


LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: NOVEMBER 6, 2017 
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #8: Authorize LAFCO Staff to Conduct the Special District Selection Process for Membership on the San Bernardino County Oversight Board

RECOMMENDATION:

Staff recommends that the Commission take the following actions related to amendment of its Policy and Procedure Manual:

1. Authorize LAFCO staff to conduct the Special District selection process pursuant to Government Code Section 56332 to fill the seat of a regular and alternate member of the San Bernardino County Oversight Board and to bill the San Bernardino County Auditor Controller for all costs of processing;
2. Amend Policy #4 in Section VI – Special Districts, to correct code citation to read as follows:

The business of the Special Districts Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56332(f).

3. Add Policy #5 in Section VI – Special Districts to read as follows:

5. SELECTION OF INDEPENDENT SPECIAL DISTRICT REPRESENTATIVES (REGULAR AND ALTERNATE) TO THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD

Effective July 1, 2018, the redevelopment oversight boards in each county in the State of California will be consolidated into one seven-member board (Health & Safety Code § 34179(j)). One of the members of the consolidated board “may be

appointed by the independent special district selection committee established under Government Code Section 56332 for the types of special districts that are eligible to receive property tax revenues pursuant to the redevelopment agency (RDA) dissolution law. The Auditor-Controller/Treasurer/Tax Collector for San Bernardino County has requested that such representatives (regular and alternate) be selected.

Only the agencies that receive RDA funding are deemed eligible agencies for the purposes of appointing a special district representative and alternate to the countywide redevelopment oversight board per Health and Safety Code Section 34179(j)(3) and must be members of the Special Districts Selection Committee for San Bernardino County per Government Code Section 56332. In addition, eligibility requires special districts that have territory in the territorial jurisdiction of a former RDA and are eligible to receive property tax residual for the Redevelopment Property Tax Trust Fund (RPTTF) may serve on the new Oversight Board. In San Bernardino County, the committee members for the RPTTF-qualifying districts are:

<i>29 Palms Cemetery District</i>	<i>Inland Empire Utilities Agency</i>
<i>Apple Valley Fire Protection District</i>	<i>Lake Arrowhead Community Services District</i>
<i>Barstow Cemetery District</i>	<i>Mojave Desert RCD</i>
<i>Bear Valley Community Health Care</i>	<i>Mojave Water Agency</i>
<i>Big Bear Airport District</i>	<i>Monte Vista County Water District</i>
<i>Big Bear Municipal Water District</i>	<i>San Bernardino Valley Water Conservation District</i>
<i>Chino Basin Water Conservation District</i>	<i>San Bernardino Mountains Community Healthcare District</i>
<i>Chino Valley Independent FPD</i>	<i>San Bernardino Valley Municipal Water District</i>
<i>Crestline-Lake Arrowhead Water Agency</i>	<i>West Valley Water District</i>
<i>Hesperia Park and Recreation District</i>	<i>Yucaipa Valley Water District</i>
<i>Hi-Desert Water District</i>	<i>Morongo Basin Healthcare District (formerly known as the Hi-Desert Memorial Hospital District)</i>
<i>Inland Empire Resource Conservation District</i>	

The San Bernardino LAFCO Executive Officer is responsible for conducting the business of the Special Districts Selection Committee for the RPTTF-qualifying appointment and pursuant to local procedures the committee's business shall be conducted by mail to nominate and appoint a representative and alternate. Elections by mail shall be conducted in accordance with Government Code Section 56332(f). The independent special district members appointed to the consolidated redevelopment oversight board shall be appointed by a majority of those RPTTF-qualifying committee members voting once a quorum has been established. The terms of office for regular and alternate committee members shall be staggered by action of the Oversight Board following its reorganization in July 2018.

4. Adopt Resolution No. 3254 approving the changes to Section VI – Special Districts, Chapter 1 – Introduction and Policies of the Policy and Procedure Manual and direct the Executive Officer to make the amended document available on the Commission’s website and circulate as required.

BACKGROUND:

On September 25, 2017 LAFCO staff received a letter from Mr. Oscar Valdez, Auditor-Controller/Treasurer/Tax Collector for San Bernardino County, requesting that LAFCO conduct the selection process for the independent special district representative for the San Bernardino County Oversight Board (copy included as Attachment #1). As the letter outlines, SB 107, adopted in 2015, amended the parameters for managing the dissolved Redevelopment Agencies in California. In this instance, it specified that as of July 1, 2018 the 26 separate Oversight Boards within San Bernardino County will be consolidated into a single Oversight Board. Following the 2016 CALAFCO Annual Conference, LAFCO staff distributed and reviewed with the Commission the White Paper collaboratively developed between the California Special Districts Association and CALAFCO outlining the changes SB 107 required for Oversight Boards (copy included as Attachment #2).

As the letter indicates, staff participated in a meeting on August 14, 2017 to review the request of the County to set the process in motion, the questions of staff on how to proceed and the need to identify policies and procedures to implement the request. At that time, staff indicated that an official letter from the County was needed to begin the process. That process is outlined in the proposed new policy outlined as follows:

Effective July 1, 2018, the redevelopment oversight boards in each county in the State of California will be consolidated into one seven-member board (Health & Safety Code § 34179(j)). One of the members of the consolidated board “may be appointed by the independent special district selection committee established under Government Code Section 56332 for the types of special districts that are eligible to receive property tax revenues pursuant to the redevelopment agency (RDA) dissolution law. The Auditor-Controller/Treasurer/Tax Collector for San Bernardino County has requested that such representatives (regular and alternate) be selected.

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LAFCO staff anticipates conducting the selection process for the Oversight Board at the same time we conduct the selection process for the Independent Special District representatives for the Commission. That timeline and the standard procedures for processing were forwarded to the County representatives for review and comment; as of the preparation of this report no comment had been received. The process is outlined as follows:

1. The nomination period is anticipated to be opened the last week of January 2018 through the delivery of a certified mailed request. The law requires that the period be a minimum of 30 days. We allow for the submission of faxed or emailed copies of the nomination form to be accepted within the 30-day period but the original must be filed with 5 working days after the close of the period otherwise the nomination will be excluded.

2. LAFCO staff will prepare a ballot form based upon the submitted nominations and provide the mailing by certified mail as required by law.
3. It is anticipated that by mid-March the official ballot will be mailed by certified mail which requires that the selection be made at a Board hearing by roll call vote. This period will also be for a minimum of 30 days (however, LAFCO staff has typically provided 32-35 days so that meeting schedules can be accommodated). Submission would be sometime in April.
4. A quorum is required for selection. In the case of the Oversight Board that will be the submission of ballots from the listing provided outlined above which excludes the Riverside Corona RCD and Metropolitan Water District as San Bernardino LAFCO is not the principal county for those agencies, and they have no standing in the San Bernardino County Special District Selection Committee; so there are 23 districts and 12 will be a quorum.
5. Should a quorum not be achieved during the balloting process, LAFCO staff will extend the voting period an additional 30 days before declaring the appointment for regular and alternate members of the Oversight Board.

In addition, while staff was reviewing the policies it was noted that Policy #4 of Section VI- Special Districts, Chapter 1 Introduction and Policies contained an incorrect code citation. As a part of this review, staff is recommending that Policy #4 be amended as follows:

The business of the Special Districts Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56332(e)(1)(f).

CONCLUSION:

At this hearing, staff is requesting authorization to conduct the required election, adopt policies and procedures as outlined above, and request that the County reimburse the Commission for the cost of conducting the election. As noted above, staff has reviewed these questions with representatives of the Auditor-Controller's office, the County's Community Development and Housing Department and County Counsel. Therefore, staff is recommending that the Commission approve the amendment to the Policy and Procedure Manual setting forth the operations for selection of the Independent Special District member of the County Oversight Board. LAFCO staff will be happy to answer any questions on this item prior to or at the hearing.

KRM/

Attachments:

1. Letter from Oscar Valdez, Auditor-Controller/Treasurer/Tax Collector including listing of eligible participants
2. White Paper Entitled "*Countywide RDA Oversight Board Special District Appointments*"
3. Draft LAFCO Resolution No. 3254 Approving Amendments to Policy and Procedure Manual