

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MARCH 25, 2015

REGULAR MEETING

TO: Ken Humphreys, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM #9: **CONSIDER RENEWAL OF WAIVER OF FEES FOR TAHOE
PARADISE RESORT IMPROVEMENT DISTRICT
CONVERSION**

RECOMMENDATION

Staff recommends that the Commission renew its 2011 decision to waive the LAFCO fees should Tahoe Paradise Resort Improvement District file a request to convert to a recreation and park district.

REASON FOR RECOMMENDED ACTION AND BACKGROUND

The Tahoe Paradise Resort Improvement District (TPRID) operates under an archaic principal statute. In 2010, Senate Bill 1023 (Wiggins) was enacted to encourage districts similar to Tahoe Paradise RID to convert to other types of agencies with more modern statutes by accelerating the LAFCO process. The original bill called for all RIDs to convert to community services districts. This LAFCO successfully lobbied for the bill to allow TPRID 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 TPRID.

In 2011, the Commission proactively waived the application fees for such a conversion to encourage the conversion. In addition, TPRID's budget is very small and its revenue sources too limited to absorb the \$5,000 deposit. It was hoped that TPRID would act within a year with its request for conversion. For various reasons, including skepticism on the part of the TPRID Board of Directors at the time on the usefulness of the conversion, no such request was filed.

Thanks in large part to Supervisor Sue Novasel, there is now a renewed interest on the part of TPRID to pursue conversion. While the decision has already been made to waive fees, staff returns this decision for ratification because the composition of the Commission has changed substantially since 2011.

TPRID Update

This is also an opportunity to educate the members of the Commission who have joined LAFCO since 2011 on the policy particulars of conversion and SB 1023 and to provide an update beyond the information in the attachments.

In addition to meeting with Supervisor Novasel, staff has had an opportunity to discuss the issue with a few community leaders and with John Upton, Executive Director, South Lake Tahoe Recreation Facilities Joint Powers Authority (STAR). Staff expects to have a conversation with Ed Knapp, who has been retained by TPRID as an attorney consultant, soon.

TPRID relies on special taxes collected and disbursed by STAR. The STAR special tax funding was approved by the voters in 2000. At the center of these discussions is whether a conversion will compromise these funds. The voter-approved language specifically references the "Tahoe Paradise Resort Improvement District" in the ballot language, impartial analysis, authorized facilities and services for uses of both original bond and ongoing special tax funds, and in the Joint Community Facilities Agreement executed by the JPA member agencies when the JPA was formed. An opinion by County Counsel may also be sought to provide more clarity.

SB 1023, for its part, specifically states in part [and Government Code §56853.6(d)]:

- "(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.
- (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."

There is no Commission action to be taken as a result of this update.

Attachments

Attachment A: August 24, 2011 Staff Memo

Attachment B: Senate Bill 1023 (Chaptered) and Analysis

Attachment C: September 2011 Notification Letter to TPRID on the Waiver of Fees