

Midpeninsula Regional Open Space District

Service and Sphere of Influence Review



Draft Version (October 2, 2024)

Photo: Cloverdale Ranch (Megan Derhammer)

Local Agency Formation Commission of Santa Cruz County

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Table of Contents

EXECUTIVE SUMMARY	2
Introduction	2
Multi-County Special District	2
Sphere of Influence	3
Key Findings	4
Recommended Actions	5
DISTRICT OVERVIEW	7
History.....	7
Services & Operations.....	7
Service Area	8
Population & Growth	11
FINANCES	13
Operating Revenue	14
Operating Expenditure	14
Assets & Liabilities	15
Net Position.....	16
GOVERNANCE	19
Legal Authority	19
Local Accountability & Structure.....	19
Long-term Management Plan.....	21
Board Redistricting Effort	22
Opportunities & Challenges.....	22
SPHERE OF INFLUENCE	23
Cortese-Knox-Hertzberg Act	23
Current Sphere Boundary	23
DISTRICT SUMMARY CHART	26
SERVICE & SPHERE DETERMINATIONS	27
Service Determinations	27
Sphere Determinations.....	29
APPENDICES	30
A. Santa Clara LAFCO (Principal LAFCO) Adopted Policy	30
B. MROSD Board of Directors – Individual Ward Maps	30
C. MROSD Board of Directors – Multi-County Wide Ward Map.....	30

EXECUTIVE SUMMARY

Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries involving Midpeninsula Regional Open Space District (“MROSD” and “District”). The report is for use by the Local Agency Formation Commission in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of spheres of influence for all cities and districts in Santa Cruz County (Government Code Section 56425). It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code Section 56430). The last service review conducted for MROSD was adopted on November 6, 2019.

The municipal service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings; it only requires that LAFCO make determinations regarding the delivery of public services in accordance to the provisions of Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence.

Service and sphere reviews are informational documents and are generally exempt from environmental review. LAFCO staff has conducted an environmental review of this report pursuant to the California Environmental Quality Act (CEQA) and determined that the District’s service and sphere review is exempt from CEQA. Such exemption is due to the fact that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061[b][3]).

Multi-County Special District

Midpeninsula Regional Open Space District was founded as an independent special district in 1972 to preserve the regional greenbelt in northwestern Santa Clara County. In accordance with its principal act, MROSD may be located within multiple counties as long as the lands are contiguous (Public Resource Code Section 5502[a]). In the last four decades, the District has expanded its services into three counties. In 1976, the District was extended to include southern San Mateo County, and again in 1992 to add a small portion of Santa Cruz County. In 2004, through the Coastside Protection Program, the District’s boundary was extended to the Pacific Ocean in San Mateo County.

The District now encompasses over 550 square miles of territory located in the County of Santa Clara (approximately 200 square miles; \$287 billion in assessed value), the County of San Mateo (approximately 350 square miles; \$138 billion in assessed value), and the County of Santa Cruz (approximately 2.6 square miles; \$1,374,244 in assessed value)¹. The current population within MROSD’s entire service area is approximately 763,000. An overview map is shown as **Figure 1** on page 6.

¹ Assessed values are based on data from the Counties of San Mateo, Santa Clara and Santa Cruz

Principal LAFCO

Since the District is located in multiple counties, the principal county's LAFCO has purview over MROSD. A "principal county" is the county that has "the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change or organization or reorganization is proposed" (Government Code Section 56066). Based on this criteria, Santa Clara LAFCO has been identified, and continues to be, the principal LAFCO. The principal LAFCO is statutorily responsible for MROSD's proposed boundary changes, sphere amendments, and service reviews. The last service review for MROSD was adopted by Santa Clara LAFCO in December 2013². **Appendix A** provides a copy of Santa Clara LAFCO's policy regarding its duties as a principal LAFCO.

Affected LAFCO

State law does not prohibit other "affected" LAFCOs, such as Santa Cruz LAFCO in this instance, from adopting additional or supplemental service reviews involving a multi-county special district. The last service review for MROSD was adopted by Santa Cruz LAFCO in November 2019. Not much has changed since the last evaluation. That being said, the goal of this service review is to complete four main objectives: (1) fulfill the Commission's direction to complete a service review for MROSD under the current work plan, (2) fulfill the service and sphere determinations for MROSD under the Cortese-Knox-Hertzberg Act, (3) complete an analysis that is supplemental to Santa Clara LAFCO's 2013 Service Review, and (4) update MROSD's sphere boundary to reflect its current and future presence in Santa Cruz County. For purposes of this report, and to ensure our analysis provides additional and distinctive information, this service review will primarily focus on areas involving the District and Santa Cruz County. These areas consist of 16 parcels (totaling 1,968 acres) and are located within the District's sphere and owned by the District. An overview of MROSD's entire operation and finances will also be provided in this report. Any staff recommendations identified in this review will be shared with Santa Clara and San Mateo LAFCOs.

Sphere of Influence

Santa Clara LAFCO has adopted a multi-county sphere of influence for the District. The District's multi-county sphere is generally coterminous with its jurisdictional boundary. In addition to this multi-county sphere, Santa Cruz LAFCO adopted a sphere of influence for lands within Santa Cruz County following the District's annexation of approximately 1,500 acres in March 1992. In January 2008 and again in November 2019, Santa Cruz LAFCO reaffirmed this sphere boundary. The sphere of influence involving this County is slightly larger than the District's existing service area. Both sphere boundaries adopted by Santa Clara and Santa Cruz LAFCOs coincide with the territory found in Santa Cruz County. There was previous interest by MROSD to annex District-owned territory in 2013 and again in 2019. However, no application has been submitted to the principal LAFCO. Staff is recommending that the sphere be reaffirmed with the recommendation that a stakeholder group be formed to include representatives from the District, Santa Clara LAFCO, and Santa Cruz LAFCO. This group would be tasked with evaluating the proposed annexation of the District-owned parcels and determine if and when an annexation application be submitted to the Principal LAFCO.

² Santa Clara LAFCO MSR: https://santaclaralafco.org/sites/default/files/service_reviews/6_MROSD.pdf

Key Findings

The following are key findings of the 2024 Service and Sphere of Influence Review for the Midpeninsula Regional Open Space District:

1. **The District provides services to a population beyond its borders.**

MROSD encompasses over 550 square miles in three separate counties and offers more than 256 miles of recreational trails. Open space services provided by MROSD is not restricted to residents within the District's jurisdiction. It is estimated that approximately 763,000 residents currently live within MROSD's service area but, on average, over 2.4 million people visit the 25 preserves open to the public owned and operated by the District each year. As a result, there is a constant demand for open space services.

2. **Santa Clara LAFCO is the principal LAFCO for the District.**

MROSD has a service area consisting of three different counties. When multiple counties are involved, state law assigns authority to the principal county's LAFCO. Santa Clara LAFCO has been identified as the principal LAFCO for MROSD. As the principal LAFCO, Santa Clara LAFCO is statutorily responsible for any changes of organization related to MROSD. In the event that a proposed boundary change involves Santa Cruz County, Santa Clara LAFCO will coordinate with our LAFCO.

3. **The District has dealt with annual deficits.**

MROSD has experienced an annual deficit during the last five fiscal years (FY 2018-19 to FY 2022-23). The Midpeninsula Regional Open Space District's financial standing continues to be strong, General Fund Revenues continue to outpace General Fund Expenditures. When analyzing all funds, there is a structural deficit due to the significant investments the District made in a new administrative office partially covered by committed fund balance and several large land purchases covered by Measure AA bond funds. The District's net position has grown by 33% in the last five years to \$489 million, demonstrating that the deficits do not have a negative impact on the District's overall financial standing.

4. **The District is transparent.**

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. It outlines minimum website data requirements agencies must provide including contact information, financial reports, and meeting agendas/minutes. The District maintains a comprehensive website that exceeds the minimum requirements outlined in SB 929. LAFCO recommends that the District include a copy or link of the latest service and sphere review on their website for additional transparency.

5. **Sphere boundary includes parcels owned by the District.**

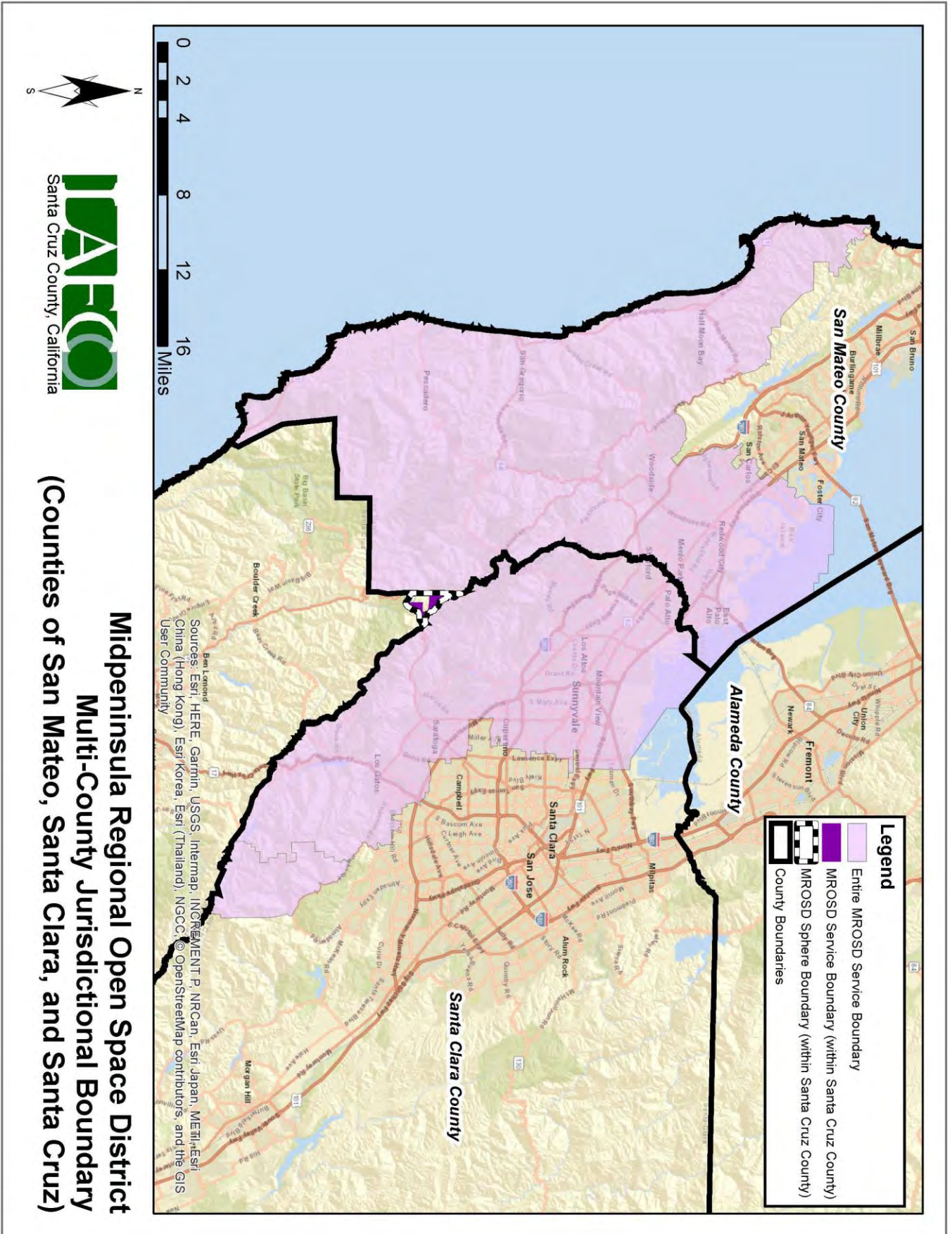
MROSD previously expressed interest in annexing District-owned parcels along Bear Creek Redwoods and Sierra Azul Open Space Preserves. Staff is recommending that the current sphere be reaffirmed with the condition that a stakeholder group be formed to include representatives from the District, Santa Clara LAFCO, and Santa Cruz LAFCO. This group would be tasked with evaluating the proposed annexation of the District-owned parcels and determine if and when an annexation application should be submitted to the Principal LAFCO.

Recommended Actions

Based on the analysis and findings in the 2024 Service and Sphere of Influence Review, the Executive Officer recommends that the Commission:

1. Find that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, LAFCO determined that the service and sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
2. Determine, pursuant to Government Code Section 56425, the Local Agency Formation Commission of Santa Cruz County is required to develop and determine a sphere of influence for the Midpeninsula Regional Open Space District, and review and update, as necessary;
3. Determine, pursuant to Government Code Section 56430, the Local Agency Formation Commission of Santa Cruz County is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
4. Adopt a Resolution (LAFCO No. 2024-16) approving the 2024 Service and Sphere of Influence Review for the Midpeninsula Regional Open Space District with the following conditions:
 - a. Reaffirm the District's current sphere of influence within Santa Cruz County with the condition that a stakeholder group be formed with representatives from the District and the LAFCOs of Santa Clara and Santa Cruz to evaluate the proposed annexation of District-owned parcels within Santa Cruz County; and
 - b. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to Santa Clara LAFCO as the principal LAFCO and other interested or affected parties, including but not limited to the Land Trust of Santa Cruz County, and Santa Clara/San Mateo LAFCO.

Figure 1: Midpeninsula Regional Open Space District's Overview Map



DISTRICT OVERVIEW

History

The Midpeninsula Regional Open Space District was formed in 1972 to acquire and preserve public open space land in northern and western portions of the County of Santa Clara. Initially, the District only provided services in Santa Clara County. In accordance to its principal act, MROSD may be located within multiple counties as long as the lands are contiguous (Public Resource Code Section 5502[a]). During the next 50 years, the District has expanded into three counties. In June 1976, the southern and eastern portions of the County of San Mateo were annexed to the District. MROSD annexed three parcels located in the northern tip of Santa Cruz County in 1992, but the 1% ad valorem property tax is not levied on this land for the benefit of the District. In September 2004, MROSD completed the Coastside Protection Program, which extended the District boundaries to the Pacific Ocean in the County of San Mateo, from the southern borders of the City of Pacifica to the San Mateo/Santa Cruz County line. This last annexation increased the size of the District from 331 to 556 square miles. No further boundary adjustments have occurred in either of the three counties since 2004.

The District currently encompasses over 550 square miles of land located in the County of Santa Clara (approximately 200 square miles), the County of San Mateo (approximately 350 square miles), and the County of Santa Cruz (approximately 2.6 square miles). For purposes of this report, Santa Cruz LAFCO's analysis will focus on the lands within Santa Cruz County only (totaling 1,968 acres). Specifically, the 1,231 acres within the sphere of influence and the additional 737 acres of land that is owned by the District but sits outside its jurisdictional and sphere boundaries. A majority of the subject territory (76%) analyzed in this report is owned by MROSD (1,498 out of 1,968 acres).

Services & Operations

The District's purpose is to create a regional greenbelt of unspoiled public open space lands in order to permanently protect the area's natural resources and to provide for public use and enjoyment. The District has preserved nearly 73,000 acres of public land, owns 67,000 acres and manages 27 open space preserves – 25 of which are open to the public free of charge.

Open space preserves are generally kept in a natural condition in order to protect the environment and wildlife habitat, and are developed with only the amenities needed to provide low-intensity recreation. Ranging from 55 to over 19,000 acres, 25 out of 27 preserves are open to the public all year round. On average, over 2.4 million visitors enjoy over 256 miles of trails each year. In addition to open spaces and hiking trails, special amenities include a backpacking camp, nature center, historic farm, and winery. The District's open space preserves offer a great variety of environments, wildlife habitats, and plant life. Preserves include redwood, oak, and fir forests, chaparral-covered hillsides, riparian corridors, grasslands, and wetlands along the San Francisco Bay. These lands are a critical habitat for mountain lions, bobcats, coyotes, deer, golden eagles, red-legged frogs, California newts, Coho salmon, and different varieties of wildflower.

A complete overview of each open space preserve is available on the District's website: <https://www.openspace.org/preserves>.

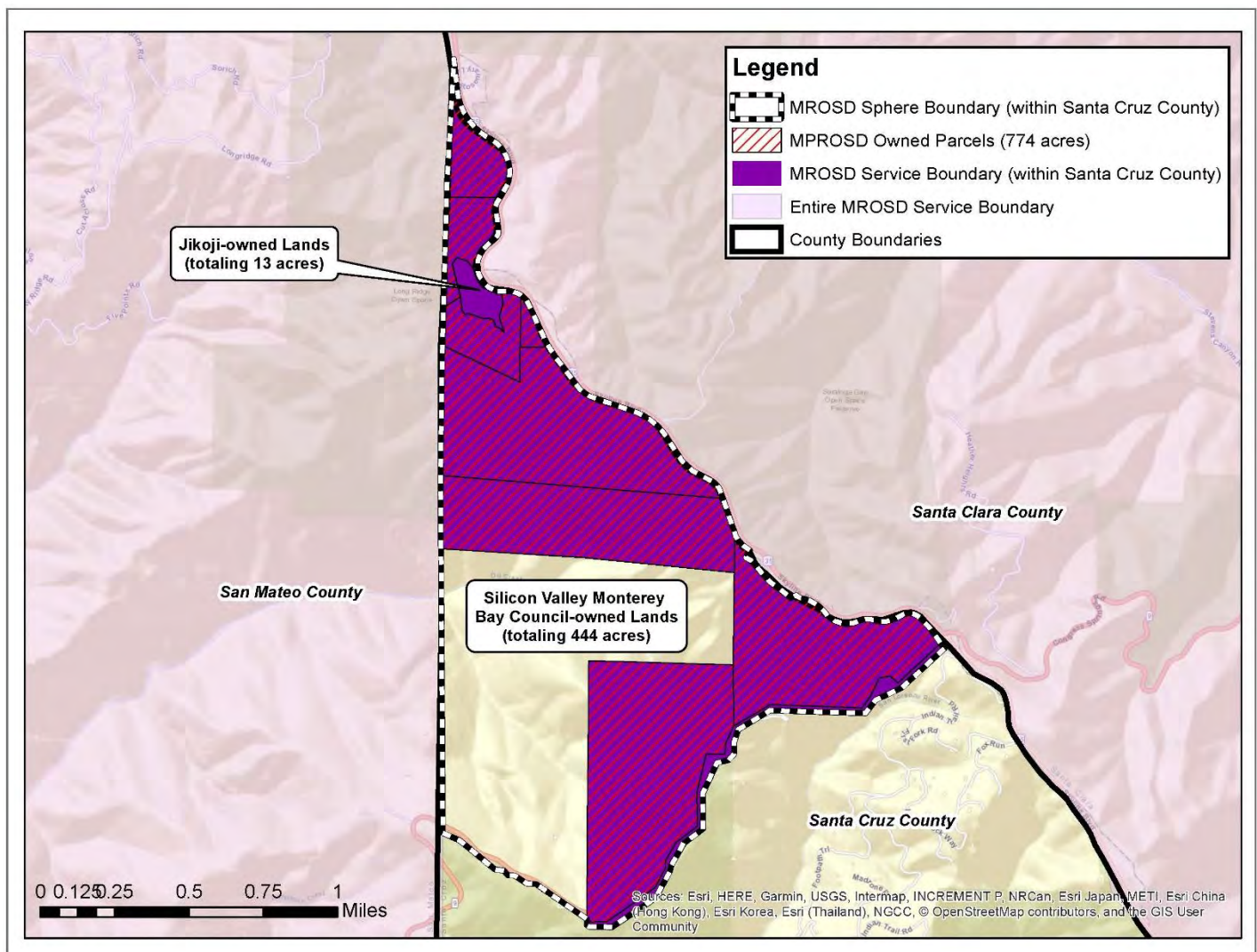
Service Area

The District's multi-county service area encompasses 556 square miles in northern Santa Clara and southern San Mateo Counties, a small portion of Santa Cruz County, and includes unincorporated territories and 17 cities: Atherton, Cupertino, East Palo Alto, Half Moon Bay, Los Altos, Los Altos Hills, Los Gatos, Menlo Park, Monte Sereno, Mountain View, Palo Alto, Portola Valley, Redwood City, San Carlos, Saratoga, Sunnyvale, and Woodside. An overview map is shown as **Figure 1** on page 6.

Lands within Santa Cruz County

A total of 11 parcels, totaling approximately 1,200 acres, are located within the District's current sphere of influence. Seventy-three percent of those parcels (8 out of 11 parcels) are part of the Long Ridge Open Space Preserve and are owned by the District. Two parcels within the District's service and sphere boundaries are owned by a faith-based organization (Jikoji). The remaining parcel is owned by a branch of the Boy Scouts of America (Silicon Valley Monterey Bay Council) and is the only parcel within the sphere boundary that is outside MROSD's jurisdictional area. **Figure 2** provides a sphere map depicting the subject parcels.

Figure 2: Parcel Ownership Within District's Sphere (Santa Cruz County)



Based on staff's analysis, and in conjunction with MROSD's confirmation, the District also owns five additional parcels (totaling 737 acres) within Santa Cruz County that are outside their current jurisdictional and sphere boundaries. These additional parcels are located within two preserves already maintained by the District: Bear Creek Redwoods Open Space Preserve and Sierra Azul Open Space Preserve.

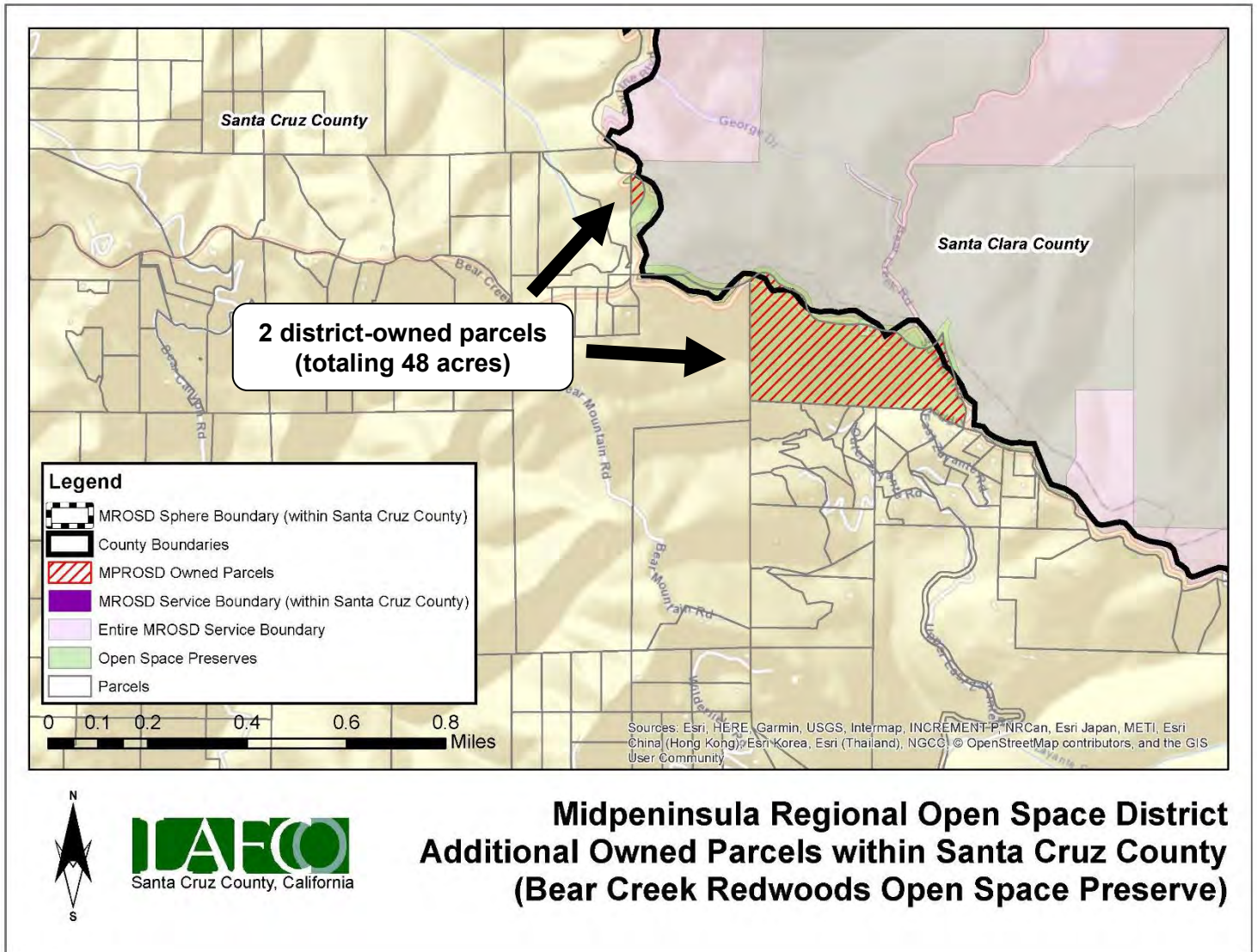
- **Bear Creek Redwoods Open Space Preserve:** This preserve is located three miles south of Los Gatos and covers over 1,400 acres. Visitors have access to six miles of hiking and equestrian trails. The majority of the preserve is located in Santa Clara County and is within the District's jurisdictional and sphere boundaries. However, a portion extends into Santa Cruz County and is outside the District's service and sphere limits. The area in question consists of two parcels, totaling 48 acres, and is owned and maintained by MROSD (as shown in **Figure 3** on page 10).

The District has expressed interest in annexing these parcels in the foreseeable future. If annexation is considered, a formal application needs to be submitted to Santa Clara LAFCO, as the principal LAFCO. It is our understanding that the District may submit an application for annexation following annexation of the portions of Santa Clara County that are currently in the sphere of influence but outside the jurisdictional boundary around the year 2027. In the interim, LAFCO staff will continue to coordinate with the District and Santa Clara LAFCO over the next 5 years. Further analysis will be conducted during the next service review cycle in 2029.



Bear Creek Redwoods (Heather Diaz)

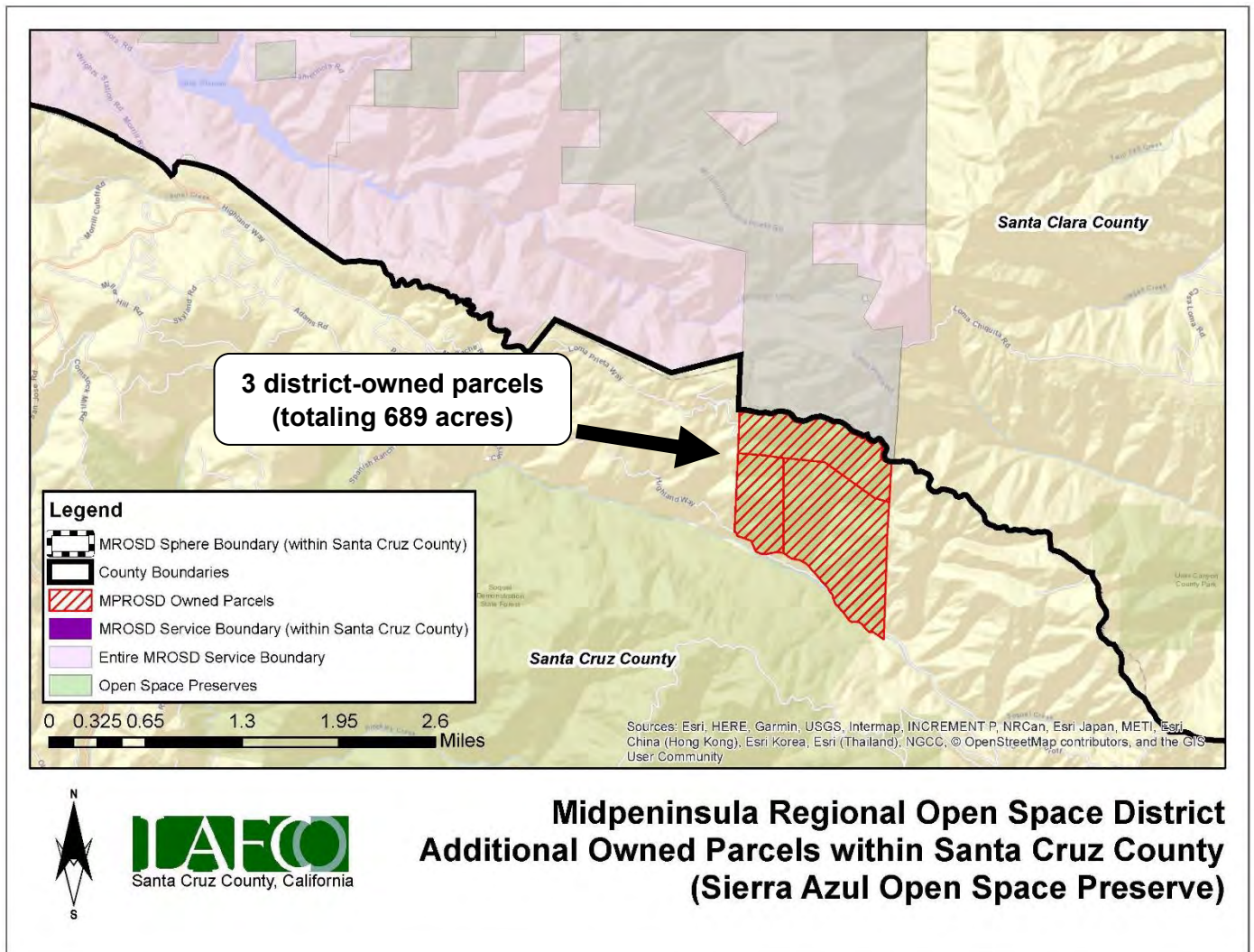
Figure 3: Bear Creek Redwoods Open Space Preserve (within Santa Cruz County)



- **Sierra Azul Open Space Preserve:** This preserve is located south of Los Gatos and covers over 19,000 acres. Visitors have access to 24 miles of hiking and equestrian trails. The majority of the preserve is located in Santa Clara County and is within the District’s jurisdictional and sphere boundaries. Similar to the Bear Creek Redwoods Open Space Preserve, a portion of this preserve extends into Santa Cruz County and is outside the District’s service and sphere limits. The area in question consists of 3 parcels, totaling 689 acres, and is owned and maintained by MROSD (as shown in **Figure 4** on page 11).

The District has previously expressed interest in annexing these parcels in the foreseeable future. However, the District should pursue annexation of lands in Santa Clara County prior to initiating annexation in Santa Cruz County to ensure that the District’s service area remains continuous. Therefore, staff is recommending once the District annexes the contiguous land in Santa Clara County that a stakeholder group be formed with representatives from the District and the LAFCOs of Santa Clara and Santa Cruz. The goal of this group is to evaluate the proposed annexation of District-owned parcels within Santa Cruz County.

Figure 4: Sierra Azul Open Space Preserve (within Santa Cruz County)



Population & Growth

The population of MROSD in 2020 was approximately 763,000. Based on staff's analysis, approximately 30 people reside in the Santa Cruz County portion of the District. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. **Table 1** on page 12 shows the anticipated population for each local agency within MROSD. The average rate of change in population for these municipalities is approximately 3%.

Population Projection

Based on the projections for the cities and counties within the District's service area, LAFCO staff was able to develop a population forecast for MROSD. LAFCO staff increased the District's 2020 population amount by 3% each year. Under this assumption, LAFCO staff projects that the entire population of MROSD will be approximately 859,000 by 2040, with the Santa Cruz County portion estimated to be around 32.

Table 1: Population Projections

Local Agencies within MROSD	2020	2025	2030	2035	2040	Average (%)
Cities						
Atherton	7,390	7,435	7,525	7,590	7,685	0.91%
Cupertino	63,515	64,730	65,690	66,565	68,305	1.70%
East Palo Alto	30,675	30,970	31,285	34,575	36,090	3.89%
Half Moon Bay	13,040	13,205	13,345	13,385	13,440	0.72%
Los Altos	31,530	31,895	3,225	32,655	32,960	0.91%
Los Altos Hills	8,340	8,390	8,475	8,540	8,650	0.82%
Los Gatos	31,635	32,120	32,560	32,780	33,050	1.14%
Menlo Park	44,530	48,490	52,865	53,455	54,920	7.83%
Monte Sereno	3,440	3,485	3,535	3,545	3,575	1.22%
Mountain View	111,725	112,875	119,445	128,085	138,980	11.57%
Palo Alto	81,170	81,595	82,835	84,465	86,510	4.25%
Portola Valley	4,590	4,610	4,640	4,675	4,730	0.56%
Redwood City	83,995	85,340	90,995	96,420	103,940	4.67%
San Carlos	33,205	33,580	33,915	34,670	35,250	1.39%
Saratoga	30,560	30,905	31,205	3,140	31,880	0.90%
Sunnyvale	149,935	157,705	162,975	203,780	222,210	8.27%
Woodside	5,680	5,700	5,745	5,795	5,855	0.82%
Counties (Unincorporated Areas Only)						
San Mateo	63,760	64,550	65,835	67,540	68,525	1.81%
Santa Clara	88,170	90,605	94,885	97,875	103,925	3.81%
Santa Cruz	136,891	137,896	139,105	140,356	141,645	0.96%
AVERAGE RATE OF CHANGE						3.00%
Midpeninsula Regional Open Space District*						
Entire Service Area (multi-county)	763,000	785,890	809,467	833,751	858,763	3.00%
District Sphere (within Santa Cruz County only)	29	30	30	31	32	3.00%

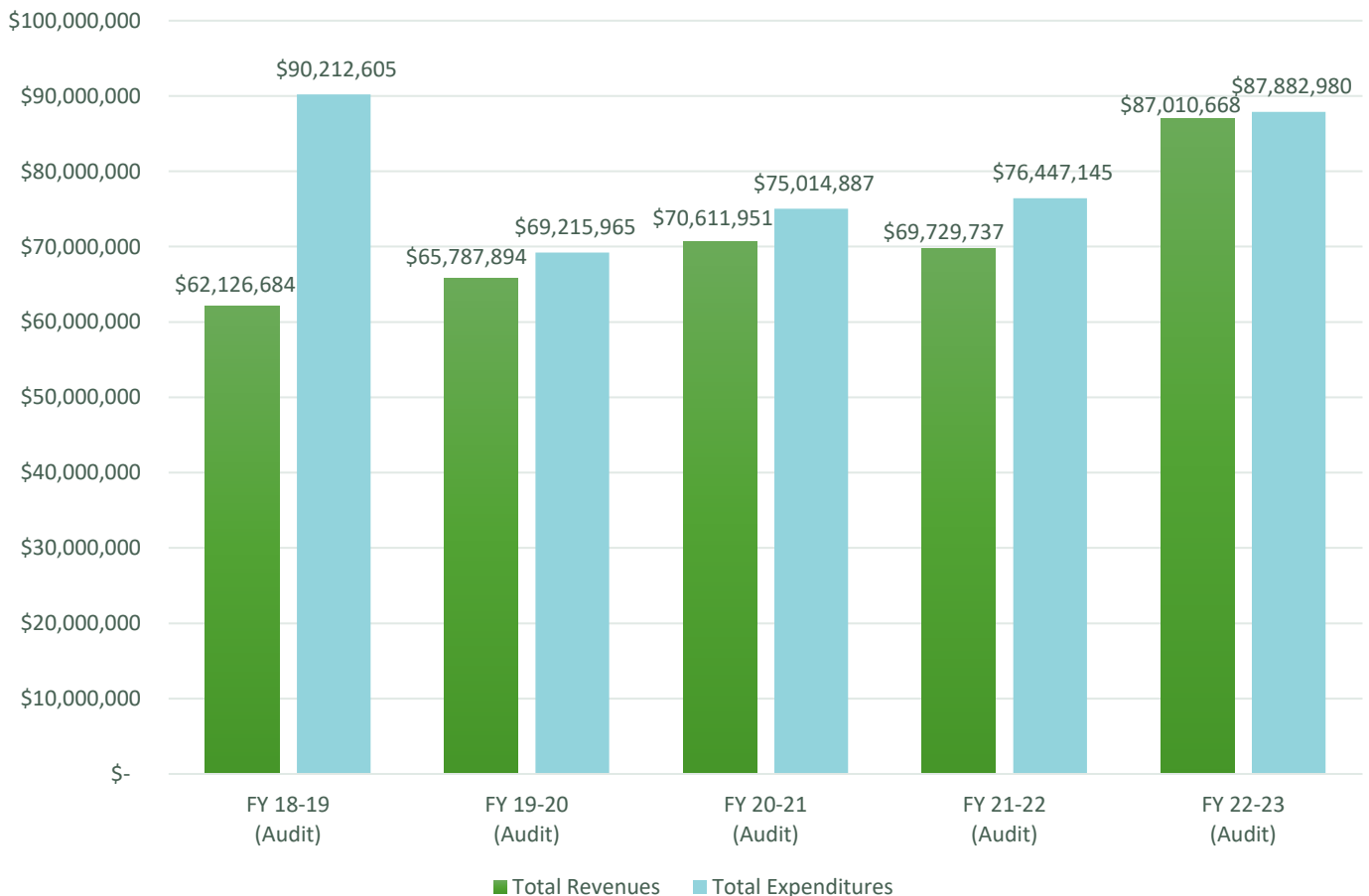
**Assumption – District’s population projections are based on the average rate of change (3%) from the local agencies and counties within Midpeninsula Regional Open Space District.*

FINANCES

This section will highlight the District’s audited financial performance during the most recent fiscal years. Fiscal Year 2022-23 is the latest audited financial statement available. A comprehensive analysis of the District’s fiscal health during the past five years is shown in **Tables 3 and 4**, on pages 17 and 18.

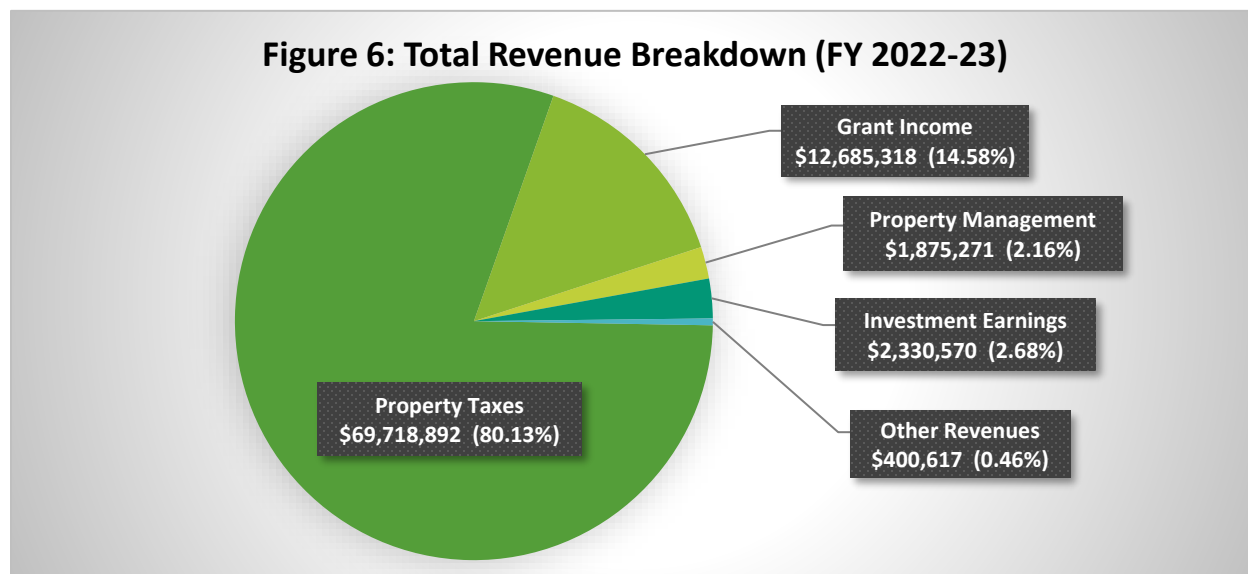
At the end of Fiscal Year 2022-23, total revenue collected was approximately \$87 million, representing a 25% increase from the previous year (\$70 million in FY 21-22). Total expenses for FY 2022-23 were approximately \$88 million, which increased from the previous year by 15% (\$76 million in FY 21-22). The District has ended with a deficit during the last five fiscal years, as shown in **Figure 5**. However, the District’s financial standing continues to be strong, General Fund Revenues continue to outpace General Fund Expenditures. When analyzing all funds, there is a structural deficit due to the significant investments the District made in a new administrative office partially covered by committed fund balance and several large land purchases covered by Measure AA bond funds. The District’s net position has grown by 33% in the last five years to \$489 million, demonstrating that the deficits do not have a negative impact on the District’s overall financial standing. At present, the District is heavily reliant to property taxes to fund its internal and external operations.

Figure 5: Statement of Revenues & Expenditures



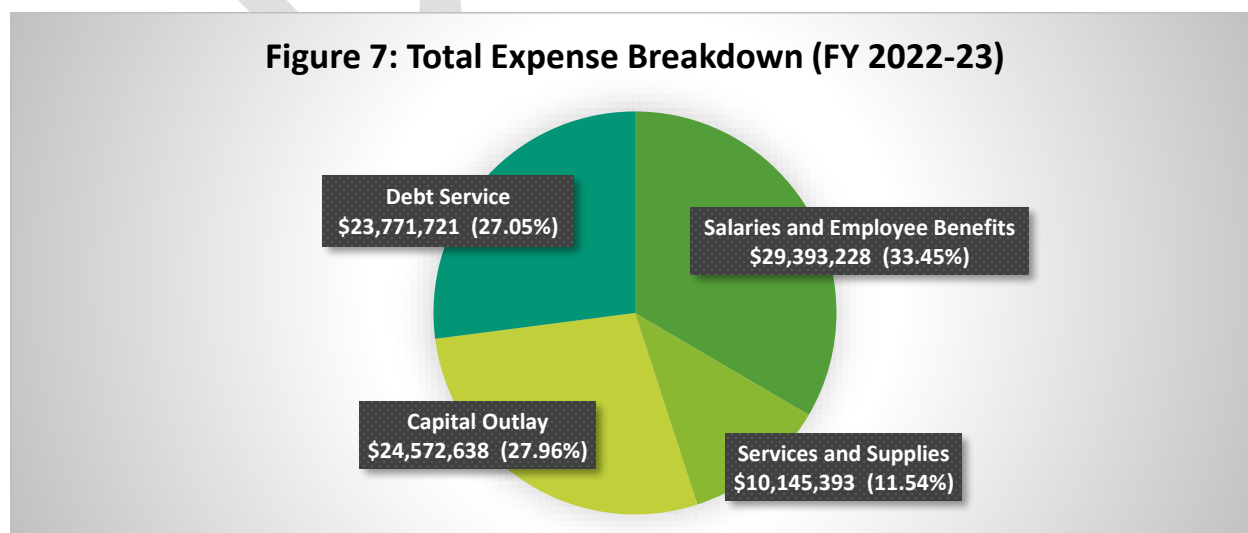
Operating Revenue

Midpeninsula Regional Open Space District has a limited amount of revenue streams to operate its services and facilities. Operating revenue for FY 2022-23 was approximately \$87 million. Property taxes continue to be the primary source of revenue for the District. In FY 2022-23, property taxes represented 80% of total revenue. **Figure 6** shows the breakdown of the District's revenue sources. During FY 2022-23, the District received approximately \$70 million from property taxes, \$13 million from grant income, \$2 million from property management, \$2.3 million from Investment Earnings, and \$400,000 from Other Revenues (ex. miscellaneous funds such as donations or other variable income).



Operating Expenditure

Operating costs for FY 2022-23 was approximately \$88 million. The District's expenses can be categorized into four groups: Salaries & Benefits, Services & Supplies, Capital Outlay, and Debt Service. In FY 2022-23, Salaries & Benefits represented approximately 33% of total expenditure. **Figure 7** shows the breakdown of the District's expenses. During FY 2022-23, the District incurred the following costs: approximately \$29 million in Salaries & Benefits, \$25 million in Capital Outlay, \$24 million in Debt Service, and \$10 million in Services & Supplies.

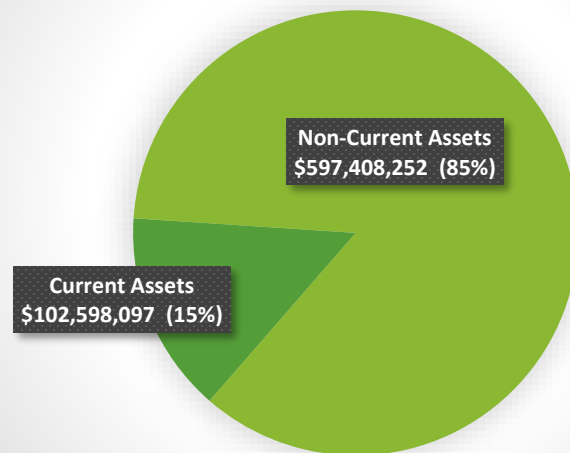


Assets & Liabilities

District Assets

As of June 30, 2023, the District had approximately \$700 million in total assets. This represents an increase of \$28 million or 4% from FY 2021-22's total assets of \$672 million. Total assets can be categorized into two groups: Current Assets and Non-Current Assets. In FY 2022-23, current assets were approximately \$103 million (15% of total assets) while non-current assets were approximately \$597 million (85% of total assets), as shown in **Figure 8**.

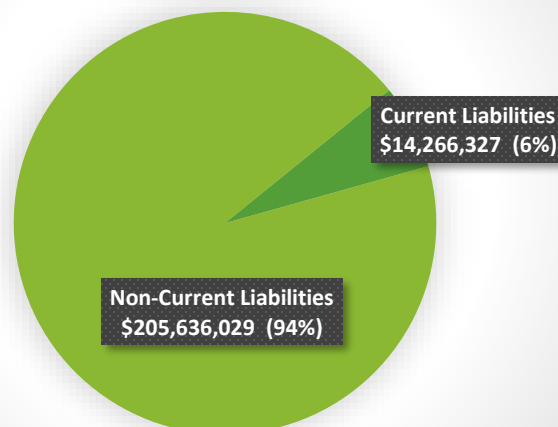
Figure 8: Total Assets Breakdown (FY 2022-23)



District Liabilities

As of June 30, 2023, the District had approximately \$220 million in total liabilities. This represents a decrease of approximately \$7 million or 3% from FY 2021-22's total liabilities of \$226 million. Total liabilities can be categorized into two groups: Current and Non-Current Liabilities. In FY 2022-23, current liabilities were approximately \$14 million (6% of total liabilities) and non-current liabilities were approximately \$206 million (94% of total liabilities), as shown in **Figure 9**.

Figure 9: Total Liabilities Breakdown (FY 2022-23)



A complete overview of the District's assets and liabilities is shown on page 19.

Net Position

As of June 30, 2023, the total fund balance ended with approximately \$100 million. The following table highlights the fund balance from 2019 to 2023. As shown in the table below, the District's fund balance has been declining each year, with the exception of FY 2022-23. It is important to note that the District would have ended in a deficit in FY 2022-23, however, it sold property that same year which earned the District \$10.4 million in revenue. District policy requires that the District maintains an unassigned fund balance of at least 30% of the Budgeted General Fund Total Revenue. The end of FY24 fund balance is approximately \$100 million (\$26.2 million of unassigned) and the Budgeted General Fund Revenue for FY25 is approximately \$78.7. A complete overview of the District's net position is shown in **Table 2**.

Table 2: Net Position Balance

	FY 17-18 (Audit)	FY 18-19 (Audit)	FY 19-20 (Audit)	FY 20-21 (Audit)	FY 21-22 (Audit)	FY 22-23 (Audit)
Ending Balance	\$132,413,225	\$104,327,304	\$100,899,233	\$96,466,566	\$90,382,188	\$99,909,876
Change from Previous Year (\$)		-\$28,085,921	-\$3,428,071	-\$4,432,667	-\$6,084,378	\$9,527,688
Change from Previous Year (%)		-21%	-3%	-4%	-6%	11%



La Honda Creek (Randy Weber)

Table 3: Total Revenues & Expenditures (FY 13-14 to FY 17-18)

	FY 18-19 (Audit)	FY 19-20 (Audit)	FY 20-21 (Audit)	FY 21-22 (Audit)	FY 22-23 (Audit)
REVENUES					
Property Taxes	\$ 54,395,054	\$ 57,250,664	\$ 62,476,170	\$ 64,409,628	\$ 69,718,892
Grant Income	\$ 1,081,711	\$ 3,293,483	\$ 2,881,053	\$ 3,884,075	\$ 12,685,318
Property Management	\$ 2,360,364	\$ 2,655,179	\$ 2,297,444	\$ 1,490,268	\$ 1,875,271
Investment Earnings (Losses)	\$ 3,648,705	\$ 2,326,866	\$ 1,978,944	\$ (896,478)	\$ 2,330,570
Other Revenues	\$ 640,850	\$ 261,702	\$ 978,340	\$ 842,244	\$ 400,617
Total Revenues	\$ 62,126,684	\$ 65,787,894	\$ 70,611,951	\$ 69,729,737	\$ 87,010,668
EXPENDITURES					
Salaries and Employee Benefits	\$ 21,095,865	\$ 23,615,953	\$ 25,490,539	\$ 25,963,012	\$ 29,393,228
Services and Supplies	\$ 8,090,095	\$ 7,828,976	\$ 8,743,629	\$ 9,323,616	\$ 10,145,393
Capital Outlay	\$ 45,355,657	\$ 20,101,473	\$ 24,139,794	\$ 25,115,629	\$ 24,572,638
Operational Expenditure, Sub-total	\$ 74,541,617	\$ 51,546,402	\$ 58,373,962	\$ 60,402,257	\$ 64,111,259
Total Revenue minus Operational Expenditure: Surplus/(Deficit)	\$ (12,414,933)	\$ 14,241,492	\$ 12,237,989	\$ 9,327,480	\$ 22,899,409
Debt Service:					
Principal	\$ 6,480,000	\$ 9,115,000	\$ 8,395,000	\$ 8,120,000	\$ 16,390,000
Interest	\$ 9,190,988	\$ 8,554,563	\$ 8,245,925	\$ 7,924,888	\$ 7,381,721
Total Expenditures	\$ 90,212,605	\$ 69,215,965	\$ 75,014,887	\$ 76,447,145	\$ 87,882,980
Total Revenue minus Operational Expenditure & Debt Service: Surplus/(Deficit)	\$ (28,085,921)	\$ (3,428,071)	\$ (4,402,936)	\$ (6,717,408)	\$ (872,312)
OTHER FINANCING SOURCES/(USES)					
Transfers In	\$ 49,928,981	\$ 21,110,274	\$ 16,227,318	\$ 38,927,003	\$ 19,774,853
Transfers Out	\$ (49,928,981)	\$ (21,110,274)	\$ (16,227,318)	\$ (38,927,003)	\$ (19,774,853)
Sale of Property	\$ -	\$ -	\$ -	\$ -	\$ 10,400,000
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ 10,400,000
FUND BALANCE					
Net Change in Fund Balance: Surplus/(Deficit)	\$ (28,085,921)	\$ (3,428,071)	\$ (4,402,936)	\$ (6,717,408)	\$ 9,527,688
Fund Balance - Beginning	\$ 132,413,225	\$ 104,327,304	\$ 100,869,502	\$ 97,099,596	\$ 90,382,188
Fund Balance - Ending	\$ 104,327,304	\$ 100,899,233	\$ 96,466,566	\$ 90,382,188	\$ 99,909,876

Table 4: Total Assets & Liabilities (FY 13-14 to FY 17-18)

	FY 18-19 (Audit)	FY 19-20 (Audit)	FY 20-21 (Audit)	FY 21-22 (Audit)	FY 22-23 (Audit)
ASSETS					
<u>Current Assets</u>					
Cash and Investments	\$ 108,106,556	\$ 104,639,305	\$ 103,028,263	\$ 96,071,885	\$ 101,934,965
Accounts Receivable:					
Deposits	\$ -	\$ -	\$ -	\$ -	\$ -
Rent	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 158,943	\$ 214,097	\$ 5,872	\$ 4,448	\$ 32,377
Other	\$ 182,269	\$ 362,854	\$ 101,667	\$ 60,151	\$ 197,302
Due from Other Governments:					
Taxable Receivable	\$ 221	\$ 221	\$ 345,073	\$ 346,220	\$ 221
Other Current Assets	\$ 195,315	\$ 221,226	\$ 320,095	\$ 286,387	\$ 433,232
Total Current Assets	\$108,643,304	\$105,437,703	\$103,800,970	\$ 96,769,091	\$102,598,097
<u>Non-Current Assets</u>					
Net OPEB Asset	\$ -	\$ -	\$ -	\$ 615,298	\$ -
Lease Receivable	\$ -	\$ -	\$ -	\$ 4,776,909	\$ 5,956,769
Notes Receivable	\$ 94,182	\$ 74,509	\$ 71,728	\$ 68,015	\$ 64,200
Unamortized Issuance Costs	\$ 468,350	\$ 414,042	\$ 359,736	\$ 305,431	\$ 259,873
Non-Depreciable Capital Assets	\$ 453,957,019	\$ 467,412,266	\$ 480,431,581	\$ 503,418,146	\$ 525,690,221
Capital Assets, Net of Depreciation	\$ 50,602,390	\$ 58,689,051	\$ 66,875,210	\$ 66,303,933	\$ 65,437,189
Total Non-Current Assets	\$505,121,941	\$526,589,868	\$547,738,255	\$575,487,732	\$597,408,252
TOTAL ASSETS	\$613,765,245	\$632,027,571	\$651,539,225	\$672,256,823	\$700,006,349
DEFERRED OUTFLOWS OF RESOURCES					
OPEB Adjustments	\$ 670,768	\$ 638,539	\$ 847,395	\$ 832,763	\$ 868,564
Pension Expense and Contributions	\$ 4,760,025	\$ 4,083,643	\$ 4,086,354	\$ 3,894,005	\$ 10,701,460
Deferred Loss on Early Retirement of Long-term Debt	\$ 9,395,700	\$ 8,550,577	\$ 7,705,452	\$ 6,860,335	\$ 6,264,908
Total Deferred Outflows of Resources	\$ 14,826,493	\$ 13,272,759	\$ 12,639,201	\$ 11,587,103	\$ 17,834,932
ASSETS + DEFERRED OUTFLOWS OF RESOURCES	\$628,591,738	\$645,300,330	\$664,178,426	\$683,843,926	\$717,841,281
DEFERRED INFLOWS OF RESOURCES					
OPEB Adjustments	\$ 92,510	\$ 215,779	\$ 231,079	\$ 1,580,183	\$ 691,633
Leases Receivable Deferrals	\$ -	\$ -	\$ -	\$ 4,194,486	\$ 5,218,800
Pension Adjustments	\$ 1,379,355	\$ 1,570,668	\$ 1,811,064	\$ 5,132,227	\$ 2,859,573
Total Deferred Inflows of Resources	\$ 1,471,865	\$ 1,786,447	\$ 2,042,143	\$ 10,906,896	\$ 8,770,006
LIABILITIES					
<u>Current Liabilities</u>					
Accounts Payable	\$ 2,516,839	\$ 2,616,408	\$ 5,821,678	\$ 6,100,357	\$ 1,917,150
Deposits Payable	\$ 218,240	\$ 177,135	\$ 60,584	\$ 99,843	\$ 329,094
Payroll and Other Liabilities	\$ 1,580,921	\$ 1,744,926	\$ 1,452,142	\$ 769,126	\$ 1,179,946
Accrued Interest	\$ 2,381,063	\$ 2,293,246	\$ 2,207,004	\$ 2,114,721	\$ 1,978,054
Current Portion of Long-Term Liabilities	\$ 9,998,885	\$ 9,278,885	\$ 8,584,627	\$ 10,494,627	\$ 8,862,083
Total Current Liabilities	\$ 16,695,948	\$ 16,110,600	\$ 18,126,035	\$ 19,578,674	\$ 14,266,327
<u>Non-Current Liabilities</u>					
Due Within One Year	\$ -	\$ -	\$ -	\$ -	\$ -
Due After One Year	\$ 243,049,767	\$ 235,321,577	\$ 228,565,745	\$ 206,843,174	\$ 205,636,029
Total Non-Current Liabilities	\$243,049,767	\$235,321,577	\$228,565,745	\$206,843,174	\$205,636,029
TOTAL LIABILITIES	\$259,745,715	\$251,432,177	\$246,691,780	\$226,421,848	\$219,902,356
NET POSITION					
Net Investment in Capital Assets	\$ 351,151,768	\$ 371,186,303	\$ 382,787,610	\$ 409,656,415	\$ 435,082,792
Restricted for:					
Debt Service	\$ 6,775,924	\$ 4,813,811	\$ 4,229,931	\$ 4,148,795	\$ 2,712,945
Hawthorne Maintenance	\$ 1,431,717	\$ 1,464,150	\$ 1,500,736	\$ 1,428,333	\$ 1,632,036
OPEB	\$ -	\$ -	\$ -	\$ 615,298	\$ -
Total Restricted	\$ 8,207,641	\$ 6,277,961	\$ 5,730,667	\$ 6,192,426	\$ 4,344,981
Unrestricted	\$ 8,014,749	\$ 14,617,442	\$ 26,926,226	\$ 30,666,341	\$ 49,741,146
TOTAL NET POSITION	\$367,374,158	\$392,081,706	\$415,444,503	\$446,515,182	\$489,168,919
DEFERRED INFLOWS + LIABILITIES + NET POSITION	\$628,591,738	\$645,300,330	\$664,178,426	\$683,843,926	\$717,841,281

GOVERNANCE

Legal Authority

The principal act that governs the District is Public Resources Code §§5500-5595. State law empowers the District to “plan, adopt, lay out, plant, develop, and otherwise improve, extend, control, operate, and maintain a system of public parks, ... trails, natural areas, ecological and open space preserves, parkways, scenic drives, boulevards, and other facilities for public recreation, for the use and enjoyment of all the inhabitants of the district, and it may select, designate, and acquire land, or rights in land, within or without the district, to be used and appropriated for such purposes” (Cal. Pub. Res. Code §5541). Pursuant to its enabling legislation, the District’s stated purpose is to purchase, permanently protect, and restore lands to form a regional open space greenbelt; preserve unspoiled wilderness, wildlife habitat, watershed, viewshed, and fragile ecosystems; and provide opportunities for low-intensity recreation and environmental education. The District primarily acquires or otherwise preserves land outside the urban service area (USA) boundaries of cities that has significant regional open space value.

Local Accountability & Structure

The District is governed by a seven-member elected board of directors. Each board member is elected to serve a four-year term and represents a geographic ward of approximately equal populations. Individual ward maps are included in **Appendix B**. The current Board is as follows:

Table 5: Board of Directors (as of September 2024)

Board Member	Title	Term of Office
Craig Gleason (Ward 1)	Board Treasurer	2023 - 2026
Yoriko Kishimoto (Ward 2)	Board Member	2023 - 2026
Jed Cyr (Ward 3)	Board Vice-President	2021 – 2024
Curt Riffle (Ward 4)	Board Secretary	2021 – 2024
Karen Holman (Ward 5)	Board Member	2023 - 2026
Margaret MacNiven (Ward 6)	Board President	2023 - 2026
Zoe Kersteen-Tucker (Ward 7)	Board Member	2021 - 2024

The Board holds its regular public meetings on the second and fourth Wednesdays of each month at 7:00 p.m., at the District administrative office located at 5050 El Camino Real, Los Altos, CA.

District staffing currently includes over 200 employees in 10 departments: Budget and Finance , Engineering and Construction, Human Resources, Information Systems and Technology, Land and Facilities, Natural Resources, Planning, Public Affairs, Real Property, and Visitor Services. Over 600 volunteers also assist the District each year ranging from one-day projects to ongoing natural history education, trail patrol, maintenance, and restoration programs.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies several components that must be found within an agency's website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California's special districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created as an effort to promote transparency in the operations and governance of special districts to the public. LAFCO conducted a thorough review of the District's website based on SB 929's criteria and the recommendations set by the SDLF. **Table 6** summarizes staff's findings on whether their website is meeting the statutory requirements. At present, MROSD meets all benchmarks, except for one requesting links or copies of previous LAFCO service reviews. Staff recommends that the District considers uploading past service reviews on their website for additional transparency. Overall, the District has a transparent website filled with useful information and resources that are easily accessible.

Table 6: Website Transparency

Website Components	Status (Yes = ✓)
Required Items (SB 929 Criteria and SDLF Benchmarks)	
1. Names and Contact Information of Board Members*	✓
2. Board Member Term Limits	✓
3. Names of Key Staff, including General Manager	✓
4. Contact Information for Staff	✓
5. Election/Appointment Procedure & Deadlines	✓
6. Board Meeting Schedule*	✓
7. Mission Statement	✓
8. Description of District's Services/Functions and Service Area	✓
9. Authorizing Statute/Enabling Act	✓
10. Adopted District Budgets*	✓
11. Financial Audits*	✓
12. Archive of Board Meeting Agendas & Minutes*	✓
13. Link to State Controller's Webpages for District's reported Board Member and Staff Compensation	✓
14. Link to State Controller's Webpages for District's reported Financial Transaction Report	✓
15. Reimbursement & Compensation Policy / Annual Policies	✓
16. Home Page Link to Agendas/Board Packets	✓
17. SB 272 - Compliance-Enterprise Catalogs	✓
18. Machine Readable/Searchable Agendas	✓
19. Recipients of Grant Funding or Assistance	✓
20. Link or Copies of LAFCO's Service & Sphere Reviews	
Total Score (out of a possible 20)	19 (95%)

Long-term Management Plan

Midpeninsula Regional Open Space District recently adopted a long-term strategic plan for the next 15 to 20 years. The District provides updates to this plan on an annual basis. The annual strategic plan provides a framework to guide the District in its planning process and in evaluating districtwide needs. The District understands that the future of a successful network of open space preserves depends on the success of both public and private partnerships at a regional level, as well as the enthusiastic support of the public who live and work there. Their goal is to work collaboratively with all of their partners to address regional land conservation, stewardship, and public access challenges.

At the same time, the District has placed energies on connecting and understanding our shared communities, which have experienced a major shift in demographics and interests in the last decade. The District's long-range plan for the future of open space is grounded in its original mission of preservation, restoration, public access and education, but it also focuses on a rapidly changing social and physical environment that requires foresight, flexibility, and the means to succeed. The District has four overarching goals they plan on completing in the next 15–20 years:

- **Goal 1** - Promote, establish, and implement a regional environmental protection vision with partners
- **Goal 2** - Protect the positive environmental and biodiversity values of open space and agricultural lands
- **Goal 3** - Connect people to open space and agricultural lands, and a regional environmental protection vision
- **Goal 4** - Strengthen organizational capacity and long-term financial sustainability to fulfill the mission

These goals, with its supporting objectives and assigned projects, are discussed in detail within each adopted strategic plan. Access to the annual strategic plans are available on the District's website: <https://www.openspace.org/about-us/district-reports>.



Board Redistricting Effort

Following the federal census every ten years, MROSD’s board of directors was required by law to ensure that the geographic areas, or “wards”, which our seven publicly elected board members represent, remain substantially equal in population. This effort required the District to evaluate and adjust the boundaries of their seven wards to ensure that representation mirrors population shifts. After a six-month public outreach process, the board of directors adopted a map that was used during the November 8, 2022 general election. **Appendix C** provides an overview map of the new ward map.

Opportunities & Challenges

Midpeninsula Regional Open Space District has been in existence for over 50 years now. During this time, the District has preserved over 73,000 acres of open space on 27 preserves in Santa Clara and San Mateo Counties, with a small portion located in Santa Cruz County. The result is an integrated regional open space system that offers recreational activities to all visitors, regardless of whether they are constituents of the District.

The small portion located in Santa Cruz County consists of approximately 1,500 acres and form the southern ends of Long Ridge, Bear Creek Redwoods, and Sierra Azul Preserves. These lands are all owned and managed by the District. There are also other District-owned parcels located in Santa Cruz County but outside MROSD’s jurisdictional and sphere boundaries. While MROSD has previously expressed interest in annexing lands owned and operated by the District in the foreseeable future, no efforts have been made to this day. It may be beneficial for the District and the affected LAFCOs to explore the proposed annexation of the District-owned parcels.

LAFCO Staff Recommendation: *Joint effort by the District, Santa Clara LAFCO, and Santa Cruz LAFCO to discuss the annexation, and concurrent sphere amendment, involving the District-owned parcels located within Santa Cruz County.*



Fremont Older (Frank Mao)

SPHERE OF INFLUENCE

Cortese-Knox-Hertzberg Act

City and special district spheres of influence define the probable physical boundaries and service area of a local agency, as determined by the Commission (Government Code Section 56076). The law requires that spheres be updated at least once every five years either concurrently or subsequently to the preparation of Municipal Service Reviews. Spheres are determined and amended solely at the discretion of the Commission. In determining the sphere of influence for each local agency, the Commission is required by Government Code Section 56425(e) to consider certain factors, including:

- The present and planned uses in the area, including agricultural and open-space lands;
- The present and probable need for public facilities and services in the area;
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
- For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Current Sphere Boundary

Santa Clara LAFCO, as the principal LAFCO, has adopted a multi-county sphere of influence for the District. The District's multi-county sphere of influence is generally coterminous with its jurisdictional boundary, as shown in **Figure 10** on page 24. In addition to this multi-county sphere, and following the 1992 annexation of 1,500 acres, Santa Cruz LAFCO also adopted a sphere of influence for MROSD within Santa Cruz County only. In January 2008 and again in November 2019, Santa Cruz LAFCO reaffirmed this sphere boundary. The sphere boundary within Santa Cruz County is slightly larger than the District's existing service area and has remained unchanged. **Figure 11** on page 25 shows the sphere map created by Santa Cruz LAFCO.

In December 2013, Santa Clara LAFCO conducted a service review involving Midpeninsula Regional Open Space District and noted the District's interest in expanding its sphere of influence to include additional parcels owned within Santa Cruz County. Specifically, the District expressed the desire to annex the Loma Prieta Ranch, which is a part of Sierra Azul Open Space Preserve, and to annex the southern portion of the Bear Creek Redwoods Open Space Preserve. Both territories are owned by MROSD and are part of preserves already maintained by the District. LAFCO is recommending that the Commission reaffirm the sphere boundary with the condition that the District and the affected LAFCOs discuss the possible annexation of the District-owned parcels.

Figure 10: Multi-County Sphere of Influence (adopted by Santa Clara LAFCO)

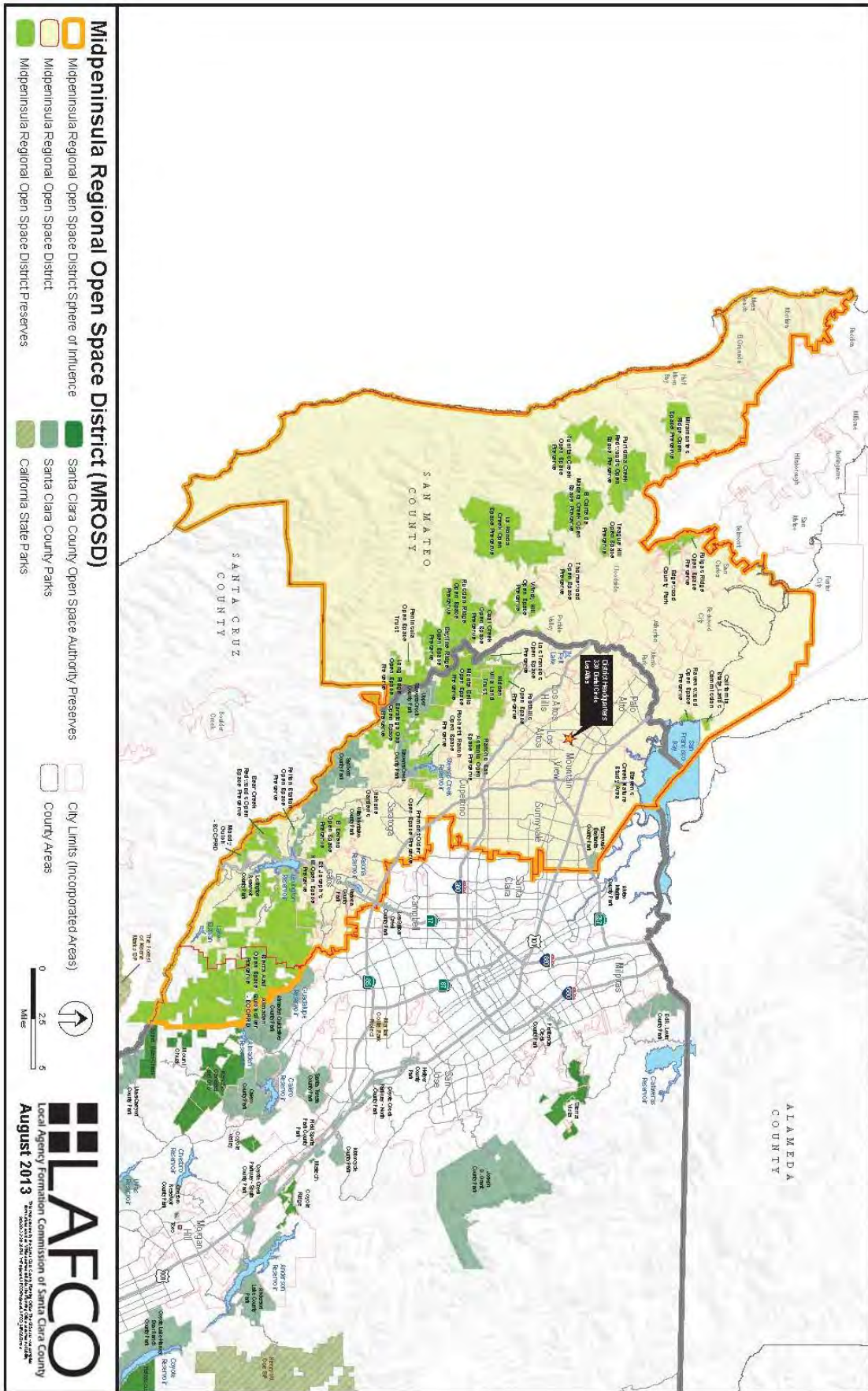
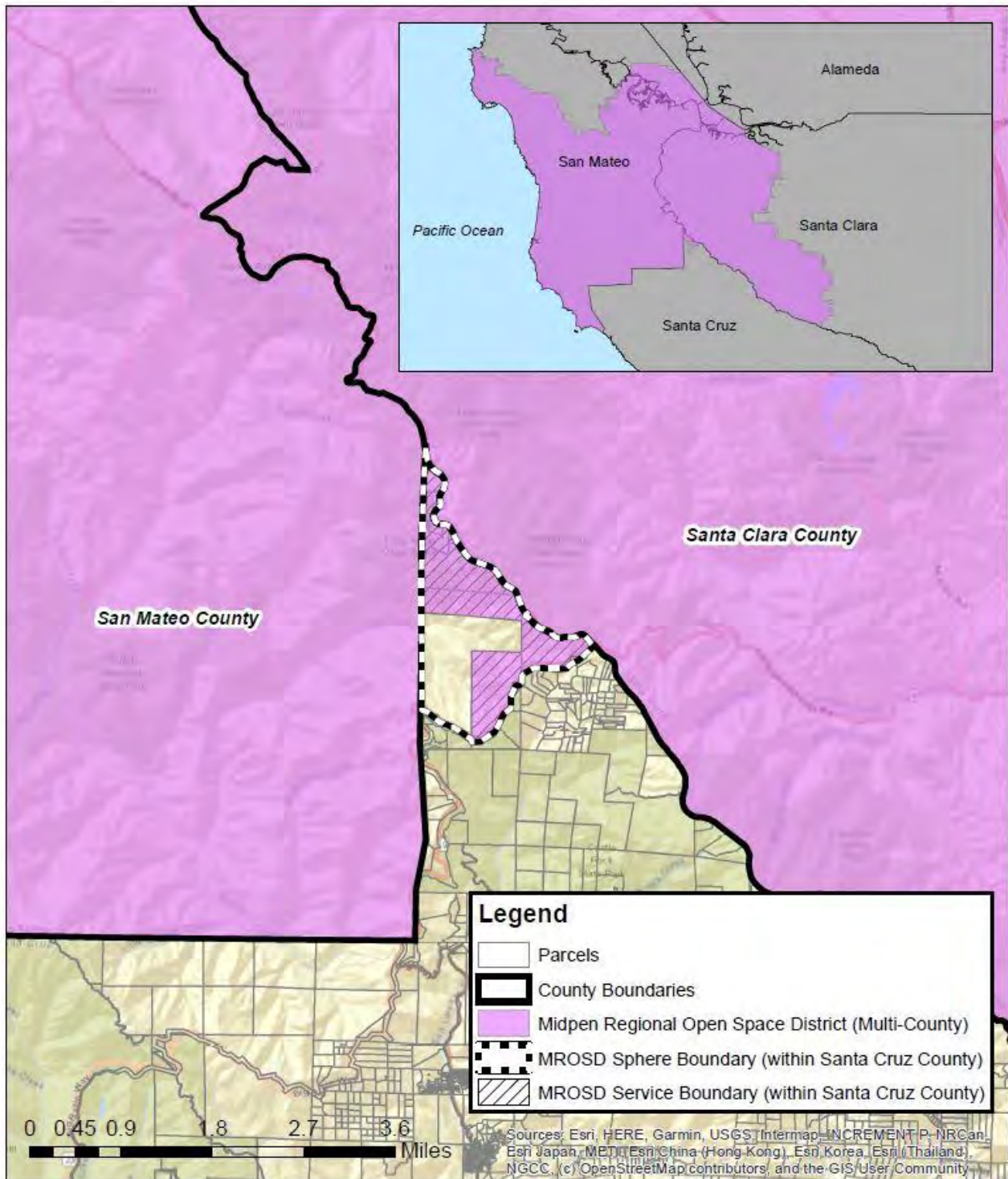


Figure 11: Sphere of Influence (considered by Santa Cruz LAFCO)



**Midpeninsula Regional Open Space District
Service & Sphere Boundaries within Santa Cruz County**

Original Sphere adopted on March 25, 1992

Sphere reaffirmed on January 9, 2008

Sphere reaffirmed on November 6, 2019

Sphere reaffirmed with condition on October 2, 2024



Map created on 9/3/24

DISTRICT SUMMARY CHART

Midpeninsula Regional Open Space District	
Formation	Public Resources Code §§5500-5595
Board of Directors	Governed by a seven-member Board of Directors. The District is divided into seven geographic wards, each represented by an elected Board member for a four-year term.
Contact Person	Ana María Ruiz, General Manager
Employees	Approximately 200 employees in 10 departments; The District has four field offices, one located at Rancho San Antonio Open Space Preserve one off of Skyline Blvd at Skyline Ridge Open Space Preserve, one located in the city of Campbell, and a small outpost office in La Honda Creek Open Space Preserve.
Facilities	The District owns and manages 27 open space preserves.
District Area	The District's entire boundary consists of nearly 67,000 acres of preserved land and encompasses three counties – Santa Clara, San Mateo, and Santa Cruz. In Santa Cruz County, the District serves approximately 1,500 acres (2.3 square miles).
Sphere of Influence	Santa Clara LAFCO (Principal LAFCO): Multi-County Sphere Boundary. Santa Cruz LAFCO: Sphere boundary is slightly larger than the District's jurisdictional boundary within Santa Cruz County.
FY 2022-23 Audit	Total Revenue = \$87,010,668 Total Expenditure = \$87,882,980 Net Position (Ending Balance) = \$99,909,876
Contact Information	Mailing Address: 5050 El Camino Real, Los Altos, CA Phone Number: 650-691-1200 Email Address: aruiz@openspace.org Website: https://www.openspace.org/
Public Meetings	Regular meetings are held on the second and fourth Wednesday of the month, at 7:00 pm. These Board meetings are typically held at the District's administrative office in Los Altos and are open to the public.
Mission Statement	"To acquire and preserve a regional greenbelt of open space land in perpetuity, protect and restore the natural environment, and provide opportunities for ecologically sensitive public enjoyment and education."

SERVICE & SPHERE DETERMINATIONS

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act. Midpeninsula Regional Open Space District's staff and ad-hoc committee members were instrumental in addressing the statutory determinations by providing data and other requested information to LAFCO staff in a timely fashion.

Service Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere of influence. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

The population for MROSD in 2020 was 763,000. Based on LAFCO's analysis, staff determined that 29 people reside in the Santa Cruz County portion of the District's jurisdictional and sphere boundaries during that same year. LAFCO staff projects that the entire population of MROSD will be approximately 842,000 by the year 2040. The estimated population in the Santa Cruz County portion will be around 32 by the year 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

In 2017, the California statewide median household income was \$67,169, and 80% of that was \$53,735. LAFCO staff utilized the ArcGIS mapping program to locate potential disadvantaged unincorporated communities (DUCs) within the District's service and sphere boundaries. Based on the criteria set forth by SB 244, staff's analysis indicates that there are no areas in MROSD designated as a DUC. In addition, MROSD does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District's purpose is to create a regional greenbelt of unspoiled public open space lands in order to permanently protect the area's natural resources and to provide for public use and enjoyment. The District has preserved nearly 73,000 acres of public land and manages 27 open space preserves – 25 of which are open to the public free of charge. MROSD does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

4. Financial ability of agencies to provide services.

The District has a limited revenue stream to operate its services and facilities. Total operating revenue for FY 2022-23 was approximately \$87 million. Based on LAFCO's analysis, the District expressed an annual deficit during the last five fiscal years (FY 2018-19 to FY 2022-23). At present, the District is heavily reliant to property taxes to fund its internal and external operations.

5. Status of, and opportunities for, shared facilities.

The District works to form a continuous greenbelt of permanently preserved open space by linking its lands with other public parklands. Such actions and goals are completed by collaborating with other local agencies including but not limited to counties, cities, and other local organizations.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

The District is governed by a seven-member elected board of directors. Each board member is elected to serve a four-year term and represents a geographic ward of approximately equal populations. The Board holds its regular public meetings on the second and fourth Wednesdays of each month at 7:00 p.m., at the District administrative office: 5050 El Camino Real, Los Altos, CA.

District staffing currently includes more than 200 employees in 10 departments: Budget and Finance, Engineering and Construction, Human Resources, Information Systems and Technology, Land and Facilities, Natural Resources, Planning, Public Affairs, Real Property, and Visitor Services. Over 600 volunteers also assist the District each year ranging from one-day projects to ongoing natural history education, trail patrol, maintenance, and restoration programs.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District's purpose is to create a regional greenbelt of unspoiled public open space lands in order to permanently protect the area's natural resources and to provide for public use and enjoyment. The District encompasses over 550 square miles of territory. Open space preserves are generally kept in a natural condition in order to best protect the environment and wildlife habitats, and are developed with only the amenities needed to provide low-intensity recreation. Ranging from 55 to over 19,400 acres, 25 of the 27 preserves are open to the public all year round.

2. The present and probable need for public facilities and services in the area.

The District encompasses over 550 square miles in three separate counties and offers more than 256 miles of recreational trails. Open space services provided by MROSD are not restricted to residents within the District's jurisdiction. It is estimated that approximately 763,000 residents currently live within MROSD's service area but on average, over 2.4 million people visit the 25 preserves open to the public owned and operated by the District each year. As a result, there is a constant demand for open space services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District has adopted a long-term strategic plan and provides an update to this plan on an annual basis. The annual strategic plans provide a framework to guide the District in its planning process and in evaluating Districtwide needs. The District's goal is to work collaboratively with all of their partners to address regional land conservation, stewardship, and public access challenges. Various projects and accomplishments have been completed as a result of these adopted strategic plans.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

Santa Clara LAFCO is the "principal LAFCO" for the District under Government Code Section 56066.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Neither the District nor LAFCO has identified any sub-area within or contiguous to the District's service or sphere boundaries that meet the definition of a disadvantaged unincorporated community. In addition, MROSD does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

APPENDICES

A. Santa Clara LAFCO (Principal LAFCO) Adopted Policy

B. MROSD Board of Directors – Individual Ward Maps

C. MROSD Board of Directors – Multi-County Wide Ward Map



APPENDIX A:

Santa Clara LAFCO (Principal LAFCO) Adopted Policy

POLICIES AND PROCEDURES FOR PROCESSING PROPOSALS AFFECTING MORE THAN ONE COUNTY

Legislative Authority

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 sets forth that the county having all or the greater portion of the assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district for which a change of organization or reorganization is proposed, is the principal county for changes in organization involving that district. It further states that the LAFCO of the principal county shall have jurisdiction over all boundary changes affecting that district including changes of organization involving territory in another county. Exclusive jurisdiction shall be vested in the LAFCO of the principal county, unless the principal county vests jurisdiction in the LAFCOs of the affected county and both LAFCOs agree to transfer of jurisdiction.

Santa Clara LAFCO recognizes the need to collaborate on a regional level when considering a change of organization of a district that affects another County. In order to further this collaboration and assure thorough and consistent consideration of applications affecting more than one county, this Commission adopts the following procedure for processing applications from multi-county districts.

A. Transfer of Jurisdiction to LAFCO of Affected County

When requested by a LAFCO of an affected county, Santa Clara LAFCO will consider and determine on a case-by-case basis whether it is appropriate to transfer jurisdiction to the LAFCO of the affected County.

B. Procedure for Processing of Applications affecting more than one county when Santa Clara LAFCO is Principal LAFCO

1. Applications affecting the boundaries of a district for which Santa Clara LAFCO is principal LAFCO will be submitted to Santa Clara LAFCO including instances in which the subject territory is located in another county. Prior to application, applicants should meet with staff of principal LAFCO regarding process and application requirements. Applicant must comply with application requirements of both LAFCOs.
2. Upon receipt of the application involving territory in another county, staff will immediately forward a copy of the application to the LAFCO of the county containing the subject territory.

3. The commission of the principal county will also provide notice to the chair, each board member, and the executive office of all affected agencies of any proceedings, actions or reports on the proposed change of organization.
4. Santa Clara LAFCO staff will consult with the staff of the affected LAFCO and affected agencies in the county containing territory in order to gather data for the Executive Officer's report and recommendation.
5. The application will be scheduled for hearing by Santa Clara LAFCO so that the LAFCO of the affected county has had time to review the application and submit a written recommendation to be included in the Executive Officer's report for Santa Clara LAFCO consideration at a public hearing.
6. At the hearing, the Commission will consider the Executive Officer's report, the recommendation of the LAFCO containing the subject territory and the comments of affected individuals and agencies in making its determination.
7. Following the conclusion of the hearing, the Executive Officer will forward any resolutions and written report of Commission action to the chair, each board member, the executive office of all affected agencies and the LAFCOs of the affected county.

C. Applications affecting territory in Santa Clara County when Santa Clara LAFCO is not Principal LAFCO

Upon receipt by Santa Clara LAFCO of a notice and referral from a LAFCO of another county of an application for change of organization affecting territory in Santa Clara County, staff will place the application and report and recommendation on Santa Clara LAFCO's next possible agenda so that the Commission may consider the application and forward a recommendation to the LAFCO of the principal county. Said applications will be processed and a staff report will be prepared consistent with Santa Clara LAFCO's Policies and Procedures

Adopted December 11, 2002

APPENDIX B:

MROSD Board of Directors (Individual Ward Maps)

Ward 1

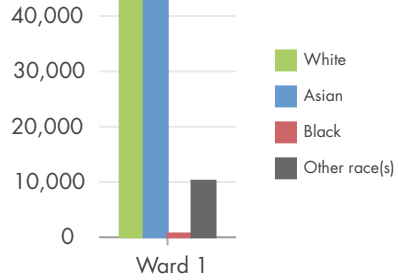
Detailed Map

Census 2020 Redistricting

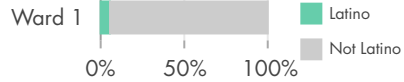


109,009 persons
0.00% from target population

Racial demographics



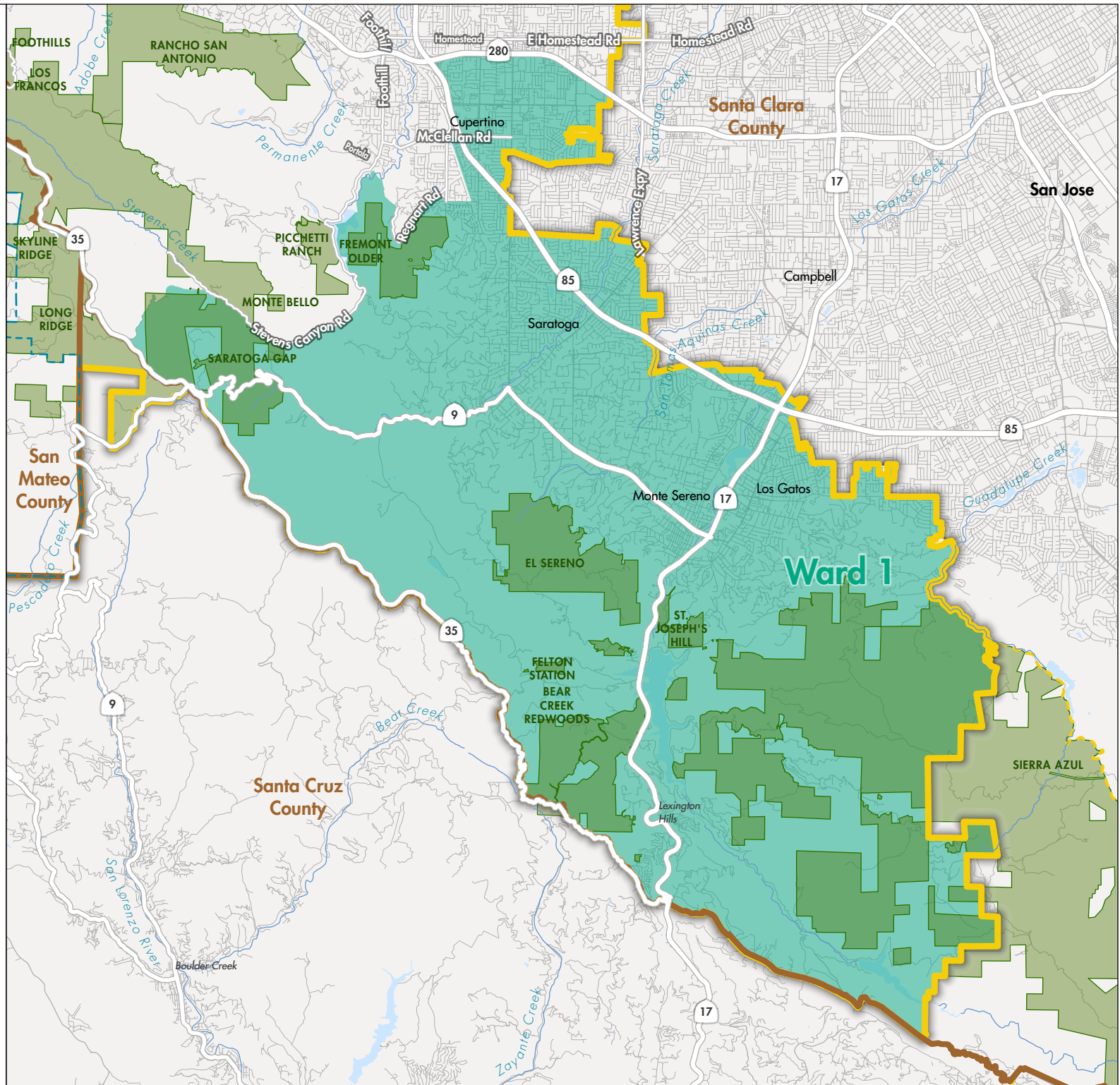
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 2

Detailed Map
Census 2020 Redistricting

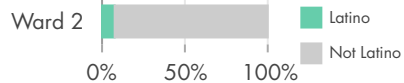


109,675 persons
+0.61% from target population

Racial demographics



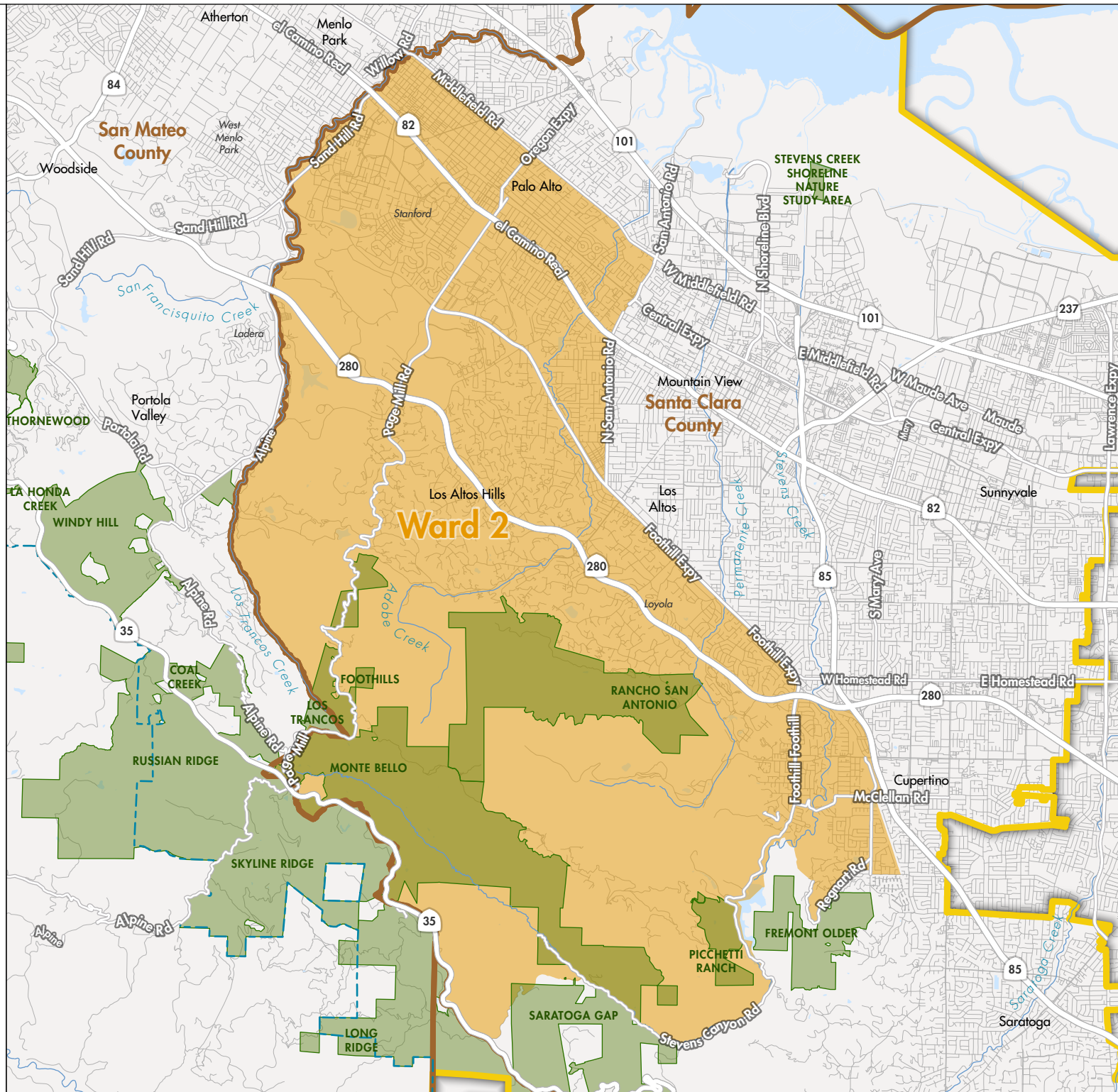
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 3

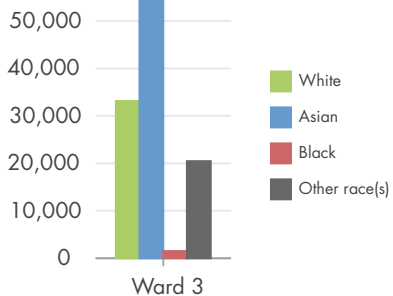
Detailed Map

Census 2020 Redistricting

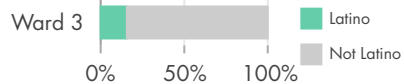


112,776 persons
+3.45% from target population

Racial demographics



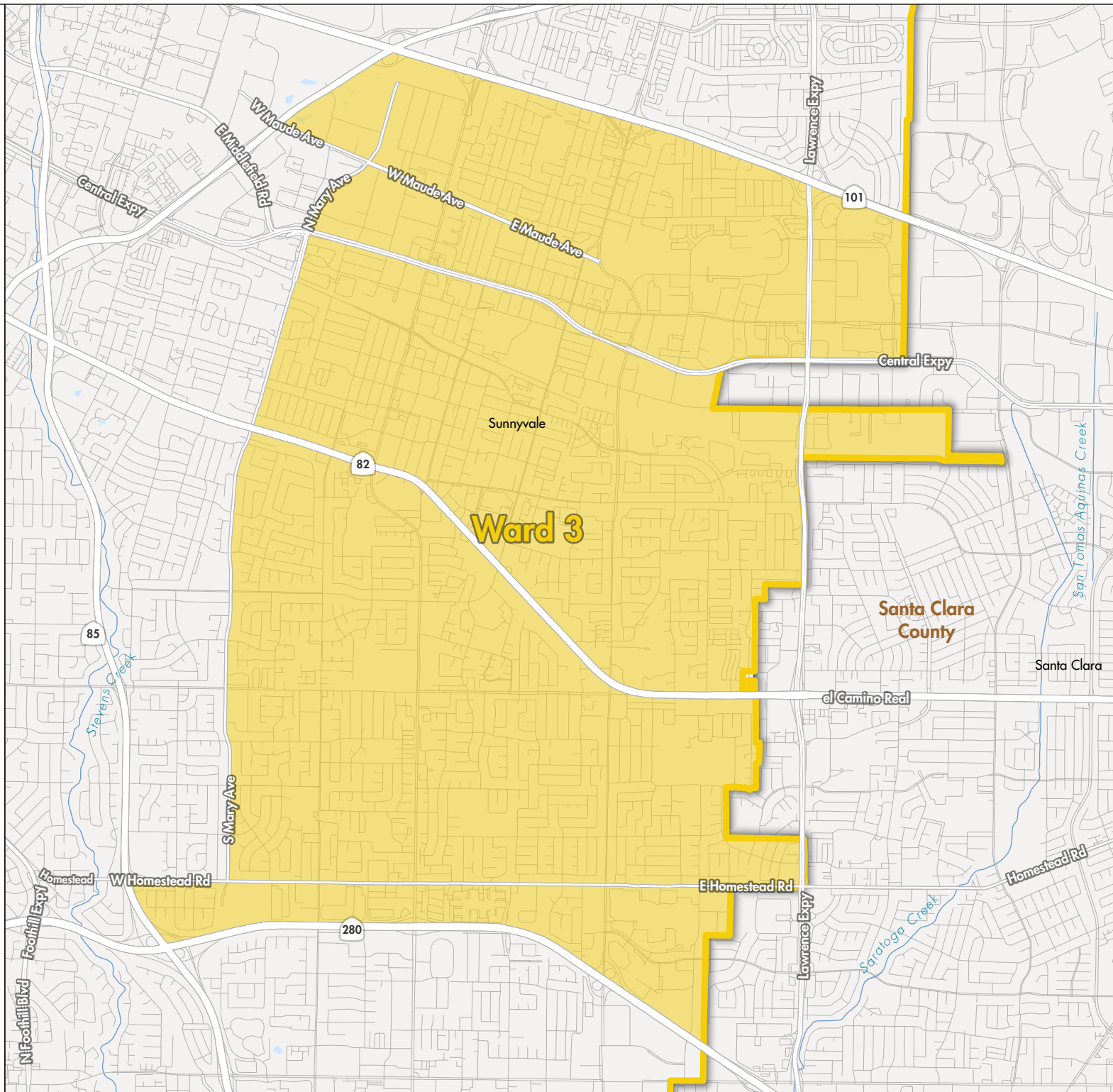
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 4

Detailed Map
Census 2020 Redistricting

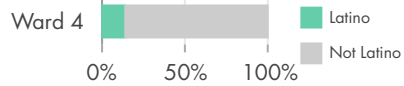


110,939 persons
+1.77% from target population

Racial demographics



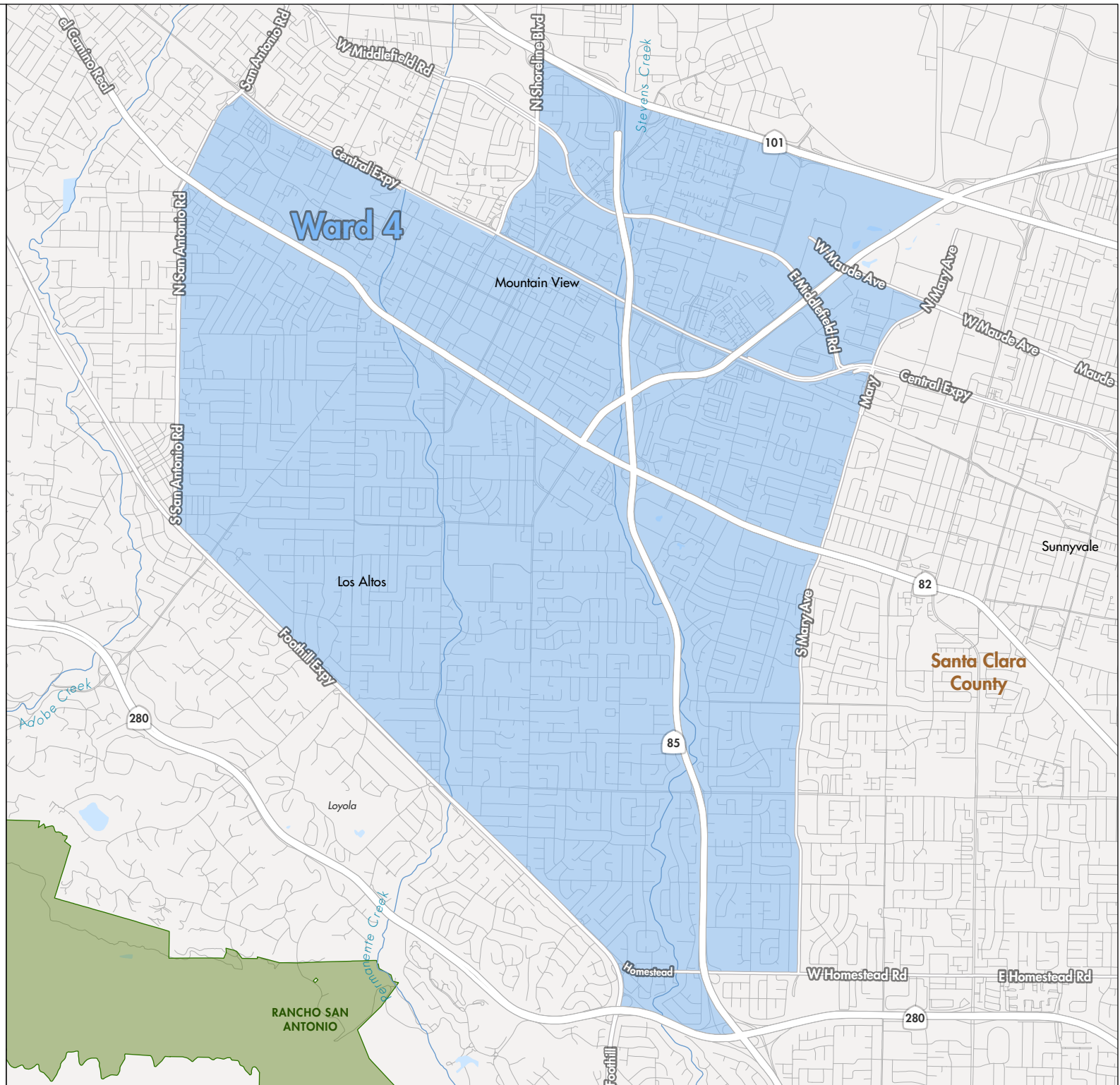
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 5

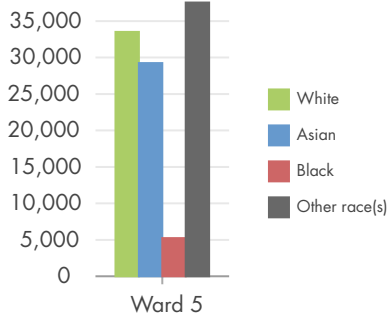
Detailed Map
Census 2020 Redistricting



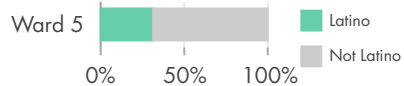
105,543 persons

-3.18% from target population

Racial demographics



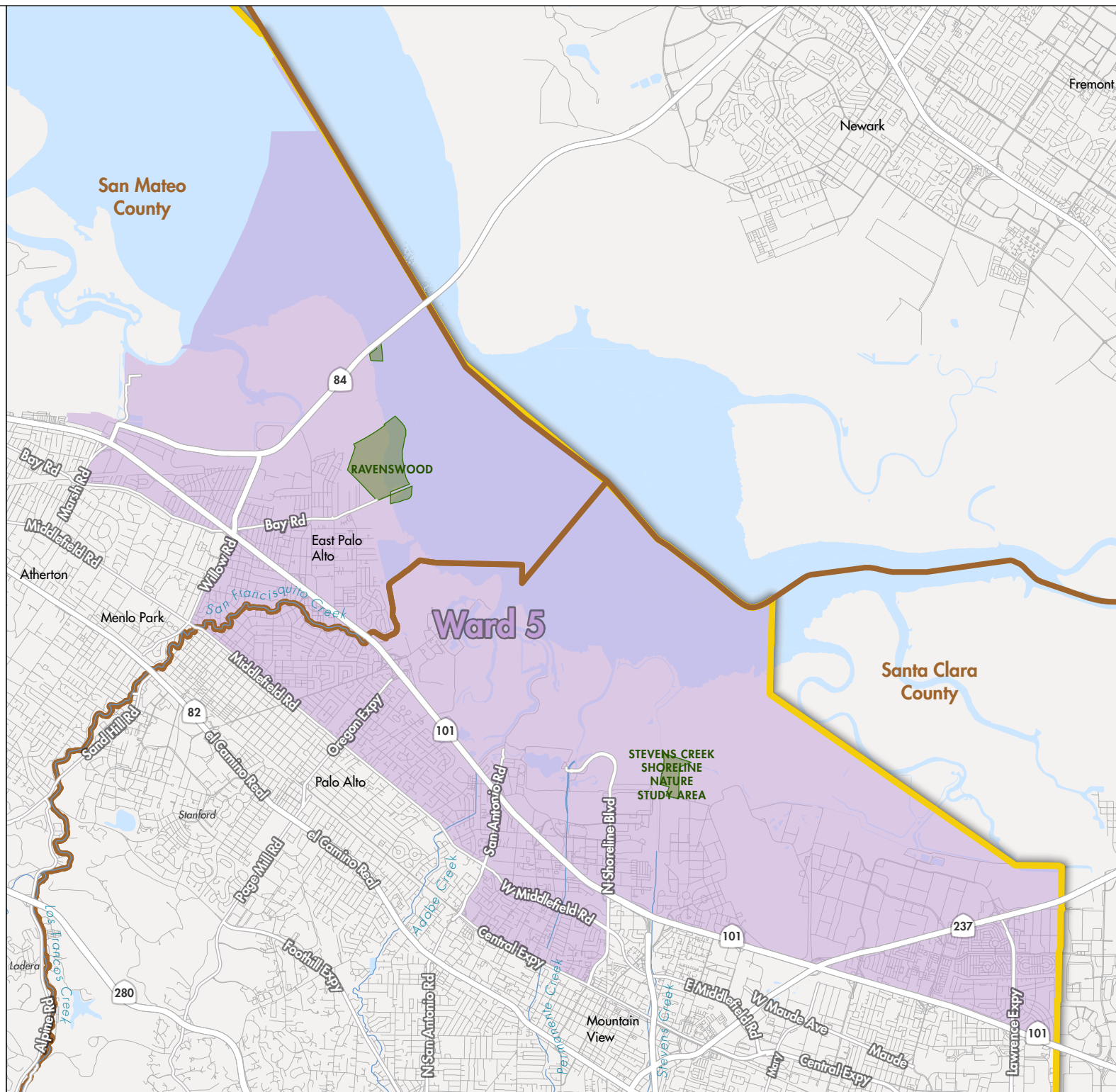
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 6

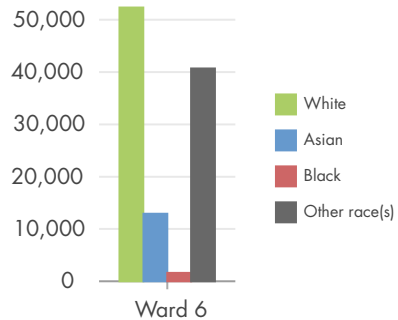
Detailed Map
Census 2020 Redistricting



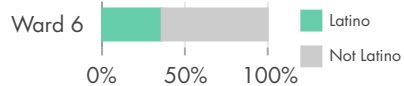
107,559 persons

-1.33% from target population

Racial demographics



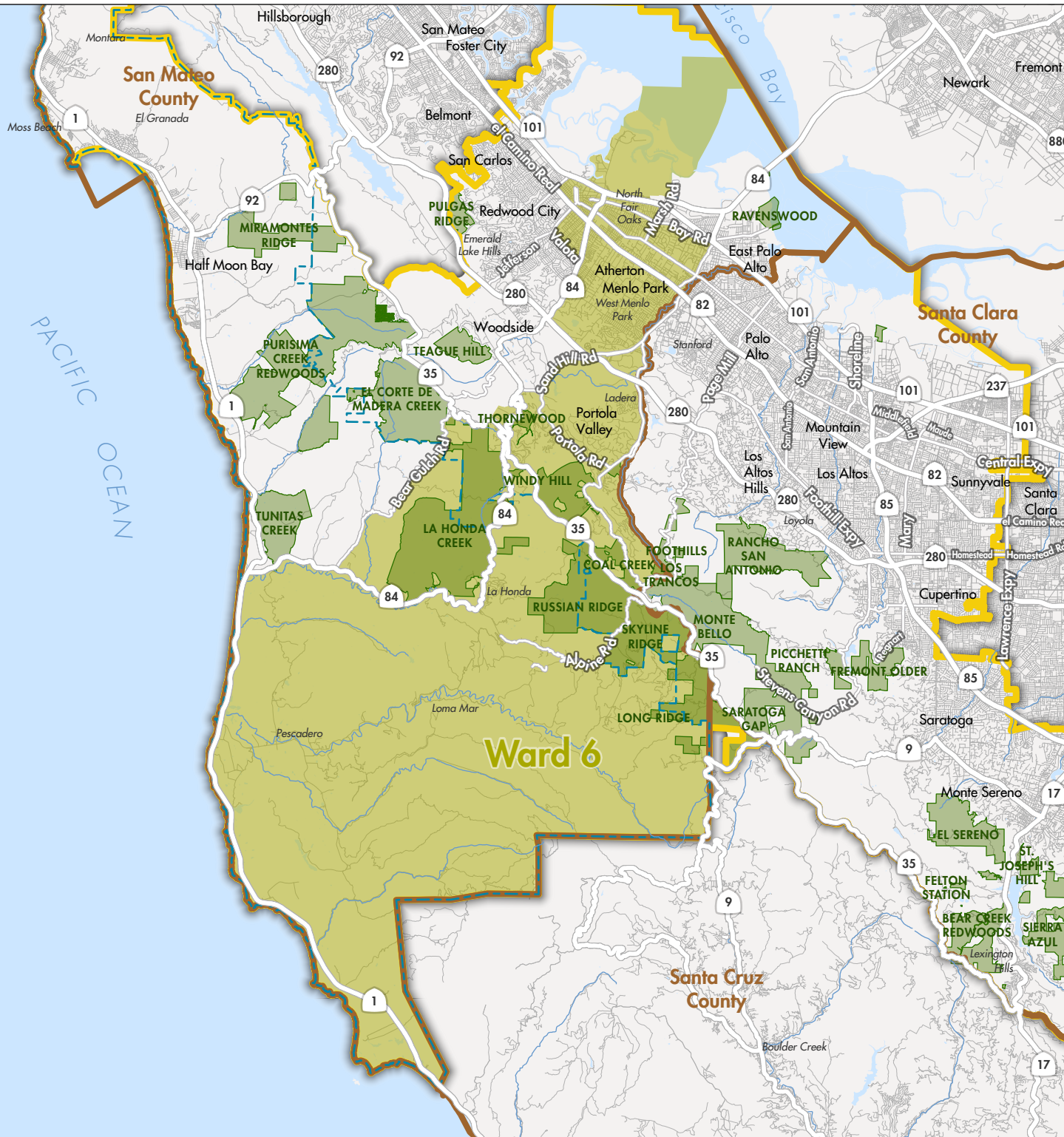
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Incorporated city/town
- Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



Ward 7

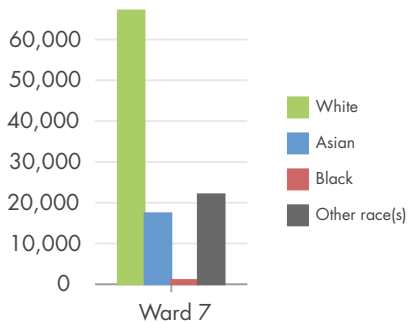
Detailed Map
Census 2020 Redistricting



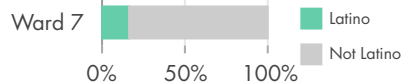
107,571 persons

-1.32% from target population

Racial demographics



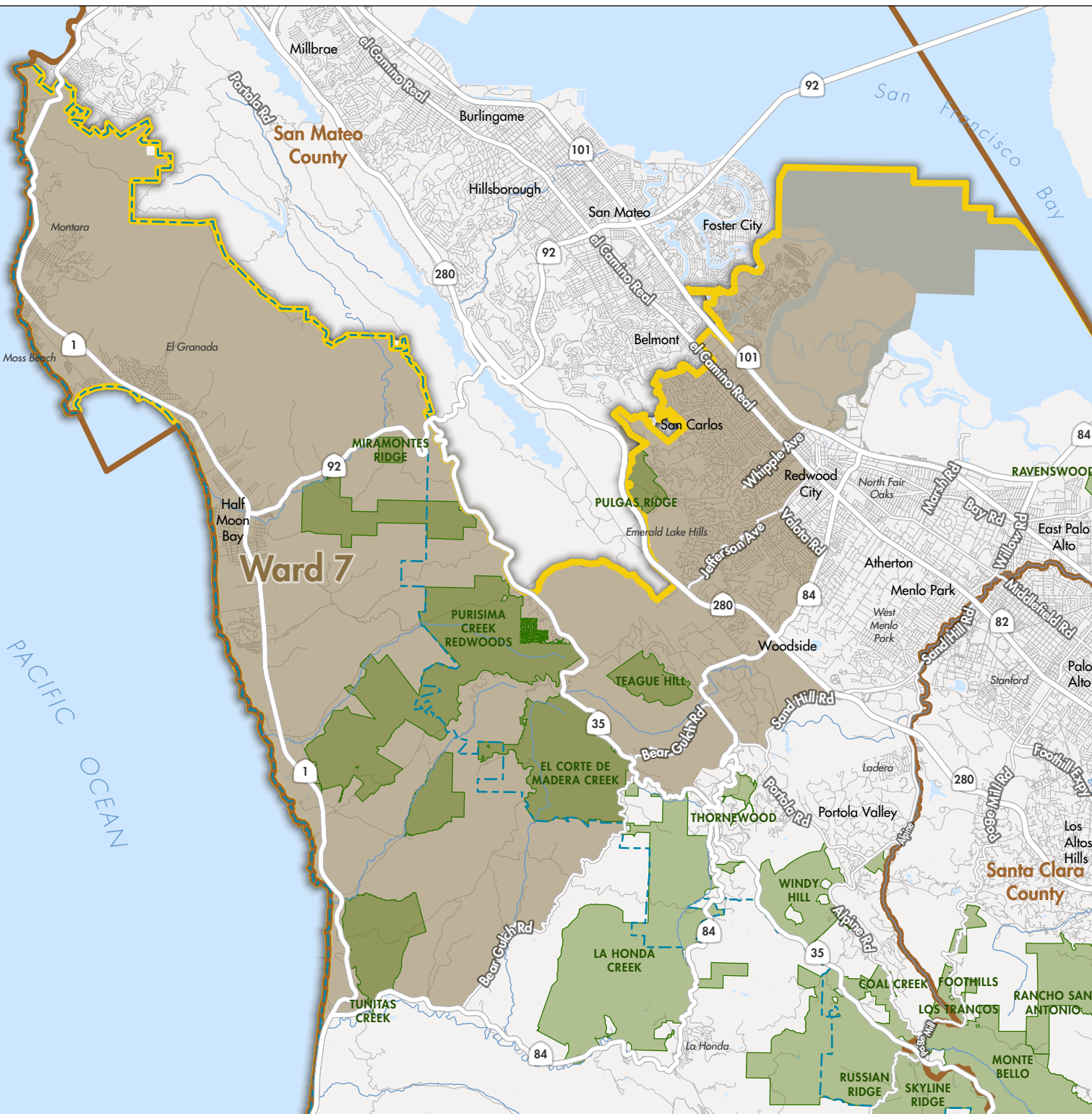
Hispanic/Latino origin



Map legend

- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/1/2022



APPENDIX C:

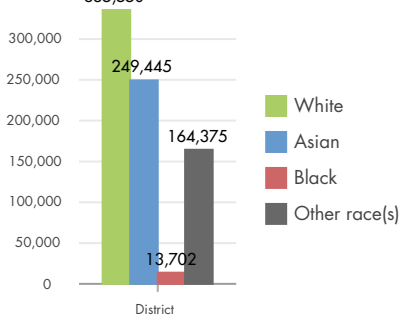
MROSD Board of Directors (Multi-County Wide Ward Map)

Overview Map
Census 2020 Redistricting

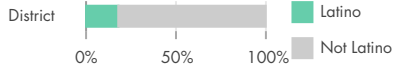


763,072 persons
Target population per ward: 109,010

Racial demographics



Hispanic/Latino origin



Map legend

- Ward boundaries: 1, 2, 3, 4, 5, 6, 7
- Wards constructed from 2020 Census block geography.
- County boundary
- District boundary
- Sphere of influence
- Coastside protection area
- Preserve boundary
- Aa Incorporated city/town
- Aa Census designated place

Midpeninsula Regional
Open Space District
3/2/2022

