

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *AGENDA OF DECEMBER 5, 2007*

### *REGULAR MEETING*

**TO:** Ted Long, Chairman, 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 #7:** PUBLIC HEARING TO ADOPT THE FINAL MUNICIPAL  
SERVICES REVIEW FOR RESOURCE CONSERVATION  
DISTRICTS

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#### **RECOMMENDATION**

Staff recommends that the Commission:

1. Open the Public Hearing to receive comments on the Draft Resource Conservation Districts Municipal Services Review;
2. Incorporate any additional comments received not already included in the report; and
3. Adopt the Environmental Review, the Final Resource Conservation District Municipal Services Review and its enclosed determinations addressing the nine factors of a municipal services review in accordance with Government Code §56425.

#### **REASON FOR RECOMMENDED ACTION**

The Municipal Services Review (MSR) is required by State law to serve as a guidance document for any boundary changes to the agencies that provide resource conservation services in El Dorado County. A draft of this document was presented to the Commission on October 24, 2007 and has been distributed to the agency administrators, their governing boards and the public for their review and comment. Any comments or questions received by LAFCO staff have been incorporated into the document before the Commission meeting.

**BACKGROUND**

This MSR was prepared for the three resource conservation districts in El Dorado County. This study analyzes the agencies' ability to provide landowners within their jurisdictions assistance in the effective management of local natural resources. The MSR was prepared to meet the requirements and standards of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH). The service review was prepared using the Service Review Guidelines prepared by the Governor's Office of Planning and Research.

The fundamental role of the Local Agency Formation Commission (LAFCO) is to implement the CKH Act (found in Government Code §56000, et seq.), consistent with local conditions and circumstances. LAFCO's decisions are guided by the CKH Act. This MSR will assist the Commission and its staff when considering actions that will affect the following agencies:

- El Dorado County Resource Conservation District
- Georgetown Divide Resource Conservation District
- Tahoe Resource Conservation District

As noted in the October staff report, the MSR determined that the three districts studied are currently providing commendable resource conservation services to landowners and partner agencies within their respective jurisdictions.

**Changes Between the Draft and the Final Draft:**

Most of the changes made to the Final Draft of this report consisted of minor clarifications and/or corrections to items that were subsequently discovered by staff or in response to concerns pointed out by Commissioners at the October 24, 2007 hearing. However, none of the changes fundamentally alter the findings or analysis of any of the agencies included in the MSR.

One area of concern brought to staff's attention by Commissioner Sweeney during the October meeting was the legality of LAFCO's recommendation that two of the RCDs (El Dorado County and Georgetown Divide) explore negotiations with the County for an allocation of the property tax increment, which neither district currently receives. The concern was that if a special district did not receive property taxes prior to Proposition 13, then it may not be a legal option to pursue a share of the property tax now.

Staff verified that prior to Proposition 13, both El Dorado County and Georgetown Divide RCDs received an increment of the assessed valuation of land within their respective service area. After Proposition 13 was enacted, the El Dorado and Georgetown RCDs were requested by the then Board of Supervisors to relinquish this allocation and be funded through the County General Fund. LAFCO staff also researched the legal precedents behind negotiating property tax increments absent the reorganization process and found an Attorney General Opinion that appears to support this recommendation [No. 05-809 (2006)]. As a result, the following paragraph was added to page 26 of the Final MSR:

*Although initiating property tax negotiations absent of a jurisdictional change can be a significant challenge for a district, it does appear to be a legally viable option. In 2006, the California Office of the Attorney General published Opinion Number 05-809, which states that, "In the absence of a jurisdictional change, a city council and a county board of supervisors may execute an agreement that changes the allocation of property tax revenues as between the city and the county, where the change would not affect the allocation for any other public entity...pursuant to the terms of Section 99.02 (of the California Revenue and Tax Code)." Based on this Opinion, it is reasonable to conclude that the process could be extended to include negotiations between the county and a special district.*

It is important to stress, however, that the recommendation included in the MSR is for the districts to look into this option if their respective boards wish to explore alternative funding mechanisms, not that the districts necessarily pursue this option. The MSR also outlines some of the financial and political obstacles that the districts would face in property tax negotiations.

LAFCO staff did not receive any written comments from the public or subject agencies pertaining to the Resource Conservation District MSR following the opening of the Public Comment period. The Public Comment period was open from October 24, 2007 to November 13, 2007.

#### OTHER AGENCY INVOLVEMENT

A complete list of references is included in the back of the MSR. LAFCO staff would like to thank the agencies' board members and staff for their cooperation and assistance in gathering information for this report.

#### Attachments

Attachment A: Final Resource Conservation District MSR (on CD)