

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafo.org | Web: www.mendolafo.org

COMMISSIONERS

Tony Orth, Chair
Brooktrails Township CSD

Scott Ignacio, Vice-Chair
Point Arena City Council

Gerald Ward, Treasurer
Public Member

Matthew Froneberger
Special District Member

Gerardo Gonzalez
Willits City Council

Glenn McGourty
County Board of Supervisors

Maureen "Mo" Mulheren
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

John Haschak, Alternate
County Board of Supervisors

Mari Rodin, Alternate
City Member

Richard Weinkle, Alternate
Public Member

STAFF
Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

Counsel
Scott Browne

REGULAR MEETINGS
First Monday of each month
at 9:00 AM in the
Mendocino County
Board of Supervisors
Chambers
501 Low Gap Road, Ukiah

A G E N D A

Regular Meeting of **Monday, February 7, 2022 at 9:00 AM**

Special Notice

On September 16, 2021, Governor Newsom signed AB 361, which modified the Brown Act to allow for teleconferencing participation at local legislative body public meetings during a proclaimed state of emergency. As urgency legislation, this law took effect immediately. Pursuant to Government Code §54953(e)(1)(B), the Commission will conduct its February 7, 2022 meeting by Zoom. Therefore, Commissioners, staff and members of the public will attend this meeting via teleconference, as provided below.

Instructions for Meeting Participation

Join Meeting Live: Please click the following Zoom link below to join the meeting or utilize the telephone option for audio only.

1. Zoom meeting link: <https://mendocinocounty.zoom.us/j/89081182779>
2. Telephone option (audio only):
Dial: **(669) 900-9128** (Please note that this is not a toll-free number)
Meeting ID: **890 8118 2779**

Public Participation is encouraged and public comments are accepted:

1. Live: via the Zoom meeting link or telephone option above
2. Via Email: eo@mendolafo.org by 8:30 a.m. the day of the meeting
3. Via Mail: Mendocino LAFCo, 200 S School Street, Ukiah, CA 95482

Meeting Participation

To provide comments, please use the raise hand function in Zoom.

- a) For those accessing from a computer, tablet, or smartphone, the raise hand function may be selected by clicking or tapping it from the reactions options. When joining the Zoom meeting, please enter your name so that you can be identified to speak.
- b) For those utilizing the telephone option (audio only), please use the raise hand feature by pressing ***9** on your keypad to raise your hand, and ***6** to unmute yourself. When it is your turn to speak, you will be called on by the last four digits of your phone number, if available, and asked to identify yourself for the record.

All comments received will be conveyed to the Commission for consideration during the meeting. All meetings are live-streamed, recorded and available through the link below.

The Commission appreciates the public's flexibility and patience during this health crisis.

Live web streaming and recordings of Regular Commission meetings are available via the [Mendocino County YouTube Channel](#).

Links to recordings, approved minutes, and meeting documents are available on the LAFCo website: <https://www.mendolafo.org/commission-meetings>

1. CALL TO ORDER and ROLL CALL

2. AB 361 REMOTE TELECONFERENCING ACTION

Pursuant to AB 361, the Commission will consider the status of the ongoing emergency and facts related to health and safety of meeting attendees due to COVID-19 and consider Resolution No. 2021-22-10 making further findings related to holding this Commission meeting by teleconference pursuant to the provisions of Government Code Section 54953(e).

3. PUBLIC EXPRESSION

The Commission welcomes participation in the LAFCo meeting. Any person may address the Commission on any subject within the jurisdiction of LAFCo which is not on the agenda. There is a three-minute limit and no action will be taken at this meeting. See public participation information above.

4. OTHER BUSINESS

4a) Announcements of Commission Appointments

Announcements of the 2022 County and City Representatives.

4b) Selection of Officers and Appointments to Committees

The Commission will vote on officers for 2021 and the elected Chair will appoint Commissioners to the Executive Committee and Policies & Procedures Committee.

5. CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial, and will be acted on by the Commission in a single action without discussion, unless a request is made by a Commissioner or a member of the public for discussion or separate action.

5a) December 6, 2021 Regular Meeting Summary

5b) Ratify the December 2021 Claims & Financial Report

5c) January 2022 Claims & Financial Report

5d) Lease with City of Ukiah for Office Space in the Ukiah Valley Conference Center

6. PUBLIC HEARING ITEMS

None

7. WORKSHOP ITEMS

None

8. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

8a) Status Determination for County Service Area 3 in Response to State Controller’s Office Inactive District Notice

In accordance with SB 448, the State Controller’s Office notified LAFCo that County Service Area 3 was identified as an inactive district. The Commission will consider staff’s recommendation to determine County Service Area 3 an active district.

8b) Mid-Year Financial Report

The Commission will receive the Executive Officer’s report on the mid-year budget and work plan status for Fiscal Year 2021-22.

9. INFORMATION AND REPORT ITEMS

The following informational items are reports on current LAFCo activities, communications, studies, legislation, and special projects. General direction to staff for future action may be provided by the Commission. No immediate action will be taken on any of the following items.

9a) Work Plan, Current and Future Proposals (Written)

9b) Correspondence

- BBK Attorneys at Law letter on behalf of the Ukiah Valley Sanitation District, January 20, 2022

9c) CALAFCO Business and Legislative Report

9d) Executive Officer's Report (Verbal)

9e) Committee Reports (Executive Committee, Policies & Procedures, Work Plan Ad Hoc) (Verbal)

9f) Commissioner Reports, Comments or Questions (Verbal)

10. CLOSED SESSION

10a) Contract Executive Officer Performance Evaluation

Pursuant to Government Code 54957(b)(1) - Contract Executive Officer Performance Evaluation

ADJOURNMENT

The next Regular Commission Meeting is tentatively scheduled for Monday, **March 7, 2022** at 9:00 AM.
Meeting will be held remotely only due to current State and local mandates related to the COVID-19 pandemic.

Notice: This agenda has been posted at least 72 hours prior to the meeting and in accordance with the temporary Brown Act Guidelines instated by State Executive Order N-29-20 and AB 361.

Participation on LAFCo Matters: All persons are invited to testify and submit written comments to the Commission on public hearing items. Any challenge to a LAFCo action in Court may be limited to issues raised at a public hearing or submitted as written comments prior to the close of the public hearing.

Americans with Disabilities Act (ADA) Compliance: Because the meeting is being held by teleconference, if you are hearing impaired or otherwise would have difficulty participating, please contact the LAFCo office as soon as possible so that special arrangements can be made for participation, if reasonably feasible.

Fair Political Practice Commission (FPPC) Notice: State Law requires that a participant in LAFCo proceedings who has a financial interest in a Commission decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission before the hearing.

MENDOCINO
Local Agency Formation Commission
Staff Report

MEETING February 7, 2022
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **Authorizing Continued Remote Meetings per Assembly Bill 361**

RECOMMENDATION

Commission adopt Resolution No. 2021-22-10 making continued findings pursuant to Assembly Bill 361 to conduct public meetings remotely for the Commission and its standing committees during the proclaimed State of Emergency due to the COVID-19 pandemic.

BACKGROUND

Pursuant to Assembly Bill 361 (AB 361), which was signed into order on September 21, 2021, in order for the Commission to continue to conduct its meetings remotely, it must adopt a resolution confirming that a Gubernatorial State of Emergency continues to exist and the Commission has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees, Commissioners or staff.

AB 361 provides local agencies with the ability to continue to meet remotely under modified Brown Act requirements during proclaimed state emergencies with the adoption of resolution finding that either:

- 1) Open physical meetings present imminent risks to the health or safety of attendees; *or*
- 2) State/local officials recommend/require measures to promote social distancing.

These criteria permit a local agency to schedule a remote meeting to determine whether meeting in-person during the state of emergency would pose imminent risk to the health or safety of attendees. At that remote meeting, a local agency may determine by majority vote that sufficient risks exist to the health or safety of attendees as a result of the emergency and pass a resolution to that effect. These criteria also permit a local agency to meet remotely in the event that there is a state of emergency declaration while state or local officials have recommended or required measures to promote social distancing.

Attachment: Draft Resolution 2021-22-10

Resolution No. 2021-22-10
of the Local Agency Formation Commission of Mendocino County

Making Continued Findings Pursuant to Assembly Bill 361 to Conduct Remote Public Meetings for the Commission and its Standing Committees During a Proclaimed State of Emergency Due to the COVID-19 Pandemic

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, is committed to preserving and nurturing public access and participation in meetings of the Commission; and

WHEREAS, all the meetings of the Commission are open and public, as required by the Ralph M. Brown Act (“Brown Act”) (California Government Code 54950 -54963), so that any member of the public may attend, participate, and watch the Commission conduct business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the boundaries of Mendocino County, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, if the legislative body meeting in person would present imminent risks to the health and safety of attendees, Commissioners and staff; and

WHEREAS, the Commission previously adopted a Resolution, Number 2021-22-06 on November 1, 2021, finding that the requisite conditions continue to exist for the legislative bodies of Mendocino Local Agency Formation Commission to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in Section 54953(e), the Commission must reconsider the circumstances of the state of emergency that exists in the County, and the Commission has done so; and

WHEREAS, such conditions now exist in the County of Mendocino, specifically, the State of Emergency proclaimed by Governor Newsom on March 4, 2020, due to the COVID 19 pandemic; and

WHEREAS, the California Department of Public Health and the Mendocino County Public Health Department continues to recommend requiring face coverings in all public indoor settings attributable to the rise in SARS-CoV-2 Delta Variant and the Commission cannot be certain that all persons in attendance at meetings will follow the guidelines or be fully vaccinated; and

WHEREAS, the Commission does hereby find that the rise in SARS-CoV-2 Delta Variant has caused, and will continue to cause, conditions of peril to the safety of persons within the County that are likely to be beyond the control of the Commission or its staff, and desires to proclaim a local emergency exists and ratify the proclamation of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Commission does hereby find that the legislative bodies of the Mendocino Local Agency Formation Commission shall continue to conduct their meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that such legislative bodies shall comply with the requirements to provide the public with access to meetings as prescribed in Section 54953(e)(2); and

WHEREAS, the Commission provides written agenda that fully describes the process for the public to fully participate in the Commission's virtual meetings to include viewing, listening and commenting in real time on all agenda items; and

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Commission hereby proclaims that a local emergency now exists throughout the Commission's jurisdictional boundaries, and the rise in SARS-CoV-2 Delta Variant has caused, and will continue to cause, conditions of peril to the safety of all persons participating in the Commission's meetings that are likely to be beyond the control of the Commission or its staff, equipment, and facilities of the Commission.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Commission hereby ratifies the Governor of the State of California's Proclamation of State of Emergency for COVID 19, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Executive Officer and the Mendocino Local Agency Formation Commission are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the next regular meeting of the Commission when the Commission shall consider renewing its findings by subsequent resolution, in accordance with AB 361 and in accordance with Government Code section 54953(e)(3).

PASSED and ADOPTED by the Local Agency Formation Commission of Mendocino County this 7th day of February, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CHARLES A. ORTH, Commission
Chair

ATTEST:

UMA HINMAN, Executive Officer

DRAFT

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: February 7, 2022
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Announcement of Commission Appointments**

RECOMMENDATION

Announcement of Commission appointments made by the County Board of Supervisors and City Selection Committee.

BACKGROUND

All Commissioners terms of office are four years. However, the County Board of Supervisors and City Selection Committee meet and make annual appointments. The Mendocino County Board of Supervisors met in January and affirmed the appointment of current County members for 2022.

The Mendocino County City Selection Committee met on February 1. Appointment of Scott Ignacio, City of Point Arena was affirmed as a Regular Member. Mari Rodin, City of Ukiah, has been selected to serve as Regular City Member for the four-year term ending December 2025. Gerardo Gonzalez, City of Willits, will continue to serve on the Commission as the Alternate City Member for the term ending December 2025.

2022 Mendocino Local Agency Formation Commission				
Representative	Seat	Year Sworn In	Current Term Beginning	Term Ending (December)
County				
Glenn McGourty	Regular	2021	2021	2024
Maureen Mulheren	Regular	2021	2021	2022
John Haschak	Alternate	2020	2020	2023
City				
Scott Ignacio	Regular	2019	2019	2022
Mari Rodin	Regular	2021	2022	2025
Gerardo Gonzalez	Alternate	2019	2022	2025
Special District				
Matthew Froneberger	Regular	2021	2021	2022
Tony Orth	Regular	2016	2021	2024
Jen Bazzani	Alternate	2018	2019	2022
Public				
Jerry Ward	Regular	2015	2019	2022
Richard Weinkle	Alternate	2020	2020	2023

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: February 7, 2022
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Selection of Officers and Appointments to Committees**

RECOMMENDATION

- a) The Commission will select a Chair, Vice-Chair and Treasurer for the 2022 calendar year.
- b) The Chair will make appointments to the Executive and Policies and Procedures Committees with ratification by the full Commission.
- c) The Chair will make appointments to the Work Plan Ad Hoc Committee with ratification by the full Commission.

BACKGROUND

Officers

Per LAFCo [Policy 3.5](#), the members of the Commission will elect a Chair, Vice-Chair and Treasurer at the first meeting of the Commission of each year or as soon thereafter as possible. This being the first meeting of the new Commission, the Executive Officer will facilitate the selection process.

2021 Officers of the Commission		
Office	Commissioner	Representation
Chair	Tony Orth	Special District
Vice-Chair	Scott Ignacio	City (Point Arena)
Treasurer	Gerald Ward	Public

Standing Committees

Per LAFCo [Policy 3.9](#), the Commission has two standing committees: the Executive Committee and the Policies and Procedures Committee. The committees meet on an as-needed basis and are subject to the requirements of the Brown Act.

The Executive Committee consists of the Chair, Vice Chair, and Treasurer or a third Commissioner appointed by the Chair. The Executive Committee is responsible for administrative oversight, personnel matters, and budget preparation and review.

The Policies and Procedures Committee is made up of three members appointed at the first Commission meeting of each calendar year, as recommended by the Chair and ratified by the Commission. The Policies and Procedures Committee is responsible for developing local policies and maintaining the Policies and Procedures Manual. Revisions are proposed to the full Commission for consideration and adoption.

2021 Executive Committee		2021 Policies & Procedures Committee	
Commissioner	Representation	Commissioner	Representation
Tony Orth	Special District	Matthew Froneberger	Special District
Scott Ignacio	City (Point Arena)	Gerardo Gonzalez	City (Willits)
Gerald Ward	Public	Maureen Mulheren	County

Ad-Hoc Committee

Ad Hoc Committees are formed as necessary to address specific topics, projects, and issues. Ad Hoc Committees are made up of three members as recommended by the Chair and ratified by the Commission. In 2021, the Commission appointed a Work Plan Ad-Hoc Committee to advise and support staff on implementation of the Work Plan and related proposals. The 2021 Committee was comprised of Commissioners Froneberger, Mulheren and Rodin.

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafco.org | Web: http://mendolafco.org

Agenda Item No. 5a

COMMISSIONERS

Tony Orth, Chair
Brooktrails Township CSD

Scott Ignacio, Vice Chair
Point Arena City Council

Gerald Ward, Treasurer
Public Member

Matthew Froneberger
Special District Member

Gerardo Gonzalez
Willits City Council

Glenn McGourty
County Board of Supervisors

Maureen Mulheren
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

John Haschak, Alternate
County Board of Supervisors

Mari Rodin, Alternate
City Member

Richard Weinkle, Alternate
Public Member

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

Counsel
Scott Browne

REGULAR MEETINGS

First Monday of each month
at 9:00 AM in the
Mendocino County
Board of Supervisors
Chambers
501 Low Gap Road, Ukiah

DRAFT MINUTES

Local Agency Formation Commission of Mendocino County Regular Meeting of Monday, December 6, 2021

Meeting held via Zoom due to COVID-19 Pandemic Emergency Conditions

1. CALL TO ORDER and ROLL CALL (Video Time 1:14)

Chair Orth called the meeting to order at 9:00 a.m.

Regular Commissioners Present: Tony Orth, Scott Ignacio, Gerald Ward, Gerardo Gonzalez, and Maureen Mulheren

Regular Commissioners Absent: Matthew Froneberger and Glenn McGourty

Alternate Commissioners Present: Richard Weinkle, and Mari Rodin

Alternate Commissioners Absent: John Haschak and Jenifer Bazzani

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Analyst; Kristen Meadows, Clerk; and Scott Browne, Legal Counsel

2. PUBLIC EXPRESSION None

3. CONSENT CALENDAR (Video Time 4:13)

3a) November 1, 2021 Regular Meeting Summary

Treasurer Ward suggested three corrections to the summary.

3b) November 8, 2021 Special Meeting Summary

3c) November 2021 Claims & Financial Report

LAFCo incurred a late fee from the City of Ukiah/Ukiah Valley Conference Center because the invoice was not received in time to be presented for approval at the regular meeting. Treasurer Ward indicated that he and EO Hinman discussed possible solutions. EO Hinman added that LAFCo policy provides for the approval of claims between meetings by the Chair and ratification at the following meeting. She suggested staff work with the Treasurer and the Chair to approve relevant claims.

Chair Orth expressed his support of processing necessary claims by a report to the Chair, approval by the Treasurer, and ratification by the Commission at the next meeting.

November 2021 Claims totaling:		\$23,696.40
Hinman & Associates Consulting		18,887.00
P. Scott Browne		2,520.00
Express-It Mailing Service		606.40
Comcast		90.04
Streamline		50.00
Ukiah Valley Conf. Center		1,542.96

3d) Resolution Authorizing Continued Remote Meetings per AB 361

3e) Proposed 2022 Regular Meeting Calendar

3f) Proposed Fiscal Year 2021-22 Contract with the County of Mendocino for GIS and Technical Support Services

Treasurer Ward and EO Hinman discussed the contract and rate increase. EO Hinman confirmed this is the standard annual rate increase, which amounts to a few dollars each year. The contract is being presented at this time due to the County's process and all bills received after July were billed at the contract rate.

Motion by Commissioner Ignacio: Approve the Consent Calendar, as amended.

Second by Commissioner Gonzalez.

Approved by roll call vote: unanimous.

Ayes: (5) Gonzalez, Ignacio, Mulheren, Ward, Orth

4. PUBLIC HEARING ITEMS None

5. WORKSHOP ITEMS None

6. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

6a) Commissioner Terms (Video Time: 9:19)

EO Hinman reported that Commissioner Gonzalez and Alternate Commissioner Rodin have terms that expire at the end of 2021. As they both are City Council representatives, the City Select Committee is responsible for appointing their successors. The Committee does not meet until January; however, the Cortese-Knox-Hertzberg Act (CKH) allows commissioners to serve until the appointment and qualification of a successor.

6b) Process for Executive Officer Services Contractor Annual Evaluation (Video Time: 11:07)

EO Hinman provided a review of the contract Executive Officer evaluation process. Mendocino LAFCo has a contract agreement with Hinman and Associates Consulting, Inc. for the provision of Executive Officer Services, which includes the Analyst and Clerk. Each year, the Commission conducts an evaluation of those services. Staff will provide each Commissioner with a form to complete and return to both the Chair and EO by December 20, 2021. The responses will be consolidated into one evaluation and presented to EO Hinman in closed session during the January 3, 2022 meeting.

Counsel Browne reiterated that the evaluation is a single evaluation, requiring the Commissioners to reach a consensus on each item.

7. INFORMATION AND REPORT ITEMS

7a) Work Plan, Current, and Future Proposals (Video Time: 13:45)

Staff was reported the completion of the Ukiah Valley Fire District's (UVFD) Application for Annexation of the City of Ukiah, confirming that the Board of Equalization (BOE) packet was submitted, and confirmation of receipt has been received, before the BOE deadline.

There has been no change in status of other proposals on file.

Staff is preparing comments on Millview County Water District's (MCWD) Initial Study/Draft Mitigated Negative Declaration regarding the proposed annexation of the Masonite properties, which are due today..

Staff has completed two of the five Work Plan tasks assigned for this fiscal year. An initial meeting was held with Deputy County Counsel regarding CSA 3's MSR and activation of potential latent powers.

Commissioner Ward asked how Staff is tracking time spent on the MCWD Annexation, the City of Ukiah's (City) applications for Annexation of Areas North of the City and Annexation of the Western Hills. EO Hinman responded that Staff is working under pre-application agreements with MCWD and the City for its Annexation of Areas North of the City. Once the CEQA documents for the MCWD and the Western Hills Annexation are finalized both agencies will be able to submit applications.

Commissioner Ward asked for an update on the MSR for the City of Ukiah. EO Hinman responded that a little over a year ago, discussions began with Planwest Partners and the City to establish an agreement for funding, however the project has been delayed. Staff is working with the Work Plan Ad Hoc Committee and City Staff to determine the best course of action.

Commissioner Ward asked about the Ukiah Valley Sanitation District's (UVSD) Sphere of Influence (SOI), if there is one, and how to establish one. EO Hinman responded that the historical record is unclear. In 1984 when SOIs

were adopted for most of the cities and districts in the County, it appears that UVSD was not addressed. Staff's plan is to proceed with the scheduled update and clearly establish the SOI during the process utilizing recommendations that come from the MSR. As sewer services provided by the City and UVSD are codependent, the City and the District are collaborating on planning for their respective areas.

7b) Correspondence (Video Time: 21:09)

A notification of inactive districts identifying CSA 3 was received from the State Controller's Office (SCO) . The Commission has 90 days to initiate dissolution or notify the SCO of the Commission's determination that the district does not meet the dissolution criteria stipulated in §56042. Staff will prepare a response for Commission consideration informing the SCO of the intent to activate the district's latent powers.

Counsel Browne suggested clearly defining the services the County proposes to activate as latent powers.

Chair Orth requested an update on the MSR for CSA 3. EO Hinman responded that the administrative draft is in progress and staff has been coordinating with the Deputy County Counsel on next steps.

Commissioner Rodin asked for a summary on CSA 3. EO Hinman summarized that initially, CSA 3 was established to provide ambulance services in Point Arena, briefly used as a funding source for the Sanel Valley Fire District, then expanded to include the entire County of Mendocino except for the cities of Fort Bragg, Willits, and Ukiah. Two years ago, the SCO identified the CSA as inactive, which requires LAFCo to review and make a determination on status and initiating dissolution if inactive. In order to keep the CSA active, the County deposited funds into the district's account and the Commission determined that the CSA was active. There has been discussion of using it for the Sherwood Road Pilot project, a secondary emergency access north of the Brooktrails area. Chair Orth added comment that fire agencies are considering using it for obtain funding and for support of a fire marshal's office within the County. He added that CSAs are utilized in other counties as vehicles for infrastructure funding and hopes the County will adopt a plan to use CSA 3 to achieve better benefit levels in the unincorporated areas. He asked Counsel Browne if the County can continue to add services in the future as needed. He responded that any changes require LAFCo review and approval to ensure public benefit. In closing, EO Hinman added that the MSR/SOI will be CSA 3's first review.

7c) CALAFCO Business and Legislation Report (Video Time: 29:18)

EO Hinman reminded the Commission of a webinar scheduled for this afternoon at 1:30: *Throw Out the Historic Water Framework: What do LAFCos Do Now?* She will be one of the panelists.

The CALAFCO Northern Region Roundtable is scheduled for Wednesday, Dec. 8, 2021 at 8:30 a.m. is a great networking opportunity to discuss common issues facing LAFCos in Northern California.

Chair Orth asked if the webinar on water will address the latest declaration from the State regarding the drought emergency. EO Hinman responded that the other panelists include the State Water Board Deputy Director who will give an update on the issues, and a Commissioner from Merced who will discuss LAFCos role in the emergency.

7d) Executive Officer's Report (Video Time: 31:16)

EO Hinman reported the following:

- Rent for the LAFCo Office will increase 5% which is consistent with the contract. EO Hinman will discuss the matter further with Treasurer Ward as the contract ends this fiscal year.
- The year-end financials have been reviewed by the Treasurer and will be sent to the auditor this week.
- Commissioners Rodin and Gonzalez are invited to join the January meeting as their successors will be announced later in the month.

7e) Committee Reports (Executive Committee/Policies & Procedures) (Video Time: 32:53)

The Work Plan Ad Hoc Committee met and discussed scope of work, work plan and ways to move forward with the City of Ukiah's Application for Detachment of the Ukiah Valley Sanitation District (UVSD) served areas.

7f) Commissioners Reports, Comments or Questions (Video Time: 34:36)

Commissioner Gonzalez commented that it has been a pleasure to serve on the Commission and he is willing to continue to serve in any capacity following the end of his term.

Chair Orth commented that he has been following the County redistricting process and was impressed with the County GIS Staff's work, professionalism, and ability to quickly provide large amounts data.

ADJOURNMENT (Video Time: 36:44)

There being no further business, the meeting adjourned at 9:35 a.m. The next regular meeting is scheduled for Monday, January 3, 2022, at 9:00 a.m. and will be held remotely due to the continued state of emergency, guidelines adopted by the Mendocino County Public Health Officer and Executive Orders regarding the COVID-19 pandemic.

Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. [December 6, 2021, YouTube meeting recording.](#) Links to recordings and approved minutes are also available on the [LAFCo website.](#)

DRAFT

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 7, 2022
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Financial Report and Claims for December 2021**

RECOMMENDED ACTION

Approve the December 2021 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 6,235.00	\$ 8,561.00
	5601 Office Supplies (QB)	\$ 80.00	
	6200 Bookkeeping	\$ 290.00	
	7000 Work Plan (CSA 3)	\$ 1,088.00	
	8024 Millview CWD Annex Pre-App	\$ 748.00	
	8026 UVFD Annex City of Ukiah	\$ 120.00	
P. Scott Browne	6300 Legal Counsel - General Services	\$ 900.00	\$ 900.00
CSDA	6600 Membership Renewal	\$ 1,250.00	\$ 1,250.00
Newspapers	8026 UVFD PHN	\$ 187.69	\$ 187.69
Comcast	5700 Internet	\$ 90.04	\$ 90.04
County of Mendocino Information Services	6670 GIS Services	\$ 177.18	\$ 672.26
	6000 Televising Meetings (Oct. & Nov.)	\$ 495.08	
Streamline	5700 Website Hosting	\$ 50.00	\$ 50.00
Ukiah Valley Conf. Center	5600 Postage & Copies	\$ 6.70	\$ 492.70
	5502 Office Space	\$ 486.00	
Commissioner Stipends	6740 Weinkle (Oct. & Nov.)	\$ 150.00	\$ 150.00
Total:			\$ 12,353.69

Deposits: None

Attachments:

- Budget Tracking Spreadsheet
- Work Plan Tracking
- Invoices: Hinman & Associates Consulting

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to the Treasurer.

**Mendocino Local Agency Formation Commission
FY 2020-21 Budget and Application Tracking**

Acct #	Task	FY 21-22 Adopted Budget	1st Qtr Subtotals	October	Nov	Dec	2nd Qtr Subtotal	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES										
5300	Basic Services - EO/Analyst/Clerk	\$108,000	\$25,936.00	\$7,521.00	\$8,603.00	\$6,235.00	\$22,359.00	\$49,247.00	\$58,753.00	46%
	Unfunded Mandates (Public Records Requests)	\$0	\$952.00				\$0.00			
5500	Rent	\$5,775	\$1,392.00	\$464.00	\$464.00	\$486.00	\$1,414.00	\$2,806.00	\$2,969.00	49%
5600	Office Expenses	\$3,300	\$797.26	\$160.73	\$183.46	\$86.70	\$430.89	\$1,228.15	\$2,071.85	37%
5700	Internet & Website Costs	\$2,500	\$622.97	\$140.04	\$140.04	\$140.04	\$420.12	\$1,043.09	\$1,456.91	42%
5900	Publication & Legal Notices	\$2,000	\$275.71				\$0.00	\$275.71	\$1,724.29	14%
6000	Televising Meetings	\$2,000	\$180.69	\$401.83		\$495.08	\$896.91	\$1,077.60	\$922.40	54%
6100	Audit Services	\$3,500	\$1,760.00				\$0.00	\$1,760.00	\$1,740.00	50%
6200	Bookkeeping	\$4,500	\$690.00	\$310.00	\$330.00	\$290.00	\$930.00	\$1,620.00	\$2,880.00	36%
6300	Legal Counsel (S Browne)	\$19,000	\$3,565.50	\$630.00	\$900.00	\$900.00	\$2,430.00	\$5,995.50	\$13,004.50	32%
6400	A-87 Costs County Services	\$2,100	\$0.00				\$0.00	\$0.00	\$2,100.00	0%
6500	Insurance - General Liability	\$2,450	\$2,600.87				\$0.00	\$2,600.87	\$-150.87	106%
6600	Memberships (CALAFCO/CSDA)	\$3,525	\$2,220.00			\$1,250.00	\$1,250.00	\$3,470.00	\$55.00	98%
6670	GIS Contract with County	\$2,500	\$0.00	\$442.94		\$177.18	\$620.12	\$620.12	\$1,879.88	25%
6740	In-County Travel & Stipends	\$4,000	\$126.45			\$150.00	\$150.00	\$276.45	\$3,723.55	7%
6750	Travel & Lodging Expenses	\$6,250	\$0.00				\$0.00	\$0.00	\$6,250.00	0%
6800	Conferences (Registrations)	\$4,100	\$0.00				\$0.00	\$0.00	\$4,100.00	0%
7000	Work Plan (MSRs and SOIs)	\$51,500	\$0.00	\$125.00	\$3,939.00	\$1,088.00	\$5,152.00	\$14,010.00	\$37,490.00	27%
Monthly/ Year to Date Totals		\$227,000.00	\$49,977.45	\$10,195.54	\$14,559.50	\$11,298.00	\$36,053.04	\$86,030.49	\$140,969.51	38%
APPLICATIONS										
		DEPOSIT (total by application)	1st Qtr Subtotals	October	Nov	Dec	2nd Qtr Subtotal	Project Total to Date	Remaining Budget	Notes
D-2014-8010	City of Ukiah Detachment of UVSD lands	\$19,032.75	\$0.00				\$0.00	\$15,080.75	\$3,952.00	
P-2020-01 (8022)	City of Ukiah North Annexation Pre-Application	\$1,500.00	\$0.00				\$0.00	\$1,122.00	\$378.00	
P-2020-04 (8024)	Millview CWD Annexation Pre-Application	\$3,500.00	\$0.00			\$748.00	\$748.00	\$3,469.50	\$30.50	
A-2021-01 (8025)	City of Ukiah Annexation of City-Owned Properties	\$5,000.00	\$34.00				\$0.00	\$1,815.00	\$3,185.00	
A-2021-02 (8026)	UVFD Annexation of City of Ukiah	\$23,767.86	\$5,335.00	\$9,750.77	\$9,061.90	\$307.69	\$19,120.36	\$24,863.36	\$-803.00	
O-2021-03 (8027)	Fort Bragg Extension of Water Service to Minnesota Ave	\$500.00	\$500.00				\$0.00	\$500.00	\$0.00	
8601	Sustainable Ag Lands Committee Grant Project	\$5,100.00	\$850.00		\$75.00		\$75.00	\$1,500.00	\$3,600.00	
Application Totals		\$58,400.61	\$6,719.00	\$9,750.77	\$9,136.90	\$1,055.69	\$19,943.36			
EXPENSES AND APPLICATION TOTALS		\$285,400.61	\$56,696.45	\$19,946.31	\$23,696.40	\$12,353.69	\$55,996.40			

DEPOSITS

ACCOUNT BALANCES

County of Mendocino Account Balance	\$ 165,566	MUNIS Balance as of	11/30/2021
Operations (Checking) Account Balance	\$ 51,777	Bank Statement as of	11/30/2021
Legal Reserve Balance	\$ 50,000	Bank Statement as of	11/30/2021
Operations Reserve Balance	\$ 31,030	Bank Statement as of	11/30/2021
Total	\$ 298,373		

Mendocino LAFCo
FY 2021-22 Estimated Work Plan Implementation Schedule and Cost Tracking
 December 2021

Subject to Change: The estimated schedule and costs for the Fiscal Year 2021-22 Work Plan are subject to change based on agency responsiveness, timely provision of requested information, complexity of issues, level of public and affected agency controversy, and changing needs and priorities.

CEQA: Based on LAFCo practice, the work plan assumes minimal costs for CEQA compliance related to preparing a Notice of Exemption, unless an agency proposes a non-coterminous SOI and pays for any necessary studies and preparation of a Negative Declaration or Environmental Impact Report.

Rolling Work Plan: It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of a study may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table is intended to enhance communication and transparency.

Agency	Request for Information	Admin Draft	Public Workshop	Public Hearing	Final Study	Cost Estimate ¹	FY 2021-22 Budget	FY 2021-22 Expenses	Cost to Date ²
Ukiah Valley Sanitation District	Complete	Pending	TBD	TBD	TBD	\$40,000	\$20,000	\$326	\$4,067
City of Ukiah	Pending	Pending	TBD	TBD	TBD	\$25,000	\$12,500	\$175	\$2,544
Ukiah Valley Fire District	Complete	Complete	9/13/21	10/4/21	10/8/21	\$7,000	\$6,000	\$5,991	\$9,068
County Service Area 3	In progress	In progress	TBD	TBD	TBD	\$10,000	\$6,000	\$6,189	\$10,286
Covelo CSD	Complete	Complete	7/12/21	9/13/21	9/24/21	\$8,000	\$3,000	\$1,329	\$8,769
Estimated Total						\$90,000	\$51,500	\$14,010	\$34,734

¹ Column indicates the initial cost estimated for each study and accounts for in process studies rolled over from prior fiscal years.

² Column indicates a running total for actual expenses incurred to date for each study in process and is not limited to a specific fiscal year.



Hinman & Associates Consulting (916) 813-0818

Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

uhinman@comcast.net

Date	January 3, 2022	Invoice No.	630
To	Mendocino LAFCo	Invoice Total	\$ 8,561.00
Project	Executive Officer Services		
Work Period	November 29 - December 31, 2021		

Account	Description	Staff/Hours			Other (At Cost)	Totals
		Executive Officer \$100	Analyst \$68	Clerk \$40		
5300	Basic Services	43.25	7.50	35.00		\$ 6,235.00
5601	Office Supplies Quickbooks Online Fee Office Supplies (envelopes, labels)				\$ 80.00	\$ 80.00
6200	Bookkeeping	2.00		2.25		\$ 290.00
7000	Work Plan (MSR/SOI/Special Studies) City of Ukiah UVSD CSA 3		16.00			\$ - \$ - \$ 1,088.00
8010	City of Ukiah Detachment Application					\$ -
8022	City of Ukiah North Annex Pre-App					\$ -
8024	Millview CWD Annex Pre-App		11.00			\$ 748.00
8025	City of Ukiah Annex City Properties					\$ -
8026	UVFD Annex City of Ukiah			3.00		\$ 120.00
8601	SALC Project (grant reimbursed)					\$ -
Totals		\$ 4,525.00	\$ 2,346.00	\$ 1,610.00	\$ 80.00	\$ 8,561.00

5300 Basic Services

Administrative tasks and Clerk duties. File research and maintenance. December claims. Communications with Commissioners, public inquiries, etc. Agenda packet development for December 6 Commission meetings. Participation in the Coastal Drought Coordination meetings.

6200 Bookkeeping

Prepared and coordinated with Treasurer regarding claims. Entered claims into Quickbooks and prepared checks. Reconciled Quickbooks.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Worked on Administrative Draft CSA 3 MSR/SOI.

8010 City of Ukiah Detachment of UVSD Area

No activity.

8022 City of Ukiah North Annex Pre-App

No activity.

8025 City of Ukiah Annexation of City-owned Properties

No activity.

8026 UVFD Annexation of City of Ukiah

Preparation and distribution of final project approval distribution packets to affected agencies and County Auditor and Assessor.

8601 Sustainable Agricultural Lands Committee Grant Project

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Sunday, December 19, 2021 5:05 AM
To: eo@mendolafco.org
Subject: We received your QuickBooks subscription payment!



Payment success

Executive Officer, thank you for your payment.

Invoice number:
10001132662723
Invoice date: 12/19/2021
Total: \$80.00
Payment method: VISA ending in

Sign in to QuickBooks where you can see your billing history and view, save, and print your invoice.

[View billing history](#)

Account details

Billed to: Mendocino LAFCo
Company ID ending:
Items on this invoice: QuickBooks Online Plus

(1) For subscriptions, your payment method on file will be automatically charged monthly/annually at the then-current list price until you cancel. If you have a discount it will apply to the then-current list price until it expires. To cancel your subscription at any time, go to [Account & Settings](#) and cancel the subscription. (2) For one-time services, your payment method on file will reflect the charge in the amount referenced in this invoice. Terms, conditions, pricing, features, service, and support options are subject to change without notice.

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 7, 2022
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Claims and Financial Report for January 2022**

RECOMMENDED ACTION

Approve the January 2022 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 12,127.50	\$ 14,357.69
	5601 Office Supplies (QB)	\$ 402.69	
	6200 Bookkeeping	\$ 385.00	
	7000 Work Plan (Ukiah City, UVSD, CSA 3,)	\$ 1,302.50	
	8024 Millview CWD Annex Pre-App	\$ 140.00	
P. Scott Browne	6300 Legal Counsel - General Services	\$ 900.00	\$ 900.00
Comcast	5700 Internet	\$ 90.04	\$ 90.04
Streamline	5700 Website Hosting	\$ 50.00	\$ 50.00
Ukiah Valley Conf. Center	5600 Postage & Copies	\$ 2.65	\$ 505.57
	5502 Office Space (Ste. N-12)	\$ 136.40	
	5502 Office Space (Ste. K)	\$ 366.52	
Commissioner Stipends	6740 Weinkle (Dec.)	\$ 50.00	\$ 50.00
Total:			\$ 15,953.30

Deposits: City of Ukiah/UVFD: \$803

Attachments:

- Budget Tracking Spreadsheet
- Work Plan Tracking
- Invoices: Hinman & Associates Consulting, P. Scott Browne

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to the Treasurer.

Mendocino Local Agency Formation Commission
 FY 2020-21 Budget and Application Tracking

Acct #	Task	FY 21-22 Adopted Budget	1st Qtr Subtotals	2nd Qtr Subtotal	January	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES								
5300	Basic Services - EO/Analyst/Clerk	\$108,000	\$25,936.00	\$22,359.00	\$12,127.50	\$61,374.50	\$46,625.50	57%
	Unfunded Mandates (Public Records Requests)	\$0	\$952.00	\$0.00				
5500	Rent	\$5,775	\$1,392.00	\$1,414.00	\$502.92	\$3,308.92	\$2,466.08	57%
5600	Office Expenses	\$3,300	\$797.26	\$430.89	\$405.34	\$1,633.49	\$1,666.51	49%
5700	Internet & Website Costs	\$2,500	\$622.97	\$420.12	\$140.04	\$1,183.13	\$1,316.87	47%
5900	Publication & Legal Notices	\$2,000	\$275.71	\$0.00		\$275.71	\$1,724.29	14%
6000	Televising Meetings	\$2,000	\$180.69	\$896.91		\$1,077.60	\$922.40	54%
6100	Audit Services	\$3,500	\$1,760.00	\$0.00		\$1,760.00	\$1,740.00	50%
6200	Bookkeeping	\$4,500	\$690.00	\$930.00	\$385.00	\$2,005.00	\$2,495.00	45%
6300	Legal Counsel (S Browne)	\$19,000	\$3,565.50	\$2,430.00	\$900.00	\$6,895.50	\$12,104.50	36%
6400	A-87 Costs County Services	\$2,100	\$0.00	\$0.00		\$0.00	\$2,100.00	0%
6500	Insurance - General Liability	\$2,450	\$2,600.87	\$0.00		\$2,600.87	\$-150.87	106%
6600	Memberships (CALAFCO/CSDA)	\$3,525	\$2,220.00	\$1,250.00		\$3,470.00	\$55.00	98%
6670	GIS Contract with County	\$2,500	\$0.00	\$620.12		\$620.12	\$1,879.88	25%
6740	In-County Travel & Stipends	\$4,000	\$126.45	\$150.00	\$50.00	\$326.45	\$3,673.55	8%
6750	Travel & Lodging Expenses	\$6,250	\$0.00	\$0.00		\$0.00	\$6,250.00	0%
6800	Conferences (Registrations)	\$4,100	\$0.00	\$0.00		\$0.00	\$4,100.00	0%
7000	Work Plan (MSRs and SOIs)	\$51,500	\$0.00	\$5,152.00	\$1,302.50	\$15,312.50	\$36,187.50	30%
Monthly/ Year to Date Totals		\$227,000.00	\$49,977.45	\$36,053.04	\$15,813.30	\$101,843.79	\$125,156.21	45%

APPLICATIONS		DEPOSIT (total by application)	1st Qtr Subtotals	2nd Qtr Subtotal	January	Project Total to Date	Remaining Budget	Notes
D-2014-8010	City of Ukiah Detachment of UVSD lands	\$19,032.75	\$0.00	\$0.00		\$15,080.75	\$3,952.00	
P-2020-01 (8022)	City of Ukiah North Annexation Pre-Application	\$1,500.00	\$0.00	\$0.00		\$1,122.00	\$378.00	
P-2020-04 (8024)	Millview CWD Annexation Pre-Application	\$3,500.00	\$0.00	\$748.00	\$140.00	\$3,609.50	\$-109.50	
A-2021-01 (8025)	City of Ukiah Annexation of City-Owned Properties	\$5,000.00	\$34.00	\$0.00		\$1,815.00	\$3,185.00	
A-2021-02 (8026)	UVFD Annexation of City of Ukiah	\$24,570.86	\$5,335.00	\$19,120.36		\$24,863.36	\$0.00	
O-2021-03 (8027)	Fort Bragg Extension of Water Service to Minnesota Ave	\$500.00	\$500.00	\$0.00		\$500.00	\$0.00	
8601	Sustainable Ag Lands Committee Grant Project	\$5,100.00	\$850.00	\$75.00		\$1,500.00	\$3,600.00	
Application Totals		\$59,203.61	\$6,719.00	\$19,943.36	\$140.00			
EXPENSES AND APPLICATION TOTALS		\$286,203.61	\$56,696.45	\$55,996.40	\$15,953.30			

DEPOSITS		
1/14/2022	City of Ukiah (A-2021-02)	\$ 803.00

ACCOUNT BALANCES			
County of Mendocino Account Balance	\$ 165,566	MUNIS Balance as of	1/14/2022
Operations (Checking) Account Balance	\$ 16,266	Quickbooks Balance as of	1/31/2022
Legal Reserve Balance	\$ 50,000	Bank Statement as of	12/31/2021
Operations Reserve Balance	\$ 31,035	Bank Statement as of	12/31/2021
Total	\$ 262,867		

Mendocino LAFCo
FY 2021-22 Estimated Work Plan Implementation Schedule and Cost Tracking
 January 2022

Subject to Change: The estimated schedule and costs for the Fiscal Year 2021-22 Work Plan are subject to change based on agency responsiveness, timely provision of requested information, complexity of issues, level of public and affected agency controversy, and changing needs and priorities.

CEQA: Based on LAFCo practice, the work plan assumes minimal costs for CEQA compliance related to preparing a Notice of Exemption, unless an agency proposes a non-coterminous SOI and pays for any necessary studies and preparation of a Negative Declaration or Environmental Impact Report.

Rolling Work Plan: It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of a study may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table is intended to enhance communication and transparency.

Agency	Request for Information	Admin Draft	Public Workshop	Public Hearing	Final Study	Cost Estimate ¹	FY 2021-22 Budget	FY 2021-22 Expenses	Cost to Date ²
Ukiah Valley Sanitation District	Complete	Pending	TBD	TBD	TBD	\$40,000	\$20,000	\$974	\$4,715
City of Ukiah	Pending	Pending	TBD	TBD	TBD	\$25,000	\$12,500	\$275	\$2,644
Ukiah Valley Fire District	Complete	Complete	9/13/21	10/4/21	10/8/21	\$7,000	\$6,000	\$5,991	\$9,068
County Service Area 3	In progress	In progress	TBD	TBD	TBD	\$10,000	\$6,000	\$6,744	\$10,841
Covelo CSD	Complete	Complete	7/12/21	9/13/21	9/24/21	\$8,000	\$3,000	\$1,329	\$8,769
Estimated Total						\$90,000	\$51,500	\$15,313	\$36,037

¹ Column indicates the initial cost estimated for each study and accounts for in process studies rolled over from prior fiscal years.

² Column indicates a running total for actual expenses incurred to date for each study in process and is not limited to a specific fiscal year.



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

(916) 813-0818

uhinman@comcast.net

Date February 1, 2022
To Mendocino LAFCo
Project Executive Officer Services
Work Period January 1 - January 31, 2022

Invoice No. 636
Invoice Total \$ 14,357.69

Account Description	Staff/Hours			Other (At Cost)	Totals
	Executive Officer \$100	Analyst \$70	Clerk \$40		
5300 Basic Services	81.00	24.25	58.25		\$ 12,127.50
5601 Office Supplies					
Quickbooks Online Fee				\$ 80.00	\$ 402.69
Dropbox Business annual fee				\$ 119.88	
Microsoft 365 annual fee				\$ 69.99	
Printer ink				\$ 132.82	
6200 Bookkeeping	2.25		4.00		\$ 385.00
7000 Work Plan (MSR/SOI/Special Studies)					
City of Ukiah	1.00				\$ 100.00
Ukiah Valley Sanitation District	1.75	6.75			\$ 647.50
UVSD					\$ -
CSA 3	1.00	6.50			\$ 555.00
8010 City of Ukiah Detachment Application					\$ -
8022 City of Ukiah North Annex Pre-App					\$ -
8024 Millview CWD Annex Pre-App		2.00			\$ 140.00
8025 City of Ukiah Annex City Properties					\$ -
8601 SALC Project (grant reimbursed)					\$ -
Totals	\$ 8,700.00	\$ 2,765.00	\$ 2,490.00	\$ 402.69	\$ 14,357.69

5300 Basic Services

Administrative tasks and Clerk duties. File research and maintenance. December claims. Communications with Commissioners, public inquiries, etc. Agenda packet development for February 7 Commission meeting. Participation in coordination meetings with the City of Ukiah and Ukiah Valley Sanitation District. Development of proposal for updated staff rates. Update of application forms. Development of information sheet for MSR/SOI updates. Mid-year financial report and initial FY 2022-23 budget development.

6200 Bookkeeping

Prepared and coordinated with Treasurer regarding claims. Entered claims into Quickbooks and prepared checks. Reconciled Quickbooks.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Development of Administrative Draft CSA 3 MSR/SOI and coordination with County staff. Development of UVSD MSR/SOI Update and coordination with UVSD staff and counsel. Coordination with City of Ukiah staff on MSR/SOI Update approach.

8010 City of Ukiah Detachment of UVSD Area

No activity.

8022 City of Ukiah North Annex Pre-App

No activity.

8025 City of Ukiah Annexation of City-owned Properties

No activity.

8024 Millview County Water District Pre-Application

Reviewed and prepared comments on the MCWD Draft IS/MND for annexation application.

8601 Sustainable Agricultural Lands Committee Grant Project

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Wednesday, January 19, 2022 4:32 AM
To: eo@mendolafco.org
Subject: We received your QuickBooks subscription payment!



Payment success

Executive Officer, thank you for your payment.

Invoice number:
10001137869757
Invoice date: 01/19/2022
Total: \$80.00
Payment method: VISA ending in

Sign in to QuickBooks where you can see your billing history and view, save, and print your invoice.

[View billing history](#)

Account details

Billed to: Mendocino LAFCo
Company ID ending:
Items on this invoice: QuickBooks Online Plus

(1) For subscriptions, your payment method on file will be automatically charged monthly/annually at the then-current list price until you cancel. If you have a discount it will apply to the then-current list price until it expires. To cancel your subscription at any time, go to [Account & Settings](#) and cancel the subscription. (2) For one-time services, your payment method on file will reflect the charge in the amount referenced in this invoice. Terms, conditions, pricing, features, service, and support options are subject to change without notice.

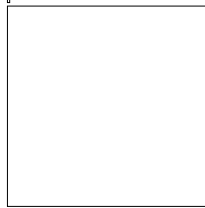
From: clerk@mendolafco.org
Sent: Friday, January 14, 2022 9:24 AM
To: Uma Hinman
Subject: FW: Microsoft 365 Personal charged successfully

FYI

Kristen Meadows, Clerk
Mendocino LAFCo
707-463-4470
M, T, F 9am -1pm

From: Microsoft Store <stremail@microsoft.com>
Sent: Thursday, January 13, 2022 5:21 AM
To: clerk@mendolafco.org
Subject: Microsoft 365 Personal charged successfully

Thanks for subscribing



Hello,

Thanks for subscribing to Microsoft 365 Personal.

Office 365 is now Microsoft 365. Microsoft 365 includes everything you enjoy in Office 365, like premium Office apps, and 1 TB of cloud storage, plus new subscription benefits.

Your subscription was successfully charged on Thursday, January 13, 2022. Your recurring billing is scheduled for Friday, January 13, 2023.

Recurring billing will happen every year at \$69.99 plus applicable taxes. [Manage your subscription](#) to change how you pay, or cancel any time to stop future charges.

Dropbox Inc.
1800 Owens St
San Francisco, CA 94158
United States
billing-support@dropbox.com

Receipt for uhinman@comcast.net

Payment	Date	Amount	Receipt ID
Visa ending in approved	11/11/2021	\$119.88	VVRBCYNL69LL

Description	Amount
Dropbox Plus - 2TB (11/11/2021 to 11/11/2022)	\$119.88
Total	\$119.88

All amounts shown are in USD. This is not an invoice. No additional payment is required.

Uma Hinman

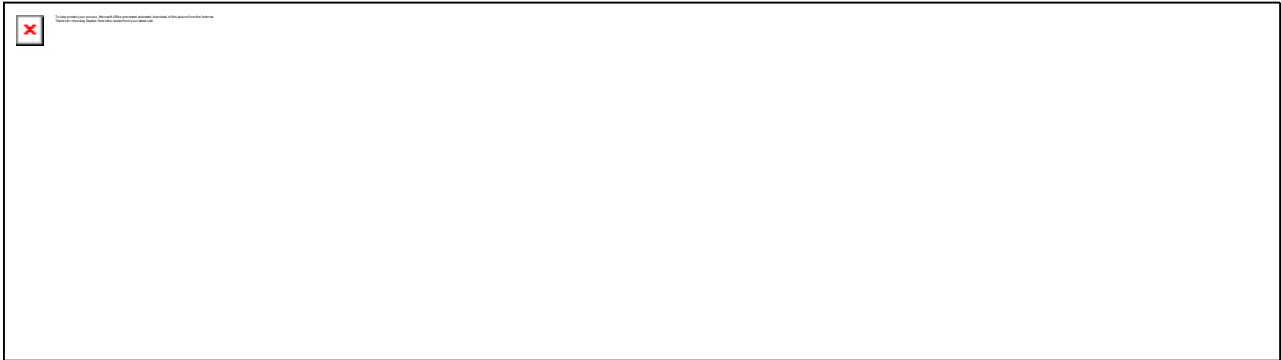
From: StaplesReceipt@staples.com
Sent: Friday, January 7, 2022 11:29 AM
To: UHINMAN@COMCAST.NET
Subject: Here's your Staples receipt

From your recent Staples in-store purchase.



CHECK OUT OUR WEEKLY AD **SEE IT NOW**

Never miss a deal again. [Sign up for our emails.](#)



1225 Airport Park Blvd
Ukiah, CA 95482
(707) 463-7110

SALE 2017638 3 003 53265
0800 01/07/22 11:25

QTY	SKU	PRICE
-----	-----	-------

REWARDS NUMBER 3494233665
1 HP 952 XL BLK/STD

889894824653 121.99
SUBTOTAL 121.99
Standard Tax 8.8750% 10.83
TOTAL \$132.82
VISA CREDIT USD\$132.82
Card No.: XXXXXXXXXXXX [C]
Chip Read
Auth No.: 007183
AID.: A0000000031010

TOTAL ITEMS 1

Staples Connect,
the working and learning store.
Discover every tool to take on tomorrow
including products, services
and inspiration that help you
unlock what is possible.

Shop Smarter. Get Rewarded.
Staples Rewards members get up to 5%
back in Rewards.
Exclusions Apply. See an associate for
full program details or to enroll.

THANK YOU FOR SHOPPING AT
STAPLES CONNECT!

08000107225326503



08000107225326503

Questions?

For more information about your purchase,
please contact your local Staples store.
[Click here](#) for our return policy.

----- CUT HERE -----

YOUR OPINION COUNTS
AND WILL BE REVIEWED
BY THIS STORE'S MANAGER!
Please take a short survey
and be entered into a monthly drawing
to win one of four \$500 Staples gift cards.
No purchase necessary
Log on to
<https://survey3.medallia.com/StaplesCares>
Your survey code:
0303 2605 2815 0001 720
Survey Code expires:
01/14/2022

Law Office of P. Scott Browne
 131 South Auburn Street
 Grass Valley, CA 95945
 5302724250
Tax ID: 68-0348904

January 15, 2022

Mendocino LAFCo
 200 South School St. Ste F
 Ukiah, CA 95482

Invoice Number: 1072
 Invoice Period: 12-16-2021 - 01-15-2022

Payment due by the 15th of next month.

RE: Mendocino LAFCo - General
 Mendocino LAFCo - General

Mendocino LAFCo - General

Time Details

Date	Staff Member	Description	Hours	
12-16-2021	PSB	Monthly flat rate, as agreed upon in Legal Representation Agreement		
12-17-2021	MB	Telephone conference with Uma Hinman; Telephone conference with Uma Hinman re: annexation and CEQA issues;	1.10	
12-21-2021	MB	Review notes and documents from EO re: SOI and MSR issues;	0.80	
01-03-2022	MB	Telephone conference with Uma Hinman; Review memo and correspondence; Research;	1.20	
01-04-2022	MB	Research; Respond to message re: inactive district; Respond to questions re: AB 361;	0.60	
01-13-2022	MB	Telephone conference with Uma Hinman re: City of Ukiah and County CSA;	0.60	
01-14-2022	MB	Research re: latent powers CSA and activation process; Telephone conference with Uma Hinman re: CSA process;	1.00	
			Total	900.00

Total for this Invoice 900.00

We appreciate your business.

Page 1 of 3

Project Statement of Account

As of 01-15-2022

Project	Balance Due
Mendocino LAFCo - General	900.00
Total Amount to Pay	900.00

Mendocino LAFCo - General

Transactions

Date	Transaction	Applied	Invoice	Amount
12-15-2021	Previous Balance			900.00
01-14-2022	Payment Received - Reference Check # 1728			(900.00)
01-14-2022	Payment Applied	900.00	1063	
01-15-2022	Invoice 1072			900.00
			Balance	900.00

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: February 7, 2022
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Ukiah Valley Conference Center Office Space Lease**

RECOMMENDATION

The Commission approve and authorize the Chair to sign the 2022 lease between the City of Ukiah and Mendocino LAFCo for Suite K of the Ukiah Valley Conference Center and relinquishing Suite N.

BACKGROUND

The Commission has leased an office space in the Ukiah Valley Conference Center (UVCC) since at least 2013. A new space (Suite K) inside the UVCC recently came available across the hall that is larger, more visible to the public, and is a much more professional space with natural light. Because the new office space is located in the same building, moving costs and interruptions will be minimal.

The new space is \$500 per month plus the work room fee of \$30, an annual increase of approximately 10% that will equate to \$246 through the remainder of the fiscal year. The proposed lease is an annual contract and provides for additional one-year terms subject to 5% annual increases, which is consistent with our current lease.

Treasurer Ward has reviewed the proposed lease, which would go into effect on February 7th. The rent for both Suite N (current suite) and Suite K is prorated accordingly.

Attachment 2022 UVCC Lease for Suite K

LEASE AGREEMENT
BETWEEN THE CITY OF UKIAH
And
MENDOCINO COUNTY LOCAL AGENCY FORMATION COMMISSION

The Lease, made this first day of February 2022, by and between the City of Ukiah, hereinafter referred to as "Lessor" and the Mendocino County Local Agency Formation Commission, hereinafter referred to as "Lessee."

WITNESSETH:

WHEREAS, Lessor does determine that the use of certain property owned by the Lessor is not requires for its use at this time and is available for lease;

NOW, THEREFORE, the parties hereto agree that on the terms and conditions hereinafter expressed, Lessor does hereby let to Lessee and Lessee does hereby hire from Lessor, approximately 200 square feet of the property and building located at 200 South School Street, Suite K in the City of Ukiah, County of Mendocino.

1. TERM

The term of this Lease shall be a maximum of 1 year (12 months), commencing on the date set forth above, through December 31, 2022. Both parties understand that the subject property is part of the Ukiah Valley Conference Center.

2. RENT

2.1 Rent for the leased premises Suite K shall be \$500.00 per month, payable on or before the fifth day of each month. If rent due under this paragraph is not received by Lessor on or before the tenth day of the month, lessee shall pay Lessor a late fee of 10% of monthly rent. The imposition of this fee is in addition to any other remedies Lessor may have for Lessee's failure to pay rent when due under the terms of this Lease.

2.2 If the Lease is extended for one or more additional one-year terms under Section 1, at the commencement of each subsequent year, the rent shall be increased by 5% of the rent charged in the previous year.

2.3 Lessee shall also pay any real property, possessory interest or personal property taxes, and assessments imposed on the leased premises, property located on or affixed to the lease premises or as a result of the lease, use or ownership of the leased premises.

3. USE, UTILITIES, REPAIRS, MAINTENANCE AND SHARED WORKSPACE

3.1 The Premises shall be used for general office business to be conducted by Lessee. Lessee shall not use or store in the Premises any hazardous or toxic substances, with the sole exception of reasonably necessary substances that are kept in reasonable necessary quantities for normal office operation, provided that their use and storage are in accordance with applicable laws. Lessee shall not do or permit anything to be done on the Premises that will obstruct or interfere with the rights of other tenants of the Building or injure or annoy them, or use or allow the Premises to be used for any unlawful purposes, nor shall Lessee cause, maintain, or permit any nuisance or waste on or about the Premises.

3.1(a) At Lessee's sole cost, Lessee shall promptly comply with all laws and governmental rules now or later in force; with the requirements of any board of fire underwriters or other similar body now or in the future constituted; with any direction or occupancy certificate issued by public officers ("Legal Requirements"), insofar as they relate to the condition, use, or occupancy of the Premises. Excluded are (a) structural changes or changes to the electrical, mechanical, or plumbing systems of the Building, all to the extent not necessitated by Lessee's acts or by improvements made for Lessee, other than the tenant improvements to be made pursuant to this Lease by Lessor, if any; (b) alterations or improvements to the Building as a whole or the Premises of tenants generally that are not by law the tenant's responsibility with which to comply; and (c) work necessitated by defects in the construction of the Building. Lessor shall comply in a timely manner with all Legal Requirements that are not Lessee's responsibility under this Section to the extent noncompliance would adversely affect Lessee's use or occupancy of the Premises

3.1(b) Lessee shall comply with all rules adopted by Lessor regarding the use of the Building or the Premises which are furnished to Lessee in writing (copy of the current rules are attached hereto as Exhibit "A"). Lessor shall not be responsible to Lessee for the nonperformance of any of these rules by any other tenant or occupant of the Building, but Lessor shall take reasonable steps to enforce any rules, the nonperformance of which by other tenants materially and adversely affects Lessee in the use of the Premises. However, if any rule conflicts with any term, covenant, or condition of this Lease, this Lease shall prevail. In addition, no rules, or any subsequent amendments adopted by Lessor shall alter, reduce, or adversely affect any of Lessee's rights or enlarge Lessee's obligations under this Lease.

- 3.1(c) Lessor may enter the Premises at reasonable hours and, except in the event of an emergency, on reasonable prior notice, to: (a) inspect the Premises; (b) exhibit the Premises to prospective purchasers, lenders, or tenants; (c) determine whether Lessee is complying with all obligations under this Lease; (d) supply janitorial service and any other services to be provided by Lessor under this Lease; (e) post notices of no responsibility; and (f) make repairs or perform maintenance required of Lessor by this Lease, make repairs to any space or utility services, or make repairs alterations, or improvements to any other portion of the Building. However, all this work shall be done as promptly as reasonably possible and cause as little interference to Lessee as reasonably possible. Subject to Lessor's undertakings in the previous sentence, Lessee waives any damage claims for inconvenience to or interference with Lessee's business or loss of occupancy or quiet enjoyment of the Premises caused by Lessor's entry. At all times Lessor shall have a key with which to unlock the doors on the Premises, excluding Lessee's vaults, safes, and similar areas designated as secure areas. In an emergency, Lessor shall have the right to use any means that Lessor deems proper to open Lessee's doors and enter the Premises. Entry to the Premises by Lessor in an emergency shall not be construed as a forcible or unlawful entry, or an actual or constructive eviction of Lessee.
- 3.2 Both parties agree that rent for the premises includes all costs for utilities and custodial maintenance.
- 3.3 Lessor shall maintain the public and Common Areas of the Building, including lobbies, stairs, corridors, restrooms, all exterior landscaping windows, the mechanical, plumbing, and electrical equipment serving the building, and the structure itself, in reasonably good order and condition so as to meet the reasonable needs of Lessee, except for damage, excluding normal wear and tear, caused by the Lessee. Damage by Lessee shall be repaired by Lessor at Lessee's expense. The standard of maintenance shall equal that of commercial office buildings of a similar class in the City of Ukiah.
- 3.3(a) Lessor shall furnish electricity for lighting and the operation of office, and heat and air conditioning to the extent reasonably required for comfortable occupancy by lessee.
- 3.3(b) Lessor shall not be in default under this lease, nor be liable for any damages resulting from, nor shall the required rental be abated because of: (I) the installation, use or interruption of use of any equipment in connection with furnishing the previously listed services, (II) failure to furnish or delay in furnishing these services, when failure or delay is caused by accident or conditions beyond the reasonable control of Lessor

or by necessary repairs or improvements to the Premises or to the building, or (III) the limitation, curtailment, rationing, or restrictions on use of water, electricity, gas or any other form of energy serving the Premises or the Building. Lessor shall use reasonable efforts to diligently remedy interruptions in the furnishing of these services.

- 3.3(c) Upon receipt of a bill, Lessee shall reimburse Lessor for the cost of: (I) all heat or air conditioning provided to the Premises during hours requested by Lessee when those services are not otherwise furnished by Lessor, and (II) all power and cooling energy provided for supplementary air conditioning facilities in the Premises. Lessee shall also pay the cost of any transformers, additional risers, panel boards, and other facilities, if reasonably required to furnish power for supplementary air conditioning facilities in the Premises. The cost of item (I) shall be a per hour charge reflecting the electrical energy, labor and fixed plant costs (excluding depreciation) of operating the heating and air conditioning system.
- 3.3(d) In the event that Lessor, at Lessee's request, provides services to Lessee that are not otherwise provided for in this Lease, Lessee shall pay Lessor's reasonable charges for these services on billing of Lessor.
- 3.4 In addition to the monthly rental and other charges to be paid by Lessee under this Lease, Lessee shall pay Lessor for all of the following items (collectively, "Impositions"): possessory interest or other taxes imposed on the leased premises, its contents or the activities conducted in them, to the extent not paid to the taxing entity by Lessee.
- 3.5 Lessee accepts the Premises as being in the condition in which Lessor is obligated to deliver the Premises, subject to the tenant improvements, if any, that Lessor has agreed to make. At all times during the term of this Lease and at Lessee's sole cost, Lessee shall keep the Premises in good condition and repair; exceptions are ordinary wear and tear and damage to the Premises by fire, earthquake, or act of God or the elements. Lessee waives all rights to make repairs at the expense of Lessor or instead to vacate the Premises, and Lessee further waives the provisions of Civil Code §§1941 and 1942 with respect to Lessor' obligations under this Lease. At the end of the term of this Lease, Lessee shall surrender to Lessor the Premises and all Alterations that are to remain in the Premises in the same condition as when received; exceptions are ordinary wear and tear and damage by fire, earthquake, or act of God or the elements. Lessor has no obligation and has made no promise to alter, remodel, improve, repair, decorate, or paint the Premises, except as specifically set forth in this Lease. Lessor has made no representations respecting the condition of the Premises or the Building, except as specifically set forth in this Lease.

4. ALTERATIONS

- 4.1 Lessee shall not make any alterations to the interior or exterior of the leased premises without the prior written consent of the Lessor. Lessor may, but need not, require the Lessee to furnish drawings, plans or specifications for any proposed alterations, which the Lessor may review prior to authorizing any such alterations.
- 4.2 Lessee shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee. Lessor may have posted on the Premises any notices that may be provided by Law or that Lessor may deem proper for the protection of Lessor, the Premises, and the Building from those liens. Lessee may contest any lien for which Lessee is responsible under this Section, provided that Lessee shall have caused the lien to be bonded against.

5. HOLD HARMLESS AND LIABILITY INSURANCE

- 5.1 Indemnification. Lessor shall not be liable for and is free from the cost of any damages for personal injury or property damage resulting from the use made by Lessee of the leased premises, any defective condition or faulty construction of the leased premises existing at the time of letting or arising thereafter and Lessee covenants and agrees to indemnify and save harmless said Lessor and its officers, agents and employees from and against any and all claims, liability, loss, cost, or other obligation, including reasonable attorneys' fees, on account of or arising out of Lessee's use of the leased premises.
- 5.2 Liability insurance. Lessee covenants and agrees during the life of this Lease at Lessee's sole expense to comply with the requirements of Exhibit "B", Insurance Requirements for Lessees (No Auto Risks) attached hereto and incorporated herein by reference.

6. ASSIGNMENT

Lessee will not assign this Lease, or any interest therein, and will not let or underlet the said premises, or any part thereof, without the prior written consent of the Lessor.

7. OWNERSHIP OF IMPROVEMENTS

If Lessee installs any permanent improvements, in accordance with paragraph four of this Lease or otherwise, such improvements shall become a part of the leased premises and title to said improvements shall be vested in the Lessor upon termination of this Lease. Lessor shall have the right to demand that Lessee restore the premises to the condition it was in prior to the date this Lease is made and if such demand is made, Lessee shall so restore the premises within ten (10) days of the date such notice is given.

8. TERMINATION

Notwithstanding any other provision of this Lease to the contrary, the parties shall have the right to terminate this Lease under the following circumstances.

- 8.1 Upon ninety (90) days prior written notice to the other party Lessor and Lessee shall have the mutual right to terminate the Lease for any reason.
- 8.2 Either party shall have an immediate right to terminate this Lease without prior notice to the other party other than that required by law for any breach of a term of the Lease by the other party, including, but not limited to, the Lessee's obligation to provide liability insurance.
- 8.3 Even though Lessee has breached this Lease and abandoned the Premises, this Lease shall continue in effect for so long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all rights and remedies under this Lease, including the right to recover the rental as it becomes due under this Lease. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver upon initiative of Lessor to protect Lessor's interest under this Lease shall not constitute a termination of Lessee's right to possession.
- 8.4 The remedies provided in this Lease are in addition to any other remedies available to Lessor at law, in equity, by statute, or otherwise.
- 8.5 Agreements and provisions to be performed by Lessee under this Lease shall be at Lessee's sole cost and without abatement of rental, except as specifically provided in this Lease. If Lessee (I) fails to pay any sum of money, other than rental, required under this Lease, or (II) fails to perform any other act required of lessee under this Lease, and this failure continues for thirty (30) days after notice of the failure by Lessor, or a longer period as may be allowed under this Lease, Lessor may, without waiving or releasing Lessee from any obligations of Lessee, make payment or perform other acts required by this Lease on Lessee's behalf.

All sums paid by Lessor and all necessary incidental costs shall be payable to Lessor on demand and shall constitute additional rental under this Lease.

- 8.5(a) If, without objection by Lessor, Lessee holds possession of the Premises after expiration of the term of this Lease, Lessee shall become a tenant from month-to-month on the terms specified in this lease, except those pertaining to term, option to extend, and option to acquire the Building, but at a monthly rental equivalent to one hundred ten percent (110%) of the then prevailing monthly rental paid by Lessee at the expiration of the term of this Lease, payable in advance on or before the first day of each month. Each party shall give the other notice of intention to terminate the tenancy at least one (1) month prior to the date of termination of a monthly tenancy.
- 8.5(b) If, over Lessor's objection, Lessee holds possession of the Premises after expiration of the term of this Lease or expiration of the holdover tenancy, Lessee shall be deemed to be a tenant-at-sufferance and, without limiting the liability of Lessee for unauthorized occupancy of the Premises, Lessee shall indemnify Lessor and any replacement tenant for the Premises for any damages or loss suffered by either Lessor or the replacement tenant resulting from Lessee's failure to vacate the Premises in a timely manner.

9. ATTORNEY'S FEES

If either party to this Lease prevails in any legal proceeding arising under or in connection with the terms of the Lease, that party shall recover its reasonable attorney's fees from the other party.

10. NOTICE

Whenever notice is required to be given under this Lease, it shall be deemed given when deposited in the U.S. Mail with first class postage properly affixed thereto or when personally delivered and addressed as follows:

City of Ukiah
300 Seminary Avenue
Ukiah, CA 95482

Mendocino County Local Agency
Formation Commission
200 S. School Street, Suite K
Ukiah, CA 95482

11. WAIVER

Waiver of any breach of this Lease, including the failure to pay rent or obtain prior approval for an assignment of the Lease, shall not be deemed a waiver of any subsequent breach of the same or a different provision of the Lease.

12. PARAGRAPH HEADINGS

Paragraph headings are included for the convenience of the parties and are not intended to define or limit the scope of this Lease.

13. PREVIOUS AGREEMENT

Any and all existing statement or agreements, whether oral or written, or renewals thereof between the parties hereto, covering the same subject matter, are hereby canceled and superseded by the terms of this Lease, and such prior agreements, statements or understandings shall have no further force or effect.

14. DUPLICATE ORIGINALS

This Lease may be executed in one or more duplicate originals bearing the original signature of both parties and when so executed any such duplicate original shall be admissible as proof of the existence and terms of this Lease.

Entered on this date _____

Sage Sangiacomo, City Manager, City of Ukiah

Mendocino County Local Agency Formation Commission

CONFERENCE CENTER RULES

Exhibit A

1. No permanent fixtures or improvements to Conference Center facilities without prior approval of Lessor.
2. Child care activities are not allowed in any of the Lessees office spaces.
3. Lessees will be required to keep noise levels below noise level standards established for the Conference Center facilities.
4. The electrical usage included in Lessees monthly rent is based on "normal" office equipment; i.e. calculator, desktop computer and printer. If equipment requires special electrical power, additional charges will be billed to Lessee.
5. Lessees will not be allowed to sublet their office space, or permit occupancy by any other person except Lessees employees and business invitees.
6. No advertising of any type using the Conference Center logo may be used by the Lessee without prior approval of the Lessor.
7. Lessees are responsible for the removal and disposal of any garbage and recycling generated by them, to the appropriate on site receptacles provided by the Conference Center.



**INSURANCE REQUIREMENTS FOR LESSEES
(NO AUTO RISKS)
Exhibit B**

Lessee shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the lessee.

I. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. Insurance Services Office **Commercial General Liability** coverage (Form No. CG 20 10 10 01).
- B. **Workers' Compensation** insurance as required by the State of California and Employer's Liability insurance (for lessees with employees).
- C. **Property insurance** against all risks of loss to any tenant improvements or betterments.

II. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

- A. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. Insurance must be written on an occurrence basis.
- B. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
- C. Property Insurance: Full replacement cost with no coinsurance penalty provision.

III. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officers, officials, employees and volunteers; or the Lessee to provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses; or to approve the deductible without a guarantee.

IV. REQUIRED INSURANCE PROVISIONS

Proof of **General Liability** policy is to contain, or **be endorsed** to contain, the following provisions:

- A. The City, its officers, officials, employees and volunteers are to be covered as **ADDITIONAL INSURED** with respect to liability arising out of ownership, maintenance or use of that part of the premises leased to the lessee.
- B. **The Workers' Compensation policy is to be endorsed with a waiver of subrogation.** The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured.
- C. The lessee's insurance coverage shall be **primary insurance** with respect to the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Lessee's insurance and shall not contribute with it.
- D. Each insurance policy required by this clause shall be endorsed to state that coverage shall **not be canceled** by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given the City.

V. Rating – Acceptability of Insurers

Insurance is to be placed with admitted California insurers with a current A.M. Best's rating of no less than A- for financial strength, AA for long-term credit rating and AMB-1 for short-term credit rating.

VII. Verification of Coverage

Lessee shall furnish the City with original certificates and amendatory endorsements affecting coverage required by this clause. The endorsements should be on **forms provided by the City**. If endorsements are on forms other than the City's forms, endorsements must provide coverage that is equivalent to or better than the forms requested by the City. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

If you have questions regarding our insurance requirements contact: **Risk Manager**
(707)-463-6287 Fax (707) 463-6204

CITY OF UKIAH

RISK MANAGEMENT

300 Seminary Avenue, Ukiah, CA 95482-5400

707 463-6287 FAX 707 463-6204 – Risk Management

WORKERS' COMPENSATION DECLARATION

_____ I have and will maintain a certificate of consent to self-insure for workers' compensation as provided for by Section 3700 of the Labor Code, for the performance of the work for the City of Ukiah, its officers, officials employees and volunteers.

_____ I have and will maintain a certificate showing current workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the work for the City of Ukiah, its officers, officials, employees and volunteers.

_____ I certify that in the performance of the work for the City of Ukiah, its officers, officials, employees and volunteers, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agree that if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions and provide the City of Ukiah with a Certificate of Insurance. In addition, if at any time during the performance of the work for the City, I hire an employee from a temporary agency, I will immediately notify and provide the City with a current workers' compensation certificate from said temporary agency.

_____ I plan to hire employees using a temporary agency. The name of the agency is _____ . I have attached a copy of the temporary agency's workers compensation certificate. If at any time during the performance of the work for the City, I decide to use some other temporary agency, I will immediately notify the City's Risk Management Division, and provide the corresponding workers compensation certificate.

Signature

Print Name

Date

Company Name

Job

Company Address

Estimated time-frame of job.

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3700 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: February 7, 2022
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Status Determination for County Service Area 3 in Response to State Controller's Office Inactive District Notice**

RECOMMENDATION

The Commission determine that CSA 3 is an active district pursuant to Government Code Section 56042(c) and direct staff to notify the State Controller's Office of its determination.

BACKGROUND

On November 4, 2021, Mendocino LAFCo received notice from the State Controller's Office (SCO) that County Service Area (CSA) 3 was identified as an inactive special district (Attachment 1). Pursuant to [Government Code §56879](#), the SCO's notice initiates a 90-day period in which the Commission must either initiate dissolution of the district or determine that the district does not meet the criteria set forth in [GC §56042](#).

56042. "Inactive district" means a special district that meets all of the following:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) The special district has no outstanding debts, judgements, litigation, contracts, liens, or claims.

Staff coordinated with the County Executive Office and County Counsel regarding the SCO's notice and information needs for Commission consideration in determining the status of CSA 3. Current financial records provided by the County document the district's assets, which include a summary of account deposits in 2019 and 2020 (Attachment 2). With assets totaling \$50,000, the district does not meet the definition of an inactive district pursuant to GC §56042(c) and the Commission may determine that CSA 3 to be an active district. Upon making that determination, staff will notify the State Controller's Office accordingly.

Additionally, staff is the process of developing the first MSR/SOI Study for CSA 3 and has been coordinating with County staff on both the study and the intended use of the district. Substantial planning efforts by the County and several agencies and organizations have been underway for the past two years.

The most developed proposal for use of the CSA is the Sherwood Road Pilot Project, an emergency secondary access for the Brooktrails community. This and other potential services are being explored and coordinated with the County and will culminate in a proposal to the Commission for activation of latent powers.

Attachments

1. SCO Notice of Inactive District, November 4, 2021
2. Mendocino County Budget Account Report, January 3, 2022

Attachment 1



BETTY T. YEE California State Controller

November 4, 2021

Uma Hinman
Mendocino LAFCO
Ukiah Valley Conference Center, 200 South School Street
Ukiah, CA, 95482

SUBJECT: Notification of Inactive Special Districts in County

Dear Uma Hinman:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform SCO using the contact information on page 2.

Enclosed is a copy of the list of inactive California special districts. The list is determined by financial data in each special district's fiscal year 2019-20 FTR. The list of inactive California special districts may also be found at: https://www.sco.ca.gov/ard_local_rep_freq_requested.html.

Uma Hinman
November 4, 2021
Page 2

If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at dmiller@sco.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Pangilinan". The signature is fluid and cursive, with the first name "Phillip" and last name "Pangilinan" clearly distinguishable.

PHILLIP PANGILINAN
Manager
Local Government Reporting Section

Enclosure

California State Controller's Office
List of Inactive Districts per Chapter 334, Statutes of 2017 (SB 448)
Source: Special Districts Financial Transactions Reports, Fiscal Year 2019-20

#	District Name	City	County
1	Willow Springs Water District	Plymouth	Amador
2	County Service Area No. 5 (Calaveras)	San Andreas	Calaveras
3	County Service Area No. 6 (Calaveras)	San Andreas	Calaveras
4	County Service Area No. 7 (Calaveras)	San Andreas	Calaveras
5	County Service Area No. 10 (Calaveras)	San Andreas	Calaveras
6	County Service Area No. 11 (Calaveras)	San Andreas	Calaveras
7	County Service Area No. 3 (Colusa)	Colusa	Colusa
8	Century Ranch Water District	Colusa	Colusa
9	Hazel Court County Service Area (Colusa)	Colusa	Colusa
10	Kern Valley Resource Conservation District	Bakersfield	Kern
11	County Service Area No. 3 (Mendocino)	Ukiah	Mendocino
12	Canby Community Services District	Canby	Modoc
13	County Service Area No. 32 (Santa Barbara)	Santa Barbara	Santa Barbara
14	County Service Area for Library Services (CSA-1)	San Jose	Santa Clara
15	Fall River Valley Irrigation District	Redding	Shasta
16	Reclamation District No. 2034	San Ramon	Solano
17	Reclamation District No. 2043	Fairfield	Solano
18	Meridian Cemetery District	Yuba City	Sutter
19	County Service Area No. 60 (Tuolumne)	Sonora	Tuolumne
20	County Service Area No. 56 (Yuba)	Marysville	Yuba
21	County Service Area No. 57 (Yuba)	Marysville	Yuba
22	County Service Area No. 58 (Yuba)	Marysville	Yuba
23	River Highlands Community Service District	Marysville	Yuba
24	Royal Pines County Service Area (Yuba)	Marysville	Yuba

Proof of Service by Mail

I declare: I am a citizen of the United States, over the age of 18 years, and not a party to this action. My business address is State Controller's Office, 3301 C Street, Suite 740, Sacramento, California 95816.

On the date set forth below, I served the following entitled document:

Notification of Inactive Special Districts in County

by placing a true copy thereof in a sealed envelope addressed to the person(s) named below at the address(es) shown and by placing said envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

Name: Uma Hinman
Mendocino Local Agency Formation Commission

Address: Mendocino LAFCO
Ukiah Valley Conference Center, 200 South School Street
Ukiah, CA 95482

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 04, 2021, at Sacramento, California.

Signature: Derek Miller

Printed Name: Derek Miller

Attachment 2



01/03/2022 14:19
cubbisoc

MENDOCINO COUNTY PRODUCTION v11.3
ACCOUNT DETAIL HISTORY FOR 2019 00 TO 2021 13

P 1
glacthst

ORG YR/PR	ACCOUNT JNL EFF DATE	SRC REF1	REF2	REF3	CHECK #	OB	AMOUNT	NET LEDGER BALANCE
2110	2110-00-000-0000-000-00-000000-000000-760723-							COUNTY SERVICE AREA 3
19/09	441 03/13/19	GEN CSA3	PER BOS 4e	3/12/2019			-15,000.00	-15,000.00
20/12	1197 06/30/20	GEN CSA3	19/20 AMT	BOS BUDGET			-35,000.00	-50,000.00
LEDGER BALANCES --- DEBITS:			.00		CREDITS:	-50,000.00	NET:	-50,000.00
GRAND TOTAL --- DEBITS:			.00		CREDITS:	-50,000.00	NET:	-50,000.00

2 Records printed

** END OF REPORT - Generated by Chamise Cubbison **

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 7, 2022
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Mid-Year Budget Review for FY 2021-22**

RECOMMENDATION

Receive and file report.

MID-YEAR BUDGET REVIEW

Mid-year budget reviews are intended to review expenses and revenues half-way through a budget year to help determine if any adjustments need to be made before the end of the fiscal year. This budget review will also assist staff in developing the next fiscal year budget and inform the member agencies of likely apportionment fees for their next fiscal year, which many of the jurisdictions will initiate in the coming months. The budget status indicates staffing, operations, and work plan costs are within budget and no adjustments are recommended at this time.

The FY 2020-21 audit is being prepared by Pehling & Pehling, CPAs; we anticipate receiving a draft for review in mid-February.

Overview of Mid-Year Budget

The mid-year budget review is an opportunity to review itemized operating expenses and make adjustments as necessary. Staff has prepared the attached multi-year budget comparison. Notes to the budget review to date:

- As shown in Attachment 1, the Commission adopted a FY 2021-22 budget of \$227,000. The following table summarizes the adopted budget, the current expenditure totals and percent of budget expended as of December 31, 2021 (see Attachment 2 for additional detail). The Work Plan included five MSR/SOI reports, two of which have been completed; the remaining three are in varying stages of preparation.

Table 1. Mid-Year Budget Summary			
Mid-Year Expense Summary	Adopted (\$)	Mid-Year Total (\$)	% of total
Basic Services (Staffing)	108,000	49,247	46
Services and Supplies	67,500	22,773	34
Work Plan	51,500	14,010	27
Expense Total	227,000	86,030	38

- Revenues projected for this budget included apportionment fees as follows:
 - \$265,000: split equally among the categories of Cities/County/Special Districts
 - \$38,000 of revenues will be used to rebuild legal reserves

3. Expenses as of December 31, 2021 were \$86,030, mostly allocated to Basic Services/Staffing and office operations.
 - Basic Services/Staffing is just under 50% for the fiscal year
 - Approximately 73% remaining in Work Plan budget to complete 3 MSR/SOI Updates

4. Reserves are at \$81,030 as of December 31, 2021.
 - \$50,000 for legal reserves; as directed by Commission
 - \$31,030 for operational reserves; policy dictates 25% of operational budget (target \$56,750)
 - In June 2022 apportionments will be transferred to reserves to meet policy targets and Commission direction

Work Plan Status

Staff have completed two of the five MSR/SOI updates: Covelo Community Services District and the Ukiah Valley Fire District. The remaining three Work Plan tasks are in varying levels of process and Staff are coordinating with the agencies on development of the studies.

Difficulties in keeping the work plan progressing on schedule has primarily been related to application workload, which is prioritized. Progress on the Work Plan is summarized in the following table.

Table 2. Summary of Work Plan Tasks and Status		
Remaining Work Plan Tasks 2021-22	Budget (\$)	Status (% complete)
Covelo Community Services District*	3,000	100
Ukiah Valley Fire Protection District*	6,000	100
Community Service Area 3	10,000	50
City of Ukiah	12,500	5
Ukiah Valley Sanitation District	20,000	10
* Initiated in FY 2020-21		

The CSA 3 MSR/SOI is the first study of the district and is progressing well. Coordination with the County is underway and consists of discussions on services the County plans to activate for the district as well as information needs for the MSR/SOI Study.

The Ukiah Valley Sanitation District MSR/SOI Update is in progress. This will be the first update of the SOI since 1984. Staff will be establishing regular coordination meetings with the district in the next few weeks.

The City of Ukiah MSR/SOI Update is in the initial planning phase and staff have been coordinating with City staff over the first part of this fiscal year on both approach and timing. Regular coordination meetings have been established and we are working towards coordinating the MSR/SOI Update with the City’s General Plan Update. This will be the first update of the SOI since its establishment in 1984.

Staffing efforts in first half of FY 2021-22

In addition to the Work Plan, the first half of this FY has been focused on application processing and responding to inquiries and researching issues brought forward by special districts and landowners. Following is a summary of tasks:

- Completed processing a fast-tracked application by the Ukiah Valley Fire District to annex the City of Ukiah boundary for fire services

- Regular coordination meetings with City of Ukiah and Ukiah Valley Sanitation District staff regarding plans affecting future agency growth.
- Reviewed and submitted comments on several CEQA documents as a Responsible Agency.
- Provided initial consultation with three agencies on application needs and process.
- Initiated policy development for emergency water hauling in response to the drought emergency
- Participation in Countywide drought planning
- Sustainable Agricultural Lands Committee grant project meetings and tasks

Anticipated Tasks for Remainder of FY 2021-22

Staff will remain focused on progressing the CSA 3, City of Ukiah and UVSD MSR/SOI Updates. Additionally, a number of applications are both in progress and anticipated in the coming months. The following tasks are anticipated:

- Work Plan tasks
- City of Ukiah application for annexation of City-owned properties
- Continue policy development for emergency water hauling
- Continued coordination with the County, City of Ukiah and UVSD regarding SOIs and proposals

Attachments

1. Adopted FY 2021-22 Budget and Work Program
2. Mid-Year Budget Review Spreadsheet

Attachment 1

Mendocino Local Agency Formation Commission Final Budget for FY 2021-2022

7-Jun-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended	FY 2021-22 Final
REVENUE				
<i>Anticipated Cash Balance</i>				
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 265,000
4100	Service Charges			
4800	Miscellaneous			
4910	Interest Income	\$ 450	\$ 450	\$ 100
Revenue Subtotal		\$ 150,450	\$ 150,450	\$ 265,100
EXPENSES				
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 108,000
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,775
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,300
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 2,500
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,500
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 19,000
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,100
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,450
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,525
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000	\$ 4,000
6750	Travel & Lodging Expense	\$ 100	\$ 100	\$ 6,250
6800	Conferences (Registrations)	\$ 150	\$ 150	\$ 4,100
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 51,500
Operating Expense Total		\$ 161,650	\$ 176,193	\$ 227,000
REVENUE/EXPENSE DIFFERENCE		\$ (11,200)	\$ (25,743)	\$ 38,100
<i>(Negative balance indicates use of fund balance and/or reserves)</i>				

**Work Program (Basic Services and Work Plan)
FY 2021-22 Final Budget**

Tasks	Description & Assumptions	Estimated Budget
Basic Services		
Office Hours & Administrative Duties	Clerk duties not related to projects; office hours; public assistance; PRA requests; budget development, tracking, amendments; accounts payable, QuickBooks; annual audit; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review, etc.; carrying out Commission direction.	\$ 58,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 34,000
Work Plan Support	Prepare and distribute Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 4,500
Consult Legal Counsel	Contract allows for a minimum of 5 hours per month.	Existing Contract
Application Processing	Process change of organization or reorganization applications initiated by landowner petition or resolution of application from Cities and Special Districts to modify existing powers, annex and/or detach territory from agency boundaries, and create, dissolve, or consolidate/merge local agencies.	Paid by applicant
Policy Development	Prepare expedited process for out-of-area fire services; outreach and update SOI policy; policy amendment and development as needed.	\$ 10,000
Grants	Participation in the Sustainable Agricultural Lands Commission (SALC) grant project.	Match accounted for in Basic Services (\$4,000)
Application Forms	Overhaul LAFCo application forms.	\$ 800
Transparency Improvements to Website	Assess/implement website improvements (JPAs, Special Districts, etc.); Post JPA Agreements on website (SB 1266).	\$ 700
		Total \$ 108,000
Work Plan		
MSR/SOI Update	Prepare and adopt combined Municipal Service Review and Sphere of Influence (MSR/SOI) Update studies pursuant to GOV \$56425 and \$56430, either in-house or by contract.	\$ 51,500
<p>The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2021-22.</p> <p>The actual completion of a specific study may span multiple fiscal years. The budget allocation for each agency is based on estimated costs. Actual costs for study completion may be higher or lower than estimated below.</p> <p>Work Plan implementation is subject to change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.</p> <p>The Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). Agencies requesting a non-coterminous SOI may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).</p>		
The total Work Plan Budget of \$51,500 is not limited to the following designations. These budget allocations may shift to other agencies as needed during the year.	City of Ukiah	\$ 12,500
	Ukiah Valley Sanitation District	\$ 20,000
	Ukiah Valley Fire District	\$ 6,000
	County Service Area No. 3	\$ 10,000
	Covelo Community Services District	\$ 3,000
		Total \$ 51,500

Attachment 2

Acct #	Task	FY 21-22 Adopted Budget	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES					
5300	Basic Services - EO/Analyst/Clerk	\$108,000	\$49,247.00	\$58,753.00	46%
	Unfunded Mandates (Public Records Requests)	\$0			
5500	Rent	\$5,775	\$2,806.00	\$2,969.00	49%
5600	Office Expenses	\$3,300	\$1,228.15	\$2,071.85	37%
5700	Internet & Website Costs	\$2,500	\$1,043.09	\$1,456.91	42%
5900	Publication & Legal Notices	\$2,000	\$275.71	\$1,724.29	14%
6000	Televising Meetings	\$2,000	\$1,077.60	\$922.40	54%
6100	Audit Services	\$3,500	\$1,760.00	\$1,740.00	50%
6200	Bookkeeping	\$4,500	\$1,620.00	\$2,880.00	36%
6300	Legal Counsel (S Browne)	\$19,000	\$5,995.50	\$13,004.50	32%
6400	A-87 Costs County Services	\$2,100	\$0.00	\$2,100.00	0%
6500	Insurance - General Liability	\$2,450	\$2,600.87	\$-150.87	106%
6600	Memberships (CALAFCO/CSDA)	\$3,525	\$3,470.00	\$55.00	98%
6670	GIS Contract with County	\$2,500	\$620.12	\$1,879.88	25%
6740	In-County Travel & Stipends	\$4,000	\$276.45	\$3,723.55	7%
6750	Travel & Lodging Expenses	\$6,250	\$0.00	\$6,250.00	0%
6800	Conferences (Registrations)	\$4,100	\$0.00	\$4,100.00	0%
7000	Work Plan (MSRs and SOIs)	\$51,500	\$14,010.00	\$37,490.00	27%
Monthly/ Year to Date Totals		\$227,000.00	\$86,030.49	\$140,969.51	38%
APPLICATIONS					
		DEPOSIT (total by application)	Project Total to Date	Remaining Budget	Notes
D-2014-8010	City of Ukiah Detachment of UVSD lands	\$19,032.75	\$15,080.75	\$3,952.00	
P-2020-01 (8022)	City of Ukiah North Annexation Pre-Application	\$1,500.00	\$1,122.00	\$378.00	
P-2020-04 (8024)	Millview CWD Annexation Pre-Application	\$3,500.00	\$3,469.50	\$30.50	
A-2021-01 (8025)	City of Ukiah Annexation of City-Owned Properties	\$5,000.00	\$1,815.00	\$3,185.00	
A-2021-02 (8026)	UVFD Annexation of City of Ukiah	\$23,767.86	\$24,863.36	\$-803.00	
O-2021-03 (8027)	Fort Bragg Extension of Water Service to Minnesota Ave	\$500.00	\$500.00	\$0.00	
8601	Sustainable Ag Lands Committee Grant Project	\$5,100.00	\$1,500.00	\$3,600.00	
Application Totals		\$58,400.61			

MENDOCINO Local Agency Formation Commission

Staff Report

MEETING February 7, 2022
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **Applications and Work Load**

RECOMMENDATION

Informational report.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCo) with regulatory and planning duties to coordinate the logical formation and development of local government agencies. This includes approving or disapproving proposals for reorganizations (i.e., annexations, detachments, dissolutions, etc.), activation of latent powers, sphere of influence amendments, and outside service agreements.

ACTIVE PROPOSALS

Following is a description of the status of each of the proposals currently on file with LAFCo. Also, see Attachment 1 Summary Table – Application Activity and Potential Future Proposals.

City of Ukiah Annexation of City-Owned Properties (LAFCo File No. A-2021-01)

On February 22, 2021, LAFCo received an application from the City of Ukiah proposing to annex City-owned parcels that are used for government purposes and consisting of approximately 446 acres in total. Parcels include the City's Wastewater Treatment Plant, solid waste transfer station, a portion of the municipal airport and open space. The application referral and notice to the County to initiate the tax share negotiation were routed and comments received. An incomplete letter identifying additional information needs was sent to the City of Ukiah on March 23, 2021. The tax share negotiation process is in progress. LAFCo and City staff have established regularly scheduled coordination meetings for the proposal.

City of Ukiah Detachment of UVSD Served Areas (LAFCo File No. D-2020-01)

In April 2020, the City of Ukiah submitted a request to restart a 2014 application for detachment of Ukiah Valley Sanitation District (UVSD) served areas from the City that had been deemed incomplete and placed on-hold by the City in 2015. LAFCo staff responded to the City in May, requiring a new application submittal due to the lapse of time and change in conditions, as well as noting the application as premature pending completion of the UVSD SOI Update. The application will be processed concurrently with the City of Ukiah Municipal Service Review and Sphere of Influence Update. The City submitted an Appeal to the Commission of the Executive Officer's determination that the application is incomplete (letter dated April

26, 2021). The Commission continued the item to June 7, 2021 (Item 5d). The Appeal has been temporarily placed on hold by the City.

City of Ukiah Pre-Application for Annexation of Areas North of the City (LAFCo File No. P-2020-02)

Pre-Application request for consultation on the process and potential issues regarding the City's proposal to annex the Brush Street Triangle and Masonite area properties. Staff is coordinating with City staff regarding next steps in the process and timing of application processing.

Millview County Water District Pre-Application for Annexation of Masonite Properties (LAFCo File No. P-2020-04)

Pre-Application request for consultation on process and draft documents associated with the MCWD's proposal to annex the Masonite area properties. LAFCo staff have participated in several conference calls with the District and its consultants regarding the proposal and has provided feedback on draft CEQA and application materials. LAFCo, as a Responsible Agency, submitted comments on the District's Draft Initial Study/Mitigated Negative Declaration on December 6, 2021.

POTENTIAL FUTURE PROPOSALS

LAFCo staff has been made aware of the following potential future proposals that may come before the Commission for consideration. Also see Attachment 1 Summary Table – Application Activity and Potential Future Proposals.

City of Ukiah Annexation of Western Hills (Hull Properties)

The City has routed a project referral package stating its intent to acquire and annex approximately 695 acres in the Wester Hills for open space preservation, while allowing the potential for future low density residential development on the approximately 55 easternmost acres, consistent with existing development in the Western Hills within the City of Ukiah limits. LAFCo received and provided written comments on the project referral in February and a revised referral in March. Staff also provided written comments on the Draft Initial Study/Mitigated Negative Declaration for the project in May. On August 25, 2021, the City of Ukiah Planning Commission considered and recommended to the City Council approval of the Western Hills Open Land Acquisition and Limited Development Agreement Project and adoption of the Draft Initial Study and Mitigated Negative Declaration. The City Council adopted the project's CEQA document at its September 15, 2021.

Elk Community Services District Activation of Latent Powers for Wastewater Services

The ECSD is preparing an application to activate latent powers for the provision of wastewater services. The District will be assuming ownership and operation of a community leach field within the community of Elk. It is anticipated that the application will be submitted within the next month. Staff has been coordinating with District representatives in development of the application materials.

County Services Area 3 Activation of Latent Powers

County and LAFCo staff are coordinating on the proposed services to be offered through CSA 3, which is anticipated to be processed concurrently with the MSR/SOI Study for the district. The initial proposal is expected to be the Sherwood Road Pilot Project, a secondary access for the community of Brooktrails.

WORK PLAN

Local policy directs the Commission to annually adopt a Work Plan for purposes of providing a comprehensive overview of municipal service reviews and sphere of influence updates over the course of the fiscal year. This report provides an update on progress made in terms of accomplishing the activities

scheduled in the Work Plan. This report also serves to inform the Commission of any changes in circumstances or priorities. See also Attachment 2 Summary Table – Work Plan Tracking and Status.

The Fiscal Year 2021-22 Work Plan includes the following agencies:

- Covelo Community Services District (completed)
- Ukiah Valley Fire District (completed)
- County Service Area 3 (in progress)
- Ukiah Valley Sanitation District (in progress)
- City of Ukiah (in progress)

Attachments

1. Summary Table – Application Activity and Potential Future Proposals
2. Summary Table – Work Plan Tracking and Status

Attachment 1. Summary Table – Application Activity and Potential Future Proposals

APPLICATION ACTIVITY								
<i>Project status as of February 1, 2022</i>								
LAFCo File No.¹	Applicant	Project Name	Date Application Received	Certificate of Filing	LAFCo Hearing Date	Certificate of Completion	BOE Submittal Date	Additional Comments
A-2021-01	Ukiah	City of Ukiah Annexation of City-Owned Properties	3/1/2021					Incomplete
D-2020-01	Ukiah	City of Ukiah Detachment of UVSD Served Areas	2014; 4/29/2020					Incomplete
P-2020-02	Ukiah	City of Ukiah Pre-Application for Annexation of Areas North of the City	8/12/2020	N/A	N/A	N/A	N/A	Incomplete
P-2020-04	MCWD	Millview County Water District Pre-Application for Annexation of Masonite Properties	10/23/2020	N/A	N/A	N/A	N/A	Draft IS/MND comments submitted December 6, 2021
Potential Future Proposals								
N/A	Ukiah	City of Ukiah Annexation of Western Hills (Hull Properties)						City Council adopted CEQA MND in September 2021
N/A	ECSD	Elk Community Services District Activation of Latent Powers for Wastewater Services						
N/A	County	County Service Area 3 Activation of Latent Powers						

¹Key: A – Annexation
 C – Consolidation
 D – Detachment
 F – Formation

L – Activation of Latent Powers
 O – Out of Agency Service Agreement
 P – Pre-application Review Request
 R – Reorganization

Attachment 2. Summary Table – Work Plan Tracking and Status

FY 2021-22 ESTIMATED WORK PLAN IMPLEMENTATION SCHEDULE AND STATUS						
<i>Work Plan status as of February 1, 2022</i>						
Subject to Change: The estimated schedule and costs for the Fiscal Year 2021-22 Work Plan are subject to change based on agency responsiveness, timely provision of requested information, complexity of issues, level of public and affected agency controversy, and changing needs and priorities.						
CEQA: Based on LAFCo practice, the work plan assumes minimal costs for CEQA compliance related to preparing a Notice of Exemption, unless an agency proposes a non-coterminous SOI and pays for any necessary studies and preparation of a Negative Declaration or Environmental Impact Report.						
Rolling Work Plan: It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of a study may roll over to the next fiscal year. This estimated work plan implementation schedule is intended to enhance communication and transparency.						
Agency	Request for Information	Admin Draft	Public Workshop	Public Hearing	Final Study	Status/Notes
Ukiah Valley Sanitation District	Complete	In progress	TBD	TBD	TBD	Staff are coordinating with the UVSD General Manager and have begun preparation of the Administrative Draft MSR.
City of Ukiah	Pending	Pending	TBD	TBD	TBD	On December 7, 2020, the Commission approved a consultant selection for the City of Ukiah MSR/SOI Update and directed staff to negotiate and execute agreements with the City of Ukiah for funding and the Planwest Partners Team for preparing the City's MSR/SOI Update. LAFCo and City staff are coordinating the next steps for the MSR and SOI Update.
County Service Area 3	In progress	In progress	TBD	TBD	TBD	This will be the first MSR/SOI study for the CSA. The County is considering utilizing CSA 3 for a number of local and regional needs including the Sherwood Road secondary access for Brooktrails. Staff is coordinating County staff on activating latent powers and preparation of the MSR/SOI update.
Covelo CSD	Complete	Complete	7/12/21	9/13/21	9/24/21	Project complete and posted to website.
Ukiah Valley Fire District	Complete	Complete	9/13/21	10/4/21	10/8/21	Project complete and posted to website.

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: February 7, 2022
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Correspondence**

RECOMMENDATION

Informational.

BACKGROUND

Attached are copies of correspondence received in the previous month.

Attachments:

1. BBK Attorneys at Law, Sphere of Influence for Ukiah Valley Sanitation District, January 20, 2022
2. Executive Officer response, February 2, 2022

Bend OR
(541) 382-3011
Indian Wells
(760) 568-2611
Irvine
(949) 263-2600
Los Angeles
(213) 617-8100
Ontario
(909) 989-8584



BEST BEST & KRIEGER
ATTORNEYS AT LAW

500 Capitol Mall, Suite 1700, Sacramento, CA 95814
Phone: (916) 325-4000 | Fax: (916) 325-4010 | www.bbklaw.com

Riverside
(951) 686-1450
Sacramento
(916) 325-4000
San Diego
(619) 525-1300
Walnut Creek
(925) 977-3300
Washington, DC
(202) 785-0600

Joshua Nelson
(916) 551-2859
joshua.nelson@bbklaw.com
File No. 83741.00001

January 20, 2022

VIA EMAIL [EO@MENDOLAFCO.ORG]

Uma Hinman, Executive Officer
Mendocino LAFCo
200 S School St # 2
Ukiah, CA 95482

Re: Sphere of Influence Determination for Ukiah Valley Sanitation District

Dear Ms. Hinman:

The Ukiah Valley Sanitation District (“District”) has received multiple out of area service requests. The District may provide new sewer service outside its jurisdictional boundaries within its sphere of influence, subject to LAFCO approval. There are certain developers and commercial businesses that would like to connect to sewer rather than develop septic systems. However, since these properties are located outside of the District’s service area, an Out of Area Service Agreement needs to be approved by LAFCO in order for these businesses to connect to sewer lines. However, LAFCO has not confirmed the District’s sphere of influence, and there appears to be no records of a final determination regarding the District’s current sphere of influence.

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, LAFCO must “develop and determine the sphere of influence of ... each special district ... within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.” (Gov. Code, § 56425.) Consistent with Government Code section 56425(g), LAFCO Policy 10.1.3 provides that LAFCO “will review all spheres of influence every five years for each governmental agency providing municipal services. Municipal services include ... wastewater.”



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Uma Hinman
January 20, 2022
Page 2

The District reiterates its prior requests LAFCO confirm the District's current sphere of influence as soon as possible. Please let us know when this will be accomplished. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JN'.

Joshua Nelson
of BEST BEST & KRIEGER LLP

JN:jg

cc: P. Scott Browne

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolaafco.org | Web: www.mendolaafco.org

February 2, 2022

VIA EMAIL [joshua.nelson@bbklaw.com]

Mr. Joshua Nelson, Attorney
BBK Attorneys at Law
500 Capitol Mall, Suite 1700
Sacramento, CA 95814

Re: Sphere of Influence for Ukiah Valley Sanitation District

Dear Mr. Nelson:

We are in receipt of your correspondence dated January 20, 2022, requesting clarification of the Ukiah Valley Sanitation District's (UVSD) existing Sphere of Influence (SOI). We have performed exhaustive research of our files dating back to the 1984 Zion Study, which established SOIs for most of the cities and special districts in the County. There is no clear record of the UVSD's 1984 adopted SOI boundary or the outcome of subsequent requests for clarification on this matter.

We understand the District's desire for clarity regarding their potential future service expansion areas; however, any SOI that was established with the 1984 Zion Study is outdated and no longer provides a reliable or relevant basis of information needed by the Commission to carry out its responsibilities in consideration of applications involving service expansion or new development. An updated Municipal Service Review (MSR) and SOI Study is the necessary first step to move forward.

We are developing the MSR/SOI Update Study that will pave the way for Commission consideration of District proposals for annexations and/or extensions of service. We have initiated the study development process for the District as outlined in the attached orientation document and are preparing the Administrative Draft MSR based on available information and your Request for Information (RFI) response. As we prepare the MSR, we will identify further information needs and collaborate with District staff on development of SOI options for the SOI Update.

In order facilitate effective communication with the District throughout the MSR/SOI Update process, we will be working with Wing-See Fox, UVSD General Manager, to establish regularly scheduled coordination meetings. These meetings will serve to coordinate information needs, keep the District informed on the status and next steps, and to collaborate on development of SOI options for the SOI Update. We look forward to working together to complete this process.

Please do not hesitate to contact me with any further questions. The best methods for contacting me are by email (eo@mendolaafco.org) or cell phone at (916) 813-0818.

Sincerely,



Uma Hinman
Executive Officer

Attachment MSR/SOI Update Process

cc: Wing-See Fox, UVSD General Manager

MENDOCINO LAFCo

MUNICIPAL SERVICE REVIEW • SPHERE OF INFLUENCE

Municipal Service Review

A Municipal Service Review (MSR) is a study of a local agency's governance and operations. MSRs are conducted for all cities and special districts prior to or concurrently with SOI Updates.

- Provides inventory and analysis of agency services (capacity, financial ability, accountability, and anticipated growth)
- Based on existing information and trend analysis
- Evaluates service delivery structure and opportunities for improvement and/or interagency coordination
- Provides information and analysis to support SOI Update
- Seven required "determinations" per state law (GC §56430)

What an MSR is not:

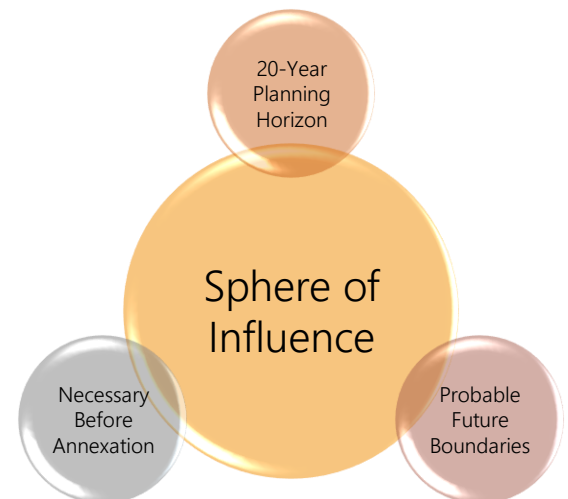
- An audit or investigation
- An enforcement method
- A complaints forum
- A mandate for changes (no affect to current fees/rates)

Input is always welcome and MSRs may recommend future changes to the delivery of agency services.

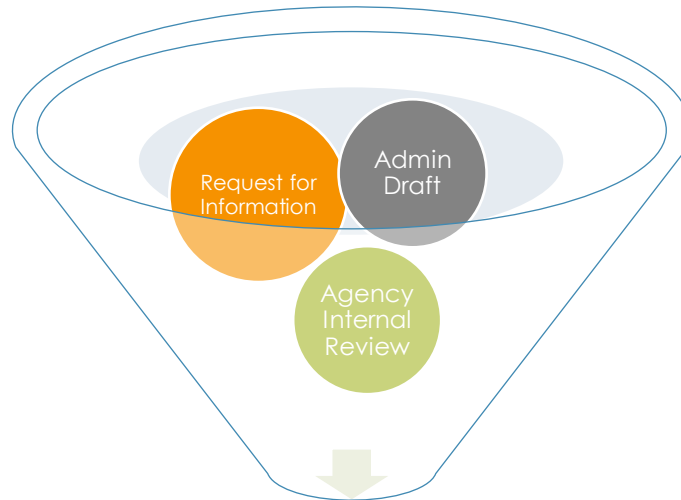
Sphere of Influence

A Sphere of Influence (SOI) is a planning boundary adopted by LAFCo that indicates the probable 20-year growth boundary for a jurisdiction's physical development. LAFCo reviews and updates SOIs every five years, or as needed.

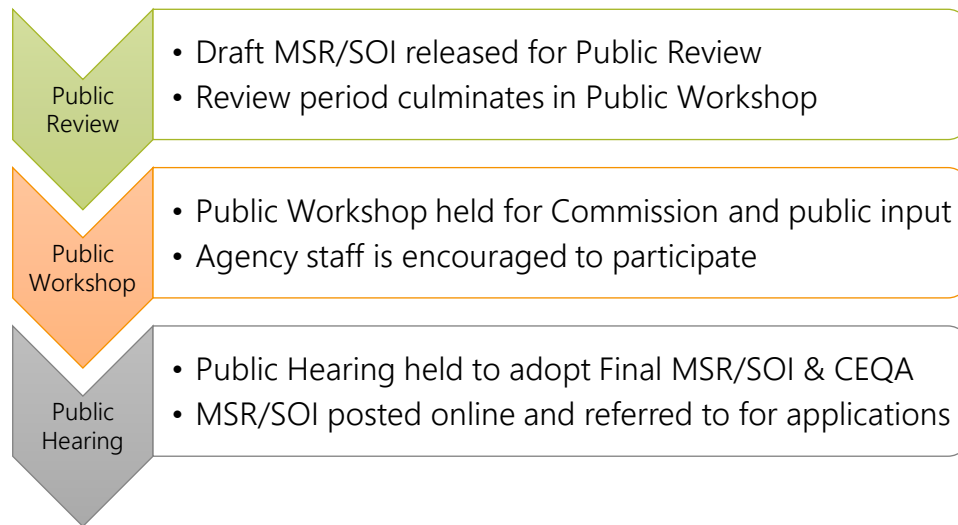
- Promote orderly growth and development within and adjacent to communities
- Promote cooperative planning efforts among cities, the County and special districts
- Address premature conversion of agriculture and open space lands and efficient provision of services
- Guide future local government reorganization encouraging efficiency, economy and orderly changes
- Assist property owners in anticipating availability of services in planning for future use of their property
- Five required "determinations" per state law (GC §56425)



MUNICIPAL SERVICE REVIEW • SPHERE OF INFLUENCE DEVELOPMENT PROCESS



Public Review Draft MSR/SOI



Commission adopted Municipal Service Reviews and Spheres of Influence are posted on our website: www.mendolafco.org/studies

Contact: Uma Hinman, Executive Officer
Email: eo@mendolafco.org | Phone: (707) 463-4470

MENDOCINO Local Agency Formation Commission

Staff Report

MEETING February 7, 2022
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **CALAFCO Business and Legislative Report**

RECOMMENDATION

Informational report.

DISCUSSION

CALAFCO Business

The CALAFCO Board of Directors considered and adopted Fiscal Year (FY) 2022-23 membership dues at its January 21, 2022 Board Meeting. The CALAFCO Board of Directors Bylaws allow for the Board to adjust one (or more) of the variables in the dues formula, which include population cap, base rate, per capita rate, and/or the estimated CPI. After updating the population estimates, and after careful consideration of all options, the Board unanimously adopted the FY 2022-23 dues with only a change by the current estimated Consumers Price Index (CPI) of 4.9%. All other variables remain the same as the current FY.

Legislative Reports

Two legislative reports are attached for information: Office of Planning and Research and the Senate Committee on Governance and Finance summaries.

Attachments

1. CALAFCO adopted dues
2. CALAFCO Bulletin – Sponsored Legislation for Protest Provisions
3. OPR 2021 Legislative Summary
4. SGFC 2021 Legislative Summary

**FY 2022-23 Member LAFCo Dues
As adopted by the CALAFCO Board
January 21, 2022**

Attachment 1

COUNTY	FY 21-22 DUES	CPI 4.9%	FY 22-23 DUES
ALAMEDA	10,760	527	11,287
ALPINE	1,016	50	1,066
AMADOR	1,524	75	1,599
BUTTE	3,877	190	4,067
CALAVERAS	1,617	79	1,696
COLUSA	1,308	64	1,372
CONTRA COSTA	10,760	527	11,287
DEL NORTE	1,379	68	1,447
ELDORADO	3,677	180	3,857
FRESNO	10,760	527	11,287
GLENN	1,411	69	1,480
HUMBOLDT	2,850	140	2,990
IMPERIAL	3,623	178	3,801
INYO	1,257	62	1,319
KINGS	3,158	155	3,313
LAKE	1,889	93	1,982
LASSEN	1,403	69	1,472
LOS ANGELES	10,760	527	11,287
MADERA	3,214	157	3,371
MARIN	4,611	226	4,837
MARIPOSA	1,248	61	1,309
MENDOCINO	2,220	109	2,329
MERCED	4,970	244	5,214
MODOC	1,131	55	1,186
MONO	1,187	58	1,245
MONTEREY	7,153	350	7,503
NAPA	2,934	144	3,078
NEVADA	2,359	116	2,475
ORANGE	10,760	527	11,287
PLACER	6,542	321	6,863
PLUMAS	1,254	61	1,315
RIVERSIDE	10,760	527	11,287
SACRAMENTO	10,760	527	11,287
SAN BENITO	1,875	92	1,967
SAN BERNARDINO	10,760	527	11,287
SAN DIEGO	10,760	527	11,287
SAN FRANCISCO	10,760	527	11,287
SAN JOAQUIN	10,760	527	11,287
SAN LUIS OPISPO	4,850	238	5,088
SAN MATEO	10,760	527	11,287
SANTA BARBARA	7,293	357	7,650
SANTA CLARA	10,760	527	11,287
SANTA CRUZ	4,766	234	5,000
SHASTA	3,478	170	3,648
SIERRA	1,043	51	1,094
SISKIYOU	1,611	79	1,690
SOLANO	7,138	350	7,488
SONOMA	7,848	385	8,233
STANISLAUS	8,752	429	9,181
SUTTER	2,410	118	2,528
TEHAMA	1,910	94	2,004
TRINITY	1,185	58	1,243
TULARE	7,704	377	8,081
TUOLUMNE	1,730	85	1,815
VENTURA	10,760	527	11,287
YOLO	4,091	200	4,291
YUBA	2,103	103	2,206
	289,239	14,173	303,412



CALAFCO Sponsored Legislation for Protest Provisions

TO: CALAFCO MEMBER LAFcos
FROM: CALAFCO & MEMBERS OF THE CALAFCO TEAM OF THE PROTEST PROVISION REWRITE WORKING GROUP
(Pamela Miller, Jo MacKenzie, Holly Whatley, José Henríquez, Steve Lucas, Kai Luoma and Paul Novak)

CALAFCO has been reporting to you for the past several years that we have been actively responding to several recommendations made in the 2017 Little Hoover Commission report (*Special Districts: Improving Oversight and Transparency*). We want to announce the completion of our work relating to the recommendation to ***“convene an advisory committee to review the protest process for consolidations and dissolutions of special districts and to develop legislation to simplify and create consistency in the process”***. CALAFCO initiated a working group of stakeholders in early 2019 to discuss the protest process for consolidations and dissolutions of special districts, specifically, the statutes related to LAFCo-initiated protest provisions and the 10% protest threshold while all other initiated actions have a 25% protest threshold. This disparity makes addressing necessary and appropriate special district consolidations and dissolutions considerably more difficult when initiated by a LAFCo. Further, they serve as a deterrent for LAFCo to initiate action, even if meaningful efficiencies in the provision of public services could be achieved or if a district is failing to meet its statutory requirements.

The 18-member working group consists of seven CALAFCO representatives (including CALAFCO/CSDA Board member Jo MacKenzie, CALAFCO ED Pamela Miller, LAFCo legal counsel Holly Whatley, and EOs representing all 4 regions of CALAFCO including José Henríquez (Sacramento), Steve Lucas (Butte), Kai Luoma (Ventura) and Paul Novak (LA); seven CSDA representatives (including one of their lobbyists, legal counsel and five members representing water, fire, resource conservation and community services districts), representatives from the League of CA Cities and from the CA State Association of Counties, as well as the consultants from the Assembly Local Government and Senate Governance & Finance Committees.

The working group agreed on three main deliverables:

1. Review the protest provisions within the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) for relevance and delete any obsolete provisions, which was accomplished through AB 1581 (2021).
2. Redraft existing scattered protest code sections within CKH into a single code section to simplify the reading of the code section.
3. Examine the differing protest thresholds relating to LAFCo-initiated actions and all other initiated actions, which proved to be the most challenging of all the goals.

After considerable negotiation, the working group gave consensus on the following changes to CKH:

- ❖ The redrafting of existing protest code sections into one main section to simplify the reading of the section, and to add minor, non-substantive clarifications;
- ❖ Create specific circumstances under which a LAFCo may initiate dissolution of a district with a 25% protest threshold, with determinations documented in a Municipal Service Review and presented at a 21-day noticed public hearing;
- ❖ Allow for a minimum 12-month remediation period for the district with a progress report provided by the district to the LAFCo halfway through the remediation period; and
- ❖ A second 21-day noticed public hearing to determine if the identified issues have been mitigated, which would result in the LAFCo either terminating the dissolution or moving forward with the dissolution using 25% protest threshold under the standard protest hearing process already in statute, with a public notice period of 60 days.

The overarching goal of these changes is to ensure that LAFCos have the tools needed to carry out statutory obligations to ensure orderly and functioning local government services and to create greater consistency in the statute.

Consistent with the CALAFCO Strategic Plan, the CALAFCO Board of Directors and Legislative Committee unanimously support this effort and proceeding with a legislative solution in 2022. We are proud to announce Senator Hertzberg has agreed to author this measure with Assemblymember Mayes as primary co-author. The bill will be introduced shortly and will begin with the redrafting of existing protest code sections into one section. The new process allowing for LAFCo-initiated dissolutions at 25% will be written and amended into the bill as it proceeds through the legislative process.

CALAFCO continues to conduct stakeholder outreach and will be reaching out to you, our member LAFCos, with regular updates on the bill and executing a call for legislative action requesting your support of this critical piece of legislation. Please contact our Executive Director Pamela Miller at pmiller@calafco.org with any questions.



OPR Legislative Summary 2021



**2021
Legislative
Summary**



INTRODUCTION

This publication is a compilation of bills pertaining to local and regional governance that the Governor signed in 2021. This publication is intended to be comprehensive, but it is not exhaustive of all bills that may be relevant to local and regional governments.

In general, chaptered legislation takes effect on January 1, 2022. Bills that contain an urgency clause took effect immediately upon the Governor's signature.

The Governor's Office of Planning and Research staff remains at your disposal to answer any questions regarding the content of this publication.

Governor's Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814
Phone: 916-322-2318
Website: <http://opr.ca.gov>

TABLE OF CONTENTS

California Environmental Quality Act (CEQA)	6
AB 819 (Levine) California Environmental Quality Act: notices and documents	6
AB 1344 (Arambula) State Department of Public Health: needle and syringe exchange services..	6
SB 7 (Atkins) Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021	6
SB 44 (Allen) California Environmental Quality Act: streamlined judicial review: environmental leadership transit projects	6
Climate Resilience	7
AB 72 (Petrie-Norris) Environmental protection: coastal adaptation projects: natural infrastructure: regulatory review and permitting: report.....	7
SB 1 (Atkins) Coastal resources: sea level rise	7
SB 27 (Skinner) Carbon sequestration: state goals: natural and working lands: registry of projects.	7
SB 347 (Caballero) Urban forestry: California Community and Neighborhood Tree Voluntary Tax Contribution Fund	7
Wildfires & Natural Disasters	8
AB 9 (Wood) Fire safety and prevention: wildfires: fire adapted communities: Office of the State Fire Marshal: community wildfire preparedness and mitigation	8
AB 431 (Patterson) Forestry: timber harvesting plans: defensible space: exemptions	8
AB 642 (Friedman) Wildfires	8
AB 697 (Chau) Forest resources: national forest lands: Good Neighbor Authority Fund: ecological restoration and fire resiliency projects.....	8
SB 63 (Stern) Fire prevention: vegetation management: public education: grants: defensible space: fire hazard severity zones.....	9
SB 332 (Dodd) Civil liability: prescribed burning operations: gross negligence	9
SB 456 (Laird) Fire prevention: wildfire and forest resilience: action plan: reports.....	9
Land Use and Planning	10
AB 525 (Chiu) Energy: offshore wind generation.....	10
AB 619 (Calderon) Air quality	10
AB 1180 (Mathis) Local governments: surplus land: tribes	10
AB 1409 (Levine) Planning and zoning: general plan: safety element.....	10
SB 716 (McGuire) Land use: habitat restoration and enhancement: mitigation lands.....	10
Housing	10

AB 68 (Quirk-Silva) Department of Housing and Community Development: California Statewide Housing Plan: annual reports.....	10
AB 215 (Chiu) Planning and Zoning Law: housing element: violations.....	10
AB 345 (Quirk-Silva) Accessory dwelling units: separate sale or conveyance.....	11
AB 491 (Ward) Housing: affordable and market rate units.....	11
AB 571 (Mayes) Planning and zoning: density bonuses: affordable housing.....	11
AB 602 (Grayson) Development fees: impact fee nexus study.....	11
AB 634 (Carrillo) Density Bonus Law: affordability restrictions.....	11
AB 721 (Bloom) Covenants and restrictions: affordable housing.....	11
AB 787 (Gabriel) Planning and zoning: housing element: converted affordable housing units.....	12
AB 803 (Boerner Horvath) Starter Home Revitalization Act of 2021.....	12
AB 1029 (Mullin) Housing elements: prohousing local policies.....	12
AB 1095 (Cooley) Affordable rental and owner-occupied housing: equity in state and local programs.....	12
AB 1174 (Grayson) Planning and zoning: housing: development application modifications, approvals, and subsequent permits.....	12
AB 1297 (Holden) California Infrastructure and Economic Development Bank: public and economic development facilities: housing.....	12
AB 1304 (Santiago) Affirmatively further fair housing: housing element: inventory of land.....	13
AB 1398 (Bloom) Planning and zoning: housing element: rezoning of sites: prohousing local policies.....	13
AB 1584 (Committee on Housing and Community Development) Housing omnibus.....	13
SB 8 (Skinner) Housing Crisis Act of 2019.....	13
SB 9 (Atkins) Housing development: approvals.....	14
SB 10 (Wiener) Planning and zoning: housing development: density.....	14
SB 290 (Skinner) Density Bonus Law: qualifications for incentives or concessions: student housing for lower income students: moderate-income persons and families: local government constraints.....	14
SB 478 (Wiener) Planning and Zoning Law: housing development projects.....	15
SB 591 (Becker) Senior citizens: intergenerational housing developments.....	15
SB 728 (Hertzberg) Density Bonus Law: purchase of density bonus units by nonprofit housing organizations.....	15
SB 791 (Cortese) California Surplus Land Unit.....	15
Local Government.....	15

AB 336 (Villapudua) Enhanced infrastructure financing districts: public financing authority: members: joint powers authorities	15
AB 428 (Mayes) Local government: board of supervisors	16
AB 464 (Mullin) Enhanced Infrastructure Financing Districts: allowable facilities and projects	16
SB 414 (Jones) Land	16
SB 712 (Hueso) Local government: California tribes: federal fee-to-trust applications to regain ancestral lands	16
SB 780 (Cortese) Local finance: public investment authorities	16
Military Affairs	16
AB 107 (Salas) Licensure: veterans and military spouses.....	16
AB 576 (Maienschein) Community colleges: apportionments: waiver of open course provisions: military personnel	16
Public Meetings	17
AB 361 (R. Rivas) Open meetings: state and local agencies: teleconferences	17
AB 1291 (Frazier) State bodies: open meetings	17
SB 274 (Wieckowski) Local government meetings: agenda and documents.....	17
Transportation	17
AB 970 (McCarty) Planning and zoning: electric vehicle charging stations: permit application: approval	17
AB 1261 (Burke) State Air Resources Board: greenhouse gas emissions: incentive programs	17
SB 339 (Wiener) Vehicles: road usage charge pilot program	17
SB 372 (Leyva) Medium- and heavy-duty fleet purchasing assistance program: zero-emission vehicles	18
SB 500 (Min) Autonomous vehicles: zero emissions	18
SB 640 (Becker) Transportation financing: jointly funded projects	18
SB 643 (Archuleta) Fuel cell electric vehicle fueling infrastructure and fuel production: statewide assessment.....	18
SB 671 (Gonzalez) Transportation: Clean Freight Corridor Efficiency Assessment	18
Sustainable Economic Development	18
AB 680 (Burke) Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021	18
AB 794 (Carrillo) Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility: labor standards.....	18
SB 162 (Committee on Budget) Community Economic Resilience Fund	19
SB 589 (Hueso) Air pollution: alternative vehicles and vehicle infrastructure	19

California Environmental Quality Act (CEQA)

[AB 819 \(Levine\)](#) California Environmental Quality Act: notices and documents

Requires lead agencies to electronically file and post on their websites all CEQA notices and documents. All lead agencies (state and local) would be required to submit all Environmental Impact Reports, Mitigated Negative Declarations, and Negative Declarations to OPR's CEQA Clearinghouse.

[AB 1344 \(Arambula\)](#) State Department of Public Health: needle and syringe exchange services

Creates a CEQA exemption for needle and syringe exchange services.

[SB 7 \(Atkins\)](#) Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021

Enacts the Jobs and Economic Improvement Through Environmental Leadership Act of 2021, which provides 270-day judicial streamlining to projects certified by the Governor. To qualify, projects must invest a minimum of \$100 million and meet specified environmental and labor requirements. The bill authorizes the Office of Planning and Research to charge a fee in connection with the services provided to verify applicants' information as required under the bill. Additionally, housing projects between \$15 and \$100 million that provide at least 15% affordable units are eligible for judicial streamlining at the determination of the lead agency. Projects must follow specified procedures for noticing, public comment, and preparation of the administrative record. Certification for projects that have not been approved by the lead agency by January 1, 2025, would be invalidated, and the statute expires on January 1, 2026. Projects certified under the previous Jobs and Economic Improvement Through Environmental Leadership Act of 2011 must gain project approval by January 1, 2022, and comply with the requirements of the former Act.

This bill contained an urgency clause and took effect upon signature on May 20, 2021.

[SB 44 \(Allen\)](#) California Environmental Quality Act: streamlined judicial review: environmental leadership transit projects

Creates a 365-calendar day judicial streamlining process for up to seven transit projects in or connecting to LA County that involve zero-emissions fixed rail. The projects must meet specified labor standards and follow specified procedures for noticing, public comment, and preparation of the administrative record.

Climate Resilience

AB 72 (Petrie-Norris) Environmental protection: coastal adaptation projects: natural infrastructure: regulatory review and permitting: report

Directs the Natural Resources Agency to explore and implement options for a more coordinated and efficient regulatory review process for permitting coastal adaptation projects that use natural infrastructure. Requires the Agency to submit a report to the Legislature by July 1, 2023, that provides recommendations for improving permitting processes for nature-based coastal adaptation projects.

SB 1 (Atkins) Coastal resources: sea level rise

Establishes the Sea Level Rise State and Regional Support Collaborative, composed of specified state agencies, within the Ocean Protection Council to provide information and support for planning and project deployment to address sea level rise. The Collaborative would be required to spend at least \$100 million annually from bonds and other sources to support local government planning updates to consider sea-level rise.

Requires the Coastal Commission to adopt recommendations and guidelines for assessing and mitigating sea level rise risk within a jurisdiction's Local Coastal Plan. Directs the Coastal Commission to consider sea level rise in coastal resource planning and management activities. Requires state and regional agencies to assess and mitigate the impacts of sea level rise.

Authorizes the Secretary of Environmental Protection to expend up to \$2 million per year for the Environmental Justice Small Grant Program and requires up to \$500,000 of those funds to support organizations working to address sea level rise in disadvantaged communities.

SB 27 (Skinner) Carbon sequestration: state goals: natural and working lands: registry of projects

Directs the Natural Resources Agency, in consultation with relevant agencies, to develop a registry of projects with carbon sequestration benefits on natural and working lands. The Agency would be required to track the carbon removal and emissions reduction benefits of projects from the registry that receive funding. Directs the Resources Agency and other specified agencies to develop a Natural and Working Lands Climate Smart Strategy and framework for achieving the state's goals. Directs the California Air Resources Board, as part of the Scoping Plan, to establish carbon removal targets for 2030 and beyond.

SB 347 (Caballero) Urban forestry: California Community and Neighborhood Tree Voluntary Tax Contribution Fund

Creates a voluntary tax contribution fund to support urban forestry projects through the Department of Forestry and Fire Protection's urban forestry program.

Wildfires & Natural Disasters

AB 9 (Wood) Fire safety and prevention: wildfires: fire adapted communities: Office of the State Fire Marshal: community wildfire preparedness and mitigation

Establishes the Regional Forest and Fire Capacity Program at the Department of Conservation to support regional planning and project deployment to support fire-adapted communities and landscapes.

Establishes the office of the Deputy Director of Community Wildfire Preparedness and Mitigation within the Department of Forestry and Fire Protection. The Deputy Director would receive public input on the programs under his or her purview, as specified, through an advisory committee established by the bill that would convene public discussions on matters of wildfire preparedness.

Requires the State Fire Marshal to deliver a report to the Legislature by January 1, 2023, identifying resource and personnel shortfalls inhibiting implementation on the programs under the Deputy Director's purview. Finally, the bill transfers certain responsibilities from the Department of Forestry and Fire Protection to the State Fire Marshal, including designation of fire hazard severity zones.

AB 431 (Patterson) Forestry: timber harvesting plans: defensible space: exemptions

Extends to January 1, 2026, an existing exemption to the Z'berg-Nejedly Forest Practice Act of 1973 that allows the Board of Forestry and Fire Protection to grant exemptions to landowners who must cut or remove trees on their property to comply with specified defensible space requirements.

AB 642 (Friedman) Wildfires

Directs the Director of the Department of Forestry and Fire Prevention to designate moderate and high fire hazard severity zones and modifies the factors for designating fire hazard severity zones. Within 30 days of receiving notice from the Director that a local jurisdiction contains fire hazard severity zones, the local government must make that information public.

Requires the Director of the Department of Forestry and Fire Protection to designate a cultural burning liaison. By July 1, 2023, the State Fire Marshal must develop a proposal for a prescribed fire training center.

Requires the Department of Forestry and Fire Prevention, in collaboration with specified entities, to develop recommendations for modeling community- and parcel-scale wildfire risk by July 1, 2023. Expands the entities the Department must engage in its education and outreach to include California State Universities and tribes.

AB 697 (Chau) Forest resources: national forest lands: Good Neighbor Authority Fund: ecological restoration and fire resiliency projects

Codifies the Good Neighbor Authority Fund and requires the Natural Resources Agency to establish a program, in partnership with federal and state entities, to conduct restoration and resiliency projects on federal forested land. The bill establishes goals and priorities for the program, including that the projects prioritize ecological restoration and community fire protection.

SB 63 (Stern) Fire prevention: vegetation management: public education: grants: defensible space: fire hazard severity zones

Directs the Director of the Department of Forestry and Fire Prevention to designate moderate and high fire hazard severity zones and modifies the factors for designating fire hazard severity zones. Within 30 days of receiving notice from the Director that a local jurisdiction contains fire hazard severity zones, the local government must make that information public. Directs the State Fire Marshal and the Department of Housing and Community Development to propose, and the Building Standards Commission to adopt, building standards for high fire hazard severity zones, and consider, if appropriate, standards for moderate severity zones.

Specifies that only state law or a local ordinance can require defensible space maintenance to 100 feet when fuel modification must extend beyond the property line. Adds fuel modification beyond property lines to the State Fire Marshal's model defensible space program. Requires the Director of the Department of Forestry and Fire Prevention to allow qualified entities to support the Department's defensible space and home hardening assessments and outreach and establish a database for reporting this information. The Department must also develop a training and certification program for these entities.

Requires the Department of Forestry and Fire Protection, the California Air Resources Board, and the Wildfire and Forest Resilience Task Force to submit a report to the Legislature on January 1, 2026, on the expenditure of forest health and fire prevention funds. The Director of the Department must also appear annually before the Legislature to provide information on the outcomes of these projects. The bill additionally modifies the priorities and actions of the Department's local assistance program.

SB 332 (Dodd) Civil liability: prescribed burning operations: gross negligence

States that individuals conducting prescribed burns are not liable, except in cases of gross negligence, for fire suppression or other recoverable costs if the prescribed burn meets specified conditions and is approved in writing by a burn boss.

SB 456 (Laird) Fire prevention: wildfire and forest resilience: action plan: reports

Renames the Forest Management Task Force as the Wildfire and Forest Resilience Task Force. Requires the Task Force to develop an implementation strategy by January 1, 2022, to track implementation of the Action Plan. Requires the Task Force to submit annual reports to the Legislature on implementation of the Action Plan, and revise the Action Plan every five years.

Land Use and Planning

AB 525 (Chiu) Energy: offshore wind generation

Directs the California Energy Commission, by June 1, 2022, to evaluate the maximum potential of offshore wind generation in California to achieve reliability, ratepayer, employment, and decarbonization benefits, and develop 2030 and 2035 goals for offshore wind production. By June 30, 2023, the California Energy Commission, in partnership with specified entities, must develop and submit a strategic plan for offshore wind development in California.

AB 619 (Calderon) Air quality

Directs the Department of Public Health, in consultation with specified stakeholders and state entities, to develop a plan for counties to address wildfire smoke impacts. Counties must use this plan to develop a county-specific plan before its next emergency plan update.

AB 1180 (Mathis) Local governments: surplus land: tribes

Adds land conveyed by a local agency to a federally recognized Native American Tribe to the definition of exempt surplus land.

AB 1409 (Levine) Planning and zoning: general plan: safety element

Requires local governments to identify evacuation locations in their safety element updates.

SB 716 (McGuire) Land use: habitat restoration and enhancement: mitigation lands

Extends the provisions of the Habitat Restoration and Enhancement Act from 2022 to 2027 and requires the Department of Fish and Wildlife to submit a report on the implementation of the Act to the Legislature by December 31, 2025. Extends from 2022 to 2027 provisions under Planning and Zoning Law that allow a local government, special district, or nonprofit to hold mitigation lands under an endowment overseen by that same entity, if the endowment meets specified requirements.

Housing

AB 68 (Quirk-Silva) Department of Housing and Community Development: California Statewide Housing Plan: annual reports

Requires updates to the State Housing Plan occurring on and after January 1, 2023, to include specified information, including the number of affordable units needed to meet affordable housing needs. Requires the Department of Housing and Community Development to post a report on its website at the end of each year that includes specified information about its grant programs. The Department must post an additional end-of-year report on its website that provides information on land use oversight actions taken against local governments.

AB 215 (Chiu) Planning and Zoning Law: housing element: violations

Requires local governments to make a draft revision of the housing element update available for public comment for at least 30 days and take at least 10 additional business days to review and consider any public comments received. The subsequent draft revision must be posted online, and the link sent to individuals who requested notice. The Department of Housing and Community

Development cannot review the draft revision until this period has lapsed but must report written findings within 90 days of the first draft submittal and 60 days of a draft amendment.

Additionally, this bill adds to the Housing Crisis Act of 2019 and other provisions of that law to the list of laws that the Department of Housing and Community Development must notify a jurisdiction of noncompliance and authorizes the Attorney General to take formal legal action. The Department may appoint outside legal counsel if the Attorney General declines to represent the Department.

AB 345 (Quirk-Silva) Accessory dwelling units: separate sale or conveyance

Requires local agencies to allow accessory dwelling units (ADUs) to be sold separately from a primary residence if certain conditions are met. Tenancy in common agreements executed after December 31, 2021, must include provisions stipulating which portions of the property are exclusive to the cotenants, each cotenant's share of responsibility for financial obligations of the property, and procedures for dispute resolution.

AB 491 (Ward) Housing: affordable and market rate units

Requires mixed-income multifamily residential dwellings to provide the same access to entrances, common areas, and amenities to both the occupants of affordable and market-rate units. Prohibits such buildings from isolating the affordable units to a designated floor or area.

AB 571 (Mayes) Planning and zoning: density bonuses: affordable housing

Prohibits local governments from imposing affordable housing impact fees on a development's affordable units.

AB 602 (Grayson) Development fees: impact fee nexus study

Requires local governments' impact fee nexus studies to follow specific standards, including a requirement that fees adopted after July 1, 2022, must be proportional to the square footage of the proposed units, unless there is an explanation for why square footage is not an appropriate metric. By January 1, 2024, the Department of Housing and Community Development must publish a template for impact fee nexus studies. Local governments must post fee schedules on their websites and must request the total fees for a project at the latter of the time of the final inspection or certificate of occupancy. Authorizes any member of the public to submit evidence of a local government's failure to comply with the Mitigation Fee Act.

AB 634 (Carrillo) Density Bonus Law: affordability restrictions

Specifies that affordability covenants on units developed pursuant to the Density Bonus Law may have terms longer than 55 years if permitted by a local ordinance.

AB 721 (Bloom) Covenants and restrictions: affordable housing

Renders unenforceable any covenant or restriction that limits the number, size, or location of units or number of families that may occupy the premises if an approved affordable housing modification document has been recorded for the property. These provisions would not apply under specified circumstances. The county recorder must submit the modification document to the county counsel to determine if the original restrictive covenant was unlawful and whether the property qualifies for affordable housing development.

[AB 787 \(Gabriel\)](#) Planning and zoning: housing element: converted affordable housing units

Authorizes a local government to include in its housing element Annual Progress Report the number of units in an existing multifamily residence that were converted to deed-restricted moderate-income housing. These units may satisfy up to 25% of the government's moderate-income housing allocation and reduce its share of moderate-income regional housing allocation on a unit-for-unit basis.

[AB 803 \(Boerner Horvath\)](#) Starter Home Revitalization Act of 2021

Authorizes a developer to propose a housing project consisting of single-family homes on land zoned for multifamily residential use if the project meets specified criteria, including that the project result in at least as many units on the parcel as identified in the housing element, or the maximum or midrange allowable density.

[AB 1029 \(Mullin\)](#) Housing elements: prohousing local policies

Adds preservation of affordable housing units through the extension of existing rental-based covenants to the list of prohousing policies.

This bill contained an urgency clause and took effect upon signature on September 28, 2021.

[AB 1095 \(Cooley\)](#) Affordable rental and owner-occupied housing: equity in state and local programs

Allows the Affordable Housing and Sustainable Communities program within the Strategic Growth Council to support both owner-occupied and rental housing and allows program guidelines to include standards for owner-occupied housing development projects.

[AB 1174 \(Grayson\)](#) Planning and zoning: housing: development application modifications, approvals, and subsequent permits

Clarifies the affordability requirements for a housing project approved pursuant to SB 50 (Wiener, 2017) to receive indefinite approval. Alternatively, approval is valid for three years from the date of final judgement if a project is litigated. If the proponent requests a modification, the project approval would also be extended. These provisions apply retroactively to projects approved prior to January 1, 2022.

Allows local governments to apply objective building standards adopted after the first application submission to modified development applications that are submitted prior to the first building permit application, with the agreement of the applicant. Prohibits calculations of changes in square footage from including underground space. Requires local governments to apply objective standards in place at the time of the initial application submission to projects that seek subsequent permits, unless the proponent agrees to a change in the standards. These changes apply retroactively to projects approved prior to January 1, 2022.

Revises the definition of "affordable rent" for applications submitted prior to January 1, 2019.

This bill contained an urgency clause and took effect upon signature on September 16, 2021.

[AB 1297 \(Holden\)](#) California Infrastructure and Economic Development Bank: public and economic development facilities: housing

Allows funds from the Infrastructure and Economic Development Bank to support housing components of economic development and public development facilities, if the housing is required for the operation of the economic development facility. Prohibits the use of proceeds of private activity bonds issued by the bank under any state allocation, as well as funds from the bank's revolving loan fund, to finance housing.

AB 1304 (Santiago) Affirmatively further fair housing: housing element: inventory of land

Clarifies that a public agency has a mandatory obligation to affirmatively further fair housing. Revises the requirements and methodology for the housing element's analysis of fair housing issues and requires that the schedule of actions to implement the housing element include an analysis of historical origins and current practices that contribute to fair housing issues. Requires the inventory of land to consider the relationship of parcels to fair housing obligations and determine whether the inventory affirmatively furthers fair housing.

AB 1398 (Bloom) Planning and zoning: housing element: rezoning of sites: prohousing local policies

Requires a local government that fails to adopt a housing element that the Department of Housing and Community Development deems compliant with state law within 120 days of the statutory deadline to rezone sites within one year of the statutory deadline. A jurisdiction that adopts a housing element more than one year after the deadline cannot be deemed compliant until rezoning is complete. Declares that the adoption of a compliant 6th revision of the housing element satisfies the requirement that a local government update its housing element every four years, and future four-year updates are no longer required.

AB 1584 (Committee on Housing and Community Development) Housing omnibus

Among other provisions, voids any deed restriction or covenant that prohibits or restricts the development of an accessory dwelling unit on a property zoned for single-family use that meets specified criteria. Clarifies that the use of an incentive or concession under Density Bonus Law is not a valid basis for inconsistency with the Housing Accountability Act.

SB 8 (Skinner) Housing Crisis Act of 2019

Extends the Housing Crisis Act to 2030. Authorizes the Department of Housing and Community Development to update the list of cities and counties affected by the Housing Crisis Act on January 1, 1025, and these determinations would be valid until 2030.

Clarifies that "housing development project" under the Housing Crisis Act includes projects that do not require discretionary approvals, projects that require combinations of discretionary and non-discretionary approvals, and projects to construct a single unit. Specifies that affordable housing projects may be subject to ordinances and standards adopted after the preliminary application if the project has not commenced construction within 3.5 years.

Limits the requirement to provide relocation benefits and right of first refusal to lower-income tenants in protected units. Relocation benefits and right of first refusal do not apply to an occupant of a short-term rental occupied for fewer than 30 days. These provisions would not apply to project applications submitted between January 1, 2019, and January 1, 2020, in jurisdictions with

populations below 31,000 that have a price control ordinance. Exempts certain protected units from the right of first refusal requirements, including projects that demolish a single protected unit to replace it with another single unit. Exempts protected units in developments where 100% of the units (excluding manager's units) are affordable to lower-income households, unless the occupant is eligible for housing in the new development.

Declares that the concurrent rezoning to prevent a net loss of residential capacity must occur during the same meeting of the legislative body, or within 180 days if the action is requested by an applicant for a housing development project.

SB 9 (Atkins) Housing development: approvals

Creates a ministerial approval process for lot splits and duplex construction on lots zoned for single-family use, if the project meets specified requirements. Duplex construction or lot splits cannot demolish deed-restricted affordable housing or housing occupied by tenants in the past three years or occur in an historic district. Local governments may impose objective standards, unless they preclude the construction of two units or a lot split. Local agencies may require up to one parking space per unit, unless the parcel is within a half mile of a major transit stop or high-quality transit corridor. Housing created pursuant to these provisions cannot be rented for terms shorter than 30 days. Applicants for lot splits must sign an affidavit declaring their intent to occupy one of the lots for at least three years, unless the applicant is a community land trust or nonprofit. Local agencies may deny an application for a duplex or lot split if it makes written findings of an adverse impact on public health, safety, or the physical environment. Local government must identify units constructed pursuant to these provisions in their housing element Annual Progress Report.

SB 10 (Wiener) Planning and zoning: housing development: density

Authorizes local governments to rezone parcels for up to 10 units in transit-rich or urban infill sites, as defined, without being subject to CEQA. If the ordinance would supersede a zoning ordinance established by a local initiative, it must be approved by a 2/3 vote of the legislative body. However, the ordinance may not supersede an initiative that designates land for open space or park and recreational uses. A project to construct more than 10 units on a parcel zoned pursuant to this law cannot be approved ministerially, unless the parcel was subsequently rezoned and that rezoning was evaluated under CEQA.

SB 290 (Skinner) Density Bonus Law: qualifications for incentives or concessions: student housing for lower income students: moderate-income persons and families: local government constraints

Specifies that units required to satisfy a local government's inclusionary zoning ordinance must count toward the total number of units to determine incentives and concessions under Density Bonus Law. Adds one incentive or concession for projects that provide housing to students that reserve at least 20% of the units for lower-income students. Requires local agencies to include data on density bonuses granted to lower-income student housing development projects in their housing element Annual Progress Report.

Modifies the density bonus requirements for moderate-income developments to no longer require that the project be a common-interest development. Moderate-income developments may also

receive a waiver from imposing a parking ratio of above 0.5 spaces per unit if the project provides at least 40% moderate-income units and is located within one half of an unobstructed mile of a major transit stop.

Removes the option for a local government to refuse an incentive or concession on the grounds of an adverse impact to the physical environment.

SB 478 (Wiener) Planning and Zoning Law: housing development projects

Prohibits local agencies from imposing specified floor area ratios on housing projects, depending on the project size, and prohibits lot coverage requirements that preclude a project from meeting the floor area ratio requirements. Voids any covenant or restriction that prohibits or restricts housing development on the basis of floor area ratio standards that do not meet the specifications in this bill.

Prohibits denial of a housing development permit on a legal parcel on the grounds that the project does not meet minimum lot size requirements, if the project meets specified requirements. Directs the Department of Housing and Community Development to notify local governments of noncompliance with these provisions and adds the Housing Crisis Act of 2019 to the list of laws for which the Department is required to give notice of violation.

SB 591 (Becker) Senior citizens: intergenerational housing developments

Authorizes intergenerational housing development projects that include senior citizens, as defined; their caregivers; and transitional age youth, as defined. The bill specifies requirements for such projects, including affordability and occupancy requirements. Permits developers using state tax credits or certain funds for affordable housing to restrict occupancy to senior citizens, caretakers, and transition age youth.

SB 728 (Hertzberg) Density Bonus Law: purchase of density bonus units by nonprofit housing organizations

Requires the developer and local government to ensure a unit constructed under the Density Bonus Law and offered for sale is either: 1) occupied by an individual or family that meets income requirements, and the unit is offered at an affordable cost and includes a specified equity sharing agreement; or 2) sold to a nonprofit housing development corporation receiving a welfare exemption, and the sale records a contract that includes affordability requirements, an equity sharing agreement, and a repurchase option for the nonprofit.

SB 791 (Cortese) California Surplus Land Unit

Establishes the Surplus Land Unit within the Department of Housing and Community Development to facilitate housing development on local surplus land. By December 31st of each year, the unit must submit a report on its activities to the Legislature and other specified entities.

Local Government

AB 336 (Villapudua) Enhanced infrastructure financing districts: public financing authority: members: joint powers authorities

Authorizes officials of a legislative body serving on the public financing authority of an Enhanced Infrastructure Financing District (EIFD) to also serve on the board of a Joint Powers Authority.

AB 428 (Mayes) Local government: board of supervisors

Requires that term limits for county boards of supervisors cannot be shorter than two terms, but does not apply to term limits legally in effect prior to January 1, 2022. Specifies that county board of supervisors members are county officers that must receive compensation.

AB 464 (Mullin) Enhanced Infrastructure Financing Districts: allowable facilities and projects

Allows Enhanced Infrastructure Financing Districts to fund facilities acquisition, construction, or repair for small businesses and community nonprofits.

SB 414 (Jones) Land

Among other provisions, extends the timeline for a hearing of an appeal under the Subdivision Map Act from within 30 days to within 45 days.

SB 712 (Hueso) Local government: California tribes: federal fee-to-trust applications to regain ancestral lands

Encourages state and local governments to collaborate with tribes in their fee-to-trust applications for regaining ancestral lands, and support tribes in their nongaming fee-to-trust applications. Prohibits local governments from enacting an ordinance or resolution that would preclude the government from conducting a fair assessment of a fee-to-trust application. Specifies procedures the local government must follow if it opposes the tribe's application.

SB 780 (Cortese) Local finance: public investment authorities

Makes numerous changes to the procedures of Enhanced Infrastructure Financing Districts (EIFDs) and Community Revitalization and Investment Authorities (CRIAs), including public finance authority member appointments, identification of project areas, limits on operative time of the EIFD or CRIA associated with different project areas, consistency with planning documents, noticing requirements, infrastructure finance plan approvals, amendment procedures, and division of taxes.

Military Affairs

AB 107 (Salas) Licensure: veterans and military spouses

Requires all boards in the Department of Consumer Affairs to issue a temporary license to a qualified military spouse that provides required documentation. The Department of Consumer Affairs and the Department of Real Estate must submit reports to the Legislature regarding professional licensure of veterans, servicemembers, and their spouses.

AB 576 (Maienschein) Community colleges: apportionments: waiver of open course provisions: military personnel

Waives community colleges' open course requirements for courses a community college provides to military personnel, their dependents, and authorized civilian employees on a military base. The community college's board of governors may include the units of full-time equivalent students generated by those courses for the purpose of state apportionment.

Public Meetings

AB 361 (R. Rivas) Open meetings: state and local agencies: teleconferences

Creates exceptions under the Bagley Keene, Brown, and Gloria Romero open meetings acts for state, local, or student body government meetings conducted via teleconference during a state of emergency.

This bill contained an urgency clause and took effect upon signature on September 16, 2021.

AB 1291 (Frazier) State bodies: open meetings

Requires state entities to provide twice the time allotted for public comment during a public meeting to members of the public using translating technology.

SB 274 (Wieckowski) Local government meetings: agenda and documents

Requires local agencies to email a copy of, or a link to, public meeting agendas to individuals who request this information by email. If infeasible, the local agency may send the information via mail.

Transportation

AB 970 (McCarty) Planning and zoning: electric vehicle charging stations: permit application: approval

Clarifies that charter cities must establish a streamlined, ministerial process for approving applications for electric vehicle charging stations. Requires all local governments to deem complete applications for electric vehicle charging stations within 5 or 10 business days, depending on the size of the project. The project would be automatically approved within 20 or 40 business days if the local government has not already approved the application, made a finding that the project would have an adverse impact on public health and safety, or is an appeal was not made to the planning commission. These provisions would have a delayed effective date, to January 1, 2023, for jurisdictions with a population below 200,000 residents.

AB 1261 (Burke) State Air Resources Board: greenhouse gas emissions: incentive programs

Requires the California Air Resources Board to establish a process to assess its clean vehicle incentive programs to collect and evaluate data on the behavioral change induced by the programs. The Board must also develop socioeconomic metrics to assess the impacts of these incentive programs. This information would be used to refine the emissions reduction estimates, funding recommendations, and programmatic recommendations the Board includes in its reports to the Legislature, funding plans, or long-term plans. Upon appropriation by the Legislature for these purposes, the Board must contract with the University of California or California State University to collect this data.

SB 339 (Wiener) Vehicles: road usage charge pilot program

Extends the Road Usage Charge Pilot Program to 2027 to identify and evaluate issues related to a road use fee. Establishes a Technical Advisory Committee to make recommendations to the program, including groups of vehicles to include in the pilot program. The State Transportation Agency would be required to submit reports to the Legislature regarding the pilot program.

SB 372 (Leyva) Medium- and heavy-duty fleet purchasing assistance program: zero-emission vehicles

Establishes the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program within the Air Quality Improvement Program administered by the California Air Resources Board, to provide assistance to medium- and heavy-duty fleet purchasers to procure zero-emissions vehicles.

SB 500 (Min) Autonomous vehicles: zero emissions

Requires autonomous vehicles to be zero-emissions vehicles beginning in 2030 and prevents the Department of Motor Vehicles from initiating a rulemaking to implement this law until 2027.

SB 640 (Becker) Transportation financing: jointly funded projects

Authorizes cities and counties to propose joint transportation projects funded by the entities' funding allocated through the Road Maintenance and Rehabilitation Program.

SB 643 (Archuleta) Fuel cell electric vehicle fueling infrastructure and fuel production: statewide assessment

Requires the Energy Commission, in consultation with the California Air Resources Board and the Public Utilities Commission, to prepare a statewide assessment of fuel cell electric vehicle charging infrastructure and fuel production needs to support zero-emissions buses, trucks, and off-road vehicles to meet the state's air quality goals. The first assessment must be completed by December 31, 2023 and updated every three years until January 1, 2030.

SB 671 (Gonzalez) Transportation: Clean Freight Corridor Efficiency Assessment

Establishes the Clean Freight Corridor Efficiency Assessment, developed by the California Transportation Commission in consultation with specified state agencies. The assessment must identify priority corridors for zero-emissions medium- and heavy-duty vehicle deployment. The assessment's findings must be reported to the Legislature by December 1, 2023 and be incorporated into the California Transportation Plan. Allows Trade Corridor Enhancement Funds to support projects to deploy innovative technology to improve freight movement and provide environmental benefits.

Sustainable Economic Development

AB 680 (Burke) Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021

Requires the California Air Resources Board and the Labor and Workforce Development Agency to develop, by July 1, 2025, funding guidelines for the Greenhouse Gas Reduction Fund's continuous appropriations that include specified labor standards, including fair and responsible employer standards and inclusive procurement policies. These provisions would not apply to programs or projects that receive federal funding, Safe and Affordable Drinking Water funds, technical assistance, research, 100% affordable housing projects, or applicants who are not employers.

AB 794 (Carrillo) Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility: labor standards

Establishes labor standards for drayage and short-haul trucks purchased through the California Air Resources Board's incentive programs.

SB 162 (Committee on Budget) Community Economic Resilience Fund

Establishes the Community Economic Resilience Fund, which would support a grant program to establish and fund high road transition collaboratives that would develop plans for economic recovery following the COVID-19 pandemic. The Labor and Workforce Development Agency, Governor's Office of Business and Economic Development, and Governor's Office of Planning and Research would oversee the program.

SB 589 (Hueso) Air pollution: alternative vehicles and vehicle infrastructure

Requires the Energy Commission, in its biennial assessment of electric vehicle charging needs, to identify workforce development and training resources needed to meet the state's zero emissions and greenhouse gas reduction goals. Allows funding from the Alternative and Renewable Fuel and Vehicle Technology Program to support in-state raw materials production and manufacturing supply chain for zero-emissions vehicle components. The Energy Commission must collaborate with California Community Colleges, the certified community conservation corps, the California Mobility Center, and the California Conservation Corps to implement these provisions.

**Senate Committee on Governance & Finance
Senator Mike McGuire, Committee Chair
State Capitol, Room 407
Sacramento, California 95814
(916) 651-4119**

<http://sgf.senate.ca.gov>

TO: People Interested in Public Finance and Governance Legislation
FROM: Senator Mike McGuire, Committee Chair
DATE: November 24, 2021
SUBJECT: Summary of significant legislation heard in 2021

Now that the legislative session has ended, I want you to know about some of the more interesting bills that the Senate Governance & Finance Committee reviewed during 2021. The following summary identifies and briefly describes the significant bills that the Committee has worked on this year. At the end of each description, the bill's status is indicated in *italics*.

If you want to read the Committee's bill analyses or get a copy of a bill listed below, please go to the Legislature's official website leginfo.legislature.ca.gov. You can also use that website to retrieve other bill analyses, official histories, voting records, and any veto messages.

The Senate Committee on Governance and Finance is responsible for hearing legislation pertaining to state and local government revenue mechanisms, taxes, local governance, and land use and development. The summary below groups bills by subject.

Cannabis Issues

[SB 398 \(Skinner\)](#) allows local agencies to enter into agreements with the Bureau of Cannabis Control to administer commercial cannabis licensing, permitting, or other regulatory activities on their behalf. *Senate Appropriations Committee.*

[SB 603 \(Bradford\)](#) requires cannabis-licensing agencies to develop a needs-based fee waiver and deferral program, upon appropriation in the annual budget or other statute for that purpose, and establishes a state and local cannabis fee tax credit for fees paid by local equity applicants and licensees. *Assembly Revenue & Taxation Committee.*

Excise Taxes

[SB 395 \(Caballero\)](#) enacts the Healthy Outcomes and Prevention Education Act, which imposes the California Electronic Cigarette Excise Tax on the sale of electronic cigarettes, and directs proceeds of the tax to various purposes. *Signed – Chapter 489, Statutes of 2021.*

Income Tax Form

[SB 347 \(Caballero\)](#) creates a new voluntary tax contribution fund, to be known as the California Community and Neighborhood Tree Voluntary Tax Contribution Fund, and continuously appropriates moneys from this fund to the Department of Forestry and Fire Prevention for the Urban and Community Forestry Grant Program. *Signed—Chapter 104, Statutes of 2021.*

[AB 742 \(Calderon\)](#) extends the sunset date for the School Supplies for Homeless Children Voluntary Tax Contribution Fund on the personal income tax return. *Signed—Chapter 96, Statutes of 2021.*

[AB 1065 \(Maienschein\)](#) establishes the Mental Health Crisis Prevention Voluntary Tax Contribution Fund on the personal income tax return. *Signed—Chapter 61, Statutes of 2021.*

Land Use Planning & Development

[SB 6 \(Caballero\)](#) enacts, until January 1, 2029, the Neighborhood Homes Act, which establishes housing as an allowable use on any parcel zoned for office or retail uses. *Assembly Housing & Community Development Committee.*

[SB 8 \(Skinner\)](#) extends the sunset on the Housing Crisis Act of 2019 (HCA) by five years, to January 1, 2030, and makes other changes. *Signed—Chapter 161, Statutes of 2021.*

[SB 9 \(Atkins\)](#) requires ministerial approval of a housing development of no more than two units in a single-family zone (duplex), the subdivision of a parcel zoned for residential use into two

parcels (lot split), or both. *Signed—Chapter 162, Statutes of 2021.*

[SB 10 \(Wiener\)](#) authorizes a city or county to pass an ordinance to zone any parcel for up to 10 units of residential density, at a height specified by the local government in the ordinance, if the parcel is located in a transit-rich area or an urban infill site. *Signed—Chapter 163, Statutes of 2021.*

[SB 12 \(McGuire\)](#) imposes certain fire hazard planning responsibilities on local governments and requires cities and counties to make specified findings on fire standards prior to permitting development in the very high fire hazard severity zone (VHFHSZ). *Assembly Housing & Community Development Committee.*

[SB 32 \(Cortese\)](#) requires cities and counties to identify goals, policies, objectives, targets, and feasible implementation strategies to decarbonize newly constructed commercial and residential buildings. *Senate Appropriations Committee.*

[SB 55 \(Stern\)](#) prohibits residential development in the VHFHSZ unless local agencies adopt a wildfire prevention strategy that mitigates significant risks of loss, injury, or death. *Senate Governance & Finance Committee.*

[SB 290 \(Skinner\)](#) makes various changes to Density Bonus Law (DBL), including providing additional benefits to housing developments that include low-income rental and for-sale housing units, and moderate-income for-sale housing units. *Signed—Chapter 340, Statutes of 2021.*

[SB 318 \(Melendez\)*](#) requires that independent auditors be a certified public accountant, and prohibits local agencies from retaining an independent auditor that the local agency contracted with during the preceding 10 years. *Senate Governance & Finance Committee.*

[SB 319 \(Melendez\)](#) requires local agencies that do not comply with impact fee annual report requirements for three years to include each year they did not comply with these requirements in requested audits. *Signed—Chapter 385, Statutes of 2021.*

[SB 478 \(Wiener\)](#) prohibits a local government from imposing certain floor area ratio (FAR) standards on housing projects of 3 to 10 units. *Signed—Chapter 363, Statutes of 2021.*

[SB 499 \(Leyva\)*](#) prohibits the land use element of a general plan from designating land uses that have the potential to adversely impact health outcomes from being located within or adjacent to a disadvantaged community. *Senate Governance & Finance Committee.*

[SB 552 \(Hertzberg\)](#) enacts several recommendations to improve small water system emergency response contained in the “Small Water Systems and Rural Communities Drought and Water Shortage Contingency Planning and Risk Assessment” report produced by the Department of Water Resources. *Signed—Chapter 245, Statutes of 2021.*

[SB 556 \(Dodd\)](#) establishes permitting requirements for the placement of small wireless facilities on streetlight and traffic signal poles owned by local governments, including specified timelines

for approving and attaching infrastructure, limitations on fees for attachments, and restrictions on local governments' ability to prohibit small wireless facility attachments. *Vetoed*.

[SB 574 \(Laird\)](#) narrows the role of the Department of Conservation (DOC) in administering the Williamson Act. *Signed—Chapter 644, Statutes of 2021*.

[SB 617 \(Wiener\)](#) requires cities and counties to adopt an automated, online permitting system for solar energy systems and energy storage. *Senate Appropriations Committee*.

[SB 621 \(Eggman\)](#) establishes a ministerial approval process for hotel and motel conversions to multifamily housing. *Senate Governance & Finance Committee*.

[SB 695 \(Ochoa Bogh\)*](#) prohibits a local agency from imposing a housing impact requirement on a housing development project, unless specified requirements are satisfied by the local agency, including that the local agency prepare and adopt a nexus study. *Senate Governance & Finance Committee*.

[SB 719 \(Min\)](#) provides that land comprising the former Tustin Marine Corps Air Station is exempt surplus land for the purposes of the Surplus Land Act. *Assembly Local Government Committee*.

[SB 765 \(Stern\)](#) repeals the existing prohibition on a city or county imposing a requirement of a setback for an accessory dwelling unit (ADU) of more than four feet from the rear and side lot lines. *Senate Housing Committee*.

[SB 809 \(Allen\)*](#) authorizes a city or county to satisfy part of its requirement to identify zones suitable for residential development in its housing element by adopting and implementing a multijurisdictional regional agreement. *Senate Housing Committee*.

[AB 345 \(Quirk-Silva\)](#) requires cities and counties to allow a qualified nonprofit corporation to sell an accessory dwelling unit (ADU) separately from the primary dwelling unit on the property, and revises the conditions for a tenancy in common agreement entered into pursuant to such a sale. *Signed—Chapter 343, Statutes of 2021*.

[AB 500 \(Ward\)](#) requires local governments in the coastal zone to amend their local coastal programs by January 1, 2024, to provide streamlined permitting procedures for certain housing projects, as specified, among other provisions. *Senate Floor*.

[AB 571 \(Mayes\)](#) prohibits local governments from imposing affordable housing impact fees, including inclusionary zoning fees and in-lieu fees, on a housing development's affordable units in a density bonus project. *Signed—Chapter 346, Statutes of 2021*.

[AB 602 \(Grayson\)](#) adds new requirements to impact fee nexus studies prepared by cities, counties, and special districts, and makes other related changes. *Signed—Chapter 347, Statutes of 2021*.

[AB 803 \(Boerner Horvath\)](#) requires cities and counties to allow development of single-family housing on small lots that are zoned for specified multifamily uses, so long as the development meets specified conditions regarding density, setbacks, dwelling size, and others. *Signed—Chapter 154, Statutes of 2021.*

[AB 970 \(McCarty\)](#) deems approved applications for electric vehicle charging stations after specified time periods. *Signed—Chapter 710, Statutes of 2021.*

[AB 989 \(Gabriel\)](#) establishes, until January 1, 2029, an Office of Housing Appeals (OHA) within the Department of Housing and Community Development (HCD). *Senate Floor.*

[AB 1124 \(Friedman\)](#) revises the definition of “solar energy system” to include all structural design features, whether mounted on the ground or on a roof. *Signed—Chapter 235, Statutes of 2021.*

[AB 1174 \(Grayson\)](#) makes several changes to the streamlined, ministerial approval process established by SB 35 (Wiener, Chapter 366, Statutes of 2017). *Signed—Chapter 160, Statutes of 2021.*

[AB 1180 \(Mathis\)](#) expands the definition of “exempt surplus land” to include surplus land that a local agency transfers to a federally recognized California Indian tribe. *Signed—Chapter 62, Statutes of 2021.*

[AB 1322 \(R. Rivas\)*](#) creates a process for the governing body of a city or county to seek judicial validation that a local measure approved by the voters is in conflict with state housing law. *Senate Environmental Quality Committee.*

[AB 1401 \(Friedman\)](#) prohibits public agencies from imposing parking minimums on developments within specified distances of high-quality public transit. *Senate Appropriations Committee.*

[AB 1409 \(Levine\)](#) requires cities and counties to update their safety element to identify evacuation locations. *Signed—Chapter 481, Statutes of 2021.*

Local Agency Formation Commissions (LAFCOs) & Boundary Changes

[SB 13 \(Dodd\)](#) reauthorizes a Napa and San Bernardino LAFCO pilot program until January 1, 2026, that allows LAFCOs to approve extensions of service outside of a local agency’s sphere of influence, and expands the program to allow Napa LAFCO to approve service extensions to specified parcels in St. Helena. *Signed—Chapter 482, Statutes of 2021.*

[AB 1021 \(Mayes\)](#) requires the LAFCOs in Imperial and Riverside Counties to conduct a study of governance options for the Imperial Irrigation District (IID) electrical service area. *Vetoed.*

Local Powers & Governance

[SB 60 \(Glazer\)](#) allows cities to impose a fine of up to \$5,000 for public and health and safety violations of a short-term rental ordinance. *Signed—Chapter 307, Statutes of 2021.*

[SB 271 \(Wiener\)](#) repeals eligibility requirements for an individual to run for county sheriff. *Senate Governance & Finance Committee.*

[SB 273 \(Hertzberg\)](#) authorizes a municipal wastewater agency to acquire, construct, expand, operate, maintain, and provide facilities to manage stormwater and dry weather runoff. *Signed—Chapter 241, Statutes of 2021.*

[SB 286 \(Min\)*](#) requires an election for an office that is determined by a plurality, with no possibility of a runoff, and is consolidated with a statewide election, to be consolidated with the statewide general election in November. *Senate Elections & Constitutional Amendments Committee.*

[SB 323 \(Caballero\)](#) establishes a 120-day statute of limitations for water and sewer rates. *Signed—Chapter 216, Statutes of 2021.*

[SB 342 \(Gonzalez\)](#) adds two additional seats to the South Coast Air Quality Management District (SCAQMD) Governing Board to be filled by persons residing in and working directly with pollution-burdened and vulnerable communities on issues of environmental justice in the South Coast Air Basin, and allows SCAQMD to create a Labor Advisory Panel to provide input on issues impacting labor in the South Coast Air Basin. *Senate Floor.*

[SB 378 \(Gonzalez\)](#) requires local governments to allow fiber installers to use microtrenching as a method for installing fiber unless the local government makes a specified finding that permitting microtrenching would adversely impact public health and safety. *Signed—Chapter 677, Statutes of 2021.*

[SB 403 \(Gonzalez\)](#) authorizes the State Water Resources Control Board (State Water Board) to order the consolidation of at-risk domestic wells and at-risk water systems. *Signed—Chapter 242, Statutes of 2021.*

[SB 427 \(Eggman\)](#) allows local agencies that provide water services to adopt an ordinance with enhanced penalties for water theft of up to \$3,000. *Signed—Chapter 137, Statutes of 2021.*

[SB 466 \(Wieckowski\)](#) allows the City of Santa Clara to sell or lease specified property for the purpose of economic development. *Assembly Local Government Committee.*

[SB 594 \(Glazer\)](#) makes various changes to state law governing candidate filing for the 2022 statewide primary election, redistricting in special districts following the 2020 census, and districting and redistricting for local governments. *Signed—Chapter 320, Statutes of 2021.*

[SB 679 \(Kamlager\)](#) establishes the Los Angeles County Affordable Housing Solutions Agency (LACAHSAs), and authorizes LACAHSAs to utilize specified local financing tools for the purpose of funding renter protections, and the preservation and production of housing units affordable to households earning up to 80% of the area median income. *Assembly Housing & Community Development Committee.*

[SB 712 \(Hueso\)](#) prohibits a local government from adopting or enforcing a resolution or ordinance that would prevent the local government from conducting a fair evaluation of a fee-to-trust application. *Signed—Chapter 291, Statutes of 2021.*

[AB 339 \(Lee\)](#) requires, until December 31, 2023, that city councils and county boards of supervisors in jurisdictions over 250,000 residents provide both in-person and teleconference options for the public to attend their meetings. *Vetoed.*

[AB 361 \(R. Rivas\)](#) creates, until January 1, 2024, an exemption to teleconferenced public meeting requirements for local legislative bodies during states of emergency, as specified; and, until January 31, 2022, a similar exemption to teleconferenced public meeting requirements for certain state bodies, as specified. *Signed—Chapter 165, Statutes of 2021.*

[AB 428 \(Mayes\)](#) requires term limits imposed on members of a board of supervisors to allow for at least two terms. *Signed—Chapter 462, Statutes of 2021.*

[AB 481 \(Chiu\)](#) requires specified law enforcement agencies to submit a military equipment use policy to the appropriate governing body before acquiring or using military equipment. *Signed—Chapter 406, Statutes of 2021.*

[AB 537 \(Quirk\)](#) updates existing law establishing a timeline and process through which wireless telecommunication siting facility permits will be deemed approved. *Signed—Chapter 467, Statutes of 2021.*

[AB 759 \(McCarty\)](#) requires counties to hold elections for district attorney and sheriff with the presidential primary, except as specified, starting on January 1, 2023. This bill also authorizes a county board of supervisors to adopt an ordinance to hold elections for other specified county officers with the presidential primary. *Senate Floor.*

[AB 844 \(Grayson\)](#) authorizes establishment of a Green Empowerment Zone (Green EZ) for the Northern Waterfront area of Contra Costa County and tasks the Green EZ with various duties. *Signed—Chapter 377, Statutes of 2021.*

[AB 850 \(Gallagher\)](#) extends the sunset on the authorization for the Cities of El Monte, Montebello, and Willows to sell their water utilities without voter approval under specified circumstances from January 1, 2022, to January 1, 2024. *Signed, Chapter 705, Statutes of 2021.*

[AB 903 \(Frazier\)](#) dissolves the Los Medanos Community Healthcare District on February 1, 2022. *Senate Governance & Finance Committee.*

[AB 959 \(Mullin\)](#) authorizes a regional park district, regional park and open-space district, or a regional open-space district to define encroachments onto park property as a nuisance and establish a procedure for the abatement of the nuisance through summary abatement and property liens. *Signed—Chapter 268, Statutes of 2021.*

[AB 1017 \(Quirk-Silva\)](#) requires local agencies to complete an inventory of public restrooms they own and maintain, and provide their findings to the Department of Public Health. *Senate Appropriations Committee.*

[AB 1195 \(Cristina Garcia\)*](#) creates the Southern Los Angeles County Human Right to Water Collaboration Act. Requires the State Water Resources Control Board to appoint a Commissioner to implement the Safe and Affordable Funding for Equity and Resilience (SAFER) Program in southern Los Angeles County. *Senate Environmental Quality Committee.*

[AB 1276 \(Carrillo\)](#) expands and revises the statute that requires single-use plastic straws only be distributed upon request to apply to specified single-use foodware accessories and standard condiments distributed by food facilities or third-party food delivery platforms. *Signed—Chapter 505, Statutes of 2021.*

Local Tax Authority

[SB 555 \(McGuire\)](#) enacts the Fair and Effective Collection of Due and Payable Transient Occupancy Taxes Derived from Short-term Rentals Arranged by Short-term Rental Facilitators Act of 2021, which allows local agencies to delegate collection of transient occupancy taxes from short-term rental facilitators to CDTFA by enacting an ordinance. *Assembly Appropriations Committee.*

Property Taxes

[SB 219 \(McGuire\)](#) allows a tax collector to cancel property tax delinquency penalties when the failure to pay is due to a documented hardship. *Signed—Chapter 131, Statutes of 2021.*

[SB 257 \(Skinner\)](#) states that property that museums make available for special events is considered property used exclusively for the museums' charitable purposes under the welfare exemption from property tax. *Senate Appropriations Committee.*

[SB 267 \(Hertzberg\)](#) provides that changes in ownership and profits interests in active solar energy systems financed by partnership flip transactions do not constitute changes in control of a legal entity for property tax purposes. *Signed—Chapter 424, Statutes of 2021.*

[SB 303 \(Borgeas\)](#) extends the time period for a taxpayer affected by a disaster to transfer their base year value to a replacement property until March 4, 2022, or the date the Governor terminates the COVID-19 pandemic emergency proclamation, whichever is earlier. *Signed – Chapter 540, Statutes of 2021.*

[SB 539 \(Hertzberg\)](#) enacts two new sections of property tax law to implement Proposition 19 (2020). *Signed – Chapter 427, Statutes of 2021.*

[SB 658 \(Grove\)](#) expands the disabled veterans' exemption to allow a reduced exemption for partially disabled veterans. *Senate Appropriations Committee.*

[SB 667 \(Roth\)](#) allows the executor, administrator, or personal legal representative of a claimant's estate to file a claim for the disabled veterans' exemption. *Signed – Chapter 430, Statutes of 2021.*

[SB 668 \(Bates\)](#) reenacts in statute the parent-child, grandparent-grandchild exclusion from change in ownership exclusion for two years that was effective before voters repealed the exclusion in the California Constitution when they approved Proposition 19 (2020). *Senate Governance & Finance Committee.*

[SB 675 \(Ochoa Bogh\)](#) authorizes a county board of supervisors to adopt a resolution or ordinance to implement a monthly property tax payment program, where qualified taxpayers can instead pay property taxes on a monthly basis. *Vetoed.*

[SB 706 \(Bates\)](#) provides that a change in ownership triggering a reassessment for property tax purposes occurs when 90% or more of the direct or indirect ownership interests in a legal entity are sold or transferred in a single transaction. *Senate Governance & Finance Committee.*

[AB 1203 \(Burke\)](#) changes the qualifications for a person to be eligible to be nominated to an assessment appeals board in Los Angeles County. *Signed – Chapter 418, Statutes of 2021.*

Redevelopment & Infrastructure Financing

[SB 438 \(Laird\)](#) makes specified loan agreements between the City of Atascadero and its former redevelopment agency (RDA) enforceable obligations. *Assembly Appropriations Committee.*

[SB 563 \(Allen\)](#) makes various changes to the Second Neighborhood Infill Finance and Transit Improvements Act (NIFTI-2), including: changing its formation process, recasting eligible expenditures, adding a state matching component, and expanding housing provisions. *Senate Appropriations Committee.*

[SB 734 \(Hueso\)](#) allows local agencies to modify specified redevelopment passthrough agreements, and to forgive up to the entire outstanding principal amount of a passthrough agreement. *Signed—Chapter 221, Statutes of 2021.*

[SB 780 \(Cortese\)](#) makes several changes to enhanced infrastructure financing districts (EIFDs) and community revitalization infrastructure authorities (CRIAs), including a clarification that directly elected mayors of charter cities can be members of EIFD and CRIA boards, as well as address chartering issues. *Signed—Chapter 391, Statutes of 2021.*

[AB 336 \(Villapudua\)](#) allows any member of a taxing entity’s legislative body serving on an enhanced infrastructure financing district (EIFD) board to concurrently serve as a board member of a joint powers authority (JPA) where the taxing entity is a member. *Signed—Chapter 22, Statutes of 2021.*

[AB 464 \(Mullin\)](#) expands the types of facilities and projects enhanced infrastructure financing districts (EIFDs) may fund to include small business structures impacted by the COVID-19 pandemic and nonprofit community organizations’ facilities. *Signed—Chapter 25, Statutes of 2021.*

[AB 758 \(Nazarian\)](#) expands the types of publicly-owned utilities that can issue rate reduction bonds to include those that provide electric service. *Signed—Chapter 233, Statutes of 2021.*

Sales & Use Taxes

[SB 542 \(Limón\)](#) enacts a state-only (3.9375%) sales and use tax exemption for purchases of qualified new medium or heavy-duty zero-emission trucks. *Senate Floor.*

[SB 771 \(Becker\)](#) enacts a state-only (3.9375%) sales and use tax exemption for zero emission or hybrid vehicles purchased under the Clean Cars 4 All Program. *Assembly Desk.*

[SB 792 \(Glazer\)](#) requires specified retailers to include with their sales tax returns a schedule that reports the gross receipts from sales of property for each local jurisdiction where it shipped or delivered to a purchaser in that jurisdiction. *Vetoed.*

[AB 296 \(Gipson\)](#) extends the sunset on the sales and use tax exemption for customers who repurchase their property from a pawnbroker until January 1, 2027. *Signed—Chapter 164, Statutes of 2021.*

State Bonds & Indebtedness

[SB 5 \(Atkins\)*](#) enacts the Affordable Housing Bond Act of 2022, which places a bond of \$6.5 billion before voters at the November, 2022, general election to fund affordable rental housing and homeownership programs. *Senate Housing Committee.*

[SB 22 \(Glazer\)](#) enacts the Public Preschool, K–12, and College Health and Safety Bond Act of 2022, which places a \$15.5 billion bond before voters at a statewide election in 2022 to fund facilities for K-12 schools as well as California’s public universities. *Assembly Education Committee.*

[SB 45 \(Portantino\)](#) enacts the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which places a bond of \$5.595 billion before voters at the November, 2022 general election for projects related to wildfire prevention, safe drinking water, drought preparation, and flood protection. *Senate Floor.*

[AB 75 \(O'Donnell\)*](#) enacts the Kindergarten-Community Colleges Public Education Facilities Bond Act of 2022 which places a bond of \$12 billion before voters at a statewide election in 2022 for K-12 and California Community Colleges school facilities construction and modernization projects. *Senate Education Committee.*

State Personal & Corporate Income Taxes

[SB 49 \(Umberg\)](#) provides a tax credit for eligible costs if the taxpayer ceased business operations temporarily for a minimum of 30 consecutive days during the taxable year as a result of an emergency order. *Senate Floor.*

[SB 104 \(McGuire\)](#) creates an elective tax that allows pass-through entities to pay tax on behalf of their owners and allows a credit to the owners of those pass-through entities. AB 150 (Committee on Budget) adopted provisions from SB 104 as the Small Business Relief Act, which the governor signed into law as a part of the Budget Act of 2021. *Senate Appropriations Committee.*

[SB 240 \(Eggman\)](#) extends the sunset on the Donated Fresh Fruits or Vegetables Credit for 5 years through the 2026 taxable year. AB 150 (Committee on Budget) adopted provisions from SB 240, which the governor signed into law as a part of the Budget Act of 2021. *Senate Floor.*

[SB 276 \(Ochoa Bogh\)](#) allows Earned Income Tax Credit (EITC) recipients to elect to use earned income from prior tax years when calculating EITC for the 2021 tax year. *Senate Appropriations Committee.*

[SB 408 \(Min\)](#) provides a tax credit for small businesses in certain industries that were closed for at least 30 consecutive days in either 2020 or 2021 as a result of an emergency order. *Senate Appropriations Committee.*

[SB 424 \(Durazo\)](#) creates a tax credit for certain employers that hire homeless individuals. *Senate Appropriations Committee; subsequently enacted as part of AB 150 (Committee on Budget)*

[SB 444 \(Hertzberg\)](#) provides a personal income tax exclusion for all education awards provided under the "California for All Education Award Program." *Senate Floor.*

[SB 485 \(Portantino\)](#) creates a new credit within the existing Film and TV credit for taxpayers who produce qualified motion pictures at certified studio construction projects. *Senate Floor; subsequently enacted in SB 144 (Committee on Budget and Fiscal Review)*

[SB 553 \(Limón\)](#) enacts a state Work Opportunity Tax Credit (WOTC) largely based on the same credit contained in federal law. *Senate Appropriations Committee.*

[SB 601 \(Ochoa Bogh\)](#) increases the income threshold of the current exclusion for taxpayers who sell their primary residence to a qualified first-time homeowner to \$300,000 for taxpayers who are single or married filing jointly, and \$600,000 for taxpayers who are married filing separately, a head of household, or a surviving spouse. *Assembly Revenue & Taxation Committee.*

[SB 610 \(Grove\)](#) creates a tax credit equal to 50 percent of qualified virtual learning costs — up to \$2,250 — for each qualified dependent. *Senate Appropriations Committee.*

[SB 611 \(Allen\)](#) allows taxpayers additional tax credit amounts under to the California's Film and Motion Picture Production tax credit program when hiring graduates of the Career Pathways Training program, or an equivalent program. *Assembly Appropriations Committee.*

[SB 691 \(Rubio\)](#) allows an additional \$100 in tax credits to all ITIN filers that receive the Earned Income Tax Credit and modifies the calculation of the Young Child Tax Credit. *Senate Appropriations Committee.*

[SB 777 \(Bradford\)](#) enacts the California Jumpstart Act, which directs the California Pollution Control Financing Authority to allocate up to \$300 million in credits against the gross premiums tax to investors in relief funds. *Assembly Jobs, Economic Development, & The Economy Committee.*

[AB 340 \(Ward\)](#) conforms the State's 529 college savings plan statute to recent changes in federal tax law that expand allowable withdrawals from 529 plans to include expenses associated with participation in a registered apprenticeship program and student loan repayment. *Signed—Chapter 557, Statutes of 2021.*

[AB 447 \(Grayson\)](#) makes changes to the state low income housing tax credit program administered by the California Tax Credit Allocation Committee in the State Treasurer's Office. *Signed – Chapter 344, Statutes of 2021.*

[AB 1219 \(Berman\)](#) renews the Natural Heritage Preservation Tax Credit for qualified contributions. *Signed—Chapter 419, Statutes of 2021.*

[AB 1515 \(Santiago\)](#) establishes the Earned Income Tax Credit (EITC) Outreach and Education and Free Tax Assistance Grant Program upon appropriations of the legislature. *Senate Governance & Finance Committee.*

State Tax Administration

[SB 491 \(Nielsen\)](#) prohibits the California Department of Tax and Fee Administration (CDTFA) from issuing a license to, and requires them to suspend or revoke the current tobacco license of,

retailers convicted of violations of Penal Code provisions relating to selling or distributing nitrous oxide. *Assembly Appropriations Committee*.

[AB 545 \(Quirk\)](#) requests the Regents of the University of California to perform a comprehensive assessment of major tax expenditures. *Senate Appropriations Committee*.

[AB 1402 \(Levine\)](#) requires marketplace facilitators currently required to collect sales and use taxes when selling property into California to also collect four fees imposed on sales of specific products. *Signed—Chapter 421, Statutes of 2021*.

* = Bill was never heard in the Senate Governance & Finance Committee

To read and retrieve copies of the Senate Governance & Finance Committee's detailed reference materials and other publications, please go to the Committee's website: <http://sgf.senate.ca.gov>