



## **BUSINESS ACTION ITEM STAFF REPORT**

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### **ITEM 6A. ADOPTION OF RESOLUTION 24-XXX. DISCUSS, REVIEW, AND ADOPT A RESOLUTION OF APPLICATION FOR DISSOLUTION.**

#### Summary:

The San Simeon Community Services District (“District”) Board of Directors (“Board”) approved a resolution during the Board meeting on March 15, 2024, directing District staff to prepare a Resolution of Application for Dissolution of the District.

The District may dissolve in accordance with the process set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the “Reorganization Act”), Government Code section 56000 – 57550. Under the Reorganization Act, a proposal for dissolution must be made by a Resolution of Application by the Board and include the required provisions under Government Code section 56700. The proposal for dissolution must also be submitted to the San Luis Obispo Local Agency Formation Commission (“LAFCO”) with a plan for services prepared pursuant to Government Code section 56653.

The plan for services prepared by the District for submission with the Resolution of Application for Dissolution identifies the County of San Luis Obispo (“County”) as the District’s proposed successor agency. Under the plan for services, the District would dissolve, and a County Service Area (“CSA”) would be formed to provide the services to the San Simeon Community that are currently provided by the District. Before LAFCO can recommend approval of the proposal for dissolution, the proposed successor agency must agree to absorb responsibility for providing the services. The resolution approved during the Board meeting on March 15, 2024, formally requested the County’s assistance and support with the District’s dissolution efforts.

There will be multiple opportunities for public input throughout the dissolution process. As the LAFCO Executive Director explained during the Board meeting on December 7, 2023, the dissolution application process can take nine (9) to twelve (12) months or longer. Once LAFCO receives the proposal for dissolution from the District, LAFCO must take action on the application after conducting a public hearing. (Gov. Code § 56824.14(a)).

#### Board Actions:

1. The Board may approve the Resolution of Application for Dissolution.

2. The Board may approve the Resolution of Application for Dissolution, subject to any changes as directed by the Board.

3. The Board may reject the Resolution of Application for Dissolution in its entirety.

Attachments:

1. Resolution.

2. Attachments to Resolution of Application for Dissolution:

a. Dissolution Summary

b. Government Code - Application Checklist and Response Summary

c. District Map and Legal Boundaries

d. Plan for Services and Supplemental Responses