Date of Hearing: June 28, 2017

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT
Cecilia Aguiar-Curry, Chair
SB 365 (Dodd) – As Introduced February 14, 2017

SENATE VOTE: 29-10

SUBJECT: Regional park and open-space districts: County of Solano.

SUMMARY: Authorizes the Solano County Board of Supervisors to initiate the formation of a regional park and open-space district by adopting a resolution and calling an election in lieu of local agency formation commission (LAFCO) approval and circulating a petition. Specifically, **this bill**:

1) Authorizes the Solano County Board of Supervisors (Board of Supervisors) to initiate the formation of a regional park and open-space district (district) in Solano County (County) by adopting a resolution in a noticed public hearing and calling an election, in lieu of the petition and related proceedings specified in the principal act for regional park and open-space districts (principal act).

2) Prohibits the formation of the district from being subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) and specified to provisions relating to LAFCOs in the principal act.

3) Requires the resolution calling for the formation of a district, to do all of the following:

    a) Name the proposed district and state the reasons for forming it;

    b) Specify that the Board of Supervisors shall act, ex officio, as the governing board of the district, as specified;

    c) Describe the territory to be included in the district;

    d) Describe the methods by which the district will be financed;

    e) Specify that the district is prohibited from exercising the power of eminent domain;

    f) Call and give notice of an election in the proposed district for the purpose of determining whether the district shall be formed;

    g) Include any other matters necessary to the formation of the proposed district; and,

    h) Specify all of the following:

        i) The district's directors may, 10 years after the formation of the district, place the question of having an elected board of directors on the ballot after holding and hearing and adopting a resolution. Establishes notice requirements for hearing on the resolution; and,

ii) The district will have an elected board of directors, if approved by a majority vote, with boundaries of proposed wards or subdistricts drawn subject to existing law. Establishes notice requirements for the election.

4) Requires the district to be formed if a majority of voters voting on the proposition vote in favor of forming the district.

5) Requires the election on the formation of the proposed district to be consolidated with a statewide election or any election conducted throughout Solano County (County);

6) Requires County Counsel to prepare the language in the ballot label. Requires the proposition to specify the matters set forth in the resolution, specified in 3), above.

7) Authorizes the resolution calling the election to provide for a single ballot measure or separate ballot measures on the question of formation, the establishment of an appropriations limit, the authority to impose a special tax or issue bonds, or any combination of those questions.

8) Allows, if the district is created, County officers and employees, ex officio or under contract, to be officers and employees of the district and to discharge the authority and responsibility specified in this bill.

9) Authorizes the County to provide the services and facilities needed to carry out the functions of the district. Authorizes proceeds of special taxes levied by the district pursuant to existing law to be used to reimburse the County for the actual costs of these services and facilities.

10) Makes findings and declarations.

FISCAL EFFECT: None

COMMENTS:

1) **Background.** Existing law governs the formation, powers, governance, and financial tools provided to regional park and open-space districts. As a special district, regional park and open-space districts are subject to LAFCO jurisdiction and are subject to the proceedings contained in the Act. The Legislature has delegated the power to control local boundaries to the 58 LAFCOs, directing the LAFCOs to discourage urban sprawl, preserve open-space and agricultural lands, provide efficient government services, and encourage orderly growth while considering local conditions and circumstances. Current law requires LAFCO approval, a petition signed by at least 5,000 registered voters in the proposed district, approval by the county board of supervisors in a public meeting, and majority voter approval.

   The powers granted to regional park and open-space districts include acquiring and preserving regional greenbelts of open-space land, and protecting and restoring the natural environments. The principal act establishes directly-elected boards for regional park and open-space districts, however, the Legislature has granted the authority for districts to be governed by county supervisors and by a board appointed by county supervisors.

2) **Bill Summary.** This bill authorizes the Solano County Board of Supervisors to initiate proceedings for the formation of a regional park and open-space district in lieu of the petition

process and the formation process under LAFCO law. Under this bill, the Board of Supervisors would adopt a resolution in a noticed public hearing which must contain specified information, including the name and reason for forming the District, the territory of the District, and financing for the District. If formed by a majority vote of voters in the proposed district, the district would be a dependent district governed by the Board of Supervisors.

This bill authorizes, 10 years after the formation of a district, for the Board of Supervisors, as the governing board of a district, to adopt a resolution in a public hearing to put before the voters the question of having an elected board of directors. This provision utilizes the authority granted by the principal act for community services districts (CSD) which provides an option to LAFCOs, as a term and condition of approving the formation of a proposed district that the district is dependent until conversion to an elected board of directors (independent). Under CSD law, a board of supervisors may place the question of having an elected board on the ballot if a number of circumstances occur 10 years after the district's formation.

3) **Author's Statement.** According to the author, "In May of 2015, the Solano County Board of Supervisors took action to initiate exploratory work for the establishment of a regional park and open-space system in Solano County. The Board formed a subcommittee to oversee the work. A consulting firm prepared a report summarizing the results of their stakeholder outreach process and voter survey, which focused on community interest and feasibility of establishing a regional park system. A second firm, with expertise in formation and financing of special districts, prepared a report recommending that the County consider the formation of a Regional Parks and Open-Space District as a dependent district. Legislation is needed to allow the County to move forward with the process to create a dependent Regional Parks and Open-Space District."

4) **Solano County.** In 2015, the Board of Supervisors conducted polling to determine public support for an integrated regional park system, which indicated strong support that keeping parks properly maintained is a necessity, that the availability of proximate parks, trails, and recreational opportunities improves qualify of life, additional parklands and trails should be acquired and opened for residents, and that the public would encourage the County to continue to explore options for creating an integrated regional parks and open-space system. In 2016, the Board of Supervisors commissioned a study to provide recommendations on the formation of a regional park and open-space district. This bill is based on the conclusions found in the study 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.

5) **Prior Legislation.** The Legislature has authorized eight counties [Marin (1972), Riverside (1989), San Bernardino (1990), Sonoma (1990), Los Angeles (1991), Napa (1992), Sacramento (1993), and San Diego (1993)] to expedite the formation of a new regional and open-space district by exempting formation from both LAFCO approval and the circulation of petitions. Most recently the Legislature has authorized two counties [Santa Barbara (2000), and Ventura (2002)] to forgo the circulation of petitions, but maintained LAFCO review and approval.

6) **Policy Considerations.** The Committee may wish to consider the following:

   a) **Funding.** This Committee has heard a number of bills in the past several years that contemplate the continued existence of special districts that many would argue have outlived their purposes. In light of those conversations, the Committee may wish to require that any special district that is established by the Legislature have the funding to be able to fulfill its statutory purpose. Under existing law, LAFCO is prohibited from approving the formation of a district, unless it can determine that the proposed district will have sufficient revenues to carry out its purposes. In absence of this review at the local level, the Committee may wish to require this bill to identify a source of funding to ensure the district's financial viability.

   b) **Legislative Precedent and Limiting LAFCO Powers.** The Legislature has delegated the power to control local boundaries to the 58 LAFCOs. This bill bypasses LAFCO, and does not require the usual formation process to occur. This Committee has seen an increasing number of bills seeking to bypass the LAFCO process, therefore, the Committee may wish to consider if this bill is going against legislative intent that designated fundamental powers to LAFCOs to make these types of decisions. In the past several years, the Legislature has established a modified LAFCO process or exempted specified requirements in the LAFCO process for the formation and consolidation of several special districts following a history of failed attempts at the local level. The Committee may wish to question if the desire of the County to streamline the formation process and the presence of local consensus is enough to justify the exemption from the LAFCO process.

7) **Committee Amendment.** The Committee may wish to ask the author to specify that the resolution adopted by the Board of Supervisors must identify the sources of funding that will be made available immediately by Solano County upon formation of the District, in addition to having the resolution describe the methods in the future by which the District will be financed.

8) **Arguments in Support.** Solano County states, "Over the past decade there has been increased interest in preserving the natural and open-space areas Solano County has to offer and increasing opportunities for public access to these areas for hiking and other recreational activities. The formation of a regional park and open-space district or regional open-space district in Solano County is critically needed to help address the unresolved needs in the Solano County area with respect to the preservation of open-space and natural areas and the enhancement of regional parks and recreation facilities, including regional trail connections to the greater San Francisco Bay area."

9) **Arguments in Opposition.** The California Association of Local Agency Formation Commissions argues, "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."

REGISTERED SUPPORT / OPPOSITION:

Support

Solano County [SPONSOR]
Bay Area Ridge Trail Council
Benicia State Parks Association
California State Parks Foundation
Cities of Benicia, Fairfield, Rio Vista, Suisun City, Vacaville, Vallejo
East Bay Regional Park District
Greenbelt Alliance
Solano County Orderly Growth Committee
Solano County Trail Advocacy Group
Solano Land Trust
Solano Local Agency Formation Commission
Solano Open Space
Supervisor Monica Brown, District 2, County of Solano

Opposition

California Association of Local Agency Formation Commission

Analysis Prepared by: Misa Lennox / L. GOV. / (916) 319-3958