June 24, 2024

To: LAFCo Commissioners

From: Rob Bartoli, Executive Officer

Subject: Preliminary Results from Protest Hearing for LAFCo File 22-09 - Proposal to establish

the East Palo Alto Sanitary District (EPASD), an independent special district, as a subsidiary district of the City of East Palo Alto (City) (LAFCo Resolution 1312)

Background

On November 15, 2023 the LAFCo Commission voted unanimously, 6-0, to adopt Resolution No. 1312 approving the City of East Palo Alto's proposal to establish the East Palo Alto Sanitary District as a subsidiary district of the City subject to the terms and conditions included in the Resolution and the completion of the Conducting Authority Proceedings. The East Palo Alto Sanitary District objected to the proposal.

Protest Proceedings

As the proposal did not have 100% consent of the affected landowners and registered voters, the approval was subject to Protest Proceedings. A Protest Hearing was held on May 22, 2024 at the City of East Palo Alto Council Chambers and was publicly noticed pursuant to Government Code Section 57025, consisting of newspaper publication in the San Mateo County Times, Palo Alto Daily Post and The Almanac. Protest ballots were collected by LAFCo staff via mail and in-person, until the close of the hearing at 2:59pm on May 22, 2024.

Pursuant to Government Code Sections 57077.5 and 57093, the proposal is subject to the following protest thresholds for proposals not initiated by the Commission and where a subject agency has objected by resolution to the proposal:

- 1. <u>Terminate proceedings</u> if 50% or more of the registered voters residing in the affected territory file a written protest; or
- 2. Order the change of organization subject to the confirmation of the registered voters residing in the affected territory if written protests have been filed by at least 25% but less than 50% of the registered voters residing in the territory, OR 25% of the number of landowners who also own at least 25% of the assessed land value of land in the affected territory; or

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT • RAY MUELLER, VICE CHAIR, COUNTY • VIRGINIA CHANG-KIRALY, SPECIAL DISTRICT

• HARVEY RARBACK, CITY • TYGARJAS BIGSTYCK, CITY • WARREN SLOCUM, COUNTY • ANN DRAPER, PUBLIC

ALTERNATES: CHRIS MICKELSEN, SPECIAL DISTRICT • ANN SCHNEIDER, CITY • JAMES O'NEILL, PUBLIC • NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER . VACANT, MANAGEMENT ANALYST . TIM FOX, LEGAL COUNSEL.

DIANE ESTIPONA, CLERK

3. Order the change of organization without an election if written protests have been filed by less than 25% of the registered voters in the affected territory and less than 25% of the landowners who own at least 25% of the assessed land value in the affected territory.

The Executive Officer has caused the protest forms to be compared to the current Equalized Assessment Roll maintained by the County Assessor and the current Register of Voters maintained by the County Elections Official. All protest forms are evaluated pursuant to Government Code Sections 56704 and 57052. Landowner protest forms are reviewed under Government Code Section 56708 and 56709, which includes a requirement for how publicly owned parcels are assessed and how parcels that joint tenancy or tenancy in common are valued. Registered voter protests forms are reviewed pursuant to Government Code Section 56707.

Below is a summary of the total number of protest ballots collected from both registered voters and landowners in the affected territory:

Preliminary Results of Protest Received for LAFCo File 22-09					
Total Registered Voters in Affected	0.0701/4004/	Number of Facially Valid Registered Voter Protests		Number of Facially Deficient Registered Voter	
Area	9,672 ¹ (100%)	Received	1,012 (10.46%)	Protests Received	57
Total Number of Landowners in Affected Area	6,567 (100%)	Number of Facially Valid Landowner Protests Received	936 (14.25%)	Number of Facially Deficient Landowner Protests Received	105
Total Assessed Land Value in	\$2,264,295,264	Total Assessed Land Value of Facially Valid Landowner Protests	\$180,654,895	Total Assessed Land Value of Facially Deficient Landowner	
Affected Area	(100%)	Received	(7.98%)	Protests Received	\$18,113,670

Under the present circumstances, where the number and value of protests met neither the 50% threshold for terminating the proceedings nor the 25% thresholds for requiring an election, the Commission is under a mandatory statutory duty to approve the change of organization. Accordingly, at the July 17, 2024, LAFCo Commission meeting, the Executive Officer will ask the Commission to confirm the results of the protest proceedings by resolution.

¹ As of May 22, 2024 per the San Mateo County Registrar of Voters