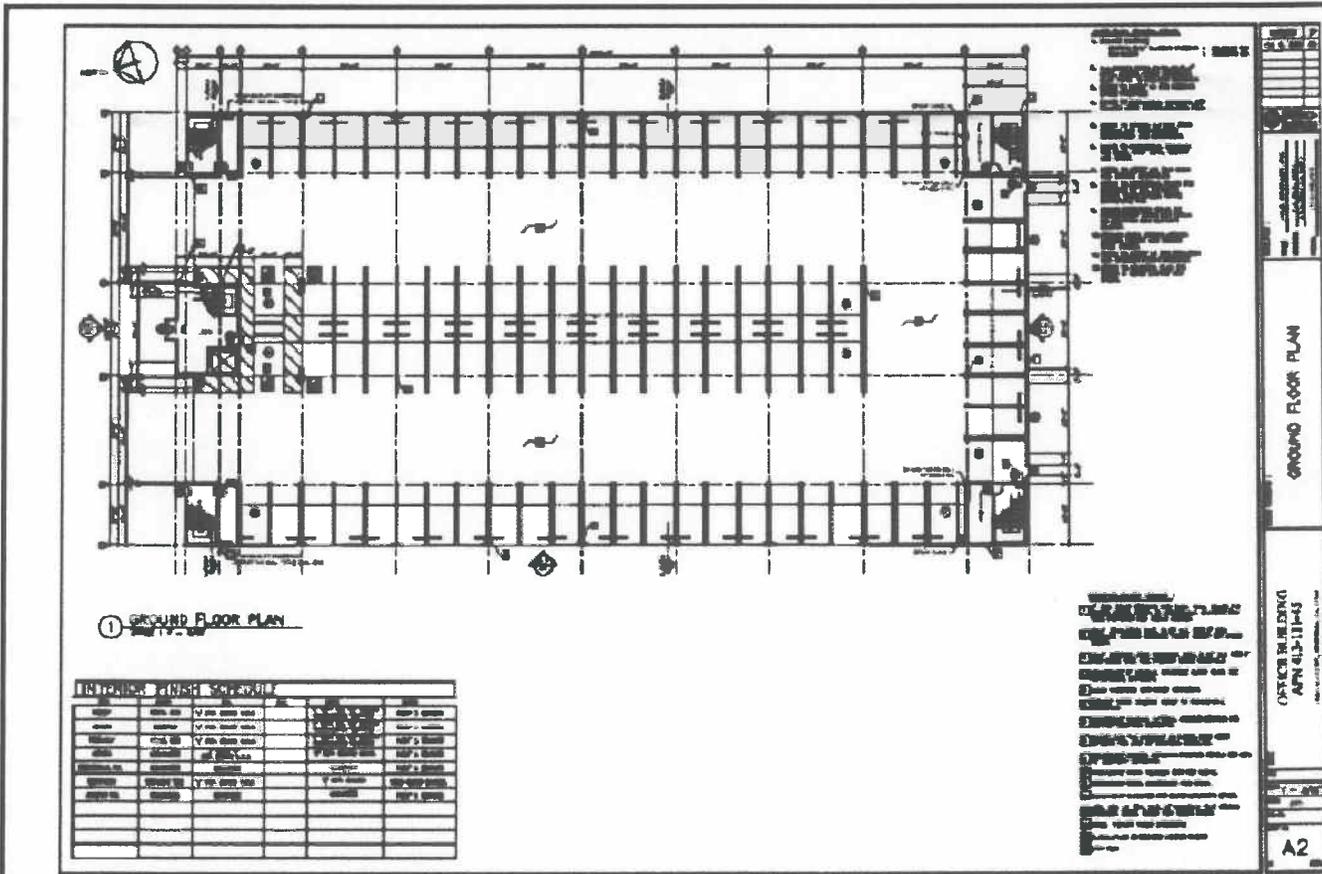
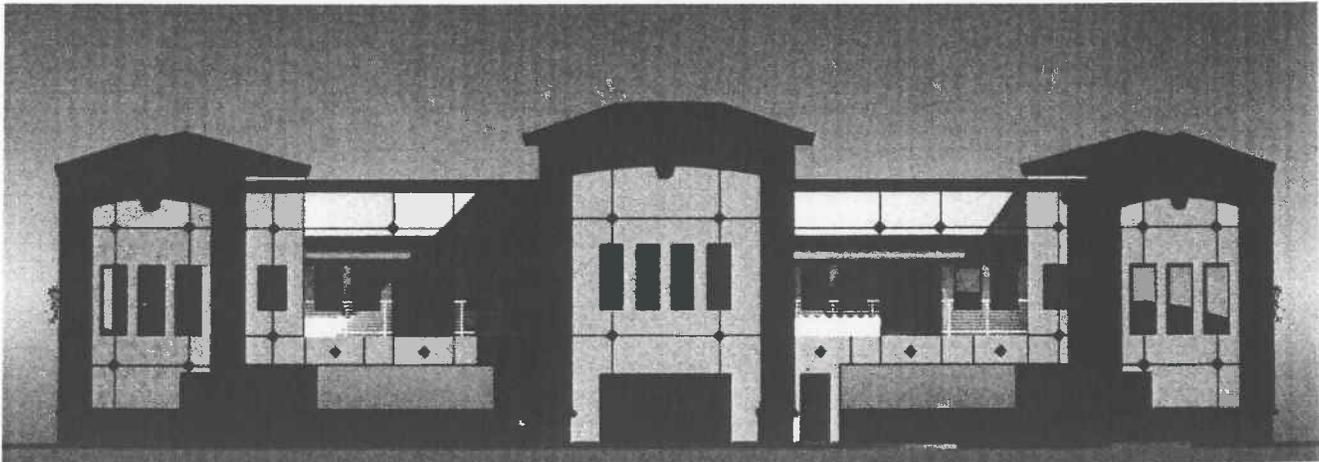
Please see Section 11.5 for Medical Building Construction's Cost Breakdown.

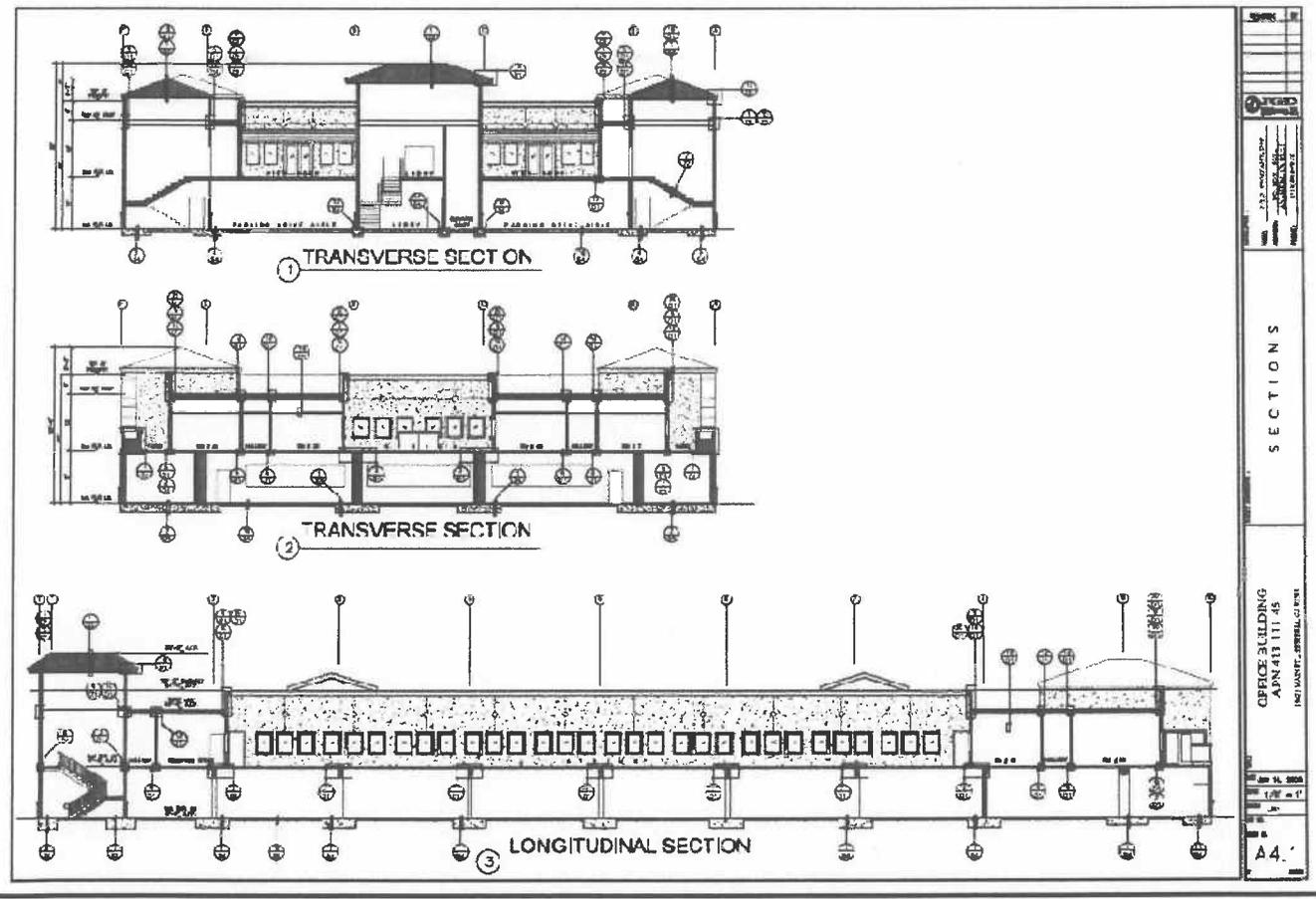
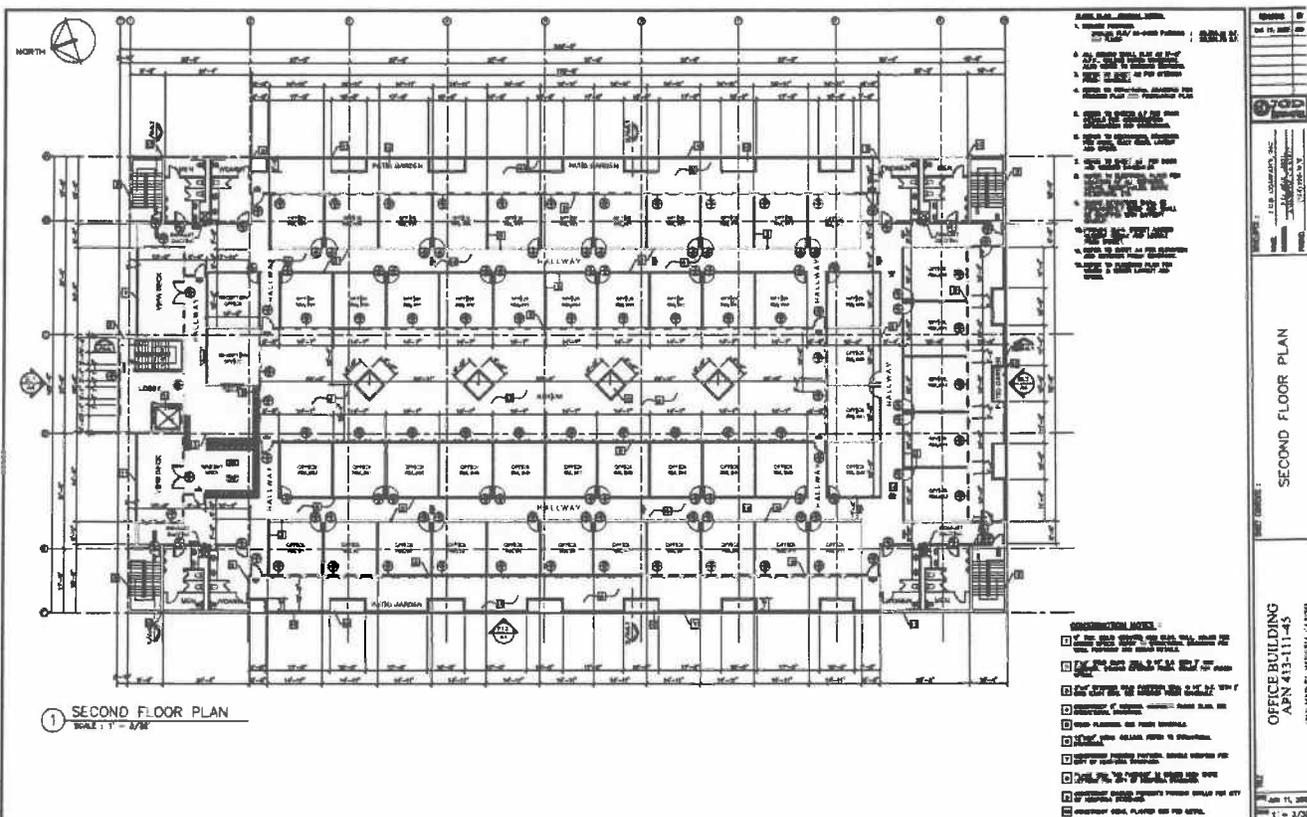
Construction Medical Building with Underground Parking Cost Breakdown

| 15621 Main Street, Hesperia, California | | | | | | | | | | | | | | | | | | | | | |
|--|----------|------------------|--------|--------|--------|--------|--------|--------|--------|------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Construct Medical Building with Underground Parking | | | | | | | | | | | | | | | | | | | | | |
| Hesperia, California | | | | | | | | | | | | | | | | | | | | | |
| Cost Breakdown | | | | | | | | | | | | | | | | | | | | | |
| Materials and Labor | | | | | | | | | | (P) = PAID | | | | | | | | | | | |
| Construct Medical Bldg w/Parking Garages | | | | | | | | | | * = Owner May/Should Acquire | | | | | | | | | | | |
| Any work not priced or itemized hereon is not included in Phase 1 of Construction of the Project above referenced. | | | | | | | | | | | | | | | | | | | | | |
| Work Performed From | to | Draw # Requested | | | | | | | | | | | | | | | | | | | |
| Description of Work | Orig Bal | Draw 1 | Draw 2 | Draw 3 | Draw 4 | Draw 5 | Draw 6 | Draw 7 | Draw 8 | Draw 9 | Draw 10 | Draw 11 | Draw 12 | Draw 13 | Draw 14 | Draw 15 | Draw 16 | Draw 17 | Draw 18 | Draw 19 | TOTAL |
| Temp Fencing, Gates, San | 7,600 | | | | | | | | | | | | | | | | | | | | 7,600 |
| Architectural Plans | 30,000 | 20000 | | | | | | | | | | | | | | | | | | | 10,000 |
| Engineering | 10,040 | 9640 | | | | | | | | | | | | | | | | | | | 10,000 |
| Soils Engineering | 14,600 | | | | | | | | | | | | | | | | | | | | 14,600 |
| Civil & Sub Drainage Syst | 59,000 | | | | | | | | | | | | | | | | | | | | 59,000 |
| Equipment Rental | 12,400 | | | | | | | | | | | | | | | | | | | | 12,400 |
| Water Meters | 8,800 | | | | | | | | | | | | | | | | | | | | 8,800 |
| Util & Found Excavation | 7,600 | | | | | | | | | | | | | | | | | | | | 7,600 |
| Install Temp Water | 2,400 | | | | | | | | | | | | | | | | | | | | 2,400 |
| Install Temp Power Poles | 3,400 | | | | | | | | | | | | | | | | | | | | 3,400 |
| Edison Electric Install | 10,630 | | | | | | | | | | | | | | | | | | | | 10,630 |
| Gas Line Excavation | 4,200 | | | | | | | | | | | | | | | | | | | | 4,200 |
| Gas Line Runs Gas Co | 5,800 | | | | | | | | | | | | | | | | | | | | 5,800 |
| UG Telephone / Cable | 4,400 | | | | | | | | | | | | | | | | | | | | 4,400 |
| Sewer Connections | 9,700 | | | | | | | | | | | | | | | | | | | | 9,700 |
| Underground Plumbing | 7,800 | | | | | | | | | | | | | | | | | | | | 7,800 |
| Backfill, Compact Utilities | 5,200 | | | | | | | | | | | | | | | | | | | | 5,200 |
| Sand Fill Slabs | 9,600 | | | | | | | | | | | | | | | | | | | | 9,600 |
| Foundation Forming | 5,400 | | | | | | | | | | | | | | | | | | | | 5,400 |
| Slab Setup & Pour Sum 1 | 22,800 | | | | | | | | | | | | | | | | | | | | 22,800 |
| Slab Setup & Pour Sum 2 | 22,800 | | | | | | | | | | | | | | | | | | | | 22,800 |
| Slab Setup & Pour Sum 3 | 16,000 | | | | | | | | | | | | | | | | | | | | 16,000 |
| Slab Setup & Pour Moody 1 | 35,000 | | | | | | | | | | | | | | | | | | | | 35,000 |
| Slab Setup & Pour Moody 2 | 35,000 | | | | | | | | | | | | | | | | | | | | 35,000 |
| Slab Setup & Pour Moody 3 | 20,000 | | | | | | | | | | | | | | | | | | | | 20,000 |
| Falsing (Shoring) Lumber | 38,000 | | | | | | | | | | | | | | | | | | | | 38,000 |
| Masonry | 62,000 | | | | | | | | | | | | | | | | | | | | 62,000 |
| Joist Trusses | 32,500 | | | | | | | | | | | | | | | | | | | | 32,500 |
| Roof Framing Lumber | 48,000 | | | | | | | | | | | | | | | | | | | | 48,000 |
| Roof Framing Labor | 14,000 | | | | | | | | | | | | | | | | | | | | 14,000 |
| Plumbing Rough Topout | 128,000 | | | | | | | | | | | | | | | | | | | | 128,000 |
| Exhaust Fans | 1,800 | | | | | | | | | | | | | | | | | | | | 1,800 |
| Interior Wall Framing Matl | 44,800 | | | | | | | | | | | | | | | | | | | | 44,800 |
| Interior Wall Framing Labor | 40,520 | | | | | | | | | | | | | | | | | | | | 40,520 |
| HVAC Rough/Finish | 98,000 | | | | | | | | | | | | | | | | | | | | 98,000 |
| AC Platforms | 1,800 | | | | | | | | | | | | | | | | | | | | 1,800 |
| Telephone/Cable Lines | 31,800 | | | | | | | | | | | | | | | | | | | | 31,800 |
| Skylights | 12,900 | | | | | | | | | | | | | | | | | | | | 12,900 |
| Roof Materials & Labor | 89,400 | | | | | | | | | | | | | | | | | | | | 89,400 |
| Electrical Rough Incl UG | 16,000 | | | | | | | | | | | | | | | | | | | | 16,000 |
| Insulation | 12,000 | | | | | | | | | | | | | | | | | | | | 12,000 |
| Windows | 8,000 | | | | | | | | | | | | | | | | | | | | 8,000 |
| Exterior Doors | 2,400 | | | | | | | | | | | | | | | | | | | | 2,400 |
| Overhead Doors | 2,400 | | | | | | | | | | | | | | | | | | | | 2,400 |
| Overhead Door Motors | 1,200 | | | | | | | | | | | | | | | | | | | | 1,200 |
| GW/B Materials | 41,250 | | | | | | | | | | | | | | | | | | | | 41,250 |
| GW/B Labor | 61,600 | | | | | | | | | | | | | | | | | | | | 61,600 |
| Lath | 25,040 | | | | | | | | | | | | | | | | | | | | 25,040 |
| Plaster (Stucco) | 36,950 | | | | | | | | | | | | | | | | | | | | 36,950 |
| Interior Doors | 28,400 | | | | | | | | | | | | | | | | | | | | 28,400 |
| Interior Doors | 47,800 | | | | | | | | | | | | | | | | | | | | 47,800 |
| Finish Moulding Material | 22,800 | | | | | | | | | | | | | | | | | | | | 22,800 |
| Finish Carpentry | 36,800 | | | | | | | | | | | | | | | | | | | | 36,800 |
| Interior Paint Materials | 26,400 | | | | | | | | | | | | | | | | | | | | 26,400 |
| Interior Painting | 57,120 | | | | | | | | | | | | | | | | | | | | 57,120 |
| Exterior Painting S/Mat1 | 35,600 | | | | | | | | | | | | | | | | | | | | 35,600 |

5.1.1 CONSTRUCTION PLANS AND CONCEPTIONS

Please see Section 11.6 for The Ground & Second Floor Plan





5.2 ANNUAL INCOME AND EXPENSE PROJECTIONS

5.2.1 GLOBAL MEDICAL INCOME PROJECTIONS

Global medical will provide unique service both to medical community as well the Community at large. Global will operate the center under the direction of a medical doctor, who is on the board of directors. **All doctors in this facility are clients of global and not employees except for medical director. Global anticipates deriving income when fully operational annually as follows:**

The 21,000 s.f. building will be used as follows:

1. A 3500 s.f. surgery center providing 3 fully equipped and staffed rooms for non-life threatening surgeries to doctors each room will be charged at \$1,000 per 3-hour which earn the company \$6,000 per day at least. This rate is 50% less than Orange County and 30% less than eastern la county and San Bernardino county area

2. A 2500 safe urgent care facility will be open for 14 hours a day from 6 a.m. to 8 p.m. earning \$3,000 per day

3. 10 doctor offices fully equipped and staffed renting for all day from 8 a.m. to 5 p.m. 6 days a week.

Remaining space will be used by administration and maintenance/storage purposes.

Total revenue for this shall be at least:

| | |
|---|---|
| Surgery Center | \$6000/pay X 24 days = \$144,000 |
| Urgent care | \$3,000 X 30 \$90,000 |
| Dr. Offices | \$2,000 X 24 \$48,000 |
| Total | \$282,000/ month |
| Projected Annual Income: \$3,384,000 | |

5.2.2 PROJECTED MONTHLY AND ANNUAL EXPENSES

| |
|--|
| Property Tax \$40,000 per year \$3300 per month |
| Utilities \$10,000 |
| Insurance (\$5,000,000 coverage) \$1700 |
| Others \$5,000 |
| Total \$20,000 |

PAYROLL:

| |
|-----------------------------------|
| 20 Employees at \$ 10/hour |
| 20 employees at \$ 15/hour |
| 15 employees at \$ 20/hour |
| 5 employees at \$ 25/hour |

(Payroll is calculated based on 7/hours a day shifts and 35/hours per week federal basis.)

| | |
|-------------------------------------|---|
| Payroll Total:
annually | \$ 162,200.00 per month and \$1,683,500.00 |
| Combined Total:
annually | \$ 182,000.00 per month and \$1,946,400.00 |
| Net Profit:
annually | \$ 100,000.00 per month and \$1,437,600.00 |

5.2.3 FIVE YEAR INCOME AND EXPENSE PROJECTIONS

FIVE YEARS INCOME PROJECTION

| Income | 1st Year | 2nd Year | 3rd Year | 4th Year | 5th Year |
|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Surgery Center: | | | | | |
| 1-Monthly | \$ 67,680 | \$92,000 | \$144,000 | \$144,000 | \$144,000 |
| 2-Annually | \$812,160 | \$1,104,000 | \$1,728,000 | \$1,728,000 | \$1,728,000 |
| Urgent Care: | | | | | |
| 1-Monthly | \$90,000 | \$90,000 | \$90,000 | \$90,000 | \$90,000 |
| 2-Annually | \$1,080,000 | \$1,080,000 | \$1,080,000 | \$1,080,000 | \$1,080,000 |
| Doctors Office: | | | | | |
| 1-Monthly | \$19,680 | \$36,000 | \$48,000 | \$48,000 | \$48,000 |
| 2-Annually | \$236,160 | \$432,000 | \$576,000 | \$576,000 | \$576,000 |
| Total: | | | | | |
| 1-Monthly | \$177,360 | \$218,000 | \$282,000 | \$282,000 | \$282,000 |
| 2-Annually | \$2,128,320 | \$2,616,000 | \$3,384,000 | \$3,384,000 | \$3,384,000 |

EXPENSE PROJECTIONS

| | Fixed Cost | 1st Year | 2nd Year | 3rd Year | 4th Year | 5th Year |
|---|-------------------------------|--|---|---|--|--|
| 1 | Property Tax | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 |
| 2 | Utilities | \$120,000 | \$120,000 | \$120,000 | \$120,000 | \$120,000 |
| 3 | Insurance | \$ 20,400 | \$ 20,400 | \$ 20,400 | \$ 20,400 | \$ 20,400 |
| 4 | Office Supplies | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| 5 | Telephone | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| 6 | Marketing | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 |
| 7 | Incidentals | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 |
| 8 | Salary
35 hour/week | 10X15= \$273,000
15X12= \$327,600
20X9= \$327,600
25X2= \$ 91,000
Total Salary: | 10X18= \$327,600
15X12= \$327,600
20X11= \$400,400
25X3= \$136,500
\$1,192,100 | 10X20= \$364,000
15X20= \$546,000
15X20= \$546,000
5X25= \$227,500
\$1,683,500 | 10X20=\$364,000
15X20=\$546,000
15X20=\$546,000
5X25= \$227,500
\$1,683,500 | 10X20=\$364,000
15X20=\$546,000
15X20=\$546,000
5X25= \$227,500
\$1,683,500 |
| | Total Expenses | \$1,282,100 | \$1,455,000 | \$1,946,400 | \$1,946,400 | \$1,946,400 |

5.3 EMPLOYMENT CREATION

Job creation is critical to the project’s success. The project strategy has been designed to enhance job creations through the combination of construction, professional and medical services and high demand businesses, the creations of which, requires low capitalization and throw off maximum number of jobs.

5.3.1 DIRECT JOB CREATION

GLOBAL WILL CREAT THE FOLLOWING PROJECTED DIRECT/ON SITE JOBS

During Construction

| Position Title | Number of Positions |
|---------------------------|----------------------------|
| Administration/ marketing | 2 |
| Security | 2 |
| Total | 4 |

Opening Day

| Position Title | Number of Positions Upon opening | Number of Positions Within 12 months | Number of Positions 24 months |
|-----------------------|---|---|--------------------------------------|
| Security | 2 | 2 | 3 |
| Janitorial | 2 | 2 | 3 |
| Maintenance | 2 | 2 | 2 |
| Front Reception | 2 | 2 | 2 |
| Administration | 2 | 2 | 2 |
| Marketing | 2 | 2 | 3 |
| Parking lot Attendant | 2 | 2 | 2 |
| Total | 14 | 14 | 17 |

JOB DESCRIPTIONS

The following table provides a summary job description for each position of employees to be hired by Global Medical Center of Southern California, LLC

| | |
|---|---|
| Administration | Secretaries and administrative assistants perform routine clerical and organizational tasks. They organize files, draft messages, schedule appointments, and support other staff. |
| Janitorial | Janitors and building cleaners keep many types of buildings clean, orderly, and in good condition. |
| Maintenance | General maintenance and repair workers maintain and repair machines, mechanical equipment, and buildings. They work on plumbing, electrical, and air-conditioning and heating systems. |
| Security | Security guards and gaming surveillance officers patrol and inspect property against fire, theft, vandalism, terrorism, and illegal activity. They monitor people and buildings in an effort to prevent crime. |
| Front Reception | Receptionists perform various administrative tasks, including answering telephones and giving information to the public and customers. |
| Marketing | Advertising, promotions, and marketing managers plan programs to generate interest in a product or service. They work with art directors, sales agents, and financial staff members. |
| Parking lot attendant | Oversee admission to parking lot for employees, patients and visitors, handle parking issues |
| Orderly | Information clerks provide administrative and clerical support in a variety of settings. They help maintain records, collect data and information, and respond to customers' questions or concerns. |
| MD | Medical Doctor |
| RN | Registered nurses (RNs) provide and coordinate patient care, educate patients and the public about various health conditions, and provide advice and emotional support to patients and their family members. |
| License Vocational Nurse
LVN | Licensed practical and licensed vocational nurses (known as LPNs or LVNs, depending on the state in which they work) provide basic nursing care. They work under the direction of registered nurses and doctors. |
| Nurse Practitioner | Registered nurses (RNs) provide and coordinate patient care, educate patients and the public about various health conditions, and provide advice and emotional support to patients and their family members. |
| Front desk | Receptionists perform various administrative tasks, including answering telephones and giving information to the public and customers. |
| Appointment desk | Receptionists perform various administrative tasks, including answering telephones and giving information to the public and customers. |

5.3.2 INDIRECT JOB CREATION

According to an economic analysis prepared by Jordan G. Levine, Economist and Director of Economic Research for Beacon Economics, the potential job-creation impacts of the 21,000-square-foot GMCSC facility in the City of Hesperia demonstrates that this project will have a significant effect on the local economy. Using the commute-shed area, drawn from the Census Bureau's LEHD database, as the locus of study, the analysis shows that while this project is located in San Bernardino County, it draws workers from and is economically connected to a much larger area. As such, Beacon Economics has calculated the job-creation and economic impacts for the proposed regional center geography (San Bernardino and Riverside Counties) as well as the three-county contiguous region that includes Los Angeles, as this entire area supplies roughly 90% of Hesperia's workers.

Using this methodology along with the corresponding RIMS II multipliers for this region, Beacon Economics estimates that this project will generate over 136 jobs. This includes direct, indirect, and induced jobs. It is important to note that none of the construction jobs associated with this project is used in this report as justification for the EB-5 investment. Thus, the job-creation estimates presented herein are highly conservative given that \$3.8 million in construction spending has been omitted from this analysis.

NAICS Categories and Corresponding RIMS II Sectors

| Indicator | Value |
|--|--|
| NAICS Sector | 621 - Ambulatory Health Care Services |
| Direct Jobs | 64 |
| RIMS II Sector 621B00 | Medical and Diagnostic Labs and Outpatient/Other Ambulatory Care Services |
| Direct-Effect Employment Multiplier | 2.1296 |

(Source: GMCSC Business Plan and Bureau of Econ. Analysis)

Job Creation Estimates by Sector

| Industry | Job Creation |
|---------------------------------------|---------------------|
| Agriculture | 0.2 |
| Mining | 0.1 |
| Utilities | 0.4 |
| Construction | 0.5 |
| Manufacturing | 3.9 |
| Wholesale trade | 2.0 |
| Retail trade | 8.2 |
| Transport /warehouse | 3.0 |
| Information | 1.8 |
| Finance/insurance | 4.1 |
| Real estate, rental,/leasing | 8.4 |
| Prof., sci., & tech. svcs. | 4.9 |
| Management of companies | 1.3 |
| Admin. /waste mgmt. svcs. | 10.9 |
| Educational services | 1.3 |
| Health care/social assistance | 73.6 |
| Arts, ent. & recreation | 1.6 |
| Accommodation | 0.9 |
| Food services/drinking places | 5.4 |
| Other services | 2.9 |
| Households | 1.1 |
| Total | 136.3 |

Source: Bureau of Econ. Analysis, Beacon Economics
 Summary of Impacts and Viability

| |
|---|
| EB-5 Investment (\$ Mill.) 4.0 |
| Number of EB-5 Investors 8 |
| Total Job Creation 136.3 |
| Total Job Creation/Investor 17.0 |

Source: RIMS II; GMCSG Business Plan; Beacon Economics

Thus, according to the job-creation estimates provided hereinabove, the GMCSG is expected to generate over 136 jobs as a result of direct employment at GMCSG, LP. This translates into 17.0 jobs for each of the 8 investors, which is well above the USCIS threshold of 10 jobs per investor. As such, Beacon Economics concluded in its analysis that this project provides a viable investment vehicle for EB-5 investors under the auspices of the USCIS guidelines.

6. MARKET ANALYSIS

People and the communities they live in depend on money. The people of Hesperia City, California need food, shelter, clothing, and medical care. Business formation and job creation are essential to this community. In terms of employment, San Bernardino Association of Government estimates for employment growth between 2005 and 2030 show that Hesperia will experience twice the percentage change in the number of jobs over Victorville. In summary, strong growth in both the population and business base is certainly favorable for the construction of the proposed facility.

Recent commercial retail growth in Hesperia has primarily occurred on both sides of the I-15 freeway near the Main Street exit. This includes hotels and several large retail developments. There are new developments situated farther east in the downtown area such as the Hesperia Branch Library and City Hall. The area is currently undergoing revitalization and being developed into the master planned mixed –used Hesperia community Civic Plaza.

6.1 MARKET PROFILE

The component of demand for the proposed facility will come from the resident and business market. To understand the proposed Hesperia Facility's ability to attract potential user group, this section first reviews the characteristics of the local and regional market areas, including location, access, demographic and economic characteristics. The resident market will provide the demand for medical centers while the business market will stimulate the demand for healthy community.

A region's attractiveness as a place to do business, the availability of business support and resources, opportunities for growth, and barriers to doing business is critical in our interconnected national economy, where entrepreneurs and businesses have choices about where to locate. Since **businesses provide jobs, sales tax revenue, economic growth, and entrepreneurship opportunities, a strong business climate is important for maintaining San Bernardino County's economic health and quality of life.**

6.2 MARKET OPPORTUNITY

According to San Bernardino County Workforce Investment Board, 2011-13 Strategic Plan” One of the Top 5 Fastest Growing Occupations and Top 5 Occupations with the Most Job Openings Riverside-San Bernardino, 2008-2018 Projection with 1st Quarter 2010 Wages” is Health care. Referring to the last census that the statistical center of Hesperia under took in 2012, Hesperia possesses less medical centers that it is expected. Moreover access and availability of Healthcare continues to be somewhat limited in lesser developed provinces. New emerging threats should also be considered. The demographics will have a significant effect on the pattern of mortality in the future. Especially as it affects the emergence of mortality in children and the health problems of an aging population.

Source: County of San Bernardino Economic Development Agency

Economic Outlook is Strong
 As the economy continues to recover from the Great Recession, San Bernardino County has experienced a slow, but steady decline in unemployment. In 2011, the county added nearly 2,500 jobs to the local economy with significant activity in manufacturing and logistics. With workforce driving corporate relocations and expansions, San Bernardino County is well positioned with a labor pool of 900,000 and a two million resident metropolitan area. Other advantages of the region include newer facilities at lower lease rates than competing markets, superior transportation infrastructure, and access to a market of 23 million people within three hours of driving. Significant speculative industrial construction activity has returned to the region, and with trade volumes expected to increase, the economic outlook for San Bernardino County is optimistic.

*Best Places for Business, Ranking by Component
 Riverside-San Bernardino Metro Area, 2010 and 2011*

| | 2010 | 2011 |
|------------------------|------|------|
| Cost of Doing Business | 80 | 55 |
| Educational Attainment | 181 | 176 |
| Job Growth Projected | 102 | 180 |

Source: Forbes Magazine, June 29, 2011 (www.forbes.com/best-places-for-business)

EMPLOYMENT

Labor Market Distribution and Growth

Labor market distribution analysis showcases San Bernardino County's niche as a logistics hub:

- In 2010, the largest labor markets in San Bernardino County were Trade, Transportation and Utilities (26% of total employment), Government (20%), Educational and **Health Services (13%)**, Professional and Business Services (12%), Leisure and Hospitality (9%), Manufacturing (8%), and Construction (4%).
- Employment within the category of Transportation, Warehousing and Utilities (a sub-category of Trade, Transportation and Utilities) is more than twice as concentrated in San Bernardino County as in the whole of California (8% to 3%, respectively).²⁴ Industry estimates for the Riverside-San Bernardino metro area project that from 2008 to 2018, total non-farm employment will increase by 8%:
- The metro area's fastest growing sectors are projected to be Education Services (+27%), **Health Care and Social Assistance (+22%)**, Administrative and Support and Waste Management and Remediation Services (+13%), Professional, Scientific and Technical Services (13%), and Leisure and Hospitality (+10%).
- Occupations with the fastest projected job growth include Personal and Home Care Aides (+45%), Medical Scientists except Epidemiologists (+42%), Network Systems and Data Communications Analyst (+40%), Physicians Assistants (+38%), Home Health Aides (+36%), Fitness Trainers and Aerobics Instructors (+33%), Physical Therapists Aides (+31%) and Surgical Technicians (+31%).
- Non-farm sectors projected to decline include Management of Companies and Enterprises (-16%), Manufacturing (-9%), Mining and Logging (-8%), Real Estate and Rental and Leasing (-8%) and Financial Activities (-3%).²⁵

Demand Sectors

In their 2011-13 Strategic Plan, the San Bernardino County Workforce Investment Board (WIB) identified the top five sectors that will employ the largest number of residents. These high demand sectors are:

- Health care
- Aviation
- Transportation and Logistics
- Manufacturing
- Green Technology

The WIB has invested funds in training and educating a skilled workforce that will best serve the needs of employers in these sectors, as well as others with demonstrated demand.

*Source: San Bernardino County Workforce Investment Board, 2011-13 Strategic Plans
Top 5 Fastest Growing Occupations and Top 5 Occupations with the Most Job Openings
Riverside-San Bernardino, 2008-2018 Projection with 1st Quarter 2010 Wages*

| Fastest Growing Occupations | Employment Change | Median Hourly | Median Annual | Occupations with Most Job Openings | Total Job Openings | Median Hourly | Median Annual |
|--|-------------------|---------------|---------------|--------------------------------------|--------------------|---------------|---------------|
| Personal Care and Service | 24% | \$10.06 | \$20,924 | Office and Administrative Support | 6,059 | \$15.12 | \$31,440 |
| Healthcare Support | 22% | \$12.49 | \$25,965 | Sales and Related | 5,518 | \$11.42 | \$23,757 |
| Healthcare Practitioners and Technical | 21% | \$32.95 | \$68,532 | Food Preparation and Serving Related | 5,270 | \$9.33 | \$19,393 |
| Computer and Mathematical | 15% | \$31.99 | \$66,541 | Transportation and Material Moving | 3,506 | \$13.80 | \$28,698 |
| Life, Physical, and Social Science | 14% | \$28.72 | \$59,747 | Education, Training, and Library | 2,972 | \$25.39 | \$52,800 |

Source: California Employment Development Department, Projections of Employment by Industry Occupation

UNEMPLOYMENT

After a steady decline in employment in San Bernardino County since 2006, the number of jobs rose in 2011 and continued to rise into 2012:

- Between the high of 2006 and the low of 2010, employment declined by nearly 82,000 jobs.
 - Employment began to rebound in 2011 and by the first quarter of 2012 had reached 760,600 jobs, an increase of 21,700.
 - Still, over 110,000 San Bernardino County residents report being unemployed as of March 2012.
- Paralleling unemployment trends nationwide, San Bernardino County's unemployment rate fell in 2011 and continued falling into early 2012 (according to the latest data available at time of publication):
- During the 10-year period from 2002 to 2012, the unemployment rate in San Bernardino County ranged from a low of 4.8% in 2006 to a high of 14.2% in 2010.
 - From its high in 2010, the unemployment rate decreased slightly to 13.2% in 2011 and 12.7% as of March 2012.
 - In March 2012, San Bernardino County's unemployment rate was ranked 25th out of the 58 counties in California, the same ranking as in March 2011.
 - San Bernardino County had higher unemployment rates than in the United States as a whole between 2002 *and* 2012.

How is San Bernardino County doing?

Forbes' 2011 national rankings placed the Riverside-San Bernardino metro area 99th out of the 200 metro areas ranked:

- This is down 11 places from 88th in 2010.
- Among neighboring California counties, Riverside-San Bernardino ranked below San Diego (64th) but above Orange County (109th) and Los Angeles County (114th).
- Among its out-of-state peer regions, only Phoenix (88th) is ranked higher.
- ***Riverside-San Bernardino's ranking improved significantly in the category of cost of doing business.***
- *San Bernardino's ranking for educational attainment increased, while its poor job growth rank negatively impacted the region's overall*

Best Places for Business Regional Comparison, 2007-2011

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------------------|------------|-----------|-----------|-----------|-----------|
| San Diego Metro | 92 | 106 | 104 | 89 | 64 |
| Phoenix Metro | 55 | 44 | 113 | 117 | 88 |
| Riverside-San Bernardino | 110 | 78 | 94 | 88 | 99 |
| Orange County | 70 | 92 | 107 | 79 | 109 |
| Los Angeles County | | | | 120 | 114 |
| Las Vegas Metro | | 112 | 92 | | |
| Miami Metro | | | | | |



Source: Forbes Magazine, June 29, 2011 (www.forbes.com/best-places-for-business)

Best Places for Business, Ranking by Component

Riverside-San Bernardino Metro Area, 2010 and 2011

| | 2010 | 2011 |
|-------------------------------|------------|------------|
| Cost of Doing Business | 80 | 55 |
| Educational Attainment | 181 | 176 |
| Job Growth Projected | 102 | 180 |

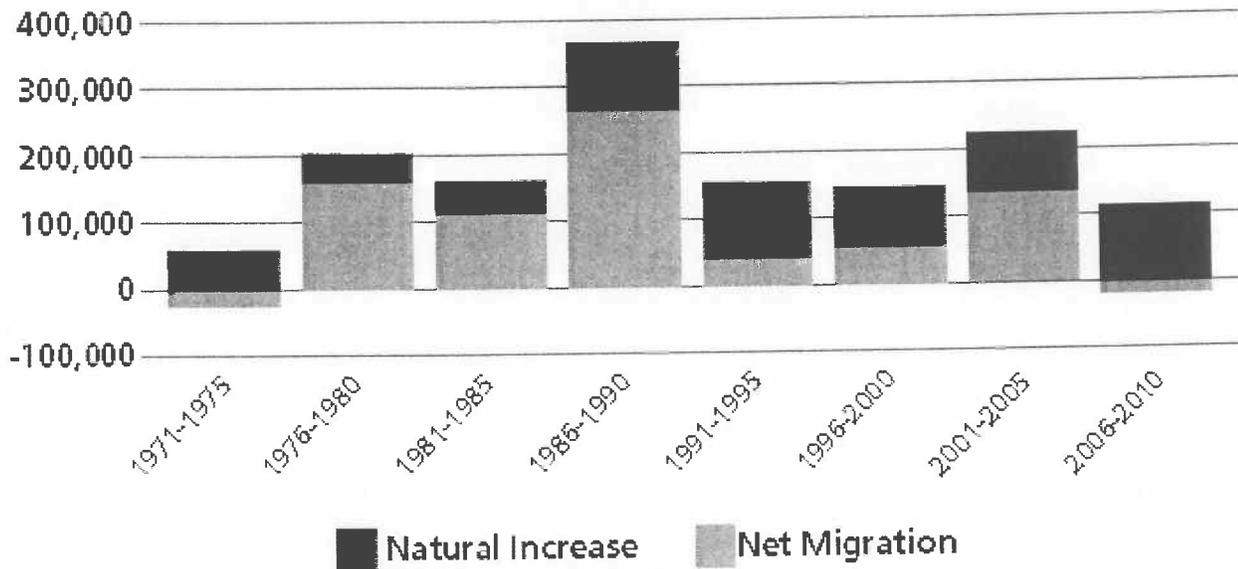
Source: Forbes Magazine, June 29, 2011 (www.forbes.com/best-places-for-business)

6.3 TARGET MARKET

It is known that everyone needs to see a doctor at some point or another. In fact, the less one visits the Doctor for regular checkups, the more work he or she will need in the future.

6.3.1 LARGE POPULATION DENSITY

DEMOGRAPHIC
 Components of Population Change
 San Bernardino County, 1970 to 2010



Source: California Department of Finance, Table E-6, 1970-2010
 (www.dof.ca.gov/research/demographic/reports/view.php)

POPULATION

San Bernardino County has the fifth largest population in California:

- In January 2012, San Bernardino County’s population was estimated at over two million (2,063,919).
 - San Bernardino County is the twelfth largest county in the nation, with more residents than 15 of the country’s states, including Idaho, West Virginia, Nebraska and New Mexico.⁶
 - Among all California counties, only Los Angeles County (9,884,632), San Diego County (3,143,429), Orange County (3,055,792), and Riverside County (2,227,577) have more residents.⁷
- The county’s population growth has occurred at a moderate but fairly steady rate over the past 50 years:
- Average annual population growth in the 1960s and 1970s was 3%.
 - The annual growth rate jumped to 6% in the 1980s, and dropped back to 2% in the 1990s and

Business Plan

remained 2% in the 2000's.

- Most recently (between 2011 and 2012), San Bernardino County's population grew 0.8% – similar to growth in the state as a whole (0.7%) and in one of the densest bordering counties, Orange County (0.9%).⁸

- **Since 2000, San Bernardino County's population has grown by approximately 20%.⁹**

Los Angeles CA 2 813

Maricopa (Phoenix) AZ 3 262

Miami-Dade (Miami) FL 4 128

Orange (Santa Ana) CA 6 340

Riverside CA 7 206

San Diego CA 8 405

San Bernardino CA 18 395

Clark (Las Vegas) NV 31 640

Note: Ranking is among over 3,000 counties in the United States, where one (1) represents the greatest change.

Source: U.S. Census Bureau, Population Estimates Program (www.census.gov/popest/)

Ranking by Population Growth County Comparison, 2010-2011 County (Major City) State

Ranking by Numeric Population Growth (2010-2011) Ranking by Percent Change in Population Growth (2010-2011)

After previously gaining residents primarily through migration, San Bernardino County's growth since the early 1990's has come predominately from natural increase (births minus deaths):

- From 1975 through 2007, the Riverside-San Bernardino metro area had positive net migration, with more people moving into the area than out.
- However, for the three-year period between 2008 and 2010, the county lost population, peaking in 2009 with a loss of approximately 15,000 residents.
- Domestic out-migration (moving out of the county to another location in the United States) was the driver behind the loss during this period, while international immigration (moving to the county from a foreign country) acted to reduce the net loss.
- Most recently, between 2010 and 2011, the county returned to positive net migration, however

6.3. 2 LARGE POPULATION PER DOCTOR

HEALTH CARE ACCESS

Over 1,200 Residents per Primary Care Physician

Description of Indicator

This indicator measures health insurance coverage among residents under age 65 as well as the percent of people who have a usual place to go to when sick or need health advice and the percent of people who delayed or did not get medical care in the past 12 months. It also shows the ratio of residents to primary care physicians and the rate of preventable hospital stays.¹

Why is it Important?

Individuals who have health insurance and a usual source of care are more likely to seek routine health care and take advantage of preventative health screening services than those without such coverage. The result is a healthier population and more cost-effective health care. Delaying or not receiving needed medical care may result in more serious illness, increased complications, and longer hospital stays. A regional shortage of doctors, particularly primary care physicians, can restrict timely access to care.

Source: California Health Interview Survey (www.CountyHealthRankingsandRoadmaps.org)

OVER 1,200 RESIDENTS PER PRIMARY CARE PHYSICIANS

This indicator measures health insurance coverage among residents under age 65 as well as the percent of people who have a usual place to go to when sick or need health advice and the percent of people who delayed or did not get medical care in the past 12 months. It also shows the ratio of residents to primary care physicians and the rate of preventable hospital stays.¹

Individuals who have health insurance and a usual source of care are more likely to seek routine health care and take advantage of preventative health screening services than those without such coverage. The result is a healthier population and more cost-effective health care. Delaying or not receiving needed medical care may result in more serious illness, increased complications, and longer hospital stays. **A regional shortage of doctors, particularly primary care physicians, can restrict timely access to care.**

Fewer people in San Bernardino County are covered by health insurance:

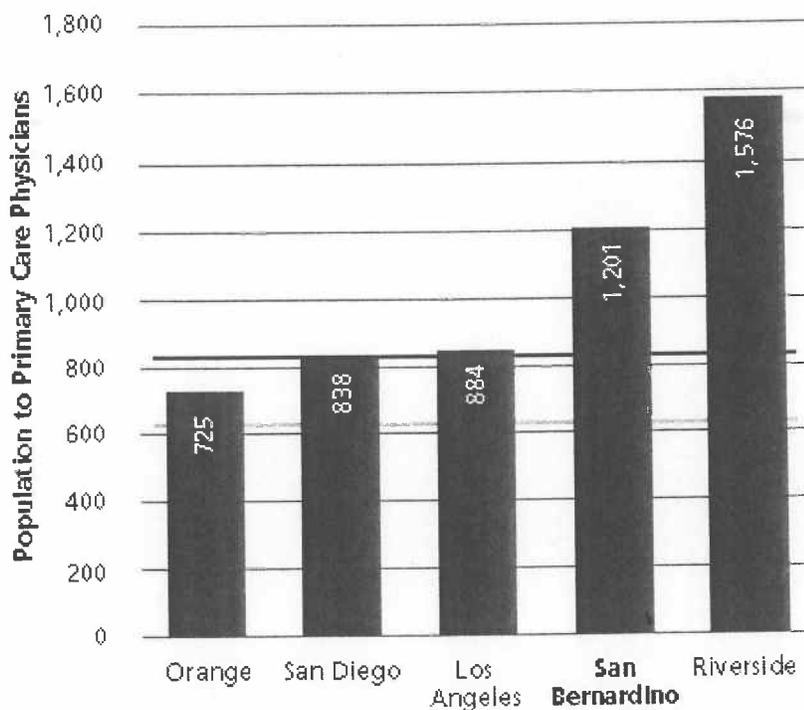
- In 2009, 21.7% of residents were uninsured – a 43% increase from 2007, which appears to be correlated to the economic downturn.
- The majority of people under age 65 are covered by private insurance (54%), followed by publicly funded coverage (22%). Compared to neighboring counties, a higher percent of San Bernardino County residents delay care.
- According to the 2009 California Health Interview Survey, 85.1% of people under age 65 had a

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usual place to go to when they were sick or needed health advice, a higher proportion than California and all neighboring counties compared except San Diego County (88.9%).

- However, 17.4% of San Bernardino County residents under age 65 delayed or did not get the medical care that they needed, higher than the state and all neighboring counties compared.
- This is an increase of 22% since 2007, when 14.3% of San Bernardino residents under age 65 had delayed or did not get needed medical care.
- **There are 1,201 people for each primary care physician in San Bernardino County, higher than the state and all neighboring counties compared except for Riverside County. The national target ratio is 631 for each primary care physician.**
- San Bernardino County has the highest rate of preventable hospital stays among all counties compared, with a rate of 65 hospitalizations for outpatient conditions per 1,000 Medicare enrollees. The national target rate is 49 hospitalizations per 1,000 Medicare enrollees.

Number of Residents per Primary Care Physician
County Comparison, 2009



Region Faces Doctor Shortage

Challenges attracting physicians. Increasing demand for health care. Retiring doctors. Reports by the California Healthcare Foundation, California Medical Association, and the UC Riverside School of Medicine point to an existing, and growing, shortage of doctors in the Riverside-San Bernardino region. Already in San Bernardino County there are 44 active primary care physicians per 100,000 compared to 59 per 100,000 statewide. Between 60 and 80 per 100,000 is the recommended range. Also in San Bernardino County, nearly 33% of all physicians are age 56 and older. Meanwhile, demand continues to grow as Boomers age, people live longer, and nearly 600,000 will be newly insured as of 2014 in the Riverside-San Bernardino region as a result of national health care reform. At current rates, the Riverside-San Bernardino region doctor shortage is anticipated to grow to 5,000 in 10 years. These statistics are a significant driver for the creation of the UC Riverside School of Medicine, based on the notion that students tend to practice near where they receive their residency training. After state funding fell through, local leaders are stepping up to fund the school. Recent commitments mean the UCR School of Medicine may be able to start with 50 students in 2013, but additional funding is needed.

Sources: "The doctor is...out," The Sun, June 26, 2011; "UCR redoubles efforts to open medical school," North County Times, October 15, 2011; "UCR medical school funding pledge giant leap for health care," North County Times, April 14, 2012

Locally Grown Health Care Providers

The Health Care Access indicator highlights one of the region's biggest challenges: an existing and growing shortage of primary care physicians. Indeed, the health sector is projected to be among the fastest growing job markets in the region. CTE is a critical component of meeting the demand. For the San Bernardino County ROP alone, 27% of enrollment is in the Health Science and Medical Technology industry sector.

Source: San Bernardino County Superintendent of Schools

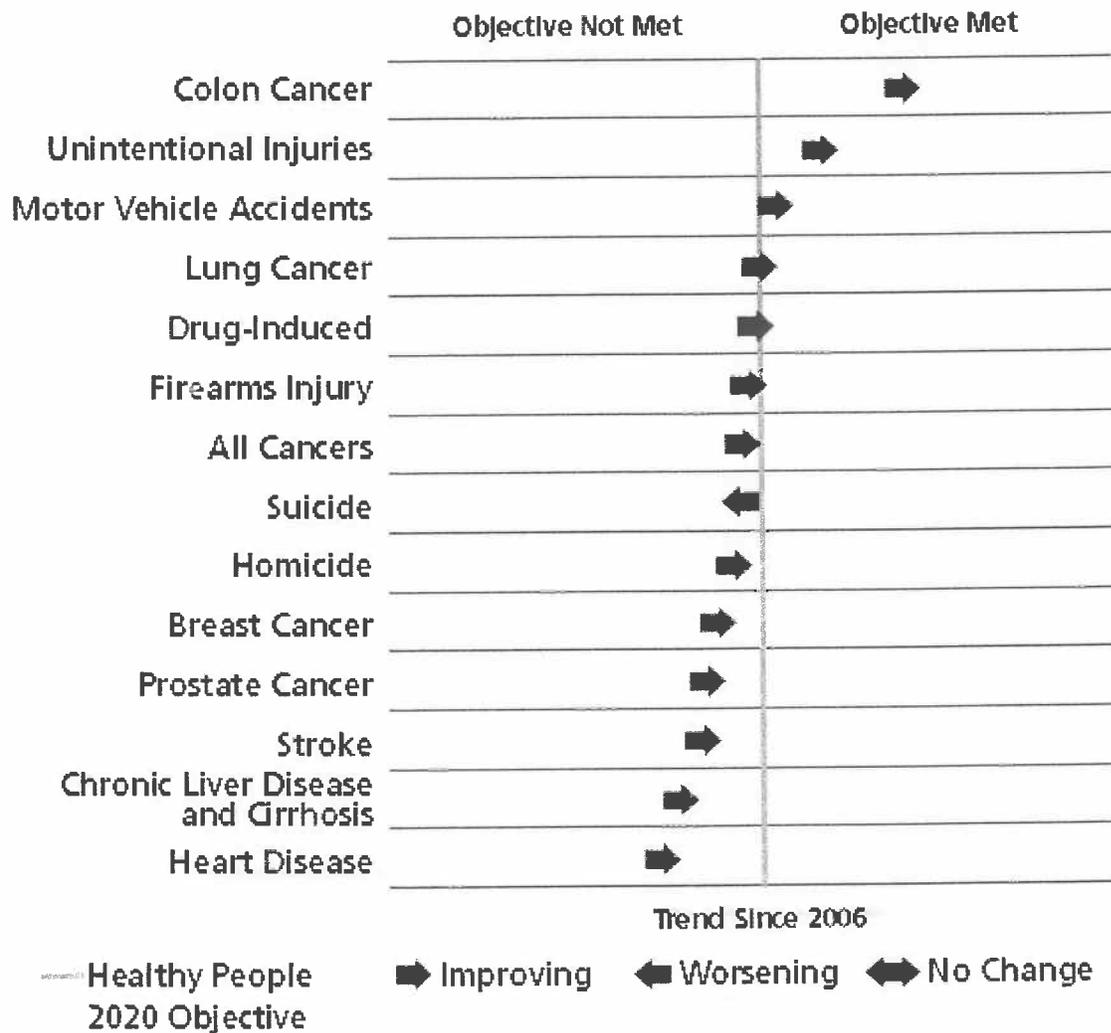
MORTALITY RATES CONTINUE TO IMPROVE

This indicator reports mortality rates (age-adjusted deaths per 100,000 people) for common health status indicators and progress toward Healthy People 2020 objectives.¹

Viewing the county in relation to statewide averages and national health objectives identifies public health issues that are comparatively more or less pronounced in San Bernardino County. This information helps the development and prioritization

of public health initiative The County achieved the national objectives for seven out of 14 commonly measured causes of death:

- In 2010, San Bernardino County met the Healthy People 2020 national objectives for the category “all cancers,” colon cancer, unintentional injuries, lung cancer, drug induced deaths, firearms injury, and motor vehicle accidents.
- Death rates for all major causes have improved over the past five years, except for suicide.
- The rates that improved most over the past five years are influenza/pneumonia and motor vehicle deaths.
- The county’s death rates are higher than the state average for all causes compared except for unintentional injuries, influenza/pneumonia, and Alzheimer’s age-Adjusted Death Rates: Progress towards 2020 Objectives San Bernardino County, 2010 diseases.



Note: Deaths due to Diabetes, Chronic Lower Respiratory Disease, Alzheimer’s, and Influenza or Pneumonia do not have a Healthy People 2020 objective and are not included in this chart. Counties with varying age compositions can have widely disparate death rates because the risk of dying is mostly a function of age. To enable county comparisons, age-adjusted death rates, which control for this variability, are used rather than crude death rates.

Source: California Department of Public Health, County Health Status Profiles (www.cdph.ca.gov/programs/ohir/Pages/CHSP.aspx)

6.3.3 SAN BERNARDINO

How is San Bernardino County Doing?

Fewer people in San Bernardino County are covered by health insurance:

- In 2009, 21.7% of residents were uninsured – a 43% increase from 2007, which appears to be correlated to the economic downturn.
- The majority of people under age 65 are covered by private insurance (54%), followed by publicly funded coverage (22%).

Diabetes Cases Rise 47% in Five Years

Description of Indicator

This indicator reports asthma diagnoses for children and adults, diabetes diagnoses for adults, and the proportion of adults that are overweight and obese.

Why is it Important?

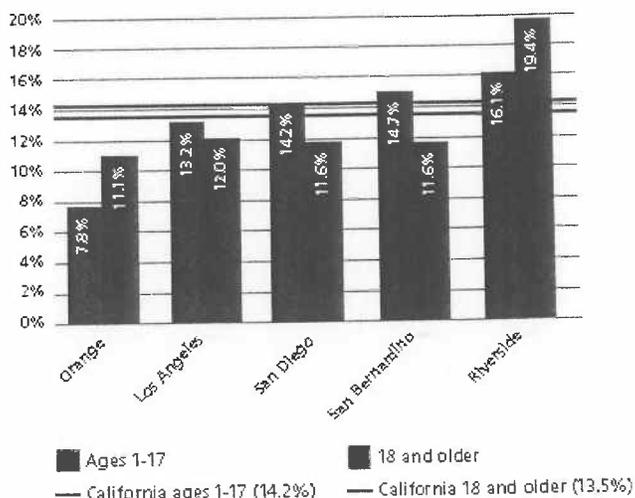
Chronic diseases, including asthma, diabetes, and obesity, are costly yet largely preventable. Chronic illnesses contribute to approximately 70% of deaths in the United States each year and account for about 75% of the nation's health-related costs.¹

How is San Bernardino County Doing?

In 2009, San Bernardino County fared better than California and most counties compared for asthma:

- 14.7% of children and 11.6% of adults in San Bernardino County have ever been diagnosed with asthma. This marks a five-year decrease of 14% and 22%, respectively.
- San Bernardino County has the second lowest rate of adult asthma of all regions compared (higher than Orange County and tied with San Diego County). The county has the second highest childhood asthma diagnosis rate of regions compared.
- African Americans had the highest rate of asthma diagnosis (22.2%), followed by Whites (13.5%) and Latinos (9.7%).

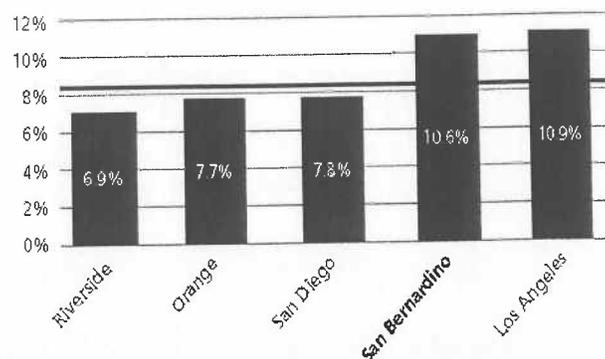
Percent Ever Diagnosed with Asthma, by Age
County Comparison, 2009



Overweight and Obese Adults

■ Obese ■ Overweight

Percent Ever Diagnosed with Diabetes
County Comparison, 2009



Locally Grown Health Care Providers

The Health Care Access indicator highlights one of the region's biggest challenges: an existing and growing shortage of primary care physicians. Indeed, the health sector is projected to be among the fastest growing job markets in the region. CTE is a critical component of meeting the demand. For the San Bernardino County ROP alone, 27% of enrollment is in the Health Science and Medical Technology industry sector.

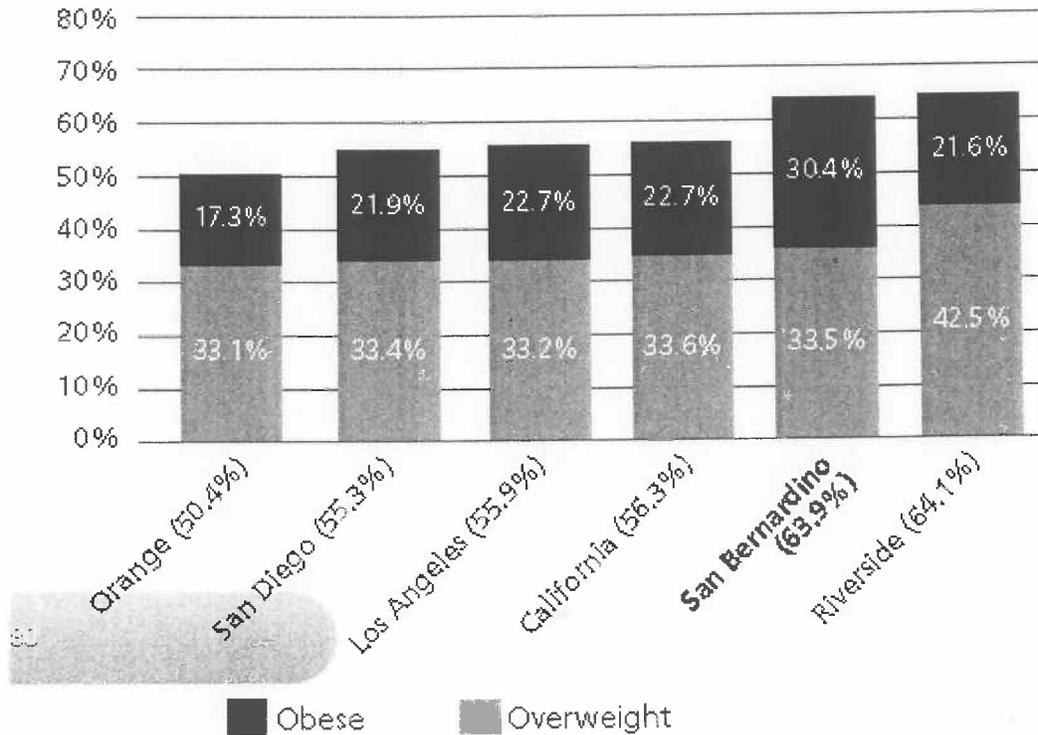
Source: San Bernardino County Superintendent of Schools

¹ Centers for Disease Control and Prevention (www.cdc.gov/chronicdisease/overview/index.htm)

² Website: www.cdc.gov/chronicdisease/overview/index.htm



**Overweight and Obese Adults²
County Comparison, 2009**



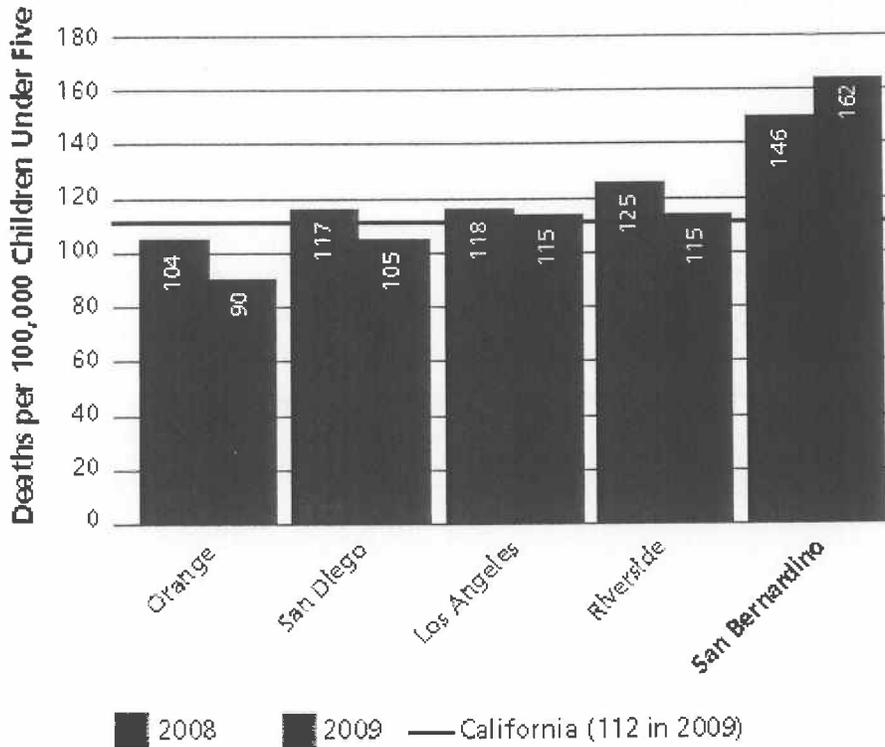
Health Care Access reduces infant mortality rates when mothers take advantage of Prenatal Care.

This indicator measures the leading causes of death for infants less than one year old and children ages one through four in San Bernardino County (shown as raw number of deaths). Also shown are deaths due to all causes for children from birth through four years of age compared to selected California counties (shown as number of deaths per 100,000 children).

Death Rate Due to All Causes for Children Under Five County Comparison, 2008 and 2009

Source: California Department of Public Health, Vital Statistics Query System

(www.apps.cdph.ca.gov/vsq/default.asp)



POPULATION DENSITY

Given its vast land area, the county’s overall population density is low:

- San Bernardino’s population density is estimated at 103 people per square mile, which is substantially lower than the four neighboring counties compared (Riverside, San Diego, Orange, and Los Angeles counties).⁴
- It is also lower than peer regions of Las Vegas, Phoenix, and Miami.
- Within San Bernardino County, the Valley Region is the most densely populated area, with 72% of the population residing in that region, but accounts for only 2.5% of the county’s land area.⁵
- Based on these figures, the estimated population density of the Valley Region is approximately 2,949 persons per square mile, which is similar to neighboring Los Angeles and Orange counties

Population Density for San Bernardino County, San Bernardino Valley, and Peer and Neighboring Counties, 2011

| County (Major City) | Persons per Square Mile |
|------------------------------|-------------------------|
| San Bernardino County | 103 |
| Clark County | 249 |
| Riverside | 311 |
| Maricopa (Phoenix) | 422 |
| San Diego | 748 |
| Miami-Dade (Miami) | 1,313 |
| Los Angeles | 2,435 |
| San Bernardino Valley Region | 2,949 |
| Orange (Santa Ana) | 3,811 |

Note: San Bernardino Valley Region land area is from 2007 and population data is from 2010. The remaining geographies reflect land area data from 2000 and population data from 2011.

Sources: Analysis of data from the U.S. Census Bureau (Census 2010, Census 2000, and Population Estimates Program) and the San Bernardino County Land Use Department, 2007 General Plan

6.3.4 LARGE FAMILY SIZE

The 2010 United States Census reported that Hesperia had a population of 90,173. The population density was 1,231.7 people per square mile (475.6/km²). The racial makeup of Hesperia was 55,129 (61.1%) White, 5,226 (5.8%) African American, 1,118 (1.2%) Native American, 1,884 (2.1%) Asian, 270 (0.3%) Pacific Islander, 22,115 (24.5%) from other races, and 4,431 (4.9%) from two or more races. Hispanic or Latino of any race were 44,091 persons (48.9%).

The Census reported that 90,145 people (100% of the population) lived in households, 22 (0%) lived in non-institutionalized group quarters, and 6 (0%) were institutionalized.

There were 26,431 households, out of which 13,175 (49.8%) had children under the age of 18 living in them, 14,797 (56.0%) were opposite-sex married couples living together, 4,219 (16.0%) had a female householder with no husband present, 2,130 (8.1%) had a male householder with no wife present. There were 1,997 (7.6%) unmarried opposite-sex partnerships, and 182 (0.7%) same-sex married couples or partnerships. 4,036 households (15.3%) were made up of individuals and

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1,660 (6.3%) had someone living alone who was 65 years of age or older. The average household size was 3.41. There were 21,146 families (80.0% of all households); the average family size was 3.76.

The population was spread out with 29,156 people (32.3%) under the age of 18, 9,465 people (10.5%) aged 18 to 24, 23,243 people (25.8%) aged 25 to 44, 20,157 people (22.4%) aged 45 to 64, and 8,152 people (9.0%) who were 65 years of age or older. The median age was 30.5 years. For every 100 females there were 98.5 males. For every 100 females age 18 and over, there were 95.0 males.

There were 29,004 housing units at an average density of 396.2 per square mile (153.0/km²), of which 17,688 (66.9%) were owner-occupied, and 8,743 (33.1%) were occupied by renters. The homeowner vacancy rate was 3.6%; the rental vacancy rate was 8.4%. 58,320 people (64.7% of the population) lived in owner-occupied housing units and 31,825 people (35.3%) lived in rental housing units.



DAILY PRESS
VVDailyPress.com

Beau Yarbrough, 2011-11-03 08:56:20

[« Return to Article](#) **Despite high unemployment, Hesperia's population remains steady**



When the real estate bubble burst in 2007, it took the Victor Valley down with it, sending unemployment rates skyrocketing in communities largely built around construction.

San Bernardino County had a 12.9 unemployment rate in September, according to the latest figures from the state's Employment Development Department. But in the Victor Valley, the numbers ranged from 19.7 percent in Adelanto to a low of 14.1 percent in Apple Valley.

But despite a lack of local jobs, most residents have chosen to stay put, with data showing every Victor Valley city has continued to grow in population even through the recession.

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“If you look at the 2000 census versus the 2010, we had a nice boom in population,” Hesperia spokeswoman Kelly Malloy said.

Federal figures show the city had 62,582 residents in 2000. By 2010, that had grown to 90,173. The California Department of Finance estimates the city’s population has now grown to 90,726.

“Hesperia is still known for affordable housing and I think part of it is that Hesperia is a very safe community,” Malloy said. “Hesperia’s a place where people want to raise a family ... so people want to stay here.”

Hesperia’s hardly alone in seeing the growth. In 2006, the last full year before the housing market collapsed, Adelanto had 24,796 residents, according to the California Department of Finance. In 2011, after five years of the worst local unemployment numbers, the city had grown to 31,671.

During that same period, Apple Valley grew from 67,276 to 69,668. In Victorville, the population surged from 94,831 to 117,219, repeatedly making the Census Bureau’s list of fastest growing cities.

Only Barstow — which had a 16.8 percent unemployment rate, better than Adelanto or Hesperia — saw a population decline, going from 23,643 in 2006 to 22,839 this year.

Even families with children, who might be expected to move away to seek work, seem to be holding steady in the Victor Valley.

At the valley’s largest school district, Hesperia Unified, the student body has only dropped half of one percent last year. As of Oct. 28, the HUSD student body was down 97 students from the year before: 21,376 students versus 21,473.

“Statistically, it’s not significant,” Superintendent Mark McKinney said. “Certainly, I’d love to be growing, but in this economy, I’m happy to be flat-lined.”

Beau Yarbrough may be reached at (760) 956-7108 or at beau@HesperiaStar.com.

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7. IMPACT ON REGIONAL ECONOMY

A region's attractiveness as a place to do business, the availability of business supports and resources, opportunities for growth are critical in our interconnected national economy, where entrepreneurs and businesses have choices about where to locate. Since business provides jobs, sales tax revenue, economic growth and entrepreneurship opportunities, a strong business climate is important for maintaining San Bernardino County's economic health and quality of life.

HEALTHY HESPERIA

Local government alone cannot create healthier communities. What the healthy city process tries to do is to put health on the social agenda of a community, ensuring that the sectors whose actions affect the population's health and well-being accept their health role, adopt policies and develop programs that consciously seek to promote health while achieving their own objectives. It takes the combined effort of all sectors of the community, including local businesses, the voluntary sector, community organizations, schools, and health services. The creation of healthy community coalitions that bring together partners from many different sectors is a fundamental objective of the healthy city and community approach. One consequence of poor access to Medical care is emergency room visits for preventable Medical conditions. Emergency room care can be many more times expensive than the same care provided in a Doctor's offices.

Modern, accessible and patient friendly Medicare facilities could increase access to services for underserved populations, including the insured and uninsured, people with low to moderate incomes, and those who live in areas where there are few Doctors.

Untreated diabetes diseases may result in severe pain, infection, difficulty performing daily activities, and, in rare instances, even death. Use of Medical services is especially low in certain populations, such as seniors, pregnant women, and low-income children, increasing their risk of health problems. Untreated diseases increased risk for diabetes, cardiovascular disease, stroke and bacterial pneumonia, and has implicated in poor birth outcomes.

An important element of access to care is the local supply of Medical Centers. An adequate supply of healthcare's in a community does not necessarily mean that all of its residents have access to care. Many Californians, especially some racial/ethnic groups and children in low-income families, do not have insurance or money to pay for medical care, and finding a place who accepts Medi-Cal can be difficult. In any case, when there are too few Medical Centers in a region, such access is compromised.

7.1 AESTHETIC AND VISCERAL ASPECTS

We are secure in the knowledge that the result of our projects will be affordable and highly desirable properties with excellent “curb appeal”. It is our hope that this will instill a new “benchmark” for professional and business services in the area and encourage other property owners and businesses to maintain or improve their properties.

7.2 ECONOMIC IMPACT

In addition to showing that the project meets the job-creation requirements as set forth by USCIS, Beacon Economics in its “Economics Analysis Report “has also demonstrated that the GMCSC Project will have a positive impact on other regulatory factors associated with the application. This includes, but is not limited to, increasing output and earnings in the local economy through indirect and induced effects. In the analysis presented herein, Beacon Economics has shown that the proposed investments by the candidate regional center will have a significant impact on demand for business services, construction, maintenance and repair services, and to a lesser extent on utilities. In total, the project is expected to engender nearly \$4.3 million in household earnings by the second year of operations. Therefore, in addition to meeting the job-creation requirements of the EB-5 Investor Visa program, this project also generates significant additional economic activity in the local economy and is therefore a viable investment vehicle for EB-5 purposes.

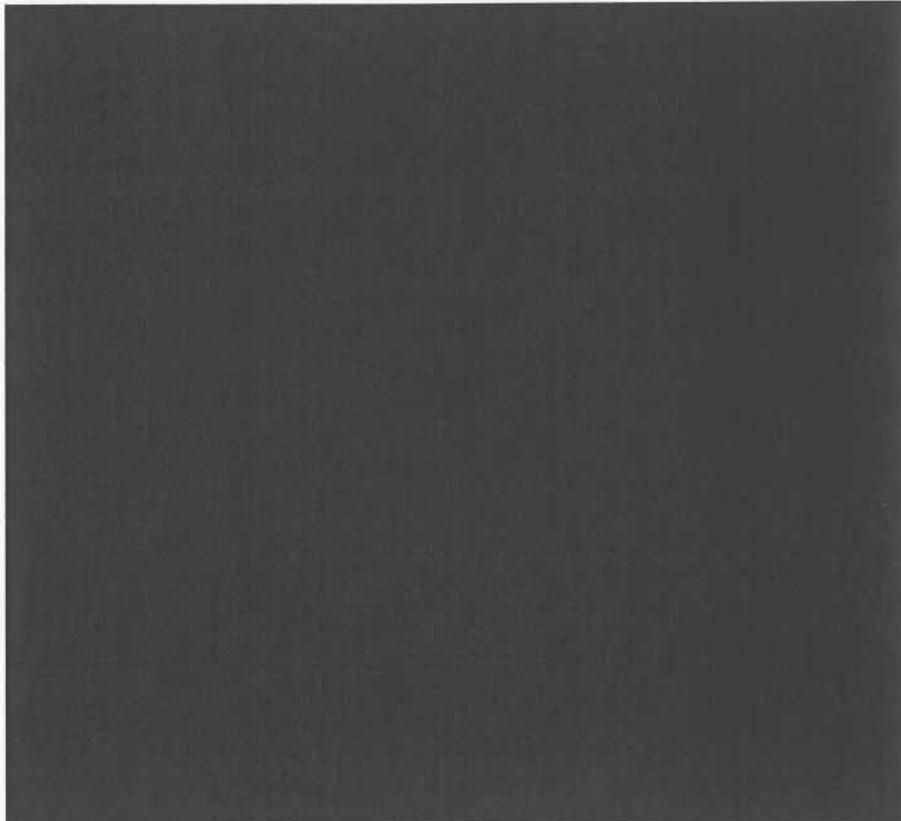
8. COMPETITONS

Source: County Health Rankings and Roadmaps (www.countyhealthrankings.org)

Increasing Rural Access to Health Care

In 2011, the Department of Public Health (DPH) developed a plan to expand access to health care in areas of the County that are medically underserved. In September, the U.S. Health Resources and Services Administration (HRSA) designated the Hesperia Health Center as a Federally Qualified Health Center (FQHC) with a service area of 250 square miles. FQHCs provide a safety net for residents to access medical services without impacting emergency rooms and other local resources. In May 2012, HRSA awarded DPH \$4,897,415 to expand the Hesperia Health Center by 5,800 square feet to provide additional special procedures, radiology, dental services, health education and mental health consultation.

Another resource improving rural access to care is the Arrowhead Regional Medical Center's Mobile Clinic operating since 2009. The mobile medical clinic is a custom-built, 40-foot vehicle that features two exam rooms and a patient education area. This specialized clinic allows hospital personnel to serve remote areas of the county that have limited access to medical services.



www.citymelt.com ›

Complete analysis of Hesperia City, CA provided by Citymelt.com.

GMSCS, LCC envisions the following types of competition in the target market areas:

Health Care Centers in Hesperia, CA

High Desert Primary Care Medical Group

17095 Main Street
Hesperia, CA 92345
(760) 241-6666

Hesperia Clinica Medica Fmlr

15888 Main St,
Hesperia, CA 92345
(760) 948-2242

Keen Medical Group

12021 Jacaranda Ave # 101,
Hesperia, CA 92345
(760) 956-5057
Medical Clinics, Medical Service Organizations, \Group Insurance

DR. MIKE'S URGENT CARE

15791 Bear Valley Road,
Hesperia, CA 92345 -
(760) 949-1231 -

PUBLIC HEALTH HESPERIA PRIMARY CARE

16453 Bear Valley Road, Hesperia,
CA 92345 - (800) 722-4777

St. Mary Medical Center | Serving Apple Valley, Victorville, Hesperia ...

Address: 18300 Highway 18 Apple Valley, CA 92307
Phone: (760) 242-2311
Business Categories: Physicians & Surgeons, Health Care Facilities

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1Hesperia Urgent Care Location

12821 Main Street, Suite 140
Hesperia, CA 92345
Ph. 760-949-2500

Choice Medical Group Physicians & Surgeons

Address: 13010 Hesperia Rd # 500
City: Victorville, CA
Phone: (760) 843-7873
Distance: ~5.27 miles from Hesperia, CA
Business Categories: Physicians & Surgeons, Health Care Facilities

Hacienda Care Ctr Health Care Facilities

Address: 13874 Choco Rd
City: Apple Valley, CA
Phone: (760) 946-2033
Distance: ~7.48 miles from Hesperia, CA

Elijah Mobley Inc Clinics

Address: 18144 US Highway 18 # 130
City: Apple Valley, CA
Phone: (760) 946-0100
Distance: ~9.13 miles from Hesperia, CA
Business Categories: Clinics, Health Care Facilities

9. EXIT STRATEGY

Safety and ROI are two very important project covenants and goals for investors. The investments will be made in the form of Senior Preferred Equity, with standard redemption rights and a liquidation plan beginning 1/1/2017, assuming the initial clinics starts operation on 1/1/2013. The investment will be repaid through several options depending on the various investment platforms, for instance: Investment can be reduced /repaid by project's cash flow/distributions - Investment can be repaid through liquidation, either by sales of business or refinance businesses using new debt.

9.1 RETURN ON INVESTMENT

Investors will be paid a 3% coupon on their investment. The project investments will be made in the form of Senior Preferred Equity, with standard redemption rights and a liquidation plan beginning 1/1/2017.

10. SOURCES

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11. ATTACHMENTS

11.1 TARGETED EMPLOYMENT AREA

11.2 CONSTRUCTION PLANS

11.3 ESCROW AGREEMENT AND GRANT DEED

11.4 LETTER FROM CITY OF HESPERIA

11.5 CONSTRUCTION MEDICAL BUILDING COST BREAKDOWN

11.6 GROUND AND SECOND FLOOR PLAN



DATE: July 11, 2013
TO: Planning Commission
FROM: Dave Reno, AICP, Principal Planner
BY: Stan Liudahl, AICP, Senior Planner
SUBJECT: Appeal APP13-00003; Appellant: Khalil Khosravi; APN: 0413-111-45

RECOMMENDED ACTION

It is recommended that the Planning Commission adopt Resolution No. PC-2013-06, denying Appeal APP13-00003, upholding the Development Review Committee's denial of Site Plan Review Extension SPRE13-00003, which would grant a one-year extension of Site Plan Review SPR-2007-74 (Attachment 1).

BACKGROUND

Proposal: This appeal was filed by Doug Browne, agent for Khalil Khosravi, on April 8, 2013. Granting of this appeal would overturn the Development Review Committee's (DRC's) denial of Site Plan Review Extension SPRE13-00003, which occurred on March 27, 2013 (Attachment 2). The DRC denied SPRE13-00003 due to the project's nonconformance with the Main Street and Freeway Corridor Specific Plan (Specific Plan), which became effective on October 16, 2008. SPR-2007-74 was originally approved by the Development Review Committee (DRC) on April 15, 2009 despite its then nonconformity because the application had been considered duly-filed prior to adoption of the Specific Plan.

The applicant was prepared to present the merits of the project to the Planning Commission, but was unable to attend the June 13, 2013 meeting due to sudden, unforeseen personal reasons. However, the applicant's agent stated at the June 13, 2013 meeting that the applicant would be able to address the Commission on July 11, 2013. Based upon this information, the Planning Commission unanimously continued this item to its July 11, 2013 meeting per their request.

Location: The 1.1 gross acre project site is located approximately 380 feet west of Ninth Avenue at 15621 Main Street.

Current General, Plan, Zoning and Land Uses: The site is within the Pedestrian Commercial (PC) Zone of the Main Street and Freeway Corridor Specific Plan and is vacant. A single-family residence existed on the site in the past, but it was demolished in 2007. The surrounding land is designated as noted on Attachment 3. The administrative offices of the Hesperia Unified School District and a single-family residence exist to the north. The property south of the site contains an existing single-family residence. The property to the east is occupied by a Pep Boys auto parts and repair business, and the lot to the west is vacant (Attachment 4).

ISSUES/ANALYSIS

Land Use: The proposed two-story, 21,047 square foot medical office building approved under SPR-2007-74 (Attachment 5) is inconsistent with the PC Zone of the Specific Plan. The PC Zone was specifically designed to attract retail uses that will contribute to the “walkable” downtown envisioned under the Specific Plan. A medical office building does not fit into the range of retail uses listed within the PC Zone. In fact, medical offices are specifically listed as prohibited within the PC Zone.

Site Plan Review SPR-2007-74 was approved by the DRC based upon its compliance with the General Commercial (C-2) Zone standards, which were in effect at the time that SPR-2007-74 was filed. At that time, medical offices were allowed with approval of a Site Plan Review application. Inasmuch as this project had been filed prior to adoption of the Specific Plan, it was determined that the project would be able to be approved consistent with the C-2 regulations.

The applicant was given notice of the project’s nonconformance with the Specific Plan prior to project approval on April 15, 2009. The DRC approved the project after the Specific Plan had been adopted on October 16, 2008, based upon the project being considered duly-filed prior to the Specific Plan’s approval. Further, on October 20, 2009, the City Council approved Development Code Amendment DCA09-10228, which provided an automatic extension of time for all projects which were still in effect as of January 1, 2007. Otherwise, SPR-2007-74 would have expired over a year ago.

Table 1 below provides the chronological order with regard to the entitlement for this project. In a letter dated March 29, 2012, the Planning Division informed the applicant that it would not support any extensions of time for this project (Attachment 7). The applicant filed the building and grading plans for plan check review shortly before the DRC decision to deny the extension. Table 2 shows the applicant’s progress towards obtaining these permits. To date, the plans require revisions. Updated plans have not yet been resubmitted. Issuance of building permits prior to expiration of the Site Plan Review application, starting construction and progressing steadily, with regular inspector approvals of construction work, would have been the only way to maintain the valid “nonconforming” land use entitlement.

Table 1: Timeline of the Project Entitlement

| Land Use Entitlement Activity | Filing Date | Approval Date | Denial Date | Expiration Date |
|---------------------------------------|-------------|---------------|-------------|-----------------|
| Site Plan Review SPR-2007-74 | 10/22/2007 | 04/15/2009 | | 04/28/2011 |
| Extension of time per DCA09-10228 | 07/22/2009 | 10/20/2009 | | 04/28/2013 |
| Extension of time per SPRE13-00003 | 02/27/2013 | | 03/27/2013 | 04/28/2013 |
| Appeal APP13-00003 of the denied ext. | 04/08/2013 | | | |

Table 2: Permit Activity

| Permit Activity | Filing Date | Review Date | Issuance Date | Expiration Date |
|---|-------------|-------------|---------------|-----------------|
| Demolition of the single-family residence | 04/30/2007 | 04/30/2007 | 04/30/2007 | |
| Building Plans COM13-00041 | 03/12/2013 | 03/28/2013 | | |
| Grading Plans PR13-00004 | 03/12/2013 | 03/28/2013 | | |

The proposed building is inconsistent with some of the site development regulations, including the building setback and maximum Floor Area Ratio (FAR) restrictions. First, the Specific Plan requires that buildings be constructed to the front property line and prohibits installation of parking spaces within the front yard. The building authorized by SPR-2007-74 is shown 96 feet from the front property line, with 13 parking spaces between the front property line and the building as shown on Attachment 1. Secondly, the PC Zone does not allow a FAR above 0.35. The 21,047 square foot building with the 28,789 square foot garage beneath on this 1.1 gross acre lot will have a FAR of 0.99. This is nearly three times the allowable FAR.

The architecture of the building as originally proposed would have met the architectural requirements of the Specific Plan, based upon the large openings in the walls of the covered garage along the side property lines. These large first floor openings reduce the building's visual impact upon adjacent properties (Attachment 6). However, it was determined by the Building Division during plan check review that these large openings in the walls of the parking garage along these property lines are not permitted, due to their proximity to the side property lines. At most, only very small openings are allowed on the first floor, which has a dramatic visual impact upon the exterior building elevations, particularly from the adjacent properties. Although a portion of the second floor will be inset 10 feet away from the side property lines and contains planters and patios, the resulting architecture will not meet the requirements of the Specific Plan, due to the unadorned walls of the building's first floor.

Drainage: The site is not directly impacted by a major drainage flow.

Water and Sewer: The site is adjacent to an existing 10-inch sewer line and a 12-inch water line in Main Street.

Environmental: Denial of a project is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Section 15270, Projects Which Are Disapproved.

FISCAL IMPACT

None.

Conclusion: This project does not conform to the policies of the Specific Plan, most particularly the Pedestrian Commercial (PC) land use policies. This area was specifically designed to attract retail uses that will contribute to the "walkable" downtown envisioned under the Specific Plan. A medical office building does not fit into the range of retail uses listed within the PC Zone. In fact, medical offices are listed as prohibited within the PC Zone.

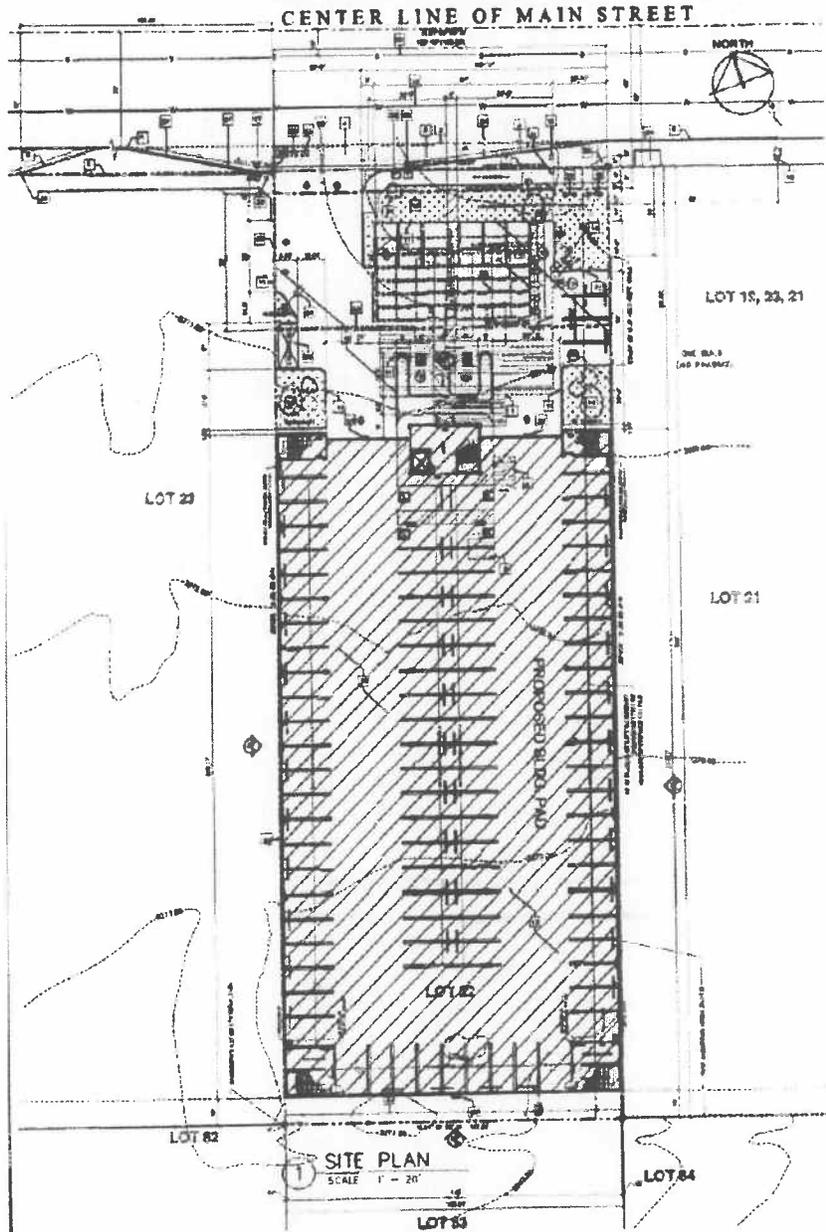
ALTERNATIVE(S)

1. The Planning Commission may decide to grant the appeal, allowing the proposed one-year extension of time under Site Plan Review Extension SPRE13-00003. Inasmuch as the project is inconsistent with the land use pattern and does not meet development standards of the Specific Plan, staff does not support this alternative.
2. Provide alternative direction to staff.

ATTACHMENT(S)

1. Site plan
2. Application for APP13-00003
3. General Plan map
4. Aerial photo
5. Floor plans
6. Exterior building elevations as proposed
7. March 29, 2012 letter to Khalil Khosravi regarding extending the entitlement
8. Resolution No. PC-2013-06

ATTACHMENT 1



APPLICANT(S):
KHALIL KHOSRAVI

FILE NO(S):
APP13-00003
SPRE13-00003
SPR-2007-74

LOCATION:
ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST
OF NINTH AVENUE

APNs:
0413-111-45

PROPOSAL:
CONSIDERATION OF AN APPEAL OF THE DENIAL OF SITE PLAN REVIEW EXTENSION
SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE
PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT
MEDICAL OFFICE BUILDING

N
↑

SITE PLAN

ATTACHMENT 2

APP13-00003

Filed 04/08/13

CITY OF HESPERIA
COMMUNITY DEVELOPMENT DEPARTMENT
9700 Seventh Avenue
Hesperia, CA 92345
(760) 947-1200



APPLICATION FOR APPEAL

FEES

\$311.00 Appeal from Staff to Planning Commission or,
\$324.00 Appeal from Planning Commission to City Council

NOTICE: This form must be filed prior to the effective action date for the project action being appealed (normally 10 days). Appeal applications received after this time period will not be accepted.

As every project action is based upon a set of findings and conditions, you should focus your appeal toward changing those findings, and/or conditions. If you need assistance, contact the City of Hesperia, Planning Division at 947-1200.

For appeals to Planning Commission, completed application should be submitted with the specified fee, to the Community Development Department, 15776 Main Street, Hesperia.

You may attach additional pages or other documentation to this application.

Project Action Date: SPR 08-10003/SPR-2007-74
DENIAL BY STAFF AFTER REQUEST FOR EXTENSION

File No.: _____ Date Appeal Filed: APRIL 8 2013

Project Applicant(s): DOUG BROWNE AGENT FOR KHARUKITOSKANI

Appellant's Name: DOUG BROWNE

Appellant's Address: P.O. BX 18021

City: ANATHEIM Zip: 92817 Phone No.: 714-420-0060

Assessor's Parcel No. of Subject Property: 0413-111-45

General Location of Property: 15621 MAIN (W. OF NINTH)

APPEAL STATEMENT

1. I/We hereby appeal to the City of Hesperia: (Check One)

Planning Commission

City Council

2. I/We are appealing the project action taken to:

DENY the project DENY the project without prejudice

APPROVE the project APPROVE the project with conditions (attach a copy of the conditions, if they are the subject of the appeal).

ADOPT a Negative Declaration

OTHER (specify) _____

3. Detail what is being appealed and what action or change you seek. Specifically address the findings, mitigation measures, conditions and/or policies with which you disagree. Also, state exactly what action/ changes you would favor.

A REQUESTED 1-YEAR EXTENSION TO COMMENCE CONSTRUCTION WAS SUBMITTED TO PLANNING STAFF & DENIED BY THE DRB ON APPROXIMATELY MARCH 28, 2013.

4. State why you are appealing - be specific. Reference any errors or omissions - attach any supporting documentation.

WE APPEAL TO RECEIVE AN EXTENSION TO COMPLETE PARTNERSHIP CONTRACTS AND FUNDING FOR A PROJECT NOW VIABLE W/ ECONOMIC IMPROVEMENT TO CONSTRUCT OUR 80-EMPLOYEE FACILITY. THIS IS A NEIGHBORHOOD-FRIENDLY, NON-HOSPITAL USE

I/We certify that I/We are the:

Legal Owner(s)

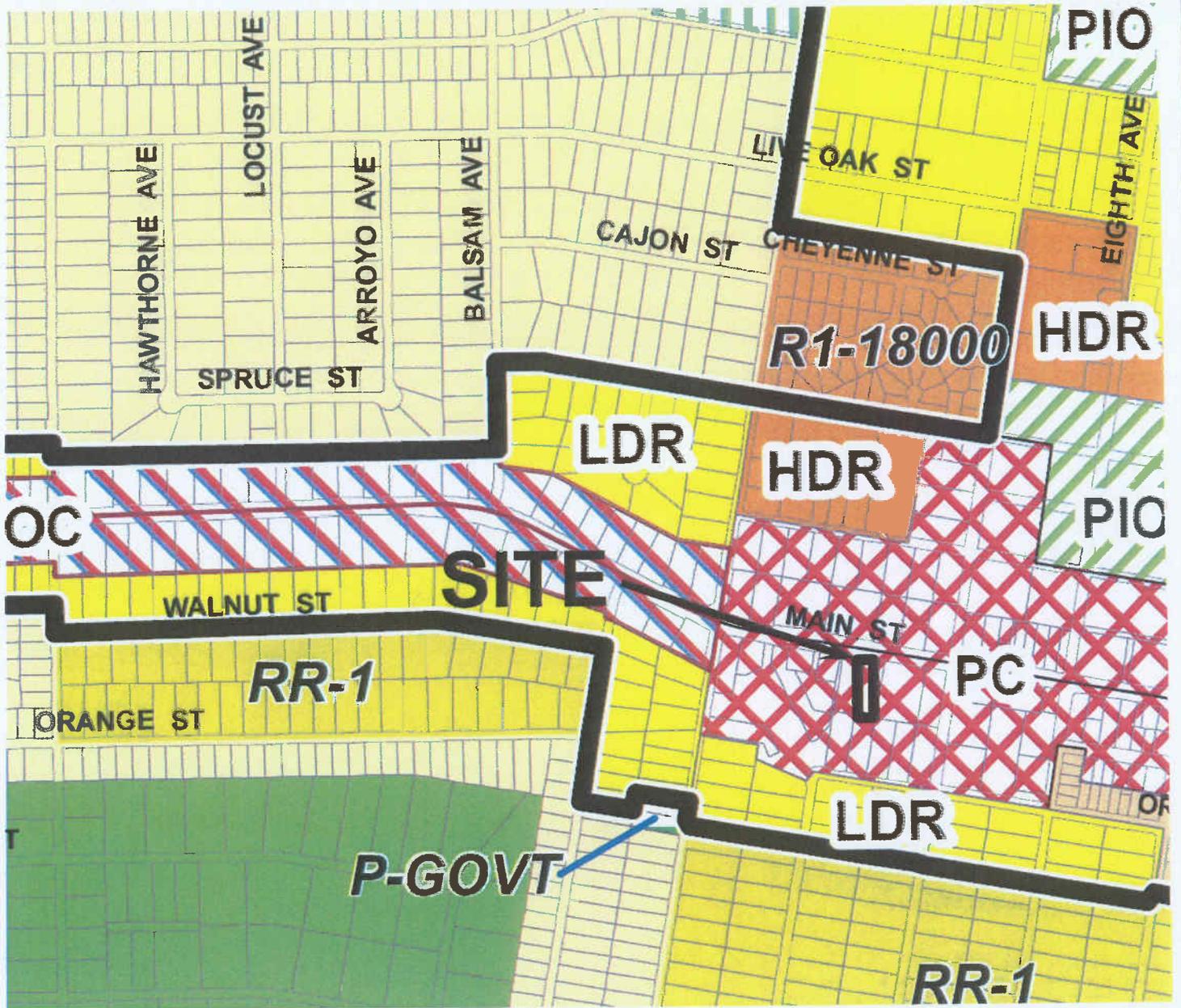
Authorized Legal Agent(s)

Other Interested Person(s)

 Agent/APPLICANT FOR KARIM KITORAVI
Signature of Appellant(s)

DATE: 4-8-2013

ATTACHMENT 3



APPLICANT(S):
KHALIL KHOSRAVI

FILE NO(S):
APP13-00003
SPRE13-00003
SPR-2007-74

LOCATION:
ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST OF NINTH AVENUE

APNs:
0413-111-45

PROPOSAL:
CONSIDERATION OF AN APPEAL OF THE DENIAL OF SITE PLAN REVIEW EXTENSION SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT MEDICAL OFFICE BUILDING



GENERAL PLAN MAP

ATTACHMENT 4



APPLICANT(S):
KHALIL KHOSRAVI

FILE NO(S):
APP13-00003
SPRE13-00003
SPR-2007-74

LOCATION:
ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST
OF NINTH AVENUE

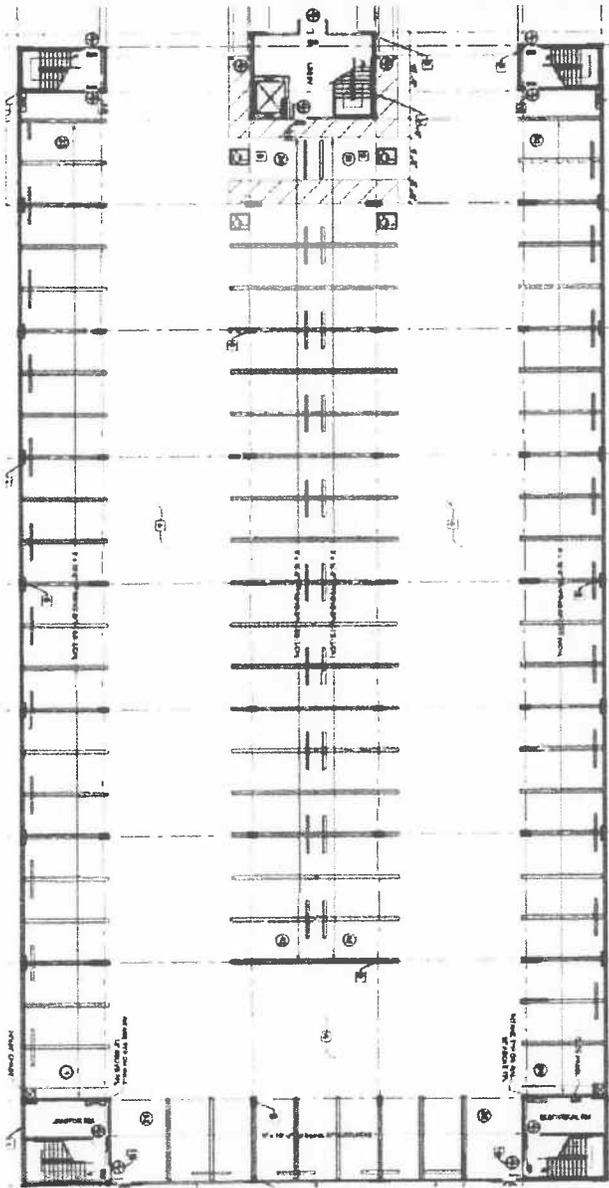
APNs:
0413-111-45

PROPOSAL:
CONSIDERATION OF AN APPEAL OF THE DENIAL OF SITE PLAN REVIEW EXTENSION
SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE
PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT
MEDICAL OFFICE BUILDING

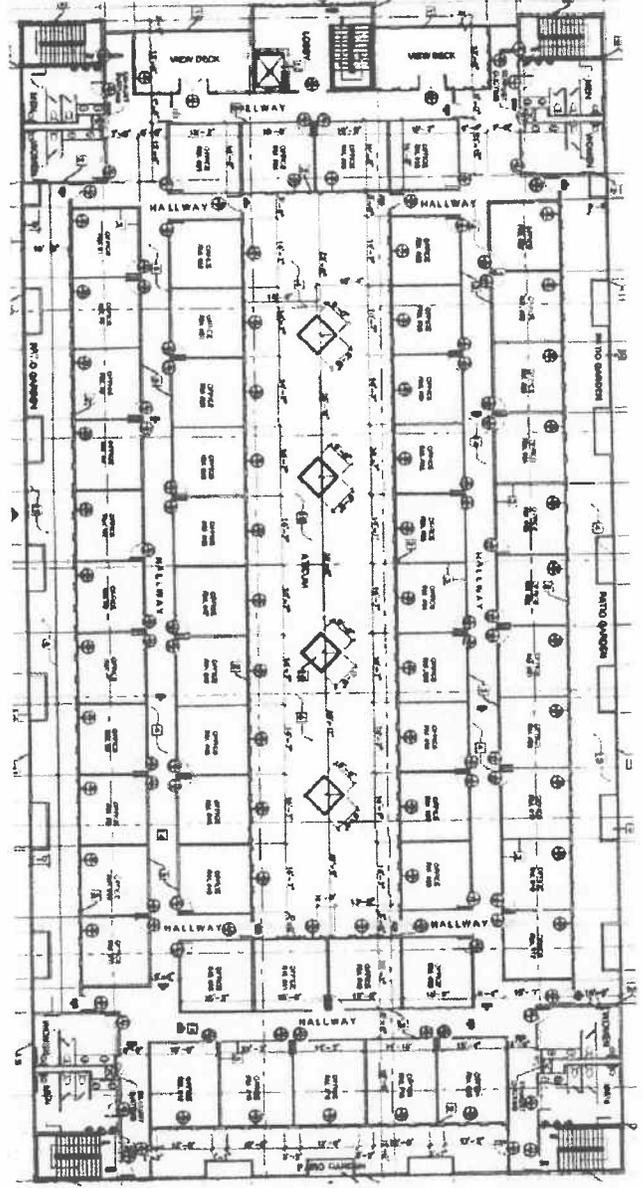


AERIAL PHOTO

ATTACHMENT 5



First Floor



Second Floor

APPLICANT(S):
KHALIL KHOSRAVI

FILE NO(S):
APP13-00003
SPRE13-00003
SPR-2007-74

LOCATION:
ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST
OF NINTH AVENUE

APNs:
0413-111-45

PROPOSAL:
CONSIDERATION OF AN APPEAL OF THE DENIAL OF SITE PLAN REVIEW EXTENSION
SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE
PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT
MEDICAL OFFICE BUILDING



FLOOR PLANS

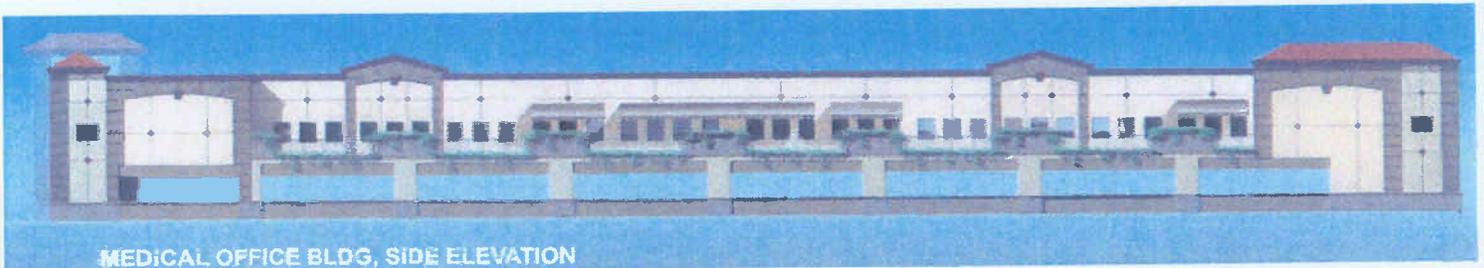
ATTACHMENT 6



MEDICAL OFFICE BLDG, FRONT ELEVATION



MEDICAL OFFICE BLDG, REAR ELEVATION



MEDICAL OFFICE BLDG, SIDE ELEVATION

APPLICANT(S):
KHALIL KHOSRAVI

FILE NO(S):
APP13-00003
SPRE13-00003
SPR-2007-74

LOCATION:
ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST
OF NINTH AVENUE

APNs:
0413-111-45

PROPOSAL:
CONSIDERATION OF AN APPEAL OF THE DENIAL OF SITE PLAN REVIEW EXTENSION
SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE
PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT
MEDICAL OFFICE BUILDING



EXTERIOR BUILDING ELEVATIONS AS PROPOSED

ATTACHMENT 7



City of Hesperia

Gateway to the High Desert

March 29, 2012

Khalil Khosravi
7025 East Avenida De Santiago
Anaheim, CA 92807

RE: Site Plan Review SPR-2007-74 (SPR08-10003) to construct a two-story, 21,047 square foot medical office building on 1.1 gross acres on the south side of Main Street, approximately 380 feet west of Ninth Avenue (APN: 0413-111-45)

Dear Mr. Khosravi:

The Planning Department received an extension of time for the above referenced project on March 13, 2012. Our records indicate that the Site Plan Review has an expiration date of April 28, 2012, but should in fact have an expiration date of **April 28, 2013**. This is because other projects that were approved upon the adoption of the Main Street and Freeway Corridor Specific Plan (October 16, 2008) were given thirty-six (36) months from the effective date to satisfy the conditions of approval. Your project was only given twenty-four (24) months. Therefore, **the new expiration date for this project is April 28, 2013**. This expiration date includes the City's 1-year automatic extension.

Staff would like to use this opportunity to advise you that medical uses are prohibited in the Pedestrian Commercial (PC) District. Upon expiration of the site plan review mentioned in this letter, the City's reviewing authority will be unable to approve any future extensions of time for this site plan review. The expiration date is separate from the time limits for grading and building permits issued to construct the project. Should substantial construction proceed prior to the expiration date of this approval, work authorized under these grading and building permits may extend beyond the expiration date. If you have any questions, please contact me at (760) 947-1253.

Sincerely,

Dave Reno, AICP
Principal Planner

Cc: Stan Liudahl, AICP, Senior Planner
Daniel Alcayaga, AICP, Senior Planner

*Russell Blewett, Mayor
Bill Holland, Mayor Pro Tem
Paul Bosacki, Council Member
Mike Leonard, Council Member
Thurston Smith, Council Member*

9700 Seventh Ave
Hesperia, CA 92345
760-947-1000
TD 760-947-1119

Mike Podgracz, City Manager

www.cityofhesperia.us

ATTACHMENT 8

RESOLUTION NO. PC-2013-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, DENYING APPEAL APP13-00003, UPHOLDING THE DEVELOPMENT REVIEW COMMITTEE'S DENIAL OF SITE PLAN REVIEW EXTENSION SPRE13-00003, WHICH WOULD GRANT A ONE-YEAR EXTENSION OF TIME FOR SITE PLAN REVIEW SPR-2007-74, TO CONSTRUCT A TWO-STORY, 21,047 SQUARE FOOT MEDICAL OFFICE BUILDING ON THE SOUTH SIDE OF MAIN STREET, APPROXIMATELY 380 FEET WEST OF NINTH AVENUE (APP13-00003)

WHEREAS, Doug Browne has filed an application on behalf of the appellant requesting approval of Appeal APP13-00003, overturning the Development Review Committee's denial of Site Plan Review Extension SPRE13-00003, which would grant a one-year extension of time for Site Plan Review SPR-2007-74 described herein (hereinafter referred to as "Application"); and

WHEREAS, the Application applies to an extension of time for SPR-2007-74, to construct a two-story, 21,047 square foot medical office building on a 1.1 gross acre parcel at 15621 Main Street and consists of Assessor's Parcel Number 0413-111-45; and

WHEREAS, on March 27, 2013, the Development Review Committee (DRC) of the City of Hesperia denied the extension of time for SPR-2007-74; and

WHEREAS, this Application, as contemplated, proposes to appeal the DRC's denial of the extension of time for SPR-2007-74, which will allow a medical office building to be constructed on the subject property; and

WHEREAS, The 1.1 gross acre site is currently vacant. The properties north of the site contain an existing single-family residence and the administrative offices of the Hesperia Unified School District. The property to the south contains a single-family residence, the property to the east is occupied by a Pep Boys auto parts and repair business, and the lot to the west is vacant; and

WHEREAS, the subject property is currently within the Pedestrian Commercial (PC) Zone of the Main Street and Freeway Corridor Specific Plan (Specific Plan). The properties to the north, east and west are also within the PC Zone. The properties to the south are within the Low Density Residential (LDR) Zone of the Specific Plan; and

WHEREAS, denial of a project is exempt from the requirements of the California Environmental Quality Act; and

WHEREAS, on July 11, 2013, the Planning Commission of the City of Hesperia conducted duly noticed public hearings pertaining to the proposed Application, and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF HESPERIA PLANNING COMMISSION AS FOLLOWS:

Section 1. The Planning Commission hereby specifically finds that all of the facts set forth in this Resolution are true and correct.

Section 2. Based upon substantial evidence presented to the Planning Commission during the above-referenced July 11, 2013 hearing, including public testimony and written and oral staff reports, this Commission specifically finds as follows:

- (a) The proposed project is inconsistent with and contrary to the goals and policies of the General Plan as well as the Main Street and Freeway Corridor Specific Plan (Specific Plan).
- (b) The proposed project does not conform to the regulations of the Specific Plan, the Development Code, and all applicable City Ordinances.

Section 3. Based on the findings and conclusions set forth in this Resolution, this Commission hereby denies Appeal APP13-00003, denying Site Plan Review Extension SPRE13-00003, causing Site Plan Review SPR-2007-74 to expire.

Section 4. That the Secretary shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED on this 11th day of July 2013.

Chris Elvert, Chair, Planning Commission

ATTEST:

Kathy Stine, Secretary, Planning Commission



DATE: July 11, 2013
TO: Planning Commission
FROM: Dave Reno, AICP, Principal Planner
BY: Lisette Sánchez-Mendoza, Assistant Planner
SUBJECT: City Freeway Pylon Signs

RECOMMENDED ACTION

It is recommended that the Planning Commission approve Resolution No. PC-2013-08, recommending that the City Council introduce and place on first reading an ordinance approving Development Code Amendment DCA13-00001, to establish the City's regulations regarding freeway pylon signs.

BACKGROUND

Off-site signs are currently limited to billboards, model home sales directional signs, and the City's business directional sign program. A request for consideration of a large freeway-oriented sign on property adjacent to the Main Street Freeway Interchange has initiated the development of an ordinance that would allow the construction of off-site signs along the freeway corridor.

The program was reviewed by the Planning Commission on June 13, 2013. There was discussion regarding location and quantity of signs, as well as the City's content control and opportunity to allow all eligible business to participate on such signs. Those issues have been considered and amendments to the draft ordinance are included in this version.

ISSUES/ANALYSIS

This is a new sign program, which permits large signs near freeway interchanges in order to provide freeway exposure exclusively for businesses within Hesperia. As a result, staff has drafted an ordinance to allow Freeway Pylon Signs which are a City-controlled sign for the purpose of displaying eligible major businesses, freeway-oriented businesses and industries located within Hesperia. In addition, City-sponsored and/or civic activities and events, as well as emergency notices may also be displayed on this sign. Also, an amendment has been made to the definition of a billboard in order to differentiate billboards from Freeway Pylon Signs, as any new billboards are currently prohibited within City limits.

Under staff's proposal, the signs would be located within 660 feet of Interstate 15, along Interstate 15 which will enable exposure not otherwise available to such businesses due to their location within the City. Big box retailers, restaurants or industries with no freeway exposure could take advantage of additional advertising on a sign along the freeway corridor. The signs do not replace and are not intended to substitute any business signage otherwise permitted under the code. The program is voluntary and eligible businesses may choose to participate in leasing a portion of these signs for additional advertising opportunities. Eligibility for various businesses is based on an order of hierarchy which has been identified within the ordinance. It

is intended for the City's largest businesses to occupy the largest space on these signs. However, smaller businesses could potentially occupy signage space, reserved for larger businesses, if there is vacancy on the sign. In addition, a digital display will be incorporated in the sign in order to provide additional advertising opportunity to smaller business that do not have a permanent location on the sign, as well as providing a space to advertise City sponsored events, or information that is beneficial for travelers, such as traffic and weather conditions.

The proposed Freeway Pylon Signs will be designed to enhance the City's presence and will be required to have consistent architecture and design. Attachment 2 illustrates potential sign designs. These signs may be located on public or private property and may be operated by the City or a private entity, subject to the City's regulations. This is likely, as the City currently does not have the resources to construct or operate these signs at this time.

The program was first presented to the Planning Commission in August 2011. It was also discussed at the Joint City Council/Planning Commission workshop, held on January 29, 2013. At the workshop, information was presented regarding City Freeway Pylon Signs and staff's proposed program. There was discussion regarding the purpose, ownership and control of such signs. Those issues have been considered by staff and the City attorney prior to completing this proposed ordinance. In addition, staff subsequently met with the sign proponent who attended the workshop to review the proposal.

ENVIRONMENTAL: Approval of this project requires adoption of a negative declaration pursuant to the California Environmental Quality Act (CEQA). The negative declaration and initial study (Attachment 3) prepared for this project concludes that there are no significant adverse impacts resulting from establishment of the Ordinance.

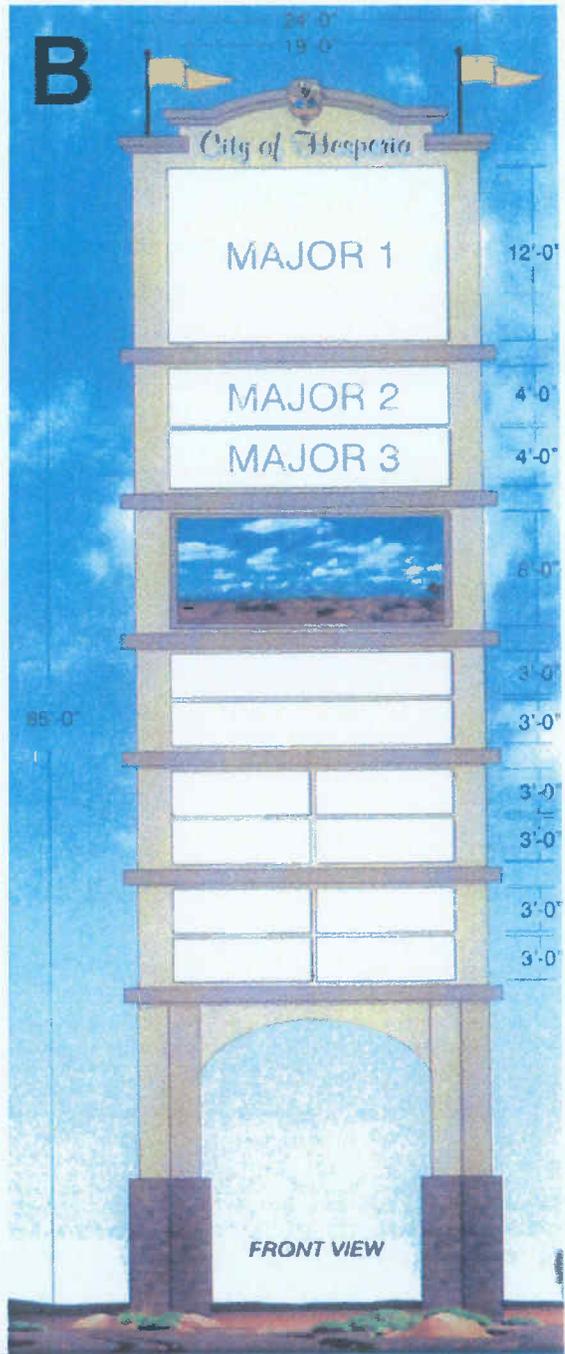
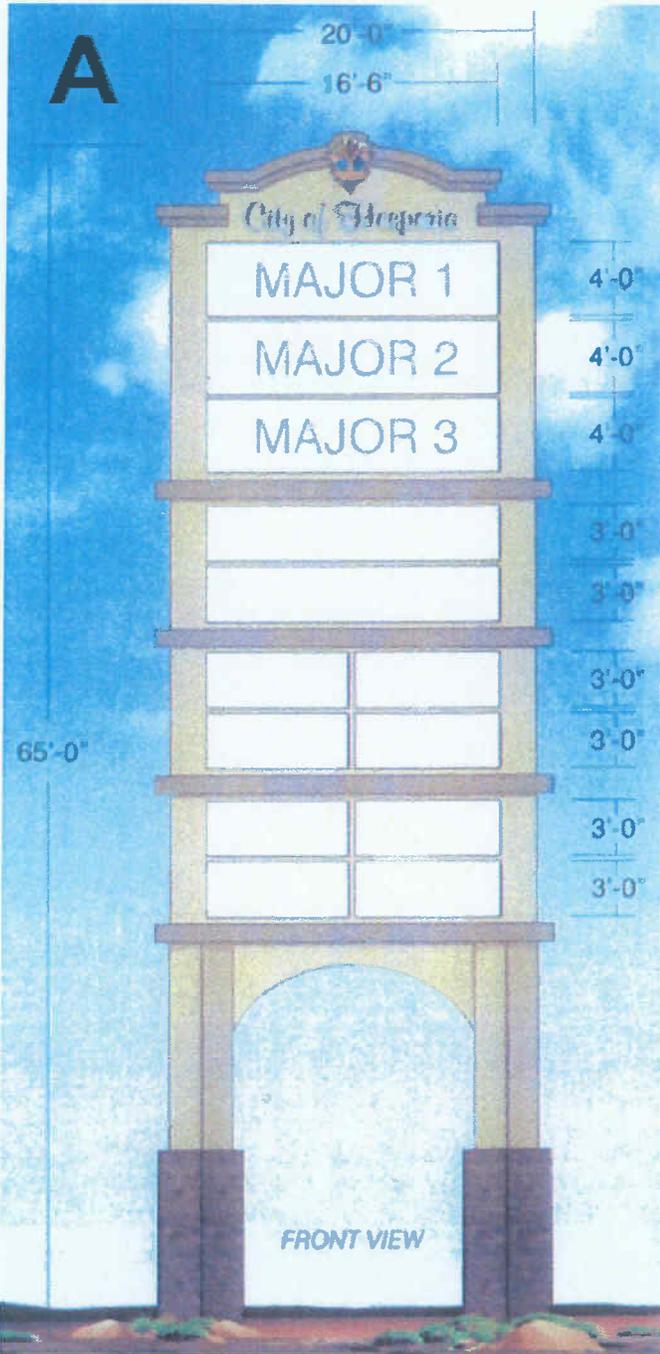
ALTERNATIVES:

1. The City may revise the sign regulations to permit businesses located outside the City to advertise on Freeway Pylon Signs, as long as they are 100 miles outside the City limits. This distance limitation is desirable, as it will prevent businesses located in adjacent cities and the County from competing for space with businesses within Hesperia.
2. Provide alternative direction to staff.

ATTACHMENTS:

1. Sign Option A and B
2. Negative Declaration No. 2013-01 and Initial Study for DCA13-00001
3. Resolution PC-2013-08, with Exhibit 'A'

ATTACHMENT 1



APPLICANT(S):
CITY OF HESPERIA

FILE NO(S):
DCA13-00001

LOCATION:
CITY-WIDE

APN(S):
CITY-WIDE

PROPOSAL:
A DEVELOPMENT CODE AMENDMENT TO ALLOW FREEWAY PYLON SIGNS

OPTION A and B

ATTACHMENT 2

PLANNING DIVISION
9700 Seventh Avenue, Hesperia, California 92345
(760) 947-1224 FAX (760) 947-1221

NEGATIVE DECLARATION ND-2013-01
Preparation Date: January 25, 2013

Name or Title of Project: Freeway Pylon Sign Ordinance.

Location: 660 feet of the centerline of Interstate 15 and may be located near freeway interchanges that exist or are planned at Bear Valley Road, Main Street, Poplar/Muscateel Street, Ranchoero Road or Oak Hill Road. (Citywide)

Entity or Person Undertaking Project: City of Hesperia

Description of Project: A Development Code Amendment (DCA2013-00001) of the City of Hesperia to allow freeway pylon signs along existing and planned freeway interchanges. This sign program would allow the construction of freeway pylon signs within 660 feet of the freeway near interchanges (existing and planned) within City limits. These signs would require an agreement with the City, who will regulate the content and determine the businesses that qualify to advertise on the signs. The intent is to provide advertising space for city businesses that are not located on properties adjacent to the freeway.

Statement of Findings: The City Council has reviewed the Initial Study for this proposed project and has found that there are no significant adverse environmental impacts to either the man-made or physical environmental setting with inclusion of the following mitigation measures and does hereby direct staff to file a Notice of Determination, pursuant to the California Environmental Quality Act (CEQA).

Mitigation Measures:

1. A Sign Plan Review shall be submitted in order to review architecture is consistent with approved Exhibit 'A', and to ensure digital display timing and lighting are consistent with Caltrans regulations.
2. A pre-construction survey for the burrowing owl shall be conducted by a City approved, licensed biologist, no more than 30 days prior to commencement of grading.
3. If cultural resources are found during grading, then grading activities shall cease and the applicant shall contract with a City approved archaeologist or paleontologist to monitor grading prior to resuming grading. All cultural resources discovered shall be handled in accordance with state and federal law. Further, prior to completion of the project, the applicant shall submit a report describing all cultural resources encountered during grading.

A copy of the Initial Study and other applicable documents used to support the proposed Negative Declaration is available for review at the City of Hesperia Planning Department.

Public Review Period: January 26, 2013 through February 15, 2013.

Adopted by the City Council:

Attest:

DAVE RENO, AICP, PRINCIPAL PLANNER

**CITY OF HESPERIA INITIAL STUDY
ENVIRONMENTAL CHECKLIST FORM**

Project title: Freeway Pylon Signs

Lead agency name and address: City of Hesperia Planning Department, 9700 Seventh Avenue, Hesperia, CA 92345.

Contact person and phone number: Lisette Sánchez-Mendoza, Planner (760) 947-1651.

Project location: 660 feet of the centerline of Interstate 15 maybe located near freeway interchanges that exist or are planned at Bear Valley Road, Main Street, Poplar/Muscatel Street, Ranchoero Road or Oak Hill Road.

Project sponsor's name and address: City of Hesperia, 9700 Seventh Avenue, Hesperia, CA 92345

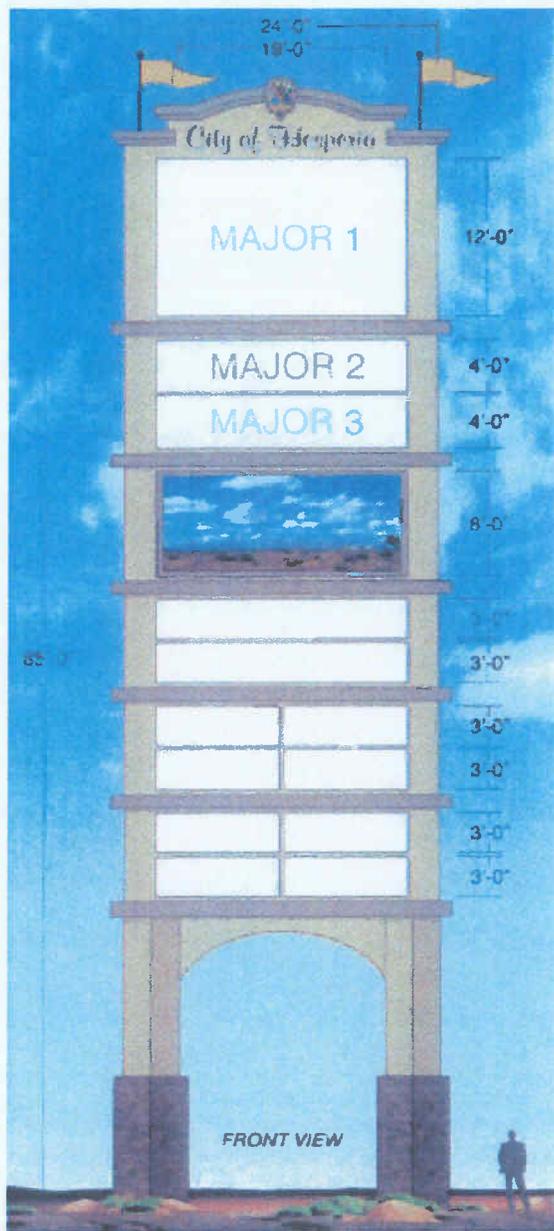
General plan designation: Regional Commercial, Auto Sales Commercial, Office Professional, Neighborhood Commercial, and Industrial Commercial.

Zoning: Regional Commercial, Auto Sales Commercial, Office Professional, Neighborhood Commercial, and Industrial Commercial.

Description of project: A Development Code Amendment (DCA2013-00001) of the City of Hesperia to allow freeway pylon signs along existing and planned freeway interchanges. This sign program would allow the construction of freeway pylon signs within 660 feet of the freeway near interchanges (existing and planned) within City limits. These signs would require an agreement with the City, who will regulate the content and determine the businesses that qualify to advertise on the signs. The intent is to provide advertising space for city businesses that are not located on properties adjacent to the freeway.



Exhibit 'A'



Surrounding land uses and setting: (Briefly describe the project's surroundings.) Properties are located within Districts of the Main Street and Freeway Corridor Specific Plan (Specific Plan).

Other public agency whose approval is required (e.g., permits, financing approval, or participation agreement.) Review and approval is required from the City.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

| | | | | | |
|--------------------------|-------------------------------|--------------------------|------------------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | Aesthetics | <input type="checkbox"/> | Agricultural Resources | <input type="checkbox"/> | Air Quality |
| <input type="checkbox"/> | Biological Resources | <input type="checkbox"/> | Cultural Resources | <input type="checkbox"/> | Geology / Soils |
| <input type="checkbox"/> | Hazards & Hazardous Materials | <input type="checkbox"/> | Hydrology / Water Quality | <input type="checkbox"/> | Land Use / Planning |
| <input type="checkbox"/> | Mineral Resources | <input type="checkbox"/> | Noise | <input type="checkbox"/> | Population / Housing |
| <input type="checkbox"/> | Public Services | <input type="checkbox"/> | Recreation | <input type="checkbox"/> | Transportation / Traffic |
| <input type="checkbox"/> | Utilities / Service Systems | <input type="checkbox"/> | Mandatory Findings of Significance | <input type="checkbox"/> | |

DETERMINATION: (Completed by the Lead Agency)

On the basis of this initial evaluation:

| | | |
|---|--|--|
| | I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared. | |
| X | I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared. | |
| | I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
I find that the proposed project MAY have a “potentially | |
| | I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on the attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed. | |
| | I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION , including revisions or mitigation measures that are imposed upon the project, nothing further is required. | |

“De minimis”

Signature

Date

Lisette Sánchez-Mendoza, Planner, Hesperia Planning Department

EVALUATION OF ENVIRONMENTAL IMPACTS:

1. A brief explanation is provided for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off- as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).
5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting information sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
8. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
9. The explanation of each issue should identify:
 - a) The significance criteria or threshold, if any, used to evaluate each question; and
 - b) The mitigation measure identified, if any, to reduce the impact to less than significance.

ENVIRONMENTAL IMPACTS:

ISSUES

| I. AESTHETICS. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Have a substantial adverse effect on a scenic vista? | | | X | |
| b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? | | | | X |
| c) Substantially degrade the existing visual character or quality of the site and its surroundings? | | | X | |
| d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area? | | X | | |
| <p>Comments.</p> <p>The City contains many scenic views of the Mojave Desert, the Mojave River, the San Bernardino and San Gabriel Mountains, as well as the Summit Valley area. The GPUEIR addresses the scenic vistas and focuses on preservation of natural open space to protect sensitive environments and specific amenities like washes, bluffs, Joshua tree forests and juniper woodlands (3). The proposed development will be located primarily within the commercial corridors along freeway interchanges and are not being proposed in a sensitive environment. Further, a state scenic highway does not traverse the City (2); although state Highways 138 and 173, which are located within the southern portion of the City, are eligible for being designated scenic highways. The proposed pylon signs will not be in proximity to these highways. Furthermore, the City does not contain any registered historic buildings.</p> <p>Construction of the freeway pylon signs would not significantly change the visual character of the area. Development of similar signage is currently allowed for freeway oriented development. Signage allowed as part of this project will be in addition to signs that are currently allowed as part of a any development that qualifies for freeway signage, so the environmental impact would be slightly greater than that identified under the General Plan Update Environmental Impact Report (GPUEIR). Therefore, the impact of this project is not significant. Several commercial zoning designations including, Regional Commercial (RC), Auto Sales Commercial (ASC), Office Professional (OP), Neighborhood Commercial, (NC), and Commercial Industrial Business Park (CIBP) will be eligible for this type of development.</p> <p>The development is subject to the maximum sign height of 85 feet. Besides limiting the building height this project will set forth regulations and specify minimum architectural standards as implemented through the sign plan review process. Digital display will be regulated by limiting the length of time and type of lighting that will be allowed as part of sign. Based upon these regulations, the use will not adversely affect day or nighttime views in the area. Finally these signs are limited to businesses within the City. As such staff does not expect more than one or two signs to be built proximate to each existing or planned freeway interchange. Therefore, approval of the proposed project will not have a significant negative impact upon aesthetics.</p> | | | | |

| II. AGRICULTURE RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and State Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? | | | | X |
| b) Conflict with existing zoning for agricultural use, or a Williamson Act contract? | | | | X |
| c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use? | | | | X |
| <p>Comments.
The City contains few sites currently in agricultural use and only two properties within a Williamson Act contract. This action will not change the zoning of any properties designated as prime or unique farmland and will not negate any Williamson Act contract (6).</p> <p>The City and its Sphere Of Influence (SOI) is located within the Mojave bioregion, primarily within the urban and desert land use classes (9). The southernmost portions of the City and SOI contain a narrow distribution of land within the shrub and conifer woodland bioregions. These bioregions do not contain sufficient forest land for viable timber production and are ranked as low priority landscapes (10). The project will affect the western portion of the City within the Interstate 15 corridor in the urban area and is substantially surrounded by urban development. During the nineteenth century, juniper wood from Hesperia was harvested for use in fueling bakery kilns. Use of juniper wood was discontinued when oil replaced wood in the early twentieth century (7). As a consequence, local timber production has not occurred since that time. Therefore, this project will not have an impact upon forest land or timberland.</p> | | | | |
| III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
| a) Conflict with or obstruct implementation of the applicable air quality plan? | | | | X |
| b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation? | | | | X |
| c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | | | | X |
| d) Expose sensitive receptors to substandard pollutant concentrations? | | | | X |
| e) Create objectionable odors affecting a substantial number of people? | | | | X |

Comments.

The General Plan Update and its Environmental Impact Report (EIR) addresses the impact of build-out in accordance with the Land Use Plan, with emphasis upon the impact upon sensitive receptors (**11 & 12**). Sensitive receptors refer to land uses and/or activities that are especially sensitive to poor air quality. Sensitive receptors typically include homes, schools, playgrounds, hospitals, convalescent homes, and other facilities where children or the elderly may congregate. These population groups are generally more sensitive to poor air quality. The proposed signs will not contain sensitive receptors. The signs will not cause a significant increase in emissions and are within existing commercial areas and not near a point source emitting a significant amount of poor air quality.

The Mojave Desert Air Quality Management District (MDAQMD) has published a number of studies that demonstrate that the Mojave Desert Air Basin (MDAB) can be brought into attainment for particulate matter and ozone, if the South Coast Air Basin (SCAB) achieves attainment under its adopted Air Quality Management Plan. The High Desert and most of the remainder of the desert has been in compliance with most federal and state standards for many years and studies indicate that ozone levels have been decreasing over the past 20 years (**12**). The ability of MDAQMD to comply with ozone ambient air quality standards will depend upon the ability of the South Coast Air Quality Management District (SCAQMD) to bring the ozone concentrations and precursor emissions into compliance with ambient air quality standards (**11 & 12**).

All uses identified within the Hesperia General Plan are classified as area sources by the MDAQMD (**13**). Programs have been established in the Air Quality Attainment Plan which addresses emissions caused by area sources. Both short-term (construction) emissions and the long-term (operational) emissions associated with the development were considered. Short-term airborne emissions will occur during the construction phase related to site preparation, land clearance, grading, excavation, and building construction; which will result in fugitive dust emissions. Construction equipment used during site preparation and construction activities will also generate emissions. Construction activities generally do not have the potential to generate a substantial amount of odors. The primary source of odors associated with construction activities are generated from the combustion petroleum products. However, such odors are part of the ambient odor environment of urban areas. In addition, the contractor will be required to obtain all pertinent operating permits from the Mojave Desert Air Quality Management District (MDAQMD) for any equipment requiring AQMD permits.

The General Plan Update identifies large areas where future residential, commercial, industrial, and institutional development will occur. The General Plan Update Environmental Impact Report (GPUEIR) analyzed the impact to air quality upon build-out of the General Plan. Based upon this analysis, the City Council adopted a finding of a Statement of Overriding Considerations dealing with air quality impacts (**14**). Finally these signs will not contribute to additional development not already considered under the GPEIR.

| IV. BIOLOGICAL RESOURCES. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U. S. Fish and Wildlife Service? | | X | | |

| | | | | |
|---|--|--|--|---|
| b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U. S. Fish and Wildlife Service? | | | | X |
| c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? | | | | X |
| d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? | | | | X |
| e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? | | | | X |
| f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? | | | | X |

Comments.

The potential project sites for these signs are not expected to support the Mohave ground squirrel, given the very low population levels of the species in the region and proximity to existing development. Further, the project sites are outside the area considered suitable habitat for the species (17). The desert tortoise is also not expected to inhabit the site, given that the development of the sign will not impact substantial portion of land (15). If a sign is proposed in combination with a commercial or industrial project, then that development would be analyzed and any impacts associated with the project would be identified. The sites are also outside the range of the arroyo toad, which has been documented to inhabit a portion of the Rancho Las Flores Specific Plan and adjacent areas (16).

The potential project sites are not within the boundary of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. The General Plan Background Technical Report identifies two sensitive vegetation communities. These vegetation communities, the Southern Sycamore Alder Woodland and Mojave Riparian Forest, occur within the Rancho Las Flores Specific Plan and vicinity (16). The potential project sites are located along the western boundary of the northwest within a developed portion of the City (1 & 4). Consequently, approval of the ordinance will not have an impact upon biological resources, subject to the enclosed mitigation measures.

| V. CULTURAL RESOURCES. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5? | | | | X |
| b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5? | | | | X |
| c) Directly or indirectly destroy a unique paleontological resource or site or unique geological feature? | | | | X |
| d) Disturb any human remains, including those interred outside of formal cemeteries? | | X | | |

Comments.

Based review of aerial photos, there is no evidence that historic resources exist within the project potential sites. In addition, the site is not on the list of previously recorded cultural resources (18). This list, which was compiled as part of the 2010 General Plan Update; was created from the inventory of the National Register of Historic Properties, the California Historic Landmarks list, the California Points of Historic Interest list, and the California State Resources Inventory for San Bernardino County. Paleontological resources are not expected to exist on the project site. The Cultural Resources Sensitivity Map identifies the western portion of the City along Interstate 15 as area of cultural sensitivity (19). Consequently, if cultural resources are found during grading activities, grading shall cease and the applicant shall contract with a City approved archaeologist or paleontologist to monitor grading. All cultural resources discovered shall be handled in accordance with state and federal law. A report of all resources discovered as well as the actions taken shall be provided to the City prior to issuance of a Certificate of Occupancy. This mitigation measure is listed on page 22.

In the event that human remains are discovered during initial site work, grading shall cease until the County Coroner has made the necessary findings in accordance with the California Environmental Quality Act (CEQA) (20). Should the Coroner determine that the remains are Native American, the Native American Heritage Commission (NAHC) shall be contacted and the remains shall be handled in accordance with Public Resources Code Section 5097.98. Therefore, approval of the ordinance is not expected to have a significant impact upon cultural resources with inclusion of the mitigation measure.

VI. GEOLOGY AND SOILS. Would the project:

| | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: | | | | |
| i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. | | | | X |
| ii) Strong seismic ground shaking? | | | | X |
| iii) Seismic-related ground failure, including liquefaction? | | | | X |
| iv) Landslides? | | | | X |
| b) Result in substantial soil erosion or the loss of topsoil? | | | | X |
| c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? | | | | X |
| d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? | | X | | |

Comments.

The potential project sites contain generally flat topography. No large hills or mountains are located within this area. According to Exhibit SF-1 of the General Plan Safety Element, no active faults are known or suspected to occur near or within the project sites. Further, they are not within an Alquist-Priolo Special Studies Zone or Earthquake Fault Zone (21). The City and Sphere of Influence (SOI) is near several major faults, including the San Andreas, North Frontal, Cleghorn, Cucamonga, Helendale, and San Jacinto faults (21 & 22). The nearest fault to the sites is the North Frontal fault, located approximately five miles to the east of the City.

The Alquist-Priolo Earthquake Fault Zoning Act prohibits structures designed for human occupancy within 500 feet of a major active fault and 200 to 300 feet from minor active faults (23). The potential project sites are not located in an Alquist-Priolo Earthquake Fault Zone or within 500 feet of a fault (21 & 22).

As a function of obtaining a building final, the proposed development will be built in compliance with the Hesperia Municipal Code and the Building Code (44), which ensures that the buildings will adequately resist the forces of an earthquake. In addition, prior to issuance of a grading permit, a soil study is required, which shall be used to determine the load bearing capacity of the native soil. Should the load bearing capacity be determined to be inadequate, compaction or other means of improving the load bearing capacity shall be performed in accordance with all development codes. Consequently, the impact upon the project regarding geology and soils is considered less than significant.

VII. GREENHOUSE GAS EMISSIONS. Would the project:

| | Potentially Significant Impact | Significant With | Less Than Significant Impact | No Impact |
|---|--------------------------------|------------------|------------------------------|-----------|
| a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment (25)? | | | X | |
| b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases (25, 26 & 27)? | | | X | |

Comments.

Assembly Bill 32 requires the California Air Resources Board (CARB) to develop regulations and market mechanisms that will ultimately reduce California's greenhouse gas emissions to 1990 levels by 2020. In addition, Senate Bill 97 requires that all local agencies analyze the impact of greenhouse gases under CEQA and task the Office of Planning and Research (OPR) to develop CEQA guidelines "for the mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions..."

On April 13, 2009, OPR submitted to the Secretary for Natural Resources its proposed amendments to the state CEQA Guidelines for greenhouse gas emissions, as required by Senate Bill 97 (Chapter 185, 2007). The Natural Resources Agency forwarded the adopted amendments and the entire rulemaking file to the Office of Administrative Law (OAL) on December 31, 2009. On February 16, 2010, OAL approved the Amendments, which became effective on March 18, 2010 (28). This initial study has incorporated these March 18, 2010 Amendments.

Lead agencies may use the environmental documentation of a previously adopted Plan to determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project complies with the requirements of the Plan or mitigation program under specified circumstances. As part of the General Plan Update, the City adopted a Climate Action Plan (CAP)(25). The CAP provides policies along with implementation and monitoring which will enable the City of Hesperia to reduce greenhouse emissions 28 percent below business as usual by 2020, consistent with AB 32 (26).

Development of the proposed signs will not increase the greenhouse gas (GHG) emissions beyond that analyzed within the General Plan Update Environmental Impact Report (GPUEIR). If the sign is proposed in combination with a commercial or industrial project, then that development would be analyzed and any impacts associated with the project would be identified.

| VII. HAZARDS AND HAZARDOUS MATERIALS. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? | | | | X |
| b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? | | | | X |
| c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? | | | | X |
| d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | | | | X |
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? | | | | X |
| f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? | | | | X |
| g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? | | | | X |
| h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? | | | | X |

Comments.

Many hazardous chemicals are used in construction of buildings and structures. However, proper use of these materials will not result in a hazardous waste release. The apartments will not involve the routine transport or storage of hazardous wastes. These wastes are limited to regular household cleansers and other over-the-counter hazardous chemical products. Therefore, the potential project sites do not have the potential to become a hazardous waste site.

The project site is currently vacant and is not listed within any of the following hazardous site database systems, so it is unlikely that hazardous materials currently exist on-site:

- National Priorities List www.epa.gov/superfund/sites/query/basic.htm. List of national priorities among the known releases or threatened releases of hazardous substances, pollutants, or contaminants throughout the United States. There are no known National Priorities List sites in the City of Hesperia.
- Site Mitigation and Brownfields Reuse Program Database www.dtsc.ca.gov/database/Calsites/Index.cfm. This database (also known as CalSites) identifies sites that have known contamination or sites that may have reason for further investigation. There are no known Site Mitigation and Brownfields Reuse Program sites in the City of Hesperia.
- Resource Conservation and Recovery Information System www.epa.gov/enviro/html/rcris/rcris_query_java.html. Resource Conservation and Recovery Information System is a national program management and inventory system of hazardous waste handlers. There are 53 Resource Conservation and Recovery Act facilities in the City of Hesperia. However, the project site is not a listed site.
- Comprehensive Environmental Response Compensation and Liability Information System (CERCLIS) (<http://cfpub.epa.gov/superpad/cursites/srchsites.cfm>). This database contains information on hazardous waste sites, potential hazardous waste sites, and remedial activities across the nation. There is one Superfund site in the City of Hesperia. However, the project site is not located within or adjacent to the Superfund site.
- Solid Waste Information System (SWIS) (<http://www.ciwmb.ca.gov/SWIS/Search.asp>). The SWIS database contains information on solid waste facilities, operations, and disposal sites throughout the State of California. There are three solid waste facilities in the City of Hesperia; however the project site is not listed.
- Leaking Underground Fuel Tanks (LUFT)/ Spills, Leaks, Investigations and Cleanups (SLIC) (<http://geotracker.waterboards.ca.gov/search/>). This site tracks regulatory data about underground fuel tanks, fuel pipelines, and public drinking water supplies. There are fourteen LUFT sites in the City of Hesperia, six of which are closed cases. The project site is not listed as a LUFT site and there are no SLIC sites in the City of Hesperia.
- There are no known Formerly Used Defense Sites within the limits of the City of Hesperia <http://hq.environmental.usace.army.mil/programs/fuds/fudsinv/fudsinv.html>.

The proposed ordinance does not conflict with air traffic nor emergency evacuation plans. The potential sites are located over 5 miles west of the Hesperia Airport and is therefore not within a restricted use zone associated with air operations (29). Consequently, implementation of the project will not cause safety hazards to air operations.

The project's potential for exposing people and property to fire and other hazards was also examined. The site is located within an urbanized area and is not in an area susceptible to wildland fires. The southernmost and westernmost portions of the City are at risk, due primarily to proximity to the San Bernardino National Forest (30 & 31). All new structures associated with this project will be constructed to the latest building standards including applicable fire codes. Consequently, approval of the site plan review and development agreement will not have any impact upon or be affected by hazards and hazardous materials.

| VIII. HYDROLOGY AND WATER QUALITY. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Violate any water quality standards or waste discharge requirements? | | | | X |
| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | | | | X |
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site? | | | | X |
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site? | | | | X |
| e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff? | | | | X |
| f) Otherwise substantially degrade water quality? | | | | X |
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary of Flood Insurance Rate Map or other flood hazard delineation map? | | | | X |
| h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows? | | | | X |
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam? | | | | X |
| j) Inundation by seiche, tsunami, or mudflow? | | | | X |

Comments.

Development of these signs will not disturb more than one-acre of land at each potential site. Consequently, a Notice of Intent (NOI) and a general construction National Pollution Discharge Elimination System (NPDES) permit will not be required prior to land disturbance (33).

This development will not significantly change absorption rates and potential drainage patterns, or the amount of surface water runoff, as the project consist of the development of signs alone (4). If the sign is proposed in combination with a commercial or industrial project, then that development would be analyzed and any impacts associated with the project would be identified. The City is downstream of three dams. These are the Mojave Forks, Cedar Springs, and Lake Arrowhead Dams. In the event of a catastrophic failure of one or more of the dams, the project site would not be inundated by floodwater (34). The areas most affected by a dam failure are located in the low lying areas of southern Rancho Las Flores, areas adjacent to the Antelope Valley Wash, and properties near the Mojave River.

The City of Hesperia is located just north of the Cajon Pass at an elevation of over 2,500 feet above sea level, which is over 60 miles from the Pacific Ocean. As such, the City is not under threat of a tsunami, otherwise known as a seismic sea wave (24). Similarly, the potential for a seiche to occur is remote, given the limited number of large water bodies within the City and its sphere. A seiche would potentially occur only in proximity to Silverwood Lake, Hesperia Lake and at recharge basins (24). The subject property exhibits at most a two percent slope. In addition, the water table is significantly more than 50 feet below the surface. The area north of Summit Valley contains steep slopes which have the potential to become unstable during storm events (35). Therefore, the conditions necessary to create a mudflow; a steep hillside with groundwater near the surface, do not exist at this location.

The Mojave Water Agency (MWA) has adopted a regional water management plan (Plan) for the Mojave River basin. The Plan references a physical solution that forms part of the Judgment in City of Barstow, et. al. vs. City of Adelanto, et. al., Riverside Superior Court Case No. 208548, an adjudication of water rights in the Mojave River Basin Area (Judgment). Pursuant to the Judgment and its physical solution, the overdraft in the Mojave River Basin is addressed, in part, by creating financial mechanisms to import necessary supplemental water supplies. The MWA has obligated itself under the Judgment "to secure supplemental water as necessary to fully implement the provisions of this Judgment." Based upon this information, the project will not have a significant impact on water resources not already addressed in the Judgment or the City's Urban Water Management Plan (UWMP) adopted in 1998. Furthermore, a letter dated May 21, 1997 from the MWA's legal counsel confirmed for the City that the physical solution stipulated to by the Hesperia Water District provides the mechanism to import additional water supplies into the basin (32).

The Hesperia Water District (HWD) is the water purveyor for the City and much of its Sphere Of Influence (SOI). The UWMP indicates that the City is currently using less than half of its available water supply and that supply is not projected to exceed demand beyond the year 2030 (32). The HWD has maintained a water surplus through purchase of water transfers, allocations carried over from previous years, and recharge efforts. Therefore, the impact upon hydrology and water quality associated with the site plan review and development agreement is considered less than significant.

| IX. LAND USE AND PLANNING. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Physically divide an established community? | | | | X |

| | | | | |
|---|--|--|--|---|
| b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? | | | | X |
| c) Conflict with any applicable habitat conservation plan or natural community conservation plan? | | | | X |

Comments.

The potential sites for the proposed signs are mostly vacant and are surrounded by vacant land with the exception of the properties at Main Street and Bear Valley Road, which are currently vacant but located within an area with existing commercial development (1). The proposed signs are consistent with the General Plan because they support commercial and industrial lands uses intended in the land use element (4).

The project potential sites are not within the boundary of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. The General Plan Background Technical Report identifies two sensitive vegetation communities. These vegetation communities, the Southern Sycamore Alder Woodland and Mojave Riparian Forest community; exist within the Rancho Las Flores Specific Plan and vicinity (16). The project site is located approximately seven miles northwest of this sensitive area and is within a developed portion of the City.

| X. MINERAL RESOURCES. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? | | | | X |
| b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? | | | | X |

Comments.

According to data in the Conservation Element of the City's General Plan, no naturally occurring important mineral resources occur within the project site (36). Known mineral resources within the City and sphere include sand and gravel, which are prevalent within wash areas and active stream channels. Sand and gravel is common within the Victor Valley. Consequently, the proposed project would not have an impact upon mineral resources.

| XI. NOISE. Would the project result in: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? | | | | X |
| b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? | | | | X |
| c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? | | | | X |
| d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? | | | | X |

| | | | | |
|---|--|--|--|---|
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? | | | | X |
| f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? | | | | X |

Comments.

Approval of the proposed signs will result in both construction noise and operational noise, mostly associated with trucks and vehicular traffic to and from the site. According to the General Plan, the majority of noise sources within the City are mobile sources, which include motor vehicles (37). Freeways, major arterials, railroads, airports, industrial, commercial, and other human activities contribute to noise levels. Apart from the noise during construction, noises associated with this type of project will be mostly from traffic caused by arriving and departing vehicles to do maintenance on the signs.

Noise levels associated with construction activities may be significantly higher than the existing ambient noise levels in the vicinity of the project site. Noise generated by construction equipment, including trucks, graders, backhoes, well drilling equipment, bull-dozers, concrete mixers and portable generators can reach high levels and is typically one of the sources for the highest potential noise impact of a project. However, the construction noise would diminish as construction is completed.

The proposed project must adhere to the requirements of the City of Hesperia Noise Ordinance (38). The Noise Ordinance contains an exemption from the noise level regulations during grading and construction activities occurring between 7:00 A.M. and 7:00 P.M., Monday through Saturday, except federal holidays.

The project sites are over 5 miles west of the Hesperia Airport. At this distance, the project is not impacted by any safety zones associated with this private airport (39). The project site is even farther from the Southern California Logistics Airport (SCLA) and the Apple Valley Airport and will not be affected by any safety zones for these airports.

The General Plan Update identifies areas where future residential, commercial, industrial, and institutional development will occur. The GPUEIR analyzed the noise impact upon build-out of the General Plan to the maximum allowable density permitted by the Land Use Plan. Based upon the analysis, the City Council adopted a Statement of Overriding Considerations dealing with noise impacts (14). This project is consistent with the Specific Plan and no appreciable difference in noise impact will occur.

| XII. POPULATION AND HOUSING. Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | | | | X |
| b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere? | | | | X |
| c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere? | | | | X |

Comments.

The subject property is within the Commercial and Industrial Districts of the Specific Plan (5). Since the project proposes to develop signs to advertise existing businesses, its potential effect as a growth-inducing factor is less than significant. If the sign is part of a larger development then development would be analyzed any impacts associated with the project would be identified. Consequently, the proposed project will not cause a significant additional population or housing impact. In addition, this project will not displace any existing housing, necessitating the construction of replacement housing elsewhere, since the site is currently vacant.

The sites are currently served by water, sewer, and other utility systems (40). Therefore, development of the project would not cause a significant negative impact upon existing public facilities. Completion of the project would also have a less than significant impact upon population and housing, based upon the minimal increase in density of apartments beyond that analyzed by the GPUEIR.

XIII. PUBLIC SERVICES.

| | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for the new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services: | | | | X |
| Fire protection? | | | | X |
| Police protection? | | | | X |
| Schools? | | | | X |
| Parks? | | | | X |
| Other public facilities? | | | | X |

Comments.

The proposed project will not create an increase in demand for public services (5), therefore it will not be greater than that anticipated as part of the GPUEIR. The site is currently adjacent to both sewer and water lines adequate to serve the development. Therefore, the impact of the site plan review and development agreement upon public services is less than significant.

XIV. RECREATION.

| | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? | | | X | |
| b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? | | | | X |

Comments.

This project will not result in an increase in population growth beyond that which is planned for in the City's Land Use Element and the Specific Plan. Construction of these signs will allow for advertising of businesses not located at freeway frontages. This type of advertising could include City events and could potentially result in additional impact to recreational facilities. However the impact will not result in an increase in population growth beyond that which is planned for in the City's Land Use Element and the Specific Plan, as the impact will be temporary. Therefore, its impact upon existing recreational facilities will be minimal.

XV. TRANSPORTATION / TRAFFIC. Would the project:

| | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? | | | | X |
| b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? | | | X | |
| c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? | | | X | |
| d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? | | | | X |
| e) Result in inadequate emergency access? | | | | X |
| f) Result in inadequate parking capacity? | | | | X |

Comments.

The potential project sites are located within the Commercial and Industrial Districts of the Specific Plan. Consequently, the GPEIR analyzed development on this site. This project will not increase additional traffic not already accounted as part of the development that is being advertised on the proposed freeway pylon signs.

The General Plan Update identifies areas where future residential, commercial, industrial, and institutional development will occur. The GPUEIR analyzed the impact upon transportation at build-out of the General Plan to the maximum allowable density permitted by the Land Use Plan. Based upon the analysis, the City Council adopted a Statement of Overriding Considerations dealing with transportation impacts (14). The proposed signs will not cause an increase in traffic from that which was analyzed under the GPUEIR. Consequently, the impact of the project upon transportation systems is less than significant.

XVI. UTILITIES AND SERVICE SYSTEMS. Would the project:

| | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|---|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? | | | | X |

| | | | | |
|---|--|--|--|---|
| b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | | | | X |
| c) Require or result in the construction of new storm water drainage facilities, the construction of which could cause significant environmental effects? | | | | X |
| d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? | | | | X |
| e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments? | | | | X |
| f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? | | | | X |
| g) Comply with federal, state, and local statutes and regulations related to solid waste? | | | | X |

Comments.

The Mojave Water Agency (MWA) has adopted a regional water management plan for the Mojave River basin. The Plan references a physical solution that forms part of the Judgment in City of Barstow, et. al. vs. City of Adelanto, et. al., Riverside Superior Court Case No. 208548, an adjudication of water rights in the Mojave River Basin Area (Judgment). Pursuant to the Judgment and its physical solution, the overdraft in the Mojave River Basin is addressed, in part, by creating financial mechanisms to import necessary supplemental water supplies. The MWA has obligated itself under the Judgment "to secure supplemental water as necessary to fully implement the provisions of this Judgment." Based upon this information the project will not have a significant impact on water resources not already addressed in the Judgment or the City's Urban Water Management Plan (UWMP) adopted in 1998. Furthermore, a letter dated May 21, 1997 from the MWA's legal counsel confirmed for the City that the physical solution stipulated to by the Hesperia Water District provides the mechanism to import additional water supplies into the basin (32).

The Hesperia Water District (HWD) is the water purveyor for the City and much of its Sphere Of Influence (SOI). The UWMP evidences that the City is currently using less than half of its available water supply and that supply is projected to exceed demand beyond the year 2030 (32). The HWD has maintained a surplus water supply through purchase of water transfers, allocations carried over from previous years, and recharge efforts.

The City is in compliance with the California Integrated Waste Management Act of 1989, which requires that 50 percent of the solid waste within the City be recycled (43). Currently, approximately 71 percent of the solid waste within the City is being recycled (41 & 42). About 152 tons of solid waste is disposed at the landfill and 214 tons are recycled of the total solid waste produced by the City per day. The waste disposal hauler for the City has increased the capacity of its Materials Recovery Facility (MRF) to 600 tons per day in order to accommodate future development. Since the project to allow the development of freeway pylon signs and no commercial development is being associated or analyzed in this study, the project will not cause a significant negative impact upon utilities and service systems.

| XVII. MANDATORY FINDINGS OF SIGNIFICANCE. | Potentially Significant Impact | Less Than Significant With Mitigation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---------------------------------------|------------------------------|-----------|
| a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | | | X | |
| b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.) | | | X | |
| c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? | | | | X |
| <p>Comments.
Based upon the analysis in this initial study, a Negative Declaration may be adopted. Development of this project will have a minor effect upon the environment. These impacts are only significant to the degree that mitigation measures are necessary.</p> | | | | |
| <p>XVIII. EARLIER ANALYSES.</p> | | | | |
| <p>Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, one or more effects have been adequately analyzed in an earlier EIR or negative declaration. Section 15063 (c)(3)(D). In this case a discussion identifies the following:</p> | | | | |
| <p>The Certified General Plan Environmental Impact Report.</p> | | | | |
| <p>a) Earlier analyses used. Earlier analyses are identified and stated where they are available for review.</p> | | | | |
| <p>b) Impacts adequately addressed. Effects from the above checklist that were identified to be within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards are noted with a statement whether such effects were addressed by mitigation measures based on the earlier analysis.</p> | | | | |
| <p>c) Mitigation measures. For effects that are "Less than Significant with Mitigation Incorporated," describe the mitigation measures which are incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project are described.</p> | | | | |

The following mitigation measure is recommended as a function of this project:

4. A Sign Plan Review shall be submitted in order to review architecture is consistent with approved Exhibit 'A', and to ensure digital display timing and lighting are consistent with Caltrans regulations.
5. A pre-construction survey for the burrowing owl shall be conducted by a City approved, licensed biologist, no more than 30 days prior to commencement of grading.
6. If cultural resources are found during grading, then grading activities shall cease and the applicant shall contract with a City approved archaeologist or paleontologist to monitor grading prior to resuming grading. All cultural resources discovered shall be handled in accordance with state and federal law. Further, prior to completion of the project, the applicant shall submit a report describing all cultural resources encountered during grading.

Authority: Public Resources Code Sections 21083 and 21087.

REFERENCES

- (1) Aerial photos of the City of Hesperia taken February, 2011.
- (2) Section 3 of the 2010 City of Hesperia General Plan Update Environmental Impact Report (GPUEIR), Page 3.1-7.
- (3) Section 3 of the 2010 City of Hesperia General Plan Update Environmental Impact Report (GPUEIR), Page 3.1-8.
- (4) Freeway Pylon Ordinance, Exhibit "A"
- (5) Figure 6.7 of the 2008 Main Street and Freeway Corridor Specific Plan.
- (6) Williamson Act map within Section 3 of the 2010 City of Hesperia General Plan Update Environmental Impact Report (GPUEIR), Exhibit 3.2-2
- (7) Conservation Element of the 2010 City of Hesperia General Plan Update, Page CN-34.
- (8) United States Soil Conservation Service Soil Survey of San Bernardino County, California, Mojave River Area Map 31 and Pages 21 and 22.
- (9) 2010 Fire and Resource Assessment Program (FRAP), prepared by the California Department of Forestry and Fire Protection, Figure 1.5.
- (10) 2010 Fire and Resource Assessment Program (FRAP), prepared by the California Department of Forestry and Fire Protection, Figure 1.1.4.
- (11) Air Quality Section of the 2010 City of Hesperia General Plan Update, pages CN-47 thru CN-50.
- (12) Section 3.3 of the 2010 City of Hesperia General Plan Update Environmental Impact Report (GPUEIR), pages 3.3-1 thru 3.3-30.
- (13) Mojave Desert Air Quality Management District, Federal Particulate Matter (PM10) Attainment Plan, July 31, 1995.
- (14) Statement of overriding considerations for the 2010 City of Hesperia General Plan Update Environmental Impact Report (GPUEIR) adopted by Resolution No. 2008-053.
- (15) Section 3 of the 2010 City of Hesperia General Plan Conservation Element, Exhibit CN-4.
- (16) Section 3 of the 2010 City of Hesperia General Plan Conservation Element, Exhibit CN-3.

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- (17) Section 3 of the 2010 City of Hesperia General Plan Conservation Element, Exhibit CN-5.
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- (18) Appendix C of the 2010 City of Hesperia General Plan Update Cultural Resource Element background technical report, C-1 thru C-34.
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- (19) Section 5 of the 2010 City of Hesperia General Plan Update Cultural Resource Element background technical report, Exhibit 5e.
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- (20) Section 7 of the 2010 City of Hesperia General Plan Update Cultural Resource Element background technical report, pages 61 and 62.
-
- (21) Section 3.0 of the 2010 City of Hesperia General Plan Safety Element, Exhibit SF-1.
-
- (22) Section 1.2.2 of the 2010 City of Hesperia General Plan Update Safety Element background technical report, Figure 1-2.
-
- (23) Chapter 1 of the 2010 City of Hesperia General Plan Update Safety Element background technical report, page 1-12.
-
- (24) Section 3.0 of the 2010 City of Hesperia General Plan Safety Element, pages SF-5 thru SF-11.
-
- (25) Section 1 of the 2010 City of Hesperia General Plan Update Climate Action Plan, page 1.
-
- (26) Section 3 of the 2010 City of Hesperia General Plan Update Climate Action Plan, page 18.
-
- (27) Table 5 of Section 3 of the 2010 City of Hesperia General Plan Update Climate Action Plan, pages 20 and 21.
-
- (28) Hazardous Materials Section of the 2010 Hesperia General Plan Safety Element, pages SF-31 thru SF-33.
-
- (29) Section 3 of the 2010 City of Hesperia General Plan Update Land Use Element, pages LU-60 and LU-61.
-
- (30) Map showing very high fire hazard areas, flood zones, and significant hazardous materials sites of the 2010 City of Hesperia General Plan Update Safety Element, Exhibit SF-2.
-
- (31) Fire Hazard Section of the 2010 Hesperia General Plan Update Environmental Impact Report (GPUEIR), page 3.7-9.
-
- (32) Section 3.0 of the 2010 City of Hesperia General Plan Update Conservation Element, pages CN-7 thru CN-10.
-
- (33) Section 3.8.3 of the 2010 Hesperia General Plan Update Environmental Impact Report (GPUEIR), page 3.8-15.
-
- (34) Dam Inundation Map for the 2010 City of Hesperia General Plan Update Safety Element background technical report, page 3-22.
-
- (35) Table 3.6-2 of the 2010 Hesperia General Plan Update Environmental Impact Report (GPUEIR), page 3.6-24.
-
- (36) Section 3.0 of the 2010 City of Hesperia General Plan Update Conservation Element, page CN-20.
-
- (37) Section 2.0 of the 2010 City of Hesperia General Plan Update Noise Element, page NS-4 thru NS-12.
-
- (38) Section 16.20.125 of the Hesperia Municipal Code, pages 464 thru 467.
-
- (39) Section 3 of the 2010 City of Hesperia General Plan Update Land Use Element, Exhibit LU-3.
-
- (40) Current Hesperia water and sewer line atlas, page H13.
-
- (41) Quarterly data of the San Bernardino County Disposal Reporting System for the 2010 calendar year.
-
- (42) 2010 California Department of Resources, Recycling and Recovery Annual AB939 Report.
-
- (43) California Integrated Waste Management Act (AB 939).
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ATTACHMENT 3

RESOLUTION NO. PC-2013-08

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL AMEND THE DEVELOPMENT CODE AMENDING SIGN REGULATIONS (DCA13-00001)

WHEREAS, On January 5, 1998, the City Council of the City of Hesperia adopted its Ordinance No. 250, thereby adopting the Hesperia Municipal Code; and

WHEREAS, The City of Hesperia Development Code shall be amended as per the attached Exhibit A; and

WHEREAS, The City of Hesperia Development Code regulations pertaining to signs requires modification to allow freeway pylon signs as an additional advertising opportunity for businesses located within the City; and

WHEREAS, approval of this project requires adoption of a negative declaration pursuant to the California Environmental Quality Act (CEQA). The negative declaration and initial study prepared for this project concludes that there are no significant adverse impacts resulting from this development code amendment; and

WHEREAS, On July 11, 2013, the Planning Commission of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed Development Code Amendment and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF HESPERIA PLANNING COMMISSION AS FOLLOWS:

Section 1. The Planning Commission hereby specifically finds that all of the facts set forth in this Resolution are true and correct.

Section 2. Based upon substantial evidence presented to the Commission, including written and oral staff reports, the Commission specifically finds that the proposed Ordinance is consistent with the goals and objectives of the adopted General Plan.

Section 3. Based on the findings and conclusions set forth in this Resolution, this Commission hereby recommends adoption of Development Code Amendment DCA13-00001 and its negative declaration (ND-2013-01), amending Title 16 as shown on Exhibit "A."

Section 4. That the Secretary shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED on this 11th day of July 2013.

Chris Elvert, Chair, Planning Commission

ATTEST:

Kathy Stine, Secretary, Planning Commission

EXHIBIT "A"

DRAFT CITY FREEWAY PYLON SIGN PROGRAM REGULATIONS

Existing text is shown as **blue**. Changes to existing regulations are shown **red and underlined**. New text is shown as black.

16.36.020 Definitions

"Billboard" means any outdoor advertising structure or sign which has a flat surface sign space upon which advertising may be posted, painted, or affixed, and which is designed or made available for the rental or lease of such sign space for advertising. Billboards shall not mean any on-premises sign or **"City Freeway Pylon Signs"**. Billboards may utilize digital advertising displays as part or all of their surface area.

"City Freeway Pylon Sign" means a City-owned or controlled or regulated sign, located on private property or property owned or leased by the City and approved for participation in the "City Freeway Pylon Sign Program" per section 16.36.092. Said signs must be located within 660 ft. of the centerline of Interstate 15, for the purpose of displaying eligible major businesses, freeway – oriented businesses and industries located within the City. In addition, City-sponsored and/or civic activities and events, as well as emergency notices may also be displayed on this sign.

16.36.092 City Freeway Pylon Signs

- A. The City Freeway Pylon Sign Program ("Program") is intended to permit freeway advertising of eligible business and industries along the Interstate -15 freeway corridor to enable exposure not otherwise available to such businesses due to their location within the City.
- B. To qualify for participation in the Program, the sign, or any portion thereof, must meet all of the following criteria:
 1. The sign must be owned by the City, leased by the City, or the sign owner must have entered into a City Freeway Sign Program Agreement with the City.
 2. The sign must be located within 660 feet of the centerline of Interstate 15.
 3. Freeway pylon signs containing digital displays shall not be within 1000 feet of other freeway pylon signs with digital displays or within 500 feet of other freeway pylon signs located along the same side of the Highway.
 4. The sign must be designed substantially similar to the design indicated in section 16.36.092 (H)
- C. Approval of Participation in the Program.
 1. The City Manager may deem any sign that is owned or leased by the City, and which meets all qualifications above in subsection (B), to be a participating City Freeway Pylon Sign.
 2. Owners of privately-owned signs must apply to the City to participate in the Program. A City Freeway Sign Program Agreement is required and shall be approved by the City Council. This agreement is between the private sign owner and City in which the sign owner grants City control over all or a certain portion of the sign to use for the City Freeway Pylon Sign Program in compliance with all regulations in section 16.36.092, and shall provide provisions for the content, maintenance, and removal of the sign.

D. Once approved for participation in the Program, all City Freeway Pylon Signs shall require Planning Commission approval of a Site Plan Review. The sign shall comply with the following regulations for the non-digital-display portion of the Sign:

1. Only advertisements for Eligible Businesses, as defined below, shall be displayed.
2. Eligible Businesses, in order of priority, for City Freeway Pylon Signs located near the Rancho Road freeway interchange include auto malls comprised of at least three dealers, new car dealers, major retailers (>100,000 SF), minor retailers (between 100,000 and 20,000 SF), regional shopping centers or malls with a combined floor area of 50,000 SF or more, hotel or motels, neighborhood shopping centers of at least 15,000 SF, full service restaurants, theatres, (motion picture or live action), vehicle fuel stations, fast food outlets, industries within the City with at least 50 employees, and any City, County, Park District or School District sponsored organizations.
3. Eligible Businesses, in order of priority, for City Freeway Pylon Signs in all other locations include major retailers (>100,000 SF), minor retailers (between 100,000 and 20,000 SF), auto malls comprised of at least three dealers, regional shopping centers or malls with a combined floor area of 50,000 SF or more, hotel or motels, new car dealers, neighborhood shopping centers of at least 15,000 SF, full service restaurants, theatres, (motion picture or live action), vehicle fuel stations, fast food outlets, industries within the City with at least 50 employees, and any City, County, Park District or School District sponsored organizations.
4. Eligible businesses may apply to City or the private owner, if such sign is privately owned, to obtain advertising space on a City Freeway Pylon Sign. Such application shall be approved provided the applicant's proposal complies with all requirements of section 16.36.092. Eligible businesses may replace other businesses already on the sign that are lower in priority, after the lease on the occupied space expires. The applicant may choose to occupy a vacant space if available, or to be placed on the City's waiting list or sign operator's waiting list.
5. The City or sign operator shall maintain a waiting list of Eligible Businesses with approved applications and notify such Eligible Businesses when a space becomes available. The City or sign operator shall notify and offer space to Eligible Businesses on the waiting list in order of priority, not in the order they were placed on the waiting list.
6. Notwithstanding subsection 16.36.092 (D)(2)(3), signs owned by private operators participating in the program shall not exclude competitive business from advertising on the sign. Private sign owners may give priority to their tenants but shall allow other competitive eligible businesses on vacant sign spaces and on the digital display.
7. Displaced businesses may renew their lease for any remaining available spaces, or be placed on the waiting list.
8. Shall any vacancies occur on the sign for longer than 180 days, the space shall be offered to the next eligible business on the list at no cost for a period of six months.

E. Digital Display Portions of City Freeway Pylon Signs

1. Any business or industry within the City, regardless of priority, may advertise on the digital display portion of the sign on a first come, first serve basis. City, County, Park District or School District sponsored organizations may also advertise on the digital display portions of the sign, subject to availability.

2. The City at its discretion, may advertise public service announcements, traffic conditions or Amber alerts that are a benefit to the community and the traveling public, and may displace other digital display advertisements at any time with these types of announcements.
 3. The digital display shall not depict or simulate any motion or video (i.e. video clips or flashing, etc.). Any slide (image) shall be displayed for a minimum of six seconds and transitions between slides shall not take more than one second.
- F. City Freeway Pylon Signs do not replace and are not intended as a substitute for any business signage otherwise permitted under this code. Participation in the Program is voluntary.
- G. Sign Content
- a. Advertisement of "Adult"-oriented Goods or Services is prohibited. The advertisement promotes or encourages, or appears to promote or encourage, a transaction related to, or uses brand names, trademarks, slogans or other materials which are identifiable with, films rated "X" or "NC-17," adult book stores, adult video stores, nude dance clubs and other adult entertainment establishments, adult telephone services, adult internet sites, and escort services.
 - b. All content, except for public agency announcements, service announcements, and Amber alerts, shall be for commercial purposes only.
- H. Design Standards
1. Signs shall be limited to 85 feet (85') in height
 2. Architecture and Design shall be similar to Figure 1 and 2 and will require approval as part of the Site Plan Review.
 3. All signs shall include the City's name and logo.
 4. Design shall incorporate a variety of colors and materials.

Figure 1



Figure 2





**CITY OF HESPERIA
DEVELOPMENT REVIEW COMMITTEE**

**City Hall Joshua Room
9700 Seventh Avenue
Hesperia, CA 92345
BEGINNING AT 10:00 A.M.
WEDNESDAY, JULY 3, 2013**

A. PROPOSALS:

1. VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (TPM13-00001)

Proposal: Consideration of tentative parcel map 19462 to create 2 parcels from 8 existing lots for a proposed sewage treatment plant.

Location: North side of Mojave Street, between Appaloosa Ave. and Tamarisk Ave. (APN: 0405-313-24 thru 30 & 45)

Planner: Stan Liudahl

Action: Administrative Approval