SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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March 3, 2004

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

CONTACT: Donald J. Lockhart, AICP, Assistant Executive Officer (916)874-2937

RECOMMENDATION

Information only, no action is recommended. This is a status report on pending 2003-04 LAFCo related legislation.

SUMMARY

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

LEGISLATION

New Legislation

There have been new bills introduced in February that may be of interest to your Commission. The CALAFCo Legislative Committee will discuss the bills after the writing of this report. Staff will track the bills, in collaboration with the CALAFCo Legislative Committee, and report back to your Commission.

SB 1266 (Torlakson)

Position: Pending

TOPIC: City Island Annexation.

Status: Introduced February 13, 2004. February 17, 2004 From print. May be acted upon on or after March 18.

Summary: An act to amend Section 56375 of the Government Code, relating to city island annexations. Modifies the criteria of island annexations to a city which LAFCo must approve. Clarifies "substantially surrounded" to mean *n*ot less than 51 percent of the exterior boundary of the territory to be annexed is surrounded by the city to which the

annexation is proposed, allows the affected territory to be surrounded by that city and another city.

AB 1195 (Cohn and Mullin)

Position: Pending

TOPIC: Midpeninsula Regional Open Space District: annexation project: eminent domain.

Status: Sent to Senate. February 19, 2004 - Read second time. To third reading February 24, 2004

Summary: Prohibits the Midpeninsula Regional Open-Space District from exercising the power of eminent domain to acquire any real property or interest in real property in the San Mateo County Coastal Annexation Area. The District encompasses parts of San Mateo, Santa Clara, and Santa Cruz counties.

AB 1936 (Berg)

Position: Pending

TOPIC : Local government consolidation

Status: February 11, 2004 Read first time. To print. February 12, 2004 from printer. May be heard in committee March 13.

Summary: Existing law, specifies procedures for the organization and reorganization of local government and defines related terms including consolidation. This bill would change the definition of consolidation to include the uniting or joining of a county and all the cities within that county into a single new successor city and county.

AB 2067 (Harmon)

Position: Pending

TOPIC: Successor agency

Position: Support

Status: February 18, 2004 From printer. May be heard in committee March 19. Summary: This CALAFCo sponsored bill would clarify that as part of any change of organization or reorganization that includes dissolution; a LAFCo can designate a successor agency for all of the powers of the dissolved agency. The bill would further clarify that while the successor agency must be entitled to exercise the power of the dissolved agency, it does not have to be a power that the successor agency has exercised in the past. CALAFCo has significantly revised its efforts on this issue after discussing the matter with ACWA.

There are four bills that the CALAFCo Legislative Committee recommends be placed on the CALAFCo "watch" list:

AB 1788 (Leslie): Sierra Nevada Conservancy

Status: January 29, 2004 referred to Committee on Natural Resources Summary: Establishes the Sierra Nevada Conservancy to acquire and manage public lands within the Sierra Nevada Region, consisting of 20 counties. Specifies that certain provisions are not operative until funds are allocated by the Legislature or a bond act. Comment: It is unclear what relationship this new agency would have to existing

conservancies in the region.

SB 1089 (Johnson): State Water Pollution Control Revolving Fund

Status: January 22, 2004 Sent to Committee. on Rules.

Summary: States the Legislature's intent that the State Water Resources Control Board, in administering the State Water Pollution Control Revolving Fund, give preference to capital improvement projects undertaken by a municipality in response to an administrative compliance order for its sanitary sewer collection system.

Comment: This change might have implications for some Municipal Service Reviews.

AB 392 (Montanez): Environmental Justice and Community Based Transportation Status February 17, 2004 Referred to Senate Committee. On Transportation Summary: Establishes the Environmental Justice Fund and Community Based Transportation Fund for grants to federal, state, local, and non-profit agencies for specified projects. States the Legislature's intent to allocate not less than \$6 million annually to those funds.

Comment: The bill may struggle to get out of Appropriations, but signals the Legislatures growing interest in environmental justice.

SB 558 (Ducheny): Local residential zoning: vacant land

Status: January 29/2004 In Assembly. Read first time. Held at Desk.

Summary: The Planning and Zoning Law requires a city or county to adopt a general plan for land use development that includes a housing element. In exercising its authority to plan for land uses, a city or county is also required to identify an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and to designate and zone sufficient vacant land for residential use with appropriate standards in relation to zoning for nonresidential use and to growth projections of the general plan in order to identify the total housing needs in the element. This bill would declare the Legislature's intent to require each city, county, and city and county to make available sufficient land to accommodate the jurisdiction's 20-year need for housing.

Comment: Sacramento LAFCo has adopted policies concerning infill opportunities within a city; this bill may affect those policies.

BILLS FOR WHICH CALAFCO HAS TAKEN A POSITION OR IS WATCHING

Two-Year Bills Bill and Position Summary Status

AB 1385 (Haynes)

Status: February 02, 2004 from committee: Filed with the Chief Clerk pursuant to Joint

Rule 56. Died pursuant to Art. IV, Sec. 10(c) of the Constitution

Position: Watch

Summary: This bill concerns only the San Diego County Water Authority, and is designed to allow a member agency to pursue detachment through LAFCO without losing entitlements and water rights. Since the author canceled a January 2004 hearing on

the bill, it died in the Assembly Local Government Committee. If passed, no effect on Sacramento County.

SB 865 (Hollingsworth)

Position: Watch

Status: January 07, 2004 Returned to Secretary of Senate pursuant to Joint Rule 62(a). *Summary:* The author's office describes this bill as a placeholder for which there is no current purpose. As published, the bill would modify certain noticing requirements that only affect Los Angeles LAFCo.

Inactive Bills

AB 838 (Spitzer)

Position: Watch

This bill would clarify that ordinances of the City of Rancho Santa Margarita would supercede the covenants of any property owners association. This bill passed through the Assembly in May 2003. It has not been scheduled for hearing and must be heard in the Senate policy committee by May 7, 2004 to remain alive.

SB 282 (Oller)

Position: Oppose

Status: February 02, 2004 Returned to Secretary of Senate pursuant to Joint Rule 56. *Summary:* This bill would make a number of findings designed to force the El Dorado Hills incorporation onto the ballot.

Bill and Position Summary Status

AB 192 (Harman)

Position: Support

Status: February 02, 2004 From committee without further action pursuant to Joint Rule 62(a).

Summary: This CALAFCo sponsored bill would have resolved an ambiguity in the Government Code as to whether the limitation of noncontiguous annexations by cities to 300 acres applies to individual annexations or the aggregate of all such annexations. The bill would have clarified that it was the former. This bill was an effort by CALAFCo to carry forward an unresolved matter from the consensus-working group that crafted last session's AB 2227 (Harman). Discussions between CALAFCo and Assembly Local Government Committee staff led CALAFCo staff to conclude that AB 192 should be withdrawn. Committee staff reported that there would be more support for establishing the 300-acre limitation as the aggregate count.

AB 208 (Harman)

Position: Support

Status: 02/02/2004 - From committee without further action pursuant to Joint Rule 62(a). *Summary:* Assemblyman Harman's staff has advised CALAFCo to let this bill die in committee. Mr. Harman has introduced a replacement bill - AB 2067 on CALAFCo's behalf.

AB 406 (Jackson) Position: Oppose

Status: February 17, 2004 - Referred to Committee on Environmental Quality Summary: This bill proposed a number of changes to the creation and evaluation of CEQA documents. CALAFCo was particularly concerned about a provision that would have eliminated the right of a lead agency to use a document prepared by a consultant whose fees were paid by the applicant. The bill passed committee but was sent to the Assembly Inactive File on June 4, 2003.

AB 1015 (Laird) Position: Watch

Status: February 02, 2004 Died on inactive file

Summary: This bill would have required that the land use element of a general plan provide details on the planned sources of water supply under various conditions. The bill was sent to the Assembly. Inactive File on June 9, 2003. The core issue of the bill may have been resolved through another avenue – recent court decisions involving CEQA.

SB 456 (Ortiz): Sacramento Suburban Water District: board: finances.

Status: February 02, 2004 Returned to Secretary of Senate pursuant to Joint Rule 56. (i.e. dropped - no new legislation yet introduced)

Summary: The bill originally was written to address matters regarding Sacramento Suburban Water District. It is being revisited for consideration of matters of interest statewide.

DL:Maf

(Legislation March 3, 2004)