

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF SEPTEMBER 27, 2017

REGULAR MEETING

TO: Shiva Frentzen, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Policy Analyst

AGENDA ITEM #6: Public Hearing to Consider the Tahoe Paradise Resort
Improvement District “Accelerated Reorganization”
(Conversion) to a Recreation and Park District

LAFCO Project No. 2017-04

PROPONENTS: Tahoe Paradise Resort Improvement District

AGENT: Tahoe Paradise Resort Improvement District Board of
Directors

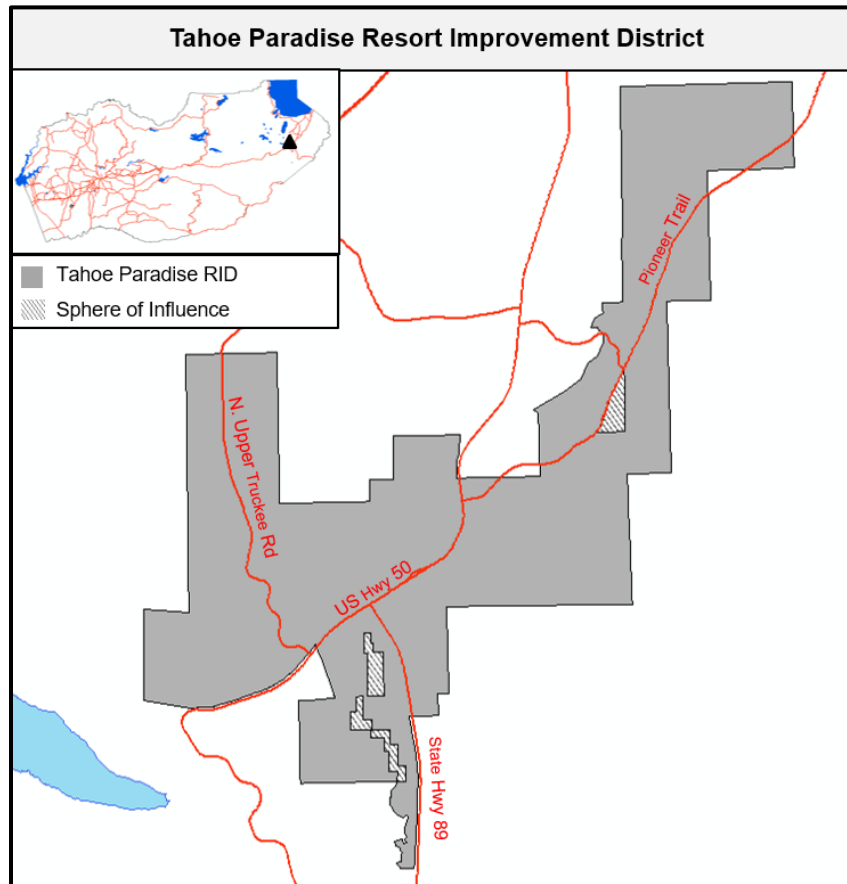
DESCRIPTION OF PROJECT

The Board of Directors of the Tahoe Paradise Resort Improvement District (Tahoe Paradise RID or the District) submitted a proposal to convert the District into a recreation and park district, following the procedures established by special legislation in Senate Bill 1023 (Wiggins, 2010). This application is made pursuant to Government Code §56853.6, the section of SB 1023 that establishes procedures for an accelerated reorganization of Tahoe Paradise RID into a recreation and park district.

The proposal will not result in any changes to the existing services or to existing boundaries. The District will continue to provide the same types and level of services to the same geographic area after conversion. Tahoe Paradise RID Resolution 17-01 initiating this proposal is included as **Attachment A** at the end of this report.

LOCATION

Tahoe Paradise RID is located in the south Tahoe Basin of El Dorado County along Highway 50 between the intersection of Highways 50 and 89 and the City of South Lake Tahoe. The District encompasses a sizeable portion, but not all, of the community of Meyers. It also includes the neighborhoods of Paradise, North Upper Truckee, portions of Christmas Valley and areas at the west end of Pioneer Trail.



PURPOSE

Tahoe Paradise RID was formed in 1965 to take over the maintenance of a resort and to convert it into a recreational area for residents within the District. The District's principal act, Resort Improvement District Law (Public Resources Code §13003 et seq.), has been essentially frozen since 1965, shortly after the District's formation.

SB 1023 established the accelerated reorganization process to address the fact that the RID law itself is archaic and no longer complies with the state constitution or its laws, creating procedural and statutory difficulties for RIDs. The Tahoe Paradise RID Board is requesting to convert to a recreation and park district under the provisions of SB 1023 in order to operate under a more modern principal statute [Recreation and Park District Law (Public Resources Code §5780 et seq.)], without being subject to a costly election process and without affecting the District's assets, liabilities, boundaries, services, finances, or other duties.

Under the accelerated reorganization process, the Commission can approve, conditionally approve, or disapprove an accelerated reorganization, but LAFCO must disapprove the proposal if the District objects before LAFCO acts. If the Commission approves or conditionally approves the accelerated reorganization, the Commission shall order the accelerated reorganization without a protest hearing or an election. Consequently, the conversion would occur in one hearing.

However, the mandated 30-day reconsideration period is still effective for this proposal under Government Code §56895. Any person or affected agency may file a written

request with the Executive Officer requesting amendments to, or reconsideration of, the resolution, provided the request meets the requirements of reconsideration under §56895. Assuming the Commission approves the proposal and does not receive a valid request for consideration, a certificate of completion will be issued after the 30-day reconsideration period.

If the conversion is approved, the proposed Tahoe Paradise Recreation and Park District will succeed to, and be vested with, the same powers, duties, revenue sources, responsibilities, obligations, liabilities, and jurisdiction of the Tahoe Paradise RID.

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Find that the project is exempt from provisions of the California Environmental Quality Act under Categorical Exemption §15320 and direct staff to file the Notice of Exemption in compliance with CEQA and local ordinances implementing the same.
2. Adopt LAFCO Resolution L-2017-10 (***Attachment F***), approving the accelerated reorganization, consisting of dissolution of the Tahoe Paradise Resort Improvement District and the formation of the Tahoe Paradise Recreation and Park District, adding all statutory conditions found in Government Code 56853.6 and any additional conditions the Commission finds appropriate.
3. Waive the conducting authority proceedings and election subject to Government Code 56853.6 and local policies.
4. Direct the Executive Officer to complete the necessary filings and transmittals as required by law.
5. Determine the effective date of the approval of this agreement to be five (5) working days after recordation by the County Recorder of the Executive Officer's certificate of completion once the imposed conditions are met.

REASON FOR RECOMMENDATION

After careful consideration of the 28 factors listed in Government Code §56668 (see below) and LAFCO Policies, staff recommends the concurrent dissolution of the Tahoe Paradise RID and formation of the Tahoe Paradise RPD, under the accelerated reorganization process outlined in Government Code §56853.6. The *2017 Tahoe Paradise Resort Improvement District Municipal Service Review* identified governance and financial difficulties stemming from the District's outdated and extinct principal act. The conversion of the Tahoe Paradise RID into a recreation and park district will allow the District to operate under a more streamlined statute which better complies with modern requirements for public agencies. It will have no impact on the District's boundaries, sphere, revenues, debts, obligations and staffing patterns.

BACKGROUND

Resort Improvement District Law

The Legislature passed the Resort Improvement District Law in 1961, empowering RIDs formed under this principal act to provide various services. But, by 1965, there were instances of governmental abuse of the RID law and misconduct by the boards and management of those districts. After a series of hearings in the Legislature, a ban on the

formation of new resort improvement districts was adopted (Public Resources Code §13003). Despite taking this action, the Legislature did not take action against the districts already in existence. Consequently, four RIDs still remain statewide, including Tahoe Paradise RID.

Because of the ban, the RID statute is outdated and RID law lacks clear links to the Brown Act, Public Records Act, the Political Reform Act, the Planning and Zoning Law, and Propositions 13, 26, 62, and 218. One example is that the RID Law explains how an RID's board of directors annually sets an RID's property tax rate (Public Resources Code § 13161). However, that practice has been unconstitutional since 1978 when the voters approved Proposition 13. Most special districts' statutes refer instead to the laws that require county officials to allocate shares of property tax revenues (Revenue & Taxation Code §95, et seq.). Outdated laws make it harder for these types of districts to deliver public services because they lack modern legal procedures.

Although the Tahoe Paradise RID Board of Directors complies with all good government laws in the books, such as those for public disclosure and finance, utilizing an outdated law creates problems from an operational standpoint. Principal acts are supposed to provide guidance and direction to directors and staff on how to handle routine and unusual issues and circumstances. Relying on an act that has not been updated in five decades means that the board and staff will have to improvise how it will handle more modern issues, opening the District to charges that it operates in an arbitrary or ad hoc manner.

Senate Bill 1023

While existing law prior to SB 1023 allowed districts to convert from one principal act to another, it requires, among other things, a protest hearing and an election should a commission approve such a conversion.

In 2010, the Legislature passed SB 1023 to encourage RIDs and similar districts to convert to a more modern style of public agency with an updated principal act. SB 1023 created an expedited procedure for converting resort improvement districts and municipal improvement districts that operate under outdated statutes into community services districts, without substantive changes to their powers, duties, finances, or service areas.

Originally, the bill called for all RIDs to convert to community services districts. However, El Dorado LAFCO successfully lobbied for the bill to allow Tahoe Paradise RID to convert to a recreation and park district because the reporting requirements that a CSD has to make with the State are too onerous for a small district like Tahoe Paradise RID. As a result, SB 1023 included language specific to the Tahoe Paradise RID, creating a new process called an "accelerated reorganization" that allows El Dorado LAFCO to convert Tahoe Paradise RID into a recreation and park district.

A proposed accelerated reorganization must include at least 12 specified terms and conditions, designed to ensure the District's powers, duties, responsibilities, obligations, and liabilities remain undisturbed. El Dorado LAFCO can change the proposed terms and conditions, but only after notifying the Tahoe Paradise RID. El Dorado LAFCO can approve, conditionally approve, or disapprove the accelerated reorganization, but LAFCO must disapprove the proposal if the Tahoe Paradise RID objects before LAFCO acts. If LAFCO approves or conditionally approves the accelerated reorganization, there is no protest hearing and no election.

Technically, what happens in a conversion is that the old district is dissolved and a new one is formed in its place. Normally, this process could result in the loss of some revenue, power or service. In addition, the formation of this new district would call for an election. Voters would have to weigh in on the question of whether this new government entity *should* be formed. Government Code §56853.6 was written in such a way to emphasize that Tahoe Paradise RID would not be negatively impacted should it choose to convert to a recreation and parks district. The law's intent was for the District to be able to operate under more modern statutes without changing or jeopardizing its current administration or assets. The legislation explicitly states that all rights, responsibilities, powers, revenues and obligations transfer in the conversion. It allows for the new entity, to be called the "Tahoe Paradise Recreation and Park District," to take ownership and possession of the RID's personal and real property; any Tahoe Paradise RID funds are transferred to the new district. The new district will continue to operate as an independent special district with locally elected representatives to serve on its board.

SB 1023 has a sunset clause of January 1, 2018. In order to qualify for all benefits of the accelerated reorganization, the process must be completed prior to the end of 2017. **Attachment B** is the chaptered version of SB 1023, along with a background report on the bill by the Senate Local Government Committee.

Tahoe Paradise RID

Although SB 1023 has been effective since January 1, 2011, up until recently, the Tahoe Paradise RID Board remained skeptical of the usefulness of the conversion and was reluctant to apply for conversion under the accelerated reorganization process.

In order to encourage the conversion before the January 1, 2018 sunset date, the Commission waived the LAFCO application fees and certain LAFCO application requirements for the Tahoe Paradise RID. With the statutory deadline quickly approaching, the District Board submitted a resolution of application to LAFCO on June 15, 2017.

The District's main source of revenue is an annual \$50,000 pass through from the South Lake Tahoe Recreation Facilities Joint Powers Authority. The JPA, in turn, is financed through bond funding, until the year 2030.¹ Additional financing for the District comes from facility rental fees and grant funding. Tahoe Paradise RID does not receive property taxes, benefit assessments or special taxes.

Future Considerations

The two biggest challenges the District faces are related to governance and finances, and both are interrelated. Tahoe Paradise RID operates under an outdated and extinct principal act and the JPA bond, which is the District's primary source of funding, will expire

¹ In 2000, the passage of Measure S created the South Lake Tahoe Recreation Facilities Joint Powers Authority (JPA), which consists of the City of South Lake Tahoe, the County of El Dorado and Tahoe Paradise RID. The purpose of the JPA is to enhance the recreational facilities in the South Lake Tahoe Basin. The JPA is financed by an annual \$18 levy on properties within the JPA area, for a period of thirty years. The money is used to construct and maintain various recreational facilities within the JPA service area of the South Lake Tahoe Basin. Measure R was passed in 2011 to allow for expanded uses of Measure S funds. As part of the JPA agreement, Tahoe Paradise RID receives \$50,000 annually in grants from the proceeds of Bonds S and R for operations, to be used for the maintenance of public recreation facilities until the year 2030.

in 2030. When the bond funding ends in 2030, the District will need additional sources of revenue.

Tahoe Paradise RID could remain within the JPA and seek the passage of a successive bond; however, it is unknown whether voters would support a new bond measure, or if the future membership of the JPA would be willing to incur more bonded indebtedness.

The District may find it more beneficial to undergo a Proposition 218 election for an assessment or special tax. By itself, a Prop 218 election is difficult; but, because the District operates under an outdated law that has no ties to any code of law since 1965, Tahoe Paradise RID will not have the ability to follow Proposition 218 properly because of the aforementioned limitation of operating under an extinct law. Consequently, any actions the District takes will make it vulnerable to charges of not following the law, opening the door to potential lawsuits.

For these reasons, the *2017 Tahoe Paradise Resort Improvement District Municipal Service Review* strongly recommended that the District convert to a recreation and park district this year, prior to the January 1, 2018 sunset date of the accelerated reorganization process.

CEQA

El Dorado LAFCO is the Lead Agency for the accelerated reorganization of the Tahoe Paradise Resort Improvement District, which consists of dissolution of the Tahoe Paradise Resort Improvement District and the formation of the Tahoe Paradise Recreation and Park District. The Executive Officer reviewed the project for conformance under the California Environmental Quality Act (CEQA) and determined that the dissolution was categorically exempt from the provisions of CEQA under Section 15320 of the Public Resources Act, which provides for changes in the organization or reorganization of local government agencies where the changes do not change the geographical area in which previously existing powers are exercised.

DETERMINATIONS

After reviewing the factors discussed below, the Commission should make its own determinations regarding the project. Staff recommends the following determinations based on project research, state law and local policies:

1. The subject territory is "inhabited" per Government Code §56046. Application for this dissolution and concurrent formation is made subject to Government Code §56853.6 et. seq. by District resolution.
2. The exterior boundary and sphere of influence of the proposed Tahoe Paradise Recreation and Park District shall be the exterior boundary and sphere of influence of the Tahoe Paradise Resort Improvement District.
3. The project is exempt from the provisions of the California Environmental Quality Act under Section 15320 of the Public Resources Act.
4. The accelerated reorganization will not result in negative impacts to the cost and adequacy of service otherwise provided in the area, and is in the best interests of the affected area and the total organization of local government agencies.

5. The accelerated reorganization will not have an adverse effect on agriculture and open space lands.
6. The accelerated reorganization will not have an effect on water supply available for the buildout of regional housing needs determined by the Sacramento Area Council of Governments.
7. The proposal includes the following terms and conditions, among others, as specified in Government Code §56853.6(d):
 - (1) The proposed recreation and park district is declared to be, and shall be deemed, a recreation and park district as if the district had been formed pursuant to the Recreation and Park District Law (Chapter 4 (commencing with Section 5780) of Division 5 of the Public Resources Code). The exterior boundary and sphere of influence of the proposed recreation and park district shall be the exterior boundary and sphere of influence of the Tahoe Paradise Resort Improvement District.
 - (2) The proposed recreation and park district succeeds to, and is vested with, the same powers, duties, responsibilities, obligations, liabilities, and jurisdiction of the Tahoe Paradise Resort Improvement District.
 - (3) The status, position, and rights of any officer or employee of the Tahoe Paradise Resort Improvement District shall not be affected by the transfer and shall be retained by the person as an officer or employee of the proposed recreation and park district.
 - (4) The proposed recreation and park district shall have ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, the Tahoe Paradise Resort Improvement District.
 - (5) The unexpended balance as of the effective date of the accelerated reorganization of any funds available for use by the Tahoe Paradise Resort Improvement District shall be available for use by the proposed recreation and park district.
 - (6) No payment for the use, or right of use, of any property, real or personal, acquired or constructed by the Tahoe Paradise Resort Improvement District shall be required by reason of the succession pursuant to the accelerated reorganization, nor shall any payment for the proposed recreation and park district's acquisition of the powers, duties, responsibilities, obligations, liabilities, and jurisdiction be required by reason of that succession.
 - (7) All ordinances, rules, and regulations adopted by the Tahoe Paradise Resort Improvement District in effect immediately preceding the effective date of the accelerated reorganization shall remain in effect and shall be fully enforceable unless amended or repealed by the proposed recreation and park district, or until they expire by their own terms. Any statute, law, rule, or regulation in force as of the effective date of the accelerated reorganization,

or that may be enacted or adopted with reference to the Tahoe Paradise Resort Improvement District shall mean the proposed recreation and park district.

- (8) All allocations of shares of property tax revenue pursuant to Part 0.5 (commencing with Section 50) of the Revenue and Taxation Code, special taxes, benefit assessments, fees, charges, or any other impositions of the Tahoe Paradise Resort Improvement District shall remain in effect unless amended or repealed by the proposed recreation and park district, or they expire by their own terms.
- (9) The appropriations limit established pursuant to Division 9 (commencing with Section 7900) of Title 1 for the Tahoe Paradise Resort Improvement District shall be the appropriations limit of the proposed recreation and park district.
- (10) Any action by or against the Tahoe Paradise Resort Improvement District shall not abate, but shall continue in the name of the proposed recreation and park district, and the proposed recreation and park district shall be substituted for the Tahoe Paradise Resort Improvement District by the court in which the action is pending. The substitution shall not in any way affect the rights of the parties to the action.
- (11) No contract, lease, license, permit, entitlement, bond, or any other agreement to which the Tahoe Paradise Resort Improvement District is a party shall be void or voidable by reason of the enactment of the accelerated reorganization, but shall continue in effect, with the proposed recreation and park district assuming all of the rights, obligations, liabilities, and duties of the Tahoe Paradise Resort Improvement District.
- (12) Any obligations, including, but not limited to, bonds and other indebtedness, of the Tahoe Paradise Resort Improvement District shall be the obligations of the proposed recreation and park district. Any continuing obligations or responsibilities of the Tahoe Paradise Resort Improvement District for managing and maintaining bond issuances shall be transferred to the proposed recreation and park district without impairment to any security contained in the bond instrument.

DISCUSSION OF STATUTORY AND POLICY CONSIDERATIONS

Government Code §56668 and LAFCO Policies require that the Commission review 28 factors of consideration in the review of a reorganization proposal. Each of the 28 factors is individually summarized in Table 1 (**Attachment C**), and fully addressed in the following sections: I. Services, II. Cost and Revenues, III. Boundaries, IV. Potential Effect on Others and Comments, and V. Land Use Population and Planning.

I. SERVICES

Need for Services

There is an ongoing need for organized recreational facilities and a community park within the affected territory to support the residents of, and visitors to, the Meyers community and surrounding areas. Tahoe Paradise RID maintains a park and provides recreational facilities for use by residents inside and outside the District.

Existing and Necessary Infrastructure to Deliver Service

The District operates a single recreational facility, a 58-acre community park situated along the Truckee River. The Tahoe Paradise Park has ball fields, a playground, tennis courts, picnic and barbeque areas, a recreation center and the nine-acre Lake Baron. The lake is available for boats not using gasoline engines. At the north end of the lake is a recreation hall, surrounded by irrigated lawn, with restrooms and a simple kitchen. Attached to the hall is a large concrete patio overlooking the lake, with panoramic views of Echo Summit and Angora Ridge. In summer, the patio is covered with a tent, and is the site of wedding receptions. The District permits the use of the park for weddings and other events.

Ability of Annexing Districts to Provide Service (Timely Availability of Water Supply)

The proposed conversion will not have any effect on the provision of water service to this area.

Tahoe Paradise RID is almost entirely within the service area of the South Tahoe Public Utility District, which provides water and wastewater services. Developed parcels within the subject territory receive water from either the South Tahoe PUD or from private wells. As described in the *2013 South Tahoe Public Utility District Municipal Service Review and Sphere of Influence Update*, water supplies for the territory are sufficient to meet current and anticipated requirements.

Service Impacts to Existing District Customers

The level of services Tahoe Paradise RID currently provides within its service area is not expected to change as a result of this conversion.

Alternatives to Service

Tahoe Paradise RID provides recreational facilities to residents of the community of Meyers and the surrounding area. Tahoe Paradise RID is a member of the South Lake Tahoe Recreation Facilities Joint Powers Authority, along with the City of South Lake Tahoe and El Dorado County. The purpose of the JPA is to enhance the recreational facilities in the South Lake Tahoe area of the County. According to the recent *2017 Tahoe Paradise Resort Improvement District Municipal Service Review and Sphere of Influence Update*, Tahoe Paradise RID, along with other recreation providers, currently meets the need for public recreation facilities in the area.

Coordination of Applications

There are no additional actions that should be combined with this accelerated reorganization proposal, beyond the dissolution of the Tahoe Paradise RID and formation of the Tahoe Paradise RPD.

II. COST AND REVENUES

Cost to Provide Service

The level of services currently provided within the area is not expected to change; all current revenues will be unaffected by the conversion.

Effect of Alternative Courses of Action

Disapproval of the conversion would leave Tahoe Paradise RID to continue operating under an extinct principal act, opening the District up to potential lawsuits for actions it takes in the future, especially for any that relate to financing operations. Failure to

complete the accelerated reorganization process prior to January 1, 2018 would mean the District would have to convert via the regular LAFCO process, which includes a protest hearing and an election.

Assessed Value / Property Tax Exchange Agreements

The total assessed value of Tahoe Paradise RID's service area is \$1,158,335,389. Tahoe Paradise RID does not currently receive a share of property taxes, and neither will its successor, the proposed Tahoe Paradise RPD.

The conversion will have no effect on the existing property tax apportionment, pursuant to the accelerated reorganization proceedings provided under Government Code Section 56853.6(d)(8). However, since §56853.6 does not explicitly waive the property tax negotiation process, the negotiation of property tax increment is required by Revenue and Taxation Code Sections 99 and 99.01. Therefore, the County and the District both adopted property tax revenue sharing agreements affirming that the proposed Tahoe Paradise RPD will receive 0% of property tax revenues for the area, with no changes to any of the affected agencies. El Dorado County's property tax redistribution resolution is included as **Attachment D**.

Sufficiency of Revenues

All current revenues will be unaffected by the conversion. As stated above, Tahoe Paradise RID's main source of revenue is an annual \$50,000 payment from the South Lake Tahoe Recreation Facilities JPA.

§56853.6(d)(11) ensures that Tahoe Paradise RID will continue to receive JPA funds after conversion. Specifically, this statute states that, "No contract, lease, license, permit, entitlement, or any other agreement to which the Tahoe Paradise Resort Improvement District is a party shall be void or voidable by reason of the enactment of the accelerated reorganization, but shall continue in effect, with the proposed recreation and park district assuming all of the rights, obligations, liabilities, and duties of the Tahoe Paradise Resort Improvement District."

This both ensures the proposed Tahoe Paradise Recreation and Park District's continued membership in the JPA and its eligibility for funds under the JPA's agreements as are now applicable to Tahoe Paradise RID.

III. BOUNDARIES

Proximity to District Boundaries / Sphere of Influence

The proposal will not change the District boundaries or service area. Government Code §56853.6(d)(1) states, in part, "*The exterior boundary and sphere of influence of the proposed recreation and park district shall be the exterior boundary and sphere of influence of the Tahoe Paradise Resort Improvement District.*"

Creation of Irregular Boundaries

The current boundaries of the District will be unaffected by the proposal.

IV. POTENTIAL EFFECT ON OTHERS AND COMMENTS

Effect on Adjacent Areas

The conversion will not have an effect on adjacent areas.

Effect on Other Community Services

There are no negative impacts expected for other public service providers to the proposal territory. Other public service providers to the affected territory include: South Tahoe Public Utility District, Lake Valley Fire Protection District, El Dorado County Sheriff's Department, Lake Tahoe Unified School District, Lake Tahoe Community College District, Happy Homestead Cemetery District, Cal Tahoe JPA, and South Tahoe Recreation Facilities JPA.

Comments from Other Agencies

The following agencies were notified of, and provided an opportunity to comment on, this proposal:

- Cal Tahoe JPA
- City of South Lake Tahoe
- El Dorado County Assessor's Office
- El Dorado County Auditor's Office
- El Dorado County Chief Administrative Office
- El Dorado County Department of Agriculture
- El Dorado County Elections Department
- El Dorado County Emergency Services Authority
- El Dorado County Office of Education
- El Dorado County Planning Department
- El Dorado County Service Areas 3, 3 Zone 1-Ambulance, 3 Zone 2-South Shore Snow Removal, 3 Zone 4-Soil Erosion, 10, 10 Zone C-Waste Management, and 10 Zone F-Library
- El Dorado County Sheriff's Department
- El Dorado County Surveyor's Office
- El Dorado County Water Agency
- Farm Bureau
- Happy Homestead Cemetery District
- Lake Tahoe Community College District
- Lake Tahoe Unified School District
- Lake Valley Fire Protection District
- Sacramento Area Council of Governments (SACOG)
- South Tahoe Public Utility District
- South Tahoe Recreation Facilities JPA
- Tahoe Regional Planning Agency
- Tahoe Resource Conservation District
- U.S. Bureau of Reclamation

As part of the standard notification process, LAFCO sent a project notice requesting agency comments to all affected agencies in June 2017 and a project hearing notice in August 2017. As of the date of this report, LAFCO has not received any comments from the above affected agencies in response to the proposed conversion.

Public Notice

Notices were published in the Tahoe Daily Tribune and Mountain Democrat 21 days in advance of the hearing. The notice in the Tahoe Daily Tribune was a one-eighth page display advertisement, in accordance with Government Code §56175(h), which

allows for such noticing if the number of notices required to be mailed to landowners and registered voters exceeds 1,000. As of the date of this report, LAFCO has not received any comments from the public in response to the proposed conversion.

V. LAND USE, POPULATION AND PLANNING

Zoning and Land Use Designations, Consistency with General / Specific Plans

The County of El Dorado has planning jurisdiction over the southern Tahoe Basin; however, the Tahoe Regional Planning Agency (TRPA) is the applicable land use authority for the Tahoe Basin. The Tahoe Paradise RID territory includes a wide variety of land uses and designations, including residential, open space, recreational, commercial and public facilities. The proposed conversion will not directly affect existing or future land uses, and does not conflict with the *Regional Plan for the Tahoe Basin*, adopted by TRPA. The Tahoe Paradise RID territory also partially overlaps with the County's Meyers Area Plan; the proposed conversion does not conflict with this plan.

Surrounding Land Uses

Most of the land on the District's periphery is either protected open space or slated for development but at a very low growth rate. The south Tahoe Basin is not expected to grow significantly in the coming decades due to TRPA regulations.

Impact to Agriculture / Open Space

The proposal will not affect Tahoe Paradise RID's existing recreational amenities, which includes a beach and swimming area in the upper section of the park, and a large picnic area and numerous hiking & mountain biking trails in the lower section of the park. The proposal will also have no effect on agricultural lands or open space.

Population and Growth in the Area

According to the El Dorado County Elections Department, there are 2,973 registered voters residing within the Tahoe Paradise RID boundaries (August 3, 2017). The territory is considered inhabited per Government Code §56046, which defines "inhabited" as territory with 12 or more registered voters.

According to the South Lake Tahoe Parks, Trails and Recreation Master Plan (February 2016) the estimated population in the Tahoe Basin was 30,336 in 2010, and approximately 10% of the populations resides in the community of Meyers. Because the majority of the community of Meyers is within the boundaries of the Tahoe Paradise RID, the estimated population is approximately 3,000.

Development in much of the District is composed of already existing residential uses. Growth in the Tahoe Basin is regulated by TRPA, and development is at a much lower rate in the Basin than it is in the rest of the County (0.06% in the Tahoe Basin between 2000 and 2010, as opposed to 1.76% in the Western Slope of El Dorado County during the same period). The south Tahoe Basin is not expected to grow significantly in the coming decade due to TRPA regulations.

Regional Housing Needs Considerations

The conversion proposal does not include any type of new housing or other development; therefore, it will neither assist or detract from the County's ability to achieve its RHNA (Regional Housing Needs Assessment) targets.

VI. GOVERNANCE

Government Structure

Government structure is not one of the 28 factors typically analyzed in a reorganization proposal; however, it is important to address how the proposal will alter the current composition of the Tahoe Paradise District Board post-conversion since this aspect will be affected by the proposal.

The Tahoe Paradise RID is currently managed by a five-member board of directors; four elected at large, and one member of the County Board of Supervisors. The County Supervisor seat on a local government board is a quirk of Resort Improvement District Law. Generally, an arrangement like this is considered to be “incompatible offices,” this doctrine defined by the Fair Political Practices Commission as restricting “the ability of public officials to hold two different public offices simultaneously if the offices have overlapping and conflicting public duties.” The supervisor who is appointed to the Tahoe Paradise RID Board is historically the District 5 representative from the Tahoe area. District 5 Supervisor Sue Novasel is currently seated on the Tahoe Paradise RID Board.

Upon conversion to a recreation and park district, the County Supervisor position would be terminated because its continuance would be an “incompatible office” with Board of Supervisors responsibilities under Recreation and Park District Law. Again, that incompatibility is permitted under RID law, but not under R&P Law.

Supervisor Novasel and the other four Tahoe Paradise RID Directors are all aware of this change in government structure after conversion, and have a plan in place to transition to a five-member board elected at large, as permitted under Recreation and Park District Law. Immediately after the conversion takes effect, Supervisor Novasel will step down from her position as a Director. The other four directors will appoint someone to serve the remainder of her term, until the next regularly scheduled election for District board members.

ATTACHMENTS

- Attachment A: Tahoe Paradise RID Resolution of Application (Resolution 17-01)
- Attachment B: Senate Bill 1023 (Chaptered) and Senate Local Government Committee Analysis of SB 1023
- Attachment C: Table 1: Summary of 28 Factors to be Considered
- Attachment D: BOS Property Tax Exchange Resolution
- Attachment E: LAFCO Draft Resolution L-2017-10 approving Dissolution of Tahoe Paradise RID and the formation of the Tahoe Paradise RPD
- Attachment F,
 - Exhibit A: Tahoe Paradise Recreation and Park District Map