



Staff Report

DATE: April 10, 2017
TO: Local Agency Formation Commission
FROM: Michelle McIntyre
SUBJECT: **Legislative Update**

Staff recommends the Commission consider taking a support position on AB 464 and AB 1725, and receive the legislative report update.

The Commission may recall that last year, Solano LAFCO submitted a letter of support to fix Government Code Section 56653 based on the finding in the case of The City of Patterson v. Turlock Irrigation District. The court found that because the services were already being provided via an out of area service agreement (OASA), the application for annexation was deemed incomplete because it was not a new service to be provided. AB 464 ensures a fix in statute so that any pending/future annexation for a territory that is already receiving services via an OASA will not be in jeopardy.

On February 15 2017, the Solano LAFCO Legislative Committee (Commissioner Price and Alternate Thomson) met and recommended the Commission take a support position of AB 464 and directed staff to draft a letter for the Commission’s consideration. The proposed support letter is included as Attachment A.

Also attached for the Commission’s consideration is a letter of support for AB 1725 which is the annual Local Government Committee Omnibus Bill. This bill includes minor technical corrections to the Cortese-Knox-Hertzberg Act. The letter is included in your packet as Attachment B.

CALAFCO monitors and tracks legislation impacting LAFCOs and related governance processes. Attached for the Commission’s review is the list of tracked legislative bills as of April 3 2017. The bills are organized in order of priority to CALAFCO from 1 (High Priority) to 3 (Low priority). The report is included as Attachment C.

Also of interest to the Commission is SB 365 (Dodd) to allow the Solano County Board of Supervisors to form a regional park and open space district by resolution. Attached for the

Commission's information is the bill analysis and CALAFCO's position letter. As directed by the Commission, staff will bring the item back for the Commission's consideration at its May 8 meeting.

Attachments:

- A – Letter of Support AB 464
- B – Letter of Support AB 1725
- C - CALAFCO Tracked Legislation
- D – SB 365 Bill Analysis
- E – CALAFCO Opposed Letter



Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533
(707) 439-3897 • FAX: (707) 438-1788

April 10, 2017

Assemblymember James Gallagher
California State Assembly
State Capital Room 2158
Sacramento, CA 95814

Subject: Support of AB 464 as Amended

Dear Assemblymember Gallagher:

The Solano Local Agency Formation Commission (LAFCO) is pleased to support your bill **AB 464**, as amended on March 14, 2017. Sponsored by the California Association of Local Agency Formation Commissions (CALAFCO), the bill makes necessary technical changes to existing LAFCo law to solidify the current practice of LAFCos approving annexations of areas already being served by a local agency through an out of area service agreement (Government Code Section 56133).

As a result of a court decision in 2014 in the case of *City of Patterson v. Turlock Irrigation District*, all future annexations of an area receiving services through an approved out of area service agreement will not be valid. What began as a local issue has now become a critical statewide concern. This bill seeks to remedy that problem by ensuring that within certain conditions, LAFCOs can continue to evaluate applications which include the annexation of territory where services are already being provided via an out of area service agreement. Further, it allows for common sense boundary alignments and more predictable growth planning.

By allowing the annexation of these areas, **AB 464** also ensures the people paying for and receiving the services, can participate in elections and potentially serve on the governing board of the service provider.

It is important to note that this bill does not change the current rights of a city or district to oppose an annexation, nor does it change any protest provisions in current law. It simply ensures the ability for LAFCOs to continue the practice of common sense boundary oversight for service providers. As there are many pending annexations throughout the state that are associated with previously approved out of area service extensions, this legislation is critical to the successful annexation of these areas.

Commissioners

Nancy Shopay, Chair • Harry Price, Vice-Chair • Pete Sanchez • Jim Spering • John Vasquez

Alternate Commissioners

Len Augustine • Skip Thomson

Staff

Roseanne Chamberlain, Interim Executive Officer • Michelle McIntyre, Analyst • P. Scott Browne, Legal Counsel

For these reasons, the Solano LAFCO is pleased to support **AB 464**. Thank you for carrying this important piece of legislation.

Sincerely yours,

Nancy Shopay
Chair - Presiding Officer Solano Local Agency
Formation Commission

Cc: Members, Assembly Local Government Committee
Misa Lennox, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO

Commissioners

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Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533
(707) 439-3897 • FAX: (707) 438-1788

April 10, 2017

Honorable Cecilia Aguiar-Curry, Chair
Assembly Local Government Committee
California State Assembly
State Capitol, Room 5144
Sacramento, CA 95814

RE: SUPPORT of AB 1725: Local Government Committee Omnibus Bill

Dear Chair Aguiar-Curry:

The Solano Local Agency Formation Commission (LAFCO) is pleased to support the Assembly Local Government Committee Bill **AB 1725** which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

This annual bill includes technical changes to the Act which governs the work of local agency formation commissions. These changes are necessary as commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. **AB 1725** currently makes minor technical corrections to language used in the Act. The Solano LAFCO and the California Association of Local Agency Formation Commissions (CALAFCO) are grateful to the members of our Legislative Committee and to your Committee and staff, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the Act for all stakeholders.

This legislation helps insure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state. The Solano LAFCO appreciates your Committee's authorship and support of this bill, and your support of the mission of LAFCOs. We are happy to provide any additional information needed.

Commissioners

Nancy Shopay, Chair • Harry Price, Vice-Chair • Pete Sanchez • Jim Spering • John Vasquez

Alternate Commissioners

Len Augustine • Skip Thomson

Staff

Roseanne Chamberlain, Interim Executive Officer • Michelle McIntyre, Analyst • P. Scott Browne, Legal Counsel

Yours sincerely,

Nancy Shopay, Chair
Presiding Officer Solano Local Agency
Formation Commission

cc: Members, Assembly Local Government Committee
Misa Lennox, Associate Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO

Commissioners

Nancy Shopay, Chair • Harry Price, Vice-Chair • Pete Sanchez • Jim Spering • John Vasquez

Alternate Commissioners

Len Augustine • Skip Thomson

Staff

Roseanne Chamberlain, Interim Executive Officer • Michelle McIntyre, Analyst • P. Scott Browne, Legal
Counsel

CALAFCO Daily Legislative Report as of Monday, April 03, 2017

 1

[AB 464](#) ([Gallagher R](#)) Local government reorganization.
Current Text: Amended: 3/14/2017 [Text](#)
Introduced: 2/13/2017

Last Amended: 3/14/2017

Status: 3/15/2017-Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

Position: Sponsor

Subject: Annexation Proceedings

CALAFCO Comments: This bill makes a fix to Gov. Code Sec. 56653 based on the court finding in the case of The City of Patterson v. Turlock Irrigation District. The court found that because the services were already being provided via an out of area service agreement, the application for annexation was deemed incomplete because it was not a new service to be provided. By making the fix in statute, any pending/future annexation for a territory that is already receiving services via an out of area service agreement will not be in jeopardy.

As amended, corrections were made to: 56653(b)(3) reading "proposed" rather than "provided", and in Government Code Section 56857 an exemption added pursuant to Public Utilities Code Section 9608 for territory already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Public Utilities Code Section 9608.

[AB 979](#) ([Lackey R](#)) Local government.
Current Text: Introduced: 2/16/2017 [Text](#)
Introduced: 2/16/2017

Status: 2/17/2017-From printer. May be heard in committee March 19.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts and makes related findings and declarations. This bill would make nonsubstantive changes to those findings and declarations.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: Currently in spot bill form, this bill is co-sponsored by CALAFCO and CSDA. The intent is to amend code Sec. 56332.5 to streamline the process of seating special districts on LAFCo by mirroring current statute 56332 (the process for electing special district representatives into the special district seats). Keeping the process voluntary, it allows for voting by mail whether or not the district wants to have special districts represented on LAFCo. Further, it will allow for the consolidation of that question with the independent special district selection committee appointment to a countywide redevelopment agency oversight board pursuant to Health and Safety Code 34179 (j)(3).

AB 1725 (Committee on Local Government) Local agency formation commission: fees.

Current Text: Introduced: 3/20/2017 [Text](#)

Introduced: 3/20/2017

Status: 3/30/2017-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, among other things, authorizes a local agency formation commission to establish a schedule of fees and a schedule of service charges for proceedings taken pursuant to the act, as specified. This bill would revise that provision to authorize a local agency formation commission to establish a schedule of fees and a schedule of service charges pursuant to the act.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill. The bill currently has one item and will be amended soon to include five (5) additional items.

SB 37 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 12/5/2016 [Text](#)

Introduced: 12/5/2016

Status: 3/24/2017-Set for hearing April 3.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/3/2017 10 a.m. - John L. Burton Hearing Room (4203)

SENATE APPROPRIATIONS, LARA, Chair

Summary:

Beginning with the 2004–05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2017–18 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter Feb 2017](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill is identical to SB 817 (Roth, 2016), SB 25 (Roth, 2015) and SB 69 (Roth, 2014) with the exception of the chaptering out language included in the 2016 version (which addressed the companion bill AB 2277 (Melendez, 2016)). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2017/18 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 448 (Wieckowski D) Local government: organization: districts.

Current Text: Introduced: 2/15/2017 [Text](#)

Introduced: 2/15/2017

Status: 2/23/2017- Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified, and defines various terms for these purposes. This bill would define the term "inactive district" for purposes of that act.

Position: None at this time

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill. According to the author's office, they have been working with the State Controller's office on the clean-up of inactive districts (both dependent and independent). CALAFCO was not contacted by the author's office, but has talked with them since the bill's introduction. CALAFCO understands the author has submitted amendments to Leg Counsel although we have not yet seen those amendments. We are working with the author's office to properly define "inactive district" and to help streamline the process of the dissolution of districts identified as inactive where it makes sense to take that action.

CALAFCO will continue to work with the author's office and other stakeholders and watch for amendments.

3

AB 267 (Waldron R) Community services districts.

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 2/2/2017-From printer. May be heard in committee March 4.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

Position: Watch

CALAFCO Comments: According to the author's office this is a spot bill.

AB 577 (Caballero D) Disadvantaged communities.

Current Text: Amended: 3/9/2017 [Text](#)

Introduced: 2/14/2017**Last Amended:** 3/9/2017**Status:** 3/13/2017-Re-referred to Com. on E.S. & T.M.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, eligibility for certain entities to apply for funds from the State Water Pollution Cleanup and Abatement Account, and authorization for a community revitalization and investment authority to carry out a community revitalization plan. This bill would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income.

Position: Watch**Subject:** Disadvantaged Communities

CALAFCO Comments: Sponsored by the Environmental Justice Coalition for Water, this bill is intended to expand the definition of disadvantaged communities to include multi-family households. According to the author's office this will be a two-year bill. CALAFCO will retain a Watch position until any amendments are in print.

[AB 645](#) (Quirk D) Local government: organization: dissolution.**Current Text:** Introduced: 2/14/2017 [Text](#)**Introduced:** 2/14/2017**Status:** 3/2/2017-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under current law, if a change of organization consists of a dissolution, the commission is required to order the dissolution subject to confirmation of voters if, among other things, the proposal was not initiated by the commission and if a subject agency has not objected to the proposal, the commission has found that, for an inhabited territory protests have been signed by either 25% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 25% of the voters entitled to vote as a result of residing or owning land within the affected territory. This bill would decrease that threshold to 10% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 10% of the voters entitled to vote as a result of residing or owning land within the affected territory.

Position: Watch**Subject:** CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

CALAFCO Comments: According to the author's office this is a spot bill pending the outcome of the Alameda LAFCo special study on Eden Healthcare District. Update: The author's office indicates they will hold off moving this bill. CALAFCO will continue to Watch.

[AB 892](#) (Waldron R) Municipal water districts: water service: Indian tribes.**Current Text:** Amended: 3/23/2017 [Text](#)**Introduced:** 2/16/2017**Last Amended:** 3/23/2017**Status:** 3/27/2017-Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conf. Conc.		
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Summary:

Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

Position: Watch**Subject:** Water**AB 1728 (Committee on Local Government) Health care districts: board of directors.****Current Text:** Introduced: 3/22/2017 [Text](#)**Introduced:** 3/22/2017**Status:** 3/23/2017-From printer. May be heard in committee April 22.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district, including purchasing, receiving, having, taking, holding, leasing, using, and enjoying property. This bill would require the board of directors to adopt an annual budget in a public meeting, on or before September 1 of each year, that conforms to generally accepted accounting and budgeting procedures for special districts, establish and maintain an Internet Web site that lists contact information for the district, and adopt annual policies for providing assistance or grant funding, if the district provides assistance or grants.

Position: Watch**Subject:** Other

CALAFCO Comments: As introduced, this bill requires healthcare districts to adopt annual budgets, establish and maintain a website (and prescribes the required site content), and adopt policies for grant funding.

SB 80 (Wieckowski D) California Environmental Quality Act: notices.**Current Text:** Amended: 2/14/2017 [Text](#)**Introduced:** 1/11/2017**Last Amended:** 2/14/2017**Status:** 3/29/2017-Action From E.Q.: Do pass.To APPR..

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agencies offer to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a state-mandated local program.

Position: Watch**Subject:** CEQA

[SB 206](#) (Committee on Governance and Finance) Validations.**Current Text:** Introduced: 2/1/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 3/23/2017-Read third time. Urgency clause adopted. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would enact the First Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:[CALAFCO Support Feb 2017](#)**Position:** Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**[SB 207](#) (Committee on Governance and Finance) Validations.****Current Text:** Introduced: 2/1/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 3/23/2017-Read third time. Urgency clause adopted. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would enact the Second Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:[CALAFCO Support Feb 2017](#)**Position:** Support**Subject:** LAFCo Administration**CALAFCO Comments:** One of three annual acts which validate the boundaries of all local agencies.**[SB 208](#) (Committee on Governance and Finance) Validations.****Current Text:** Introduced: 2/1/2017 [Text](#)**Introduced:** 2/1/2017**Status:** 3/23/2017-Read third time. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would enact the Third Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:[CALAFCO Support Letter Feb 2017](#)**Position:** Support

Subject: LAFCo Administration

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 365 (Dodd D) Regional park and open-space districts: County of Solano.

Current Text: Introduced: 2/14/2017 [Text](#)

Introduced: 2/14/2017

Status: 3/30/2017-Withdrawn from committee. Ordered to second reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/3/2017 #9 SENATE SEN SECOND READING FILE - SENATE BILLS

Summary:

Current law authorizes proceedings for the formation of a regional park and open-space or regional open-space district in specified counties in the state to be initiated by resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill, in addition, would authorize the formation of a regional district in the County of Solano to be initiated by resolution of the county board of supervisors after a noticed hearing. The bill would specify the contents of the resolution, including the calling of an election, as prescribed.

Attachments:

[SB 365 CALAFCO Letter of Oppose 03 28 17](#)

Position: Oppose

Subject: LAFCo Administration

CALAFCO Comments: This bill calls for the formation of a regional park and open space district which will circumvent the LAFCo formation process. CALAFCO discussed our concerns with the author's office, who has made it clear they will not be considering any potential amendments unless requested by Solano LAFCo.

SB 435 (Dodd D) Williamson Act: payments to local governments.

Current Text: Introduced: 2/15/2017 [Text](#)

Introduced: 2/15/2017

Status: 3/21/2017-Set for hearing April 19.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/19/2017 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Would, under the Williamson act, reduce the amount per acre paid to a city, county, or city and county under these provisions to \$2.50 for prime agricultural land, \$0.50 for all other land devoted to open-space uses of statewide significance, and, for counties that have adopted farmland security zones, \$4 for land that is within, or within 3 miles of the sphere of influence of, each incorporated city.

Position: Watch

Subject: Ag Preservation - Williamson

CALAFCO Comments: According to the author's office, this bill (originally sponsored by the CA Farm Bureau but no longer) is intended to ensure ongoing subvention funding for counties and cities to enter into contracts with owners of agricultural land that commit to protecting and preserving the property as resource land and farmland. The current language is placeholder language and at present the author is working with the Dept. of Conservation and stakeholder groups to determine a reasonable path forward for the reinstatement of the Williamson Act funding.

CALAFCO will watch the bill for pending amendments.

[SB 634](#) ([Wilk R](#)) **Santa Clarita Valley Water District.**

Current Text: Introduced: 2/17/2017 [Text](#)

Introduced: 2/17/2017

Status: 3/28/2017-From committee: Do pass and re-refer to Com. on GOV. & F. (Ayes 7. Noes 0.) (March 28). Re-referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, the Castaic Lake Water Agency Law, created the Castaic Lake Water Agency and authorizes the agency to acquire water and water rights, including water from the State Water Project, and to provide, sell, and deliver water at wholesale for municipal, industrial, domestic, and other purposes. This bill would repeal the Castaic Lake Water Agency Law. This bill contains other related provisions and other current laws.

Attachments:

[CALAFCO Letter Oppose Unless Amended 03 27 17](#)

Position: Oppose unless amended

Subject: Special District Consolidations

CALAFCO Comments: This bill consolidates two independent water districts in Los Angeles and does not include the LAFCo process. CALAFCO shared our concerns with the author's office and continues to be in conversations. CALAFCO's position requests amendments to deal with variables via legislation and keep the LAFCo process intact.

[SB 693](#) ([Mendoza D](#)) **Lower San Gabriel River Recreation and Park District.**

Current Text: Introduced: 2/17/2017 [Text](#)

Introduced: 2/17/2017

Status: 3/21/2017-Set for hearing April 19.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/19/2017 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Would specifically authorize the establishment of the Lower San Gabriel River Recreation and Park District, by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission before January 1, 2020, subject to specified existing laws governing recreation and park districts, including their formation, except as provided. The bill would authorize specified city councils and the Los Angeles County Board of Supervisors to appoint the initial board of directors of the district.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This bill forms the Lower San Gabriel River Recreation and Park District while leaving the LAFCo process intact. CALAFCO will keep watching to ensure it stays that way.

Total Measures: 18

Total Tracking Forms: 18

4/3/2017 10:48:48 AM

SENATE COMMITTEE ON GOVERNANCE AND FINANCE

Senator Mike McGuire, Chair

2017 - 2018 Regular

Bill No: SB 365
Author: Dodd
Version: 2/14/17
Consultant: MacDonald

Hearing Date: 3/29/17
Tax Levy: No
Fiscal: No

REGIONAL PARK AND OPEN-SPACE DISTRICTS: COUNTY OF SOLANO

Allows the Board of Supervisors for the County of Solano to create a regional park and open space district by resolution.

Background

Authorized by the Public Resources Code, regional park and open space districts are charged with acquiring and preserving regional greenbelts of open space land, protect and restore the natural environment, and provide opportunities for ecologically sensitive public enjoyment and education. To provide these services, districts can use special taxes, benefit assessments, and general obligation bonds to acquire property by purchase or eminent domain.

Some regional park and open space districts are classified as independent and have their own directly-elected boards of directors with fixed terms. Independent special districts are a separate, autonomous form of government not controlled by a city or county. Other special districts are defined as dependent and act more comparable to a county or city department. For a dependent regional park and open space district, the relevant board of supervisors serves as the district's board of directors.

To form a new regional park and open space district, proponents must first obtain approval from the local agency formation commission (LAFCO) and then circulate petitions signed by at least 5,000 registered voters. A successful petition results in a public hearing by the county board of supervisors who can approve or disapprove the formation request. If the county supervisors approve, then the matter goes to the ballot. Formation requires majority voter approval.

The Cortese-Knox-Hertzberg Act of 2000 controls the manner in which local officials change the boundaries of cities and special districts, and designates a LAFCO in each county to oversee boundary changes. Besides the more common annexations to cities and special districts, LAFCOs also control district formations, consolidations, and dissolutions, as well as city incorporations, consolidations, and disincorporations. The statutory mission of LAFCOs is to discourage urban sprawl and encourage the orderly formation and development of local agencies.

In 2015, the Board of Supervisors (BOS) for the County of Solano conducted polling to determine public support for an integrated regional park system including the following specified results:

- The public feels strongly that the availability of proximate parks, trails, and recreational opportunities improves their quality of life (89%).

- Keeping parks properly maintained is a necessity (94%).
- Additional parklands and trails should be acquired and opened for use by Solano County residents (80%).
- The public would encourage County officials to continue to explore options for creating an integrated regional parks and open space system (78%).

In 2016, the BOS subsequently commissioned a study to provide recommendations on the formation of a regional park and open space district. This study concluded that the County should pursue special legislation, authorizing the County to modify the powers and procedures for a regional park and open space district formation that meets the goals and objectives of the County. The study counseled that special legislation could be drafted to do the following:

- Authorize a dependent form of governance.
- Eliminate the power of eminent domain.
- Simplify and streamline the process by allowing the formation to neither be subject to a petition process nor LAFCO review and approval.
- Allow for the BOS to place a question on the local ballot 10 years after formation of the district to determine if the district should have independently elected board members.

The author wants the Legislature to approve the formation of this district that is specifically tailored to local residents' recommendations.

Proposed Law

Senate Bill 365 authorizes the Solano County BOS to initiate proceedings for the formation of a regional park and open space district or a regional open-space district in lieu of the traditional petition process conducted by the Solano County LAFCO.

SB 365 requires that the resolution can be adopted only after a public hearing noticed once a week for four successive weeks. The four publications must be in a newspaper regularly published once a week or more often, with at least five days intervening between the respective publication dates.

This measure requires the resolution to do the following:

- Name the proposed regional districts and state the reasons for forming it.
- Specify that the (BOS) shall act as the governing body for the districts.
- Describe the territory to be included in the district.
- Describe the methods by which the district will be financed.
- State that the district shall not have or exercise the power of eminent domain.
- Call and give notice of an election to determine whether the district should be formed.
- Specify that after 10 years following the formation of the district, the BOS may adopt a resolution placing a question of having an elected board of directors on the local ballot.

SB 365 specifies that if the BOS decides to place a question on the ballot asking voters whether the district should have an independently elected board of directors, the BOS must first hold a public hearing noticed in a newspaper of general circulation within the district at least once. If a majority of the voters are in favor of having an independently elected board of directors, boundaries of proposed wards or subdistricts must be drawn.

- Napa SB 1306 (Thompson, 1992)
- Riverside SB 486 (Bergeson, 1989)
- Sacramento SB 779 (Johnston, 1993)
- Santa Barbara AB 1613 (Lempert, 2000)
- San Bernardino AB 775 (Eaves, 1990)
- San Diego SB 2007 (Alpert, 1993)
- Sonoma AB 3630 (Filante, 1990)
- Ventura AB 1145 (Jackson, 2002)

4. Special legislation. The California Constitution prohibits special legislation when a general law can apply (Article IV, §16). SB 365 contains findings and declarations explaining the need for legislation that applies only to the Solano County.

Support and Opposition (3/23/17)

Support: County of Solano (Sponsor); Bay Area Ridge Trail Council; Benicia State Parks Association; California State Parks Foundation; City of Benicia; Greenbelt Alliance; Solano County Orderly Growth Committee; Solano County Supervisor Monica Brown; Solano County Trail Advocacy Group; Solano Land Trust; Solano Open Space.

Opposition: Unknown.

-- END --

March 28, 2017

Senator Bill Dodd
California State Senate
California State Capitol, Room 5064
Sacramento, CA 95814

RE: **SB 365 – OPPOSE**

Dear Senator Dodd:

The California Association of Local Agency Formation Commissions (CALAFCO) has been following your bill, **SB 365**, which authorizes the Solano County Board of Supervisors to initiate proceedings for the formation of a regional park and open space district. As legislatively proposed this will completely bypass the local LAFCo process. For this reason as well as concerns noted below, we must *oppose* the bill as currently written.

We would first like to thank you for allowing us the opportunity to share our concerns about the bill with you and your staff. We appreciate the time taken to understand CALAFCO's position and hear our concerns.

CALAFCO also wants to be clear we encourage and support efforts to preserve open space lands, which is one of the core missions of LAFCo. To that end, we appreciate the intent of Solano County to do this through the creation of a regional park and open space system. However, given no Notice of Intention has been filed with the Solano LAFCo, it would seem local conversations have formally excluded the local LAFCo, the very entity created by the State Legislature over fifty years ago to regulate special district boundaries.

Bypassing LAFCo undermines the very authority provided to them by the State Legislature. Further, it encourages other local entities as well as any other service provider to seek legislative approval rather than LAFCo approval, further undermining LAFCo authority and existing local decision-making processes. This is evident in the precedent set by previous legislation on this very matter.

There appears to be no special provisions in **SB 365** that cannot be handled by the LAFCo process. In fact, there are a number of things considered in the LAFCo review process that are not addressed in the special legislation that are cause for concern. These include the issue of potential overlapping jurisdictional boundaries (with the Greater Vallejo Recreation District), the manner in which the district will be funded, and the long-term financial viability of the district.

Another core mission of LAFCo is to ensure the efficient and sustainable provision of services. Foregoing the local process that includes a full financial analysis which focuses on the long-term financial sustainability of the proposed district, a thorough jurisdictional boundary review to avoid the duplication of services and address overlapping boundary issues, and the local public hearing process, eliminates the opportunity for the kind of comprehensive review that focuses on these two critical matters.

A locally conducted poll is no substitution for this kind of open, transparent and public process.

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Again, CALAFCO appreciates and supports the intention of Solano County in the preservation of open space lands through the creation of this proposed district. However, we very much want to see this done through the local LAFCo and the existing local process designed specifically for this kind of action.

As CALAFCO's legislative policies call for the opposition of any legislation that diminishes LAFCo authority as well as the opposition of legislation which grants special status to any agency to circumvent the existing LAFCo process, we must oppose **SB 365** as currently written.

Please do not hesitate to contact me with any questions you may have.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Pamela Miller". The signature is fluid and cursive, with a large initial "P" and "M".

Pamela Miller
Executive Director

Cc: Committee Members, Senate Governance and Finance Committee
Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee
Ryan Eisberg, Senate Republican Caucus Consultant