

May 7, 2015 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara CA 93101

Consideration of a Report on Assembly Bill 3 (Williams) regarding the Proposed Formation of a Community Services District in Isla Vista

Dear Members of the Commission

RECOMMENDATION

Consider Amendments to Assembly Bill 3 (Williams) regarding the creation of a Community Services District in Isla Vista, as follows:

- a) Receive and file a report on the Amendments to AB 3 (Williams); and
- b) Provide Direction to Staff.

DISCUSSION

At the April 2, 2015, meeting, the Commission adopted an Oppose, Unless Amended position on Assembly Bill 3 (Williams). CALAFCO and the Santa Barbara Chapter of the California Special Districts Association also adopted the same position on the bill (letters attached).

The bill is set for hearing at 1:30 p.m., May 6, 2015 in the Assembly Local Government Committee. The Assemblypersons office has forwarded the proposed amendment which deal with the composition of the Board of Directors (attached).

Staff has presented the proposed amendments for the Commission's review and comment.

EXHIBITS

- Exhibit A: Proposed Amendments to AB 3 – May 6, 2015
Exhibit B: Assembly Bill 3 (Williams)
Exhibit C: Letters of Oppose, Unless Amended

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

BUSINESS ITEM NO. 2

AMENDMENTS TO ASSEMBLY BILL NO. 3
AS AMENDED IN ASSEMBLY MARCH 26, 2015

Amendment 1

On page 8, between lines 35 and 36, insert:

(2) Notwithstanding Chapter 1 (commencing with Section 61020), Chapter 2 (commencing with Section 61025), and Chapter 3 (commencing with Section 61040) of Part 2, the board of the directors of the Isla Vista Community Services District shall be composed as follows:

(A) Five members elected at large from within the district for a term of four years.

(B) One member appointed by the Board of Supervisors of the County of Santa Barbara for a term of four years.

(C) One member appointed by the Chancellor of the University of California, Santa Barbara for a term of four years.

(3) The boundaries of the district shall be contiguous with the area known as County Service Area No. 31 within the County of Santa Barbara and shall additionally include the University of California, Santa Barbara.

Amendment 2

On page 8, in line 36, strike out "(2)" and insert:

(4)

Amendment 3

On page 9, in line 22, strike out "(G)" and insert:

(H)

Amendment 4

On page 9, between lines 22 and 23, insert:

(I) Levy a utility user tax at a rate specified by the governing board of the district.

Amendment 5

On page 9, in line 23, strike out "(3)" and insert:

(5)





California
LEGISLATIVE INFORMATION

AB-3 Isla Vista Community Services District. (2015-2016)

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

ASSEMBLY BILL

No. 3

Introduced by Assembly Member Williams

December 01, 2014

An act to amend Section 61105 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3, as amended, Williams. Isla Vista Community Services District.

Existing

The Community Services District Law authorizes the establishment of community services districts and specifies the powers of those districts including, among others, the power to acquire, construct, improve, maintain, and operate community facilities, as specified. Existing law authorizes the formation of the Isla Vista College Community Services District within the unincorporated area of Santa Barbara County known as Isla Vista for the performance of various services, including, but not limited, to public parks, police protection, and transportation facilities.

~~This bill would express the intent of the Legislature to clarify and establish the necessary authority for the creation of the Isla Vista Community Services District within the unincorporated area of Santa Barbara County, and would make legislative findings and declarations relating to that intent.~~

This bill would establish the Isla Vista Community Services District and would specify the services that district would be authorized to provide, including, among others, the power to create a tenant mediation program and to exercise the powers of a parking district.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Isla Vista Community Services District.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. ~~(a)~~The Legislature finds and declares all of the following:

~~(1)~~

EXHIBIT B

(a) The Isla Vista community encompasses a population of over 20,000 residents situated within an area comprising of less than one square mile of land in Santa Barbara County. It is adjacent to the University of California, Santa Barbara (UCSB) campus and its student population. Including university property, the area totals about 1,500 acres. Isla Vista represents one of the largest urban communities in California not governed as a city.

(2)

(b) Isla Vista faces various challenges in local governance. As a university town, Isla Vista must accommodate the service needs associated with its transient student population and a predominantly renter-oriented community. Isla Vista's situation is complicated by its unincorporated status, which limits its local participation in managing public services and providing needed public improvements, such as increased lighting, sidewalk and street improvements, and housing code enforcement. *improvements.*

(3)

(c) As an unincorporated area, various county agencies provide services to the residents and businesses of Isla Vista. Since these agencies must provide services throughout the whole county, Isla Vista must compete for attention and funding for the services they need. Isla Vista is represented at the county level by one of five supervisors and is situated in the largest and most diverse geographic district in the county. The Isla Vista Recreation and Park District is the only local district providing limited services exclusively to Isla Vista.

(4)

(d) There have been multiple attempts at achieving cityhood for Isla Vista, however, insufficient tax revenue prevents cityhood from being a viable solution. In 2003, the Santa Barbara County Grand Jury found that establishing a community services district would be the best governance option to expand and improve services to Isla Vista.

(5)

(e) Over the last year, the Isla Vista community has been faced with many challenges due to tragic events, including *multiple deaths from students falling off cliffs*, two violent sexual assaults, a riot, and a mass-shooting *murder, and homicides* that ~~has~~ have brought focus to the unique needs of Isla Vista that can only be addressed by direct, local governance. Following these events, a local coalition was formed to determine the best direction for Isla Vista self-governance and the community services district has garnered much local support.

(6)

(f) Additionally, following these events, many trustees on the UC Santa Barbara Foundation Board expressed a strong desire to support the chancellor and the university in efforts to create change in Isla Vista, to ensure a safer and more enhanced community for students. The UC Santa Barbara Foundation Trustees' Advisory Committee on Isla Vista Strategies was formed to analyze the conditions and dynamics of Isla Vista and develop mid- and long-term recommendations to establish a viable, safe, and supportive environment. Among their recommendations is that the State of California create a Community Services District/Municipal Improvement District in Isla Vista with potential powers of infrastructure, utilities, garbage, police services, parks, recreation, cultural facilities, fire, security, and roads.

~~(b) It is the intent of the Legislature to enact legislation that will clarify and establish the necessary authority for the creation of the Isla Vista Community Services District within the unincorporated area of Santa Barbara County.~~

SEC. 2. *Section 61105 of the Government Code is amended to read:*

61105. (a) The Legislature finds and declares that the unique circumstances that exist in certain communities justify the enactment of special statutes for specific districts. In enacting this section, the Legislature intends to provide specific districts with special statutory powers to provide special services and facilities that are not available to other districts.

(b) (1) The Los Osos Community Services District may borrow money from public or private lenders and lend those funds to property owners within the district to pay for the costs of decommissioning septic systems and constructing lateral connections on private property to facilitate the connection of those properties to the district's wastewater treatment system. The district shall lend money for this purpose at rates not to exceed its cost of borrowing and the district's cost of making the loans. The district may require that the borrower pay the

district's reasonable attorney's fees and administrative costs in the event that the district is required to take legal action to enforce the provisions of the contract or note securing the loan. The district may elect to have the debt payments or any delinquency collected on the tax roll pursuant to Section 61116. To secure the loan as a lien on real property, the district shall follow the procedures for the creation of special tax liens in Section 53328.3 of this code and Section 3114.5 of the Streets and Highways Code.

(2) (A) (i) Except as otherwise provided in this paragraph, on and after January 1, 2007, the Los Osos Community Services District shall not undertake any efforts to design, construct, and operate a community wastewater collection and treatment system within, or for the benefit of, the district. The district shall resume those powers on the date specified in any resolution adopted pursuant to subdivision (l) of Section 25825.5.

(ii) Upon resuming the powers pursuant to subdivision (i), the Los Osos Community Services District may continue the program to offset assessments or charges for very low or low-income households with funding sources, including, but not limited to, grants, adopted pursuant to subdivision (g) of Section 25825.5. If the county has not implemented that program, the Los Osos Community Services District may adopt a program that complies with subdivision (g) of Section 25825.5 to offset assessments or charges for very low or low-income households. The Los Osos Community Services District shall not include in an assessment or charge an amount to cover the costs to the county in carrying out the offset program.

(B) Nothing in this paragraph shall affect the district's power to do any of the following:

(i) Operate wastewater collection and treatment facilities within the district that the district was operating on January 1, 2006.

(ii) Provide facilities and services in the territory that is within the district, but outside the prohibition zone.

(iii) Provide facilities and services, other than wastewater collection and treatment, within the prohibition zone.

(C) Promptly upon the adoption of a resolution by the Board of Supervisors of the County of San Luis Obispo requesting this action pursuant to subdivision (i) of Section 25825.5, the district shall convey to the County of San Luis Obispo all retained rights-of-way, licenses, other interests in real property, funds, and other personal property previously acquired by the district in connection with construction projects for which the district awarded contracts in 2005.

(c) The Heritage Ranch Community Services District may acquire, construct, improve, maintain, and operate petroleum storage tanks and related facilities for its own use, and sell those petroleum products to the district's property owners, residents, and visitors. The authority granted by this subdivision shall expire when a private person or entity is ready, willing, and able to acquire, construct, improve, maintain, and operate petroleum storage tanks and related facilities, and sell those petroleum products to the district and its property owners, residents, and visitors. At that time, the district shall either (1) diligently transfer its title, ownership, maintenance, control, and operation of those petroleum tanks and related facilities at a fair market value to that private person or entity, or (2) lease the operation of those petroleum tanks and related facilities at a fair market value to that private person or entity.

(d) The Wallace Community Services District may acquire, own, maintain, control, or operate the underground gas distribution pipeline system located and to be located within Wallace Lake Estates for the purpose of allowing a privately owned provider of liquefied petroleum gas to use the underground gas distribution system pursuant to a mutual agreement between the private provider and the district or the district's predecessor in interest. The district shall require and receive payment from the private provider for the use of that system. The authority granted by this subdivision shall expire when the Pacific Gas and Electric Company is ready, willing, and able to provide natural gas service to the residents of Wallace Lake Estates. At that time, the district shall diligently transfer its title, ownership, maintenance, control, and operation of the system to the Pacific Gas and Electric Company.

(e) The Cameron Park Community Services District, the El Dorado Hills Community Services District, the Golden Hills Community Services District, the Mountain House Community Services District, the Rancho Murieta Community Services District, the Salton Community Services District, the Stallion Springs Community Services District, and the Tenaja Meadows Community Services District, which enforced covenants, conditions, and restrictions prior to January 1, 2006, pursuant to former Section 61601.7 and former Section 61601.10, may continue to exercise the powers set forth in former Section 61601.7 and former Section 61601.10.

(f) (1) The Bel Marin Keys Community Services District may enforce all or part of the covenants, conditions, and restrictions for a tract, and assume the duties of the architectural control committee, to the extent that a tract's covenants, conditions, and restrictions authorize an architectural control committee. Before the district can

enforce covenants, conditions, and restrictions, and assume the duties of an architectural control committee, for a tract, the board of directors shall:

(A) Receive a written request from the board of directors of the tract's property owners' association or homeowners' association, with a petition signed by not less than a majority of the property owners of the parcels within the tracts covered by those associations, requesting the district to enforce the covenants, conditions, and restrictions for that tract and assume the duties of the architectural control committee for that tract, if an architectural control committee is called for in the covenants, conditions, and restrictions.

(B) Conduct a public hearing on the question, after giving mailed notice to each affected property owner of the date, time, and location of the meeting.

(C) Submit an application to the local agency formation commission pursuant to Section 56824.10, specifying the exact nature and scope of the intended services to be provided by the district.

(D) Receive the approval of the local agency formation commission, pursuant to Article 1.5 (commencing with Section 56824.10) of Chapter 5 of Part 3 of Division 3 of Title 5, which may include completion terms deemed appropriate by the commission, to enforce covenants, conditions, and restrictions for a tract, and to assume the duties of the architectural control committee for that tract.

(E) Adopt an ordinance assuming the power to enforce covenants, conditions, and restrictions for a tract, and to assume the duties of the architectural control committee for that tract, provided that the ordinance requires:

(i) The property owners within the tract to finance the enforcement of the covenants, conditions, and restrictions, and the duties of the architectural control committee.

(ii) The tract's property owners' association or homeowners' association to indemnify the district for the costs of any litigation, settlements, injuries, damages, or judgments arising from enforcement of the covenants, conditions, and restrictions, and the district's duties as the architectural control committee.

(2) The Bel Marin Keys Community Services District may, by ordinance, divest itself of the power undertaken under this subdivision.

(g) The Bear Valley Community Services District, the Bell Canyon Community Services District, the Cameron Estates Community Services District, the Lake Sherwood Community Services District, the Saddle Creek Community Services District, the Wallace Community Services District, and the Santa Rita Hills Community Services District may, for roads owned by the district and that are not formally dedicated to or kept open for use by the public for the purpose of vehicular travel, by ordinance, limit access to and the use of those roads to the landowners and residents of that district.

(h) Notwithstanding any other provision of law, the transfer of the assets of the Stonehouse Mutual Water Company, including its lands, easements, rights, and obligations to act as sole agent of the stockholders in exercising the riparian rights of the stockholders, and rights relating to the ownership, operation, and maintenance of those facilities serving the customers of the company, to the Hidden Valley Lake Community Services District is not a transfer subject to taxes imposed by Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

(i) The El Dorado Hills Community Services District and the Rancho Murieta Community Services District may each acquire, construct, improve, maintain, and operate television receiving, translating, or distribution facilities, provide television and television-related services to the district and its residents, or authorize the construction and operation of a cable television system to serve the district and its residents by franchise or license. In authorizing the construction and operation of a cable television system by franchise or license, the district shall have the same powers as a city or county under Section 53066.

(j) The Mountain House Community Services District may provide facilities for television and telecommunications systems, including the installation of wires, cables, conduits, fiber optic lines, terminal panels, service space, and appurtenances required to provide television, telecommunication, and data transfer services to the district and its residents, and provide facilities for a cable television system, including the installation of wires, cables, conduits, and appurtenances to service the district and its residents by franchise or license, except that the district may not provide or install any facilities pursuant to this subdivision unless one or more cable franchises or licenses have been awarded under Section 53066 and the franchised or licensed cable television and telecommunications services providers are permitted equal access to the utility trenches, conduits, service spaces, easements, utility poles, and rights-of-way in the district necessary to construct their facilities concurrently with the construction of the district's facilities. The district shall not have the authority to

operate television, cable, or telecommunications systems, except as provided in Section 61100. The district shall have the same powers as a city or county under Section 53066 in granting a franchise or license for the operation of a cable television system.

(k) (1) Notwithstanding Chapter 2 (commencing with Section 61010) of Part 1, the Isla Vista Community Services District shall be established in accordance with all other provisions of this division, except as provided in this subdivision.

(2) Section 61100 shall not apply to the Isla Vista Community Services District. The district may, within its boundaries, do any of the following:

(A) Finance the operations of municipal advisory councils formed pursuant to Section 31010.

(B) Create a tenant mediation program.

(C) Finance the operations of area planning commissions formed pursuant to Section 65101.

(D) Exercise the powers of a parking district, in the same manner as a parking district formed pursuant to the Parking District Law of 1951 (Part 4 (commencing with Section 35100) of Division 18 of the Streets and Highways Code).

(E) Contract with the County of Santa Barbara or the Regents of the University of California, or both, for additional police protection services above the level of police protection services already provided by either the County of Santa Barbara or the Regents of the University of California within the area of the district.

(F) Acquire, construct, improve, maintain, and operate community facilities, including, but not limited to, community centers, libraries, theaters, museums, cultural facilities, and child care facilities.

(G) Acquire, construct, improve, and maintain sidewalks, lighting, gutters, and trees. The district shall not acquire, construct, improve, or maintain any work owned by another public agency unless that other public agency gives its written consent.

(G) Abate graffiti.

(3) The Isla Vista Community Services District shall not have the power to organize, promote, conduct, or advertise programs of community recreation in the same manner as the Isla Vista Parks and Recreation District.

SEC. 3. *The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique community needs in the Isla Vista area that would be served by the Isla Vista Community Services District.*

LAFCO

Santa Barbara Local Agency Formation Commission

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April 3, 2015

Assemblymember Das Williams
California State Assembly
State Capitol, Room 4005
Sacramento, CA 95814

RE: ASSEMBLY BILL 3 – OPPOSE, UNLESS AMENDED

Dear Assemblymember Williams:

At the April 2, 2015, meeting, the Santa Barbara Local Agency Formation Commission (Santa Barbara LAFCO) adopted the following motion regarding Assembly Bill 3.

Motion: Commissioner Moorhouse that LAFCO oppose Assembly Bill 3 (Williams) unless amended.

Second: Commissioner Lavagnino.

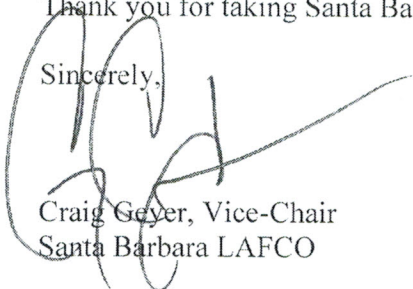
Ayes: Commissioners Aceves, Geyer, Lavagnino, Moorhouse, Orach and Welt.

Noes: Commissioner Wolf.

This is a modification of the Commission's previous position adopted on February 19, 2015 to send a "Letter of Concern" regarding Assembly Bill 3.

Thank you for taking Santa Barbara LAFCO's concerns into consideration.

Sincerely,



Craig Geyer, Vice-Chair
Santa Barbara LAFCO

Cc: SBLAFCO Commissioners
Pamela Miller, Executive Director, CALAFCO
Ms. Misa Lennox, Associate Consultant, Assembly Local Government Committee
Ms. Mona Miyasato, Santa Barbara County Executive Officer
Senator Hannah-Beth Jackson
Kyle Packham, Advocacy & Public Affairs Director, CSDA

April 8, 2015

2014-2015
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PAUL NOVAK

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JENI TICKLER

Executive Assistant

Assembly Member Das Williams
California State Assembly
State Capitol Room 4005
Sacramento, CA 95814

RE: AB 3 – *Oppose Unless Amended*

Dear Assembly Member Williams;

The California Association of Local Agency Formation Commissions (CALAFCO) has been following your bill, AB 3, which was recently amended to establish the Isla Vista Community Services District. Based on the recent amendments, we must respectfully take an *Oppose Unless Amended* position on the bill.

While we appreciate the intent of the bill is to provide assistance to the community of Isla Vista, we continue to have concerns about the bill, which are outlined below. We also offer suggestions for amendments that would help to remove our opposition:

1. **The bill does not address the formation process of the proposed Community Services District.** The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides that the Local Agency Formation Commission (LAFCo) have jurisdiction over a Community Services District (CSD) and that the organization or reorganization of such a district be subject to LAFCo proceedings. This process allows for the comprehensive review of the viability of the proposed district and services to be provided. Bypassing this critical process jeopardizes the CSD in that there is no comprehensive analysis of the long-term sustainability of the financial, governance and service delivery capacities of the CSD. We believe that the LAFCo process should not be circumvented and request that the bill be amended to ensure the formation process complies with the Act.
2. **There is no funding mechanism that supports the proposed services to be provided.** As amended, the bill specifies a host of services the CSD would be authorized to provide, but falls short in that it fails to address the funding mechanism for the provision of those services. Appropriate and reasonable funding mechanisms must be identified as part of the formation process of the CSD.
3. **The governance structure is not addressed.** As amended, the bill fails to address the governance structure of the proposed CSD. We understand that a number of different options outside the normal CSD governance structure may be considered. In order to ensure the integrity of the LAFCo process and compatibility with current law, we recommend that either the traditional CSD governance structure be used or the bill specifically address the proposed variance. Further, we recommend considering a sunset timeline on any variance being considered.

1215 K Street, Suite 1650
Sacramento, CA 95814

Voice 916-442-6536
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www.calafco.org

Mr. Das Williams
April 8, 2015
RE: AB 3 – Oppose Unless Amended
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We appreciate your efforts to help the members of the Isla Vista community and continue to offer ourselves as a resource to you and your staff on finding amendments to the bill and solutions to Isla Vista's issues that work for everyone.

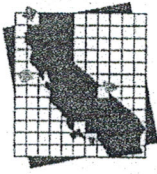
As the Santa Barbara LAFCo stated in their letter to you dated February 19, 2015, there is a potential role for special legislation to address some of the governance issues of this unique circumstance. We do not see that abrogating the entire LAFCo process is the answer. Thank you for taking our concerns and suggested amendments into consideration.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Pamela Miller".

Pamela Miller
Executive Director

Cc: Mr. Paul Hood, Executive Officer, Santa Barbara LAFCo
Santa Barbara LAFCo Commission
Ms. Misa Lennox, Associate Consultant, Assembly Local Government Committee



Santa Barbara County
Chapter of the
**California Special
Districts Association**

SBCCSDA.ORG

>>> *Districts Stronger Together*

April 1, 2015

Assemblyman Das Williams
California State Assembly
State Capitol, Room 4005
Sacramento, Ca. 95814

RE: AB-3 - "OPPOSE" - letter

Assembly Member Williams

I am writing on behalf of the Santa Barbara County Chapter of the California Special Districts Association, (SBCCSDA). At the April 1, 2015 Board of Directors meeting, the BOD adopted an "OPPOSE" position to AB-3, until the bill is amended to follow the normal "LAFCO" formation process.

We understand that Isla Vista has unique challenges, we feel any special district formation should follow the established LAFCO process. LAFCO was formed for this purpose and is the "LOCAL" agency that is best qualified to analyze the complex issues involved in the formation of a special district. As an integral part of the LAFCO process, a "Financial Feasibility Study" of the proposed CSD would be done, to ensure the financial viability of the district. Special needs of the proposed district, including but not limited to a board of directors, can be sought from legislation, while the normal LAFCO process continues.

Local formation ensures "local" input from all stakeholders, throughout the entire process and local understanding of issues.

SBCCSDA is a strong supporter of Special Districts and local governance. It is our recommendation that you encourage your constituency to file an application with SBLAFCO and follow the normal LAFCO formation process.

Respectfully
Craig Geyer
SBCCSDA President

EXHIBIT C