

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # 9:10 A.M.

Urgent

Routine

AGENDA DATE March 6, 2012

CEO Concur with Recommendation YES  NO

4/5 Vote Required YES  NO

(Information Attached)

SUBJECT:

Public Hearing to Consider the Initiative Petition for the Formation of the Stanislaus County Veterans Memorial District

STAFF RECOMMENDATIONS:

1. Conduct a Public Hearing at 9:10 am to consider action on the initiative petition for the formation of the Stanislaus County Veterans Memorial District.
2. Pursuant to Military and Veterans Code sections 1177.6 through 1178, take any of the following three actions:
  - a. Order a special election pursuant to Military and Veterans Code section 1178 to vote on the question of formation of the proposed district and to elect the members of the first board of directors thereof and direct the County Elections Official to consolidate the election with, and place the measure on, the June 5, 2012 election; or

Continued on Page 2

FISCAL IMPACT:

The Board of Supervisors, under historic State laws dating from World War II, may allow the voters to consider the creation of a Veterans Memorial District (District). The law also allows a District to request voter approval to collect a tax on all taxable property, not to exceed three-tenths of one cent (\$0.003) on each dollar of assessed valuation, to support the District's efforts to provide facilities and related services to support Veterans. The 2011-2012 Assessment Roll which includes all real property owners including businesses and residential property, totaled just over \$34 billion placing the maximum annual tax cap at just under \$102 million.

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BOARD ACTION AS FOLLOWS:

No. 2012-099

On motion of Supervisor Monteith, Seconded by Supervisor O'Brien  
and approved by the following vote,

Ayes: Supervisors: Monteith, De Martini and Chairman O'Brien

Noes: Supervisors: Chiesa and Withrow

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)      Approved as recommended

2)      Denied

3)      Approved as amended

4)   X   Other:

MOTION:

Conducted the public hearing and approved Staff Recommendations Nos. 2a and 3



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**STAFF RECOMMENDATIONS: (Continued)**

- b. Exclude any territory that in the opinion of the Board of Supervisors would not be benefited by inclusion in the district and order a special election pursuant to Military and Veterans Code section 1178 to vote on the question of formation of the proposed district and to elect the members of the first board of directors thereof and direct the County Elections Official to consolidate the election with, and place the measure on, the June 5, 2012 election; or
  - c. Abandon the creation of the proposed district.
3. If option 2a or 2b are selected, then pursuant to Military and Veterans Code section 1197, designate Board member seats 1, 2 and 3 for candidates who are veterans, and Board member seats 4 and 5 for veterans or non-veterans, in addition to the common qualification of being registered electors residing within Stanislaus County.

**FISCAL IMPACT: (Continued)**

The law further limits any annual tax levy to an amount that is sufficient to pay the estimated expenses of operations and maintenance of the memorial district for the next year and the estimated capital outlay of the district for the next two years. The District may also incur, through the Board of Supervisors, bonded indebtedness for the purpose of exercising any powers of the District.

It is important to note that at this juncture the Board of Supervisors is only considering whether to place the question of the formation of the district before the voters. Any annual tax levy would have to come back before the voters and would require approval by 2/3 of the voters.

The formation, management, bonds, facilities and annexations of a Veterans Memorial District is governed by California Military & Veterans Code (M&V) sections 1170 through 1259.

M&V section 1179 outlines the election process for the formation of a Veterans Memorial District. Since the supporting petition was certified on February 3, 2012, the District measure may be consolidated with the June 5, 2012 Presidential Primary Election. The approximate cost is anticipated to be \$0.25 to \$1.00 per voter, the cost which would be paid for by the County out of the General Fund. The total cost is estimated to be approximately \$56,250 to \$225,000, of which the Registrar of Voters believes it will be toward the lower end of the range. If the measure is not consolidated with the June 5, 2012 Presidential Primary Election, it will create a special county-wide election which would cost approximately \$2.50 to \$3.75 per voter, or a total cost of \$562,500 to \$843,750, of which the Registrar of Voters also believes will be toward the lower end of the range. The range of cost of this initiative is large since at this time the

Registrar of Voters does not know how many pages will be on the sample ballot or if this initiative would cause there to be a second ballot card. Stanislaus County currently has approximately 225,000 registered voters.

Pursuant to the California Military and Veterans Code section 1195, if the formation measure is approved by the voters, all future District elections will coincide with odd year Uniform District Election Law (UDEL) elections. At this time the cost of inclusion in a UDEL election would range between \$0.50 to \$1.25 per voter. In the event that the County does not hold an UDEL election in an odd year, the County would be responsible to hold a special election for the Veterans Memorial District.

Additional cost to the County would fall on the County Treasurer, Auditor Controller, Clerk Recorder and District Attorney. The Board of Supervisors is the agent for issuing and selling bonds for the District and levying taxes for repayment of the bond.

#### **DISCUSSION:**

A Veterans Memorial District is a special District established by the vote of the people to provide comprehensive support to veterans with a focus on providing and maintaining memorial halls, assembly halls, or other meeting places for the use of veterans and others.

On August 17, 2004, a number of local representatives of veteran's organizations addressed the Stanislaus County Board of Supervisors requesting the County's assistance in the development of new facilities to serve those who have served in our nation's armed forces. From the initiative, the Board of Supervisors dispatched the Chief Executive Office (CEO) and Veterans Service Office (VSO) staff to work with local veterans groups to determine what facilities were needed and to assist the veterans in finding a way to fill the identified needs. Currently there are approximately 35,000 veterans in Stanislaus County.

On October 11, 2005 the Board of Supervisors accepted a presentation by the Chief Executive Office staff and representatives of several veterans groups regarding the potential for a Veterans Memorial District and unanimously approved the following staff recommendations:

1. Approve the County-wide Veterans Memorial District and Facilities Master Plan.
2. Support the request by the Stanislaus County Veterans Memorial District Committee to proceed to collect signatures of local voters for the formation of a Veterans Memorial District and the election of District Officers for possible inclusion on the June, 2006 Primary Election ballot.
3. Direct the staff to return to the Board of Supervisors upon the collection of 7,985 valid signatures to qualify this measure for the ballot as certified by the County

Clerk-Recorder as prescribed by law from both the incorporated city territories and the unincorporated areas of the County.

Veteran representatives independently organized the Veterans Memorial District Committee to petition a county-wide ballot initiative for the creation of a new Stanislaus County Veterans Memorial District and for the election of a new, five-member Board of Directors. The intent from the Veterans of the proposed Veterans Memorial District will be to plan new veterans' facilities, to allow for the coordinated delivery of services to veterans, and to seek a source of funding in the future to pay for the proposed facilities.

The California Military and Veterans Code addresses the process for placing a District initiative on the ballot. A petition must be filed with the County Clerk-Recorder that contains at least eight (8) percent of the number of votes cast in the proposed District (Stanislaus County) for the office of Governor at the last general election at which a Governor was elected for both the incorporated and unincorporated areas. In the November 2, 2010 Gubernatorial Election 120,330 total votes were cast for the office of Governor in Stanislaus County. In the unincorporated area 25,585 votes were cast of which 2,055 sufficient signatures were received which is over the eight percent required. In the incorporated area 94,745 votes were cast of which 8,893 sufficient signatures were received which is also over the eight percent required.

Local veteran organizations circulated and filed the required number of signatures as of February 3, 2012 to bring the proposed formation of a Stanislaus County Veterans Memorial District before the Board of Supervisors. The County Clerk-Recorder has certified that the petition contains more than the minimum requirement of at least 9,627 valid signatures (7,580 from the incorporated area and 2,047 from the unincorporated area) in order for the Board of Supervisors to call for an election to vote on the question of forming the special district and the election of five (5) officers of the district. The election requires a simple majority vote to pass.

As a result of the petition being collected and certified, the Board of Supervisors now may:

- Call for a special election to vote to approve formation of the proposed district and elect five District board members (M&V Code section 1178);
- Exclude any territory that in the Board's opinion is not benefited by inclusion in a district (M&V Code section 1177.6); or
- The Board may adopt an order abandoning the creation of a district (M&V Code section 1178).

Within five days after the district formation election has been called by the Board of Supervisors, the Board of Supervisors shall transmit, by registered mail, a written notification of the election call to the executive officer of the Local Agency Formation Commission of the County (LAFCO). The executive officer, within five days after being

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notified that a district formation election has been called, shall submit to the commission, for its approval or modification, an impartial analysis of the proposed district formation. LAFCO, within five days after the receipt of the executive officer's analysis, shall approve or modify the analysis and submit it to the officials in charge of conducting the District formation election.

The Board of Supervisors or any member or members of the board authorized by the board, or any individual voter entitled to vote on the District formation, may file a written argument for or a written argument against the proposed district formation. If more than one argument for or against is filed, the Clerk Recorder shall select one of the arguments for printing and distribution to the voters.

The Presidential Primary Election to be held on June 5, 2012 meets the requirement of a special election held no later than 130 days from when petition was submitted to the Board of Supervisors. The approximate cost is anticipated by the Clerk Recorder to be \$0.25 to \$1.00 per voter or \$56,250 to \$225,000 total cost to the County. The election requires simple majority to pass.

If ordered by the Board of Supervisors, the election would only be to **pose the question of formation of the proposed district to the voters and to elect five District board members**. The five elected directors must be registered voters and reside in Stanislaus County, and the majority (ie., three) of the elected directors must be veterans. Staff recommends that the Board of Supervisors designate seat one (1), two (2) and three (3) for veterans, and seats four (4) and five (5) for veterans/non-veterans.

Generally, the term of office for Directors of the District is 4-years. (Elec. Code, § 10507.) However, "If the district is formed in an even-numbered year, the officers elected at the formation election shall hold office until noon on the first Friday in December of the second next following odd-numbered year." (Elec. Code, § 10505 (b).) In this case, the initial terms of office for all five directors would expire on December 4, 2015.

Candidates must file nomination documents with the Registrar of Voters and file a statement of qualifications by Friday, March 9, 2012. The Registrar of Voters has put together a tentative timeline. (Attachment A)

If formation of the district is approved by the voters, the Board first elected shall hold its first meeting in the meeting room of the Board of Supervisors commencing at 10:00 am on the first Monday following the date of declaration of the election results by the Board of Supervisors. At this meeting the District will need to elect one of its members president and one secretary, as well as provide for the time and place to hold their meetings. These meetings will be required to abide by Brown Act regulations. The District Board will also be required to file Fair Political Practices Form 700 Statement of Economic Interest

The District shall be a public corporation and have perpetual succession. The new District would serve all active military, veterans and veterans organizations in Stanislaus County. It would also provide veterans organizations meetings regionally and throughout California, as well as educational opportunities for local students on veterans and military affairs.

A new Veteran's Memorial District, if approved by the voters, will only provide for the creation of the District and the election of the officers. If created, California law allows that the District may:

- Request voter approval to collect a tax on all taxable property, not to exceed three-tenths of one cent (\$0.003) on each dollar of assessed valuation, to support the District's efforts to provide facilities and related services to support Veterans;
- The District may also incur, through the Board of Supervisors, bonded indebtedness for the purpose of exercising any powers of the District;
- Cause to be levied and collected in any one year a special tax sufficient to pay the principal and interest upon all bonded indebtedness of the District;
- Refund or retire an indebtedness that may exist against the District.
- Any future property tax levy would require a two-thirds majority approval of Stanislaus County Voters at that time.

Funds generated may provide and maintain memorial halls, assembly halls, buildings, or meeting places, together with suitable indoor and outdoor park and recreation facilities, including swimming pools, picnic areas, and playgrounds.

Once the Veterans Memorial District is in place, Stanislaus County continues to have a role.

- The District may call upon the District Attorney for legal advice and assistance in all matters concerning the District.
- All plans for indoor and outdoor park and recreation facilities, including swimming pools, picnic areas, and playgrounds, shall be approved initially by the Board of Supervisors.
- District funds shall be paid out by the County Treasurer upon warrants drawn by the County Auditor.
- The County Auditor shall pay all claims against the District.
- The Board of Supervisors shall levy and direct the County Treasurer/Tax Collector to collect a tax on all taxable property in the District to pay for Bonds and other expenses. Also, District taxes shall be paid into the County Treasury.
- The Board of Supervisors shall provide for the issuance and sale of the District's bonds. Bond proceeds are placed into the County Treasury and the County Auditor controls the funds and issues expenditures.
- The Board of Supervisors shall issue and sell the Districts bonds and shall levy taxes on taxable property to pay interest on District bonds and to redeem District bonds.

It is anticipated that, in future years, the District's Board may develop a specific plan for facilities and return to the voters to seek a property tax levy to fund the capital project effort. Any future property tax levy would require a two-thirds majority approval of Stanislaus County voters at that time. The special District may also incur, through the Board of Supervisors, bonded indebtedness for the purpose of exercising any powers of the District. Until such revenue generating actions are implemented, the cost of holding county-wide bi-annual odd year elections must be borne by the County General Fund.

**POLICY ISSUE:**

The Board of Supervisors is asked to consider whether this request is consistent with the Board's priorities of ensuring a Safe Community, A Healthy Community, Effective Partnerships and Efficient Delivery of Public Services.

**STAFFING IMPACT:**

The Military and Veterans Code requires the County Treasurer-Tax Collector to levy and collect District property tax levy; the County Auditor is required to draw warrants against funds held by the County Treasurer-Tax Collector to pay District bonds and debts; the County District Attorney is required to provide legal advice and assistance in all district matters; the County Registrar of Voters is required to record a complete certified copy of the statement of election results and the petition for formation.

**CONTACT:** Stan Risen, Assistant Executive Officer 209-525-6333

## Memorial District Tentative Timeline

<b>March 6, 2012</b>	<b>Public Hearing</b> Board of Supervisors passes a resolution calling the election and places the following question on the ballot, "Shall the proposed ____ memorial district be formed" (M&V 1178, 1179)
<b>March 6, 2012</b>	<b>Submit Public Notices to Modesto Bee</b>
<b>March 7, 2012</b>	<b>Publication</b> For <b>County and Special District Measures</b> , the County Election Official shall publish a public notice including the election date, election location, ballot question, passage requirement and argument and rebuttal deadlines. (EC 9163, GC 6061, GC 56513)  A notice of election must be published which must include the date of the election, name of the offices for which candidates can file, and the qualifications that are needed. (EC 12112)
<b>March 9, 2012</b>	<b>Notification of Local Agency Formation Commission</b> By this date, the Board of Supervisors should transmit, by registered mail, written notification of the election to executive officer of the local agency formation commission of the county. (M&V 1180.1)
<b>March 9, 2012</b>	<b>Last Day of Candidate Nomination Period</b> Candidates must file nomination documents with the Registrar of Voters by this day. Candidate statement of qualifications are due by this day. (EC 10220, 10510)
<b>March 14, 2012</b>	<b>Impartial Analysis due to Commission</b> After receiving notification, the local agency formation commission executive officer has 5 days to submit an impartial analysis of the proposed district to the commission for its approval. The impartial analysis shall not exceed 500 words in length and shall include a specific description of the proposed district's boundaries. (M&V 1180.1)
<b>March 15, 2012</b>	<b>Deadline for Arguments For and Against</b> (M&V 1180.2, 1180.3 GC 57146, EC 9162, EC 9282)
<b>March 19, 2012</b>	<b>Approval of Impartial Analysis and Submission to Registrar of Voters</b> Within 5 days of receiving the impartial analysis, the commission shall approve or modify the analysis and submit it to the Registrar of Voters. (M&V 1180.1)
<b>March 20, 2012</b>	<b>Deadline for Arguments For and Against</b> (EC 9167, EC 9285)
<b>March 30, 2012</b>	<b>End of 10-Day Public Examination Period</b> (EC 9190, EC 9295)

EC - Elections Code

GC - Government Code

M&amp;V - Military and Veterans Code





# Consider the Initiative Petition for the Formation of the Stanislaus County Veterans Memorial District



## Veterans Memorial District Defined

- Special District established by the vote of the people
- Provides support to veterans
- Focus is on providing and maintaining memorial halls, assembly halls, or other meeting places



## Background

In October 2005 the Board of Supervisors:

- Approved the County-wide Veterans Memorial District and Facilities Master Plan
- Supported the request to proceed to collect signatures of local voters for the formation of the Veterans Memorial District
- Directed staff to return to the Board once valid signatures were certified by the Register of Voters



## Background

On February 14, 2012 the Board:

- Accepted the Clerk Recorder's certified statement of the results of the Stanislaus County Memorial District Formation Petition and
- Set a Public Hearing for today, March 6, 2012



## Today's consideration:

- Place the question of the formation of the district and elect members of the first board of directors before the voters;
- Exclude any territory that in the Board's opinion is not benefited by inclusion in a district; or
- Adopt an order abandoning the creation of a district.



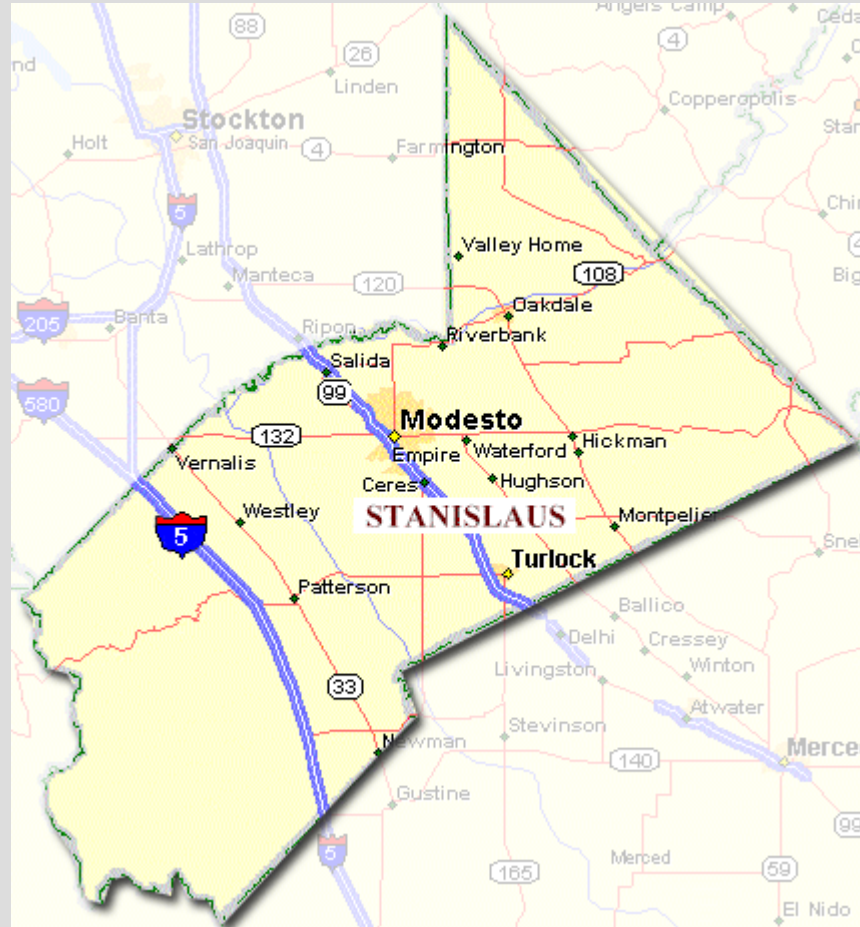
## **If Ordered by the Board of Supervisors to take the initiative to a vote:**

- The five elected district board members must be registered voters and reside in Stanislaus County of which three must be veterans.
- Candidates must file nomination papers by Friday March 9, 2012 if interested in serving on the first Board.



# Territory

The petition defines the territory as Stanislaus County





## Immediate Impacts:

Should the Board approve the initiative today the vote will be part of the Presidential Primary Election on June 5, 2012

- The County's Clerk Recorder anticipates the additional cost to the County's General Fund would be approximately \$56,250 to \$225,000





## Funding:

If the district is created, California Law allows:

- Voter approval to collect a tax on all taxable property, not to exceed three-tenths of one cent (\$0.003) on each dollar of assessed valuation.
- 2011-2012 Assessment roll for Stanislaus County is \$34 billion – making annual cap at approximately \$102 million
- The tax shall not exceed an amount to pay expenses of operating and maintaining the districts for the next year and capital for the next two years.



## Future Impacts:

- The District may cause to be levied and collected in any one year a special tax sufficient to pay the principal and interest upon all bonded indebtedness of the District
- Any future property tax levy would require a two-thirds majority approval of Stanislaus County voters



## Future Impacts:

If a future tax levy was approved, funds could go towards:

- Acquisition, construction and purchase of memorial halls, assembly halls, buildings, or meeting places, together with suitable indoor and outdoor park and recreation facilities, including swimming pools, picnic areas and playgrounds.
- Operation and maintenance of those facilities



## **Impacts to the County if the formation measure is approved by the voters:**

- The District may incur through the Board of Supervisors bonded indebtedness
- All plans for indoor and outdoor park and recreation facilities are initially approved by the Board of Supervisors
- Additional cost to the County Treasurer, Auditor Controller, Clerk Recorder, District Attorney and Board of Supervisors.



## What happens if the district is formed and voters do not approve a special tax:

- The district board would be limited in the actions it could take to provide services contemplated by the district.
- As long as the district remained in existence, the County would have to bear the portion of costs for the elections of officers and any further ballot questions in the UDEL.



## **STAFF RECOMMENDATIONS:**

1. Conduct a Public Hearing at 9:10 am to consider action on the initiative petition for the formation of the Stanislaus County Veterans Memorial District.



## STAFF RECOMMENDATIONS:

2. Pursuant to Military and Veterans Code sections 1177.6 through 1178, take any of the following three actions:

a. Order a special election pursuant to Military and Veterans Code section 1178 to vote on the question of formation of the proposed district and to elect the members of the first board of directors thereof and direct the County Elections Official to consolidate the election with, and place the measure on, the June 5, 2012 election; or



## **STAFF RECOMMENDATIONS:**

b. Exclude any territory that in the opinion of the Board of Supervisors would not be benefited by inclusion in the district and order a special election pursuant to Military and Veterans Code section 1178 to vote on the question of formation of the proposed district and to elect the members of the first board of directors thereof and direct the County Elections Official to consolidate the election with, and place the measure on, the June 5, 2012 election; or

c. Abandon the creation of the proposed district.





## STAFF RECOMMENDATIONS:

3. If option 2a or 2b are selected, then pursuant to Military and Veterans Code section 1197, designate Board member seats 1, 2 and 3 for candidates who are veterans, and Board member seats 4 and 5 for veterans or non-veterans, in addition to the common qualification of being registered electors residing within Stanislaus County.



# Questions