

# LAFCO

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## Santa Barbara Local Agency Formation Commission

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September 10, 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

It is recommended that the Commission provide direction to staff.

#### DISCUSSION

At the July 2, 2015 Commission meeting, staff distributed a copy of AB 3 that was amended the previous day, July 1, 2015. Since the July 1, 2015 amendments, the bill was amended again on August 17, 2015. A copy of the August 17, 2015, bill is attached as **Exhibit A**. The bill is proposed to be amended again the first week of September. A copy of the latest proposed amendments are included as **Exhibit B**.

Since the Commission's July 2, 2015 meeting, AB 3 has passed out of the Senate Committee on Government and Finance (July 8<sup>th</sup>), the Senate Appropriation Committee (August 18<sup>th</sup>), and is now awaiting action on the Senate Floor. Also, on July 22<sup>nd</sup>, Senator Hertzberg, Chair of the Government and Finance Committee, visited Isla Vista. In addition, CALAFCO was asked to review the bill for technical correction which we submitted to the author's staff (**Exhibit C**).

#### SBLAFCO Position on AB 3:

At the May 7, 2015 meeting, the Commission approved an Oppose, Unless Amended position on AB 3 and directed that a letter be sent to Assembly Member Williams (**Exhibit D**). The position

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**Commissioners:** Doreen Farr, Chair ♦ Roger Aceves ♦ Bob Short ♦ Craig Geyer ♦ Jeff Moorhouse ♦ Bob Orach ♦ Janet Wolf ♦ John Fox ♦ Steve Lavagnino ♦ Jim Richardson ♦ Roger Welt ♦ **Executive Officer:** Paul Hood

**BUSINESS ITEM NO. 1**

was approved by the Commission on a 5-2 vote with Chair Farr and Commissioner Wolf dissenting.

For the Commission's information, staff has attached the Complete Bill History (**Exhibit E**), and the Current Bill Status (**Exhibit F**).

Conclusion:

Staff is presenting this update on the status of Assembly Bill 3 for the Commission's review and information. This report is presented as a Business Item to provide the Commission with the discretion to take action, if it is deemed necessary.

EXHIBITS

Exhibit A	Assembly Bill 3 – August 17, 2015
Exhibit B	Latest Proposed Amendments to AB 3
Exhibit C	CALAFCO Technical Corrections Letter August 19, 2015
Exhibit D	SBLAFCO Oppose, Unless Amended Letter – May 7, 2015
Exhibit E	AB 3 Complete Bill History
Exhibit F	AB 3 Bill Status

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD  
Executive Officer

AMENDED IN SENATE AUGUST 17, 2015

AMENDED IN SENATE JULY 1, 2015

AMENDED IN ASSEMBLY MAY 5, 2015

AMENDED IN ASSEMBLY APRIL 27, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 3**

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**Introduced by Assembly Member Williams**

December 1, 2014

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An act to add Part 4 (commencing with Section 61250) to Division 3 of Title 6 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3, as amended, Williams. Isla Vista Community Services District. 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 authorize the establishment of the Isla Vista Community Services District by requiring the Board of Supervisors of the County of Santa Barbara to submit a resolution of application to the



Santa Barbara County Local Agency Formation Commission, ~~and~~ *and*, upon direction by the commission, place the ~~question~~ *questions* of whether the district should be established *and whether a utility user tax should be imposed* on the ballot at the next countywide election following the completion of the review by the commission. By imposing new duties on the County of Santa Barbara, this bill would impose a state-mandated local program. The bill would ~~require the district, if established, to place the question of the imposition of a utility user tax on the ballot, and would~~ provide that if a utility user tax is not passed by the voters of the district on or before January 1, 2023, the district would be dissolved. The bill would set forth the board of directors of the 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.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The Isla Vista community encompasses a population of
- 4 approximately 15,000 residents situated within approximately a
- 5 half square mile of land in Santa Barbara County. It is adjacent to
- 6 the University of California, Santa Barbara (UCSB) campus and
- 7 its student population, of which approximately 8,000 students
- 8 reside in university owned housing. Including university property,
- 9 the area totals about 1,200 acres. Isla Vista represents one of the
- 10 largest urban communities in California not governed as a city.



1 (b) Isla Vista faces various challenges in local governance. As  
2 a university community, Isla Vista must accommodate the service  
3 needs associated with its transient student population and a  
4 predominantly renter-oriented community while balancing the  
5 needs of local homeowners and long-term residents. Isla Vista's  
6 situation is complicated by its unincorporated status, which limits  
7 its local participation in managing public services and providing  
8 needed public improvements.

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

18 (d) There have been multiple attempts at achieving cityhood  
19 for Isla Vista, however, cityhood has been denied for a variety of  
20 reasons, including financial and political feasibility. In 2003, the  
21 Santa Barbara County Grand Jury found that establishing a  
22 community services district would be the best governance option  
23 to expand and improve services to Isla Vista, however, no action  
24 was taken by the community at that time.

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

34 (f) Additionally, following these events, many trustees on the  
35 UC Santa Barbara Foundation Board expressed a strong desire to  
36 support the chancellor and the university in efforts to create change  
37 in Isla Vista, to ensure a safer and more enhanced community for  
38 students. The UC Santa Barbara Foundation Trustees' Advisory  
39 Committee on Isla Vista Strategies was formed to analyze the  
40 conditions and dynamics of Isla Vista and develop mid- and

1 long-term recommendations to establish a viable, safe, and  
2 supportive environment. Among their recommendations is that the  
3 State of California create a Community Services District/Municipal  
4 Improvement District in Isla Vista with potential powers of  
5 infrastructure, utilities, garbage, police services, parks, recreation,  
6 cultural facilities, fire, security, and roads.

7 SEC. 2. Part 4 (commencing with Section 61250) is added to  
8 Division 3 of Title 6 of the Government Code, to read:

9  
10 PART 4. ISLA VISTA COMMUNITY SERVICES DISTRICT

11  
12 61250. (a) (1) Notwithstanding Chapter 2 (commencing with  
13 Section 61010) of Part 1, the Isla Vista Community Services  
14 District may be established in accordance with this part. All other  
15 provisions of this division shall apply to the Isla Vista Community  
16 Services District upon its establishment, except as provided in this  
17 part.

18 (2) *Except as provided in this part, the Cortese-Knox-Hertzberg*  
19 *Local Government Reorganization Act of 2000 (Division 3*  
20 *(commencing with Section 56000) of Title 5) shall govern any*  
21 *change of organization or reorganization of the district following*  
22 *the establishment of the district.*

23 (b) (1) On or before January 5, 2016, the Board of Supervisors  
24 of the County of Santa Barbara shall file a resolution of application  
25 with the Santa Barbara County Local Agency Formation  
26 Commission, pursuant to subdivision (a) of Section 56654, to  
27 initiate a comprehensive review and recommendation of the  
28 formation of the district by the Santa Barbara County Local Agency  
29 Formation Commission. The board of supervisors shall pay any  
30 fees associated with the resolution of application.

31 (2) The Santa Barbara County Local Agency Formation  
32 Commission shall complete the review no later than 120 days  
33 following receipt of the completed resolution of application.  
34 Notwithstanding any other law, the Santa Barbara County Local  
35 Agency Formation Commission shall not have the power to  
36 disapprove the resolution of application.

37 (3) Notwithstanding any other law, the resolution of application  
38 filed by the board of supervisors pursuant to this subdivision shall  
39 not be subject to any protest proceedings.



1 ~~(c) (1) (A) The board of supervisors shall place the question~~  
2 ~~of whether the Isla Vista Community Services District shall be~~  
3 ~~established on the ballot at the next countywide. The Santa Barbara~~  
4 ~~County Local Agency Formation Commission shall order the~~  
5 ~~formation of the district subject to a vote of the registered voters~~  
6 ~~residing within the boundaries of the district, as those boundaries~~  
7 ~~are set forth in subdivision (e), at an election following the~~  
8 ~~completion of the review pursuant to subdivision (b). If a majority~~  
9 ~~of voters within the boundaries of the district, as specified in~~  
10 ~~subdivision (d), vote in favor of the district, the district shall be~~  
11 ~~formed in accordance with this part.~~

12 ~~(B) The board of supervisors shall additionally place the~~  
13 ~~candidates for the five elected positions on the initial board of~~  
14 ~~directors of the district on the ballot at the same election at which~~  
15 ~~the question of whether to establish the district is placed on the~~  
16 ~~ballot.~~

17 ~~(2) If the district is formed pursuant to paragraph (1), the board~~  
18 ~~of directors of the district shall place a utility user tax on the ballot,~~  
19 ~~pursuant to paragraph (9) of subdivision (e). If the voters of the~~  
20 ~~district do not vote to impose a utility user tax within the district~~  
21 ~~on or before January 1, 2023, the district shall be dissolved as of~~  
22 ~~that date.~~

23 ~~(2) (A) The Santa Barbara Local Agency Formation~~  
24 ~~Commission shall determine the appropriate rate of taxation for~~  
25 ~~a utility user tax, applicable utilities to be taxed, and which services~~  
26 ~~the district will be initially authorized to provide, pursuant to~~  
27 ~~subdivision (d) and paragraph (5) of subdivision (h). The rate shall~~  
28 ~~be no lower than 5 percent and no higher than 8 percent of the~~  
29 ~~total cost of an individual's service charge for the utility being~~  
30 ~~taxed.~~

31 ~~(B) The utility user tax shall only be applied to electricity,~~  
32 ~~garbage disposal, gas, sewage, or water services.~~

33 ~~(C) The board of directors of the district shall, within six months~~  
34 ~~of the passage of a utility user tax, develop a low-income exemption~~  
35 ~~to provide tax exemptions to those who would be disproportionately~~  
36 ~~burdened by the utility user tax.~~

37 ~~(3) If the voters of the district do not vote to impose a utility~~  
38 ~~user tax within the district on or before January 1, 2023, regardless~~  
39 ~~of whether the establishment of the district is approved by the~~  
40 ~~voters of the district, the district shall be dissolved as of that date.~~



1 (4) *The Santa Barbara Local Agency Formation Commission*  
2 *shall direct the Santa Barbara County Board of Supervisors to*  
3 *direct county officials to conduct the necessary elections on behalf*  
4 *of the proposed district and place the items on the ballot including*  
5 *district approval, candidates for the district's board, and the utility*  
6 *user tax pursuant to subparagraph (A) of paragraph (2) at the*  
7 *next countywide election, as provided in subdivision (f) of Section*  
8 *61014.*

9 (d) (1) *The initial utility user tax imposed by the district shall*  
10 *only be used to fund the following services and powers of the*  
11 *district:*

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

14 (B) *Create a tenant mediation program.*

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

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

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

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

31 (G) *Acquire, construct, improve, and maintain sidewalks,*  
32 *lighting, gutters, and trees above the level of service already*  
33 *provided by either the County of Santa Barbara or County Service*  
34 *Area 31. The district shall not acquire, construct, improve, or*  
35 *maintain any work owned by another public agency unless that*  
36 *other public agency gives its written consent.*

37 (H) *Abate graffiti.*

38 (2) *This subdivision shall not be construed to limit the services*  
39 *that may be funded by a tax imposed at a later date.*

40 (d)

1 (e) (I) Notwithstanding Chapter 1 (commencing with Section  
2 61020), Chapter 2 (commencing with Section 61025), and Chapter  
3 3 (commencing with Section 61040) of Part 2, the board of  
4 directors of the district shall be composed as follows:

5 ~~(A)~~ (A) (i) Five members elected at large from within the  
6 district as follows:

7 ~~(B)~~

8 (I) Four members shall be elected for terms of four years. For  
9 the first election of the board of directors of the district, two  
10 members shall be elected for a term of two years and two members  
11 shall be elected for a term of four years.

12 ~~(C)~~

13 (II) One member shall be elected for a term of two years.

14 ~~(2)~~

15 (B) One member appointed by the Board of Supervisors of the  
16 County of Santa Barbara for a term of two years for the first  
17 appointment following the creation of the district, and for a term  
18 of four years thereafter.

19 ~~(3)~~

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

22 ~~(4)~~

23 (2) (A) There shall be no limit on the number of terms any  
24 individual may serve on the board of directors of the district,  
25 whether that individual is appointed or elected.

26 (B) *The qualification of candidates for the initial board of*  
27 *directors shall be conducted pursuant to the Uniform District*  
28 *Election Law (Part 4 (commencing with Section 10500) of the*  
29 *Elections Code).*

30 ~~(e)~~

31 (f) The boundaries of the district shall be contiguous with the  
32 area known as County Service Area No. 31 within the County of  
33 Santa Barbara.

34 (g) *The district shall have all the powers listed in Section 61100*  
35 *except those powers specified in subdivision (e) and (f) the that*  
36 *section.*

37 ~~(f)~~

38 ~~Section 61100 shall not apply to the district. The~~ *In addition*  
39 *to the powers in subdivision (g), the district may, within its*  
40 *boundaries, do any of the following:*

- 1     ~~(1) Finance the operations of municipal advisory councils~~
- 2     ~~formed pursuant to Section 31010.~~
- 3     ~~(2)~~
- 4     (1) Create a tenant mediation program.
- 5     ~~(3) Finance the operations of area planning commissions formed~~
- 6     ~~pursuant to Section 65101.~~
- 7     ~~(4)~~
- 8     (2) Exercise the powers of a parking district, in the same manner
- 9     as a parking district formed pursuant to the Parking District Law
- 10    of 1951 (Part 4 (commencing with Section 35100) of Division 18
- 11    of the Streets and Highways Code).
- 12    ~~(5)~~
- 13    (3) Contract with the County of Santa Barbara or the Regents
- 14    of the University of California, or both, for additional police
- 15    protection services above the level of police protection services
- 16    already provided by either the County of Santa Barbara or the
- 17    Regents of the University of California within the area of the
- 18    district.
- 19    ~~(6) Acquire, construct, improve, maintain, and operate~~
- 20    ~~community facilities, including, but not limited to, community~~
- 21    ~~centers, libraries, theaters, museums, cultural facilities, and child~~
- 22    ~~care facilities.~~
- 23    ~~(7)~~
- 24    (4) Acquire, construct, improve, and maintain sidewalks,
- 25    lighting, gutters, and trees *beyond the level of service provided by*
- 26    *either the County of Santa Barbara or County Service Area 31.*
- 27    The district shall not acquire, construct, improve, or maintain any
- 28    work owned by another public agency unless that other public
- 29    agency gives its written consent.
- 30    ~~(8) Abate graffiti.~~
- 31    ~~(9)~~
- 32    (5) Levy a utility user tax ~~at a rate specified by~~ *proposed by*
- 33    *resolution of the board of directors of the district and pursuant to*
- 34    *approval by a two-thirds vote in accordance with Section 2 of*
- 35    *Article XIII C of the California Constitution on the utilities of gas,*
- 36    *water, electricity, sewer, or garbage disposal services. A utility*
- 37    *user tax imposed by the district shall not apply to any utility*
- 38    *provided by a telecommunications service provider.*



1 ~~(g) The district shall not have the power to organize, promote,~~  
2 ~~conduct, or advertise programs of community recreation in the~~  
3 ~~same manner as the Isla Vista Recreation and Park District.~~

4 ~~(h)~~

5 (i) The district does not possess, and shall not exercise, the  
6 power of eminent domain.

7 ~~(i)~~

8 (j) As used in this part, the term “district” means the Isla Vista  
9 Community Services District formed pursuant to this part.

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

16 SEC. 4. If the Commission on State Mandates determines that  
17 this act contains costs mandated by the state, reimbursement to  
18 local agencies and school districts for those costs shall be made  
19 pursuant to Part 7 (commencing with Section 17500) of Division  
20 4 of Title 2 of the Government Code.

O

## SECTION 1.

The Legislature finds and declares all of the following:

(a) The Isla Vista community encompasses a population of approximately 15,000 residents situated within approximately a half square mile of land in Santa Barbara County. It is adjacent to the University of California, Santa Barbara (UCSB) campus and its student population, of which approximately 8,000 students reside in university owned housing. Including university property, the area totals about 1,200 acres. Isla Vista represents one of the largest urban communities in California not governed as a city.

(b) Isla Vista faces various challenges in local governance. As a university community, Isla Vista must accommodate the service needs associated with its transient student population and a predominantly renter-oriented community while balancing the needs of local homeowners and long-term residents. Isla Vista's situation is complicated by its unincorporated status, which limits its local participation in managing public services and providing needed public improvements.

(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 supervisorial district in the county. ~~The Isla Vista Recreation and Park District is the only local district providing limited services exclusively to Isla Vista.~~

**~~(d) The Isla Vista Recreation and Park District is the only local district providing limited services exclusively to Isla Vista. Since its creation nearly half a century ago, the Isla Vista Recreation and Park District has remained committed to the acquisition, preservation and expansion of open spaces in Isla Vista, in addition to acting as a statewide model for environmentally sustainable operations. Due to the unique and highly complex needs of Isla Vista, made more pressing by its proximity to its stewardship of protected wetlands and the beautiful coastline as well as the its dwindling amount of available open space, the Isla Vista Recreation and Park District should remain an independent district. Rather than competing with one another for a shared resource pool as a consolidated district, the Isla Vista Recreation and Parks District and the Isla Vista Community Services District will be able to dedicate themselves fully to the services they were created to provide without having to sacrifice issues of utmost importance to the community.~~**

(de) There have been multiple attempts at achieving cityhood for Isla Vista, however, cityhood has been denied for a variety of reasons, including financial and political feasibility. 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, however, no action was taken by the community at that time.

(ef) Over the last year, the Isla Vista community has been faced with many challenges due to tragic events, including multiple injuries from students falling off cliffs, multiple violent sexual assaults, riots, a mass murder, and homicides that 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.

(fg) 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.

## **SEC. 2.**

Part 4 (commencing with Section 61250) is added to Division 3 of Title 6 of the Government Code, to read:

### **PART 4. Isla Vista Community Services District**

#### **61250.**

(a) ~~(1)~~ Notwithstanding Chapter 2 (commencing with Section 61010) of Part 1, the Isla Vista Community Services District may be established in accordance with this part. All other provisions of this division shall apply to the Isla Vista Community Services District upon its establishment, except as provided in this part.

~~(2) Except as provided in this part, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5) shall govern any change of organization or reorganization of the district following the establishment of the district.~~

(b) (1) On or before January 5, 2016, the Board of Supervisors of the County of Santa Barbara shall file a resolution of application with the Santa Barbara County Local Agency Formation Commission, pursuant to subdivision (a) of Section 56654, to initiate a comprehensive review and recommendation of the formation of the



district by the Santa Barbara County Local Agency Formation Commission. The board of supervisors shall pay any fees associated with the resolution of application.

(2) The Santa Barbara County Local Agency Formation Commission shall complete the review no later than ~~120~~ **150** days following receipt of the completed resolution of application. Notwithstanding any other law, the Santa Barbara County Local Agency Formation Commission shall not have the power to disapprove the resolution of application.

(3) Notwithstanding any other law, the resolution of application filed by the board of supervisors pursuant to this subdivision shall not be subject to any protest proceedings.

(c) (1) The Santa Barbara County Local Agency Formation Commission shall order the formation of the district subject to a vote of the registered voters residing within the boundaries of the district, as those boundaries are set forth in subdivision (e), at an election following the completion of the review pursuant to subdivision (b). If a majority of voters within the boundaries of the district, as specified in subdivision (d), vote in favor of the district, the district shall be formed in accordance with this part.

(2) (A) The Santa Barbara Local Agency Formation Commission shall determine the appropriate rate of taxation for a utility user tax, applicable utilities to be taxed, and which services the district will be initially authorized to provide, pursuant to subdivision (d) and paragraph (5) of subdivision (h). The rate shall be no lower than 5 percent and no higher than 8 percent of the total cost of an individual's service charge for the utility being taxed.

(B) The utility user tax shall only be applied to electricity, garbage disposal, gas, sewage, or water services.

~~(C) The board of directors of the district shall, within six months of the passage of a utility user tax, develop a low income exemption to provide tax exemptions to those who would be disproportionately burdened by the utility user tax.~~

(3) If the voters of the district do not vote to impose a utility user tax within the district on or before January 1, 2023, regardless of whether the establishment of the district is approved by the voters of the district, the district shall be dissolved as of that date.

(4) The Santa Barbara Local Agency Formation Commission shall direct the Santa Barbara County Board of Supervisors to direct county officials to conduct the necessary elections on behalf of the proposed district and place the items on the ballot including district approval, candidates for the district's board, and the utility user tax pursuant to subparagraph (A) of paragraph (2) at the next countywide election, as provided in subdivision (f) of Section 61014.

(d) (1) The initial utility user tax imposed by the district shall only be used to fund the following services and powers of the district:

(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~~ **to supplement** 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 ~~above~~ **to supplement** the level of service already provided by either the County of Santa Barbara or County Service Area 31. 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.

(H) Abate graffiti.

(2) This subdivision shall not be construed to limit the services that may be funded by a tax imposed at a later date.

(e) (1) 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 directors of the district shall be composed as follows:

(A) (i) Five members elected at large from within the district as follows:

(I) Four members shall be elected for terms of four years. For the first election of the board of directors of the district, two members shall be elected for a term of two years and two members shall be elected for a term of four years.

(II) One member shall be elected for a term of two years.

(B) One member appointed by the Board of Supervisors of the County of Santa Barbara for a term of two years for the first appointment following the creation of the district, and for a term of four years thereafter.

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



(2) (A) There shall be no limit on the number of terms any individual may serve on the board of directors of the district, whether that individual is appointed or elected.

(B) The qualification of candidates for the initial board of directors shall be conducted pursuant to the Uniform District Election Law (Part 4 (commencing with Section 10500) of the Elections Code).

(f) The boundaries of the district shall be contiguous with the area known as County Service Area No. 31 within the County of Santa Barbara.

(g) The district shall have all the powers listed in Section 61100 except those powers specified in subdivision (e) and (f) ~~the~~ **of** that section.

(h) In addition to the powers in subdivision (g), the district may, within its boundaries, do any of the following:

(1) Create a tenant mediation program.

(2) 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).

(3) Contract with the County of Santa Barbara or the Regents of the University of California, or both, for additional police protection services ~~above~~ **to supplement** 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.

(4) Acquire, construct, improve, and maintain sidewalks, lighting, gutters, and trees ~~beyond~~ **to supplement** the level of service provided by either the County of Santa Barbara or County Service Area 31. 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.

(5) Levy a utility user tax proposed by resolution of the board of directors of the district and pursuant to approval by a two-thirds vote in accordance with Section 2 of Article XIII C of the California Constitution on the utilities of gas, water, electricity, sewer, or garbage disposal services. A utility user tax imposed by the district shall not apply to any utility provided by a telecommunications service provider.

**(6) Contract with the County of Santa Barbara, the Santa Barbara County Department of Planning and Development's Code Enforcement Program, or both, to provide Code Enforcement services to supplement the level of service provided by either the County of Santa Barbara or the Santa Barbara County Department of Planning and Development's Code Enforcement Program, or both. This includes, but is not limited to, contracting for dedicated Zoning Enforcement services pursuant to Chapter 35 of the Santa Barbara County Code, and contracting for dedicated Building Enforcement services pursuant to Chapters 10 and 14 of the Santa**



**Barbara County Code. These contracted services may be proactive or reactive in their enforcement, as specified by the individual contract.**

**(i) The services provided by the district shall not supplant the level of services provided by the County, University, or any other service provider.**

(j) The district does not possess, and shall not exercise, the power of eminent domain.

(k) As used in this part, the term "district" means the Isla Vista Community Services District formed pursuant to this part.

**(l) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5) shall not apply to the formation of the district pursuant to subdivisions (b) and (c) of this section or to services that may be provided pursuant to subdivision (d). The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 shall apply to all other actions of the district, including actions to exercise powers pursuant to ~~to~~ granted by subdivision (g) of this section, and any other change of organization or reorganization as defined in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

**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.

**SEC. 4.**

If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

August 19, 2015

Ms. Emily Holland  
Office of Assembly member Das Williams  
California State Assembly  
State Capitol, Room 4005  
Sacramento, CA 95814

**RE: Technical Comments on AB 3 Proposed Amendments**

Dear Emily,

Thank you for the opportunity to provide technical input and feedback regarding the proposed amendments you sent over on August 11 for AB 3. CALAFCO appreciates the opportunity to provide you and Assembly member Williams the feedback. I realize the bill was amended on August 17, so please note these comments are based on the document you provided dated August 11.

The comments below reflect both general technical comments and specific suggested amendments.

**General observations**

- On page 3, in (2) (A), there's a reference to "Paragraph (5 Subdivision (h))." Where is paragraph 5 located? On page 6, there is a (4) and a (6) but no (5).
- On page 3, Section (c)(2)(A) says that Santa Barbara LAFCo will determine the UUT rate and applicable utilities to be taxed, but then (c)(2)(B) specifies which utilities will be taxed. That seems contradictory.
- Legal thoughts regarding the manner in which the proposed UUT is structured:
  - It is unclear who will actually draft the UUT—will it be LAFCo or some other entity?
  - The way the proposed statute reads, it seems that the Board of the new CSD would be required to come up with a low income exemption after the tax was already established. This poses some legal issues as then the impact of the tax and the tax structure won't be known at the time the UUT is considered by the voters.
  - It would be better to have the exemption hardwired in the UUT at the time it is considered by the voters.
  - It is odd that telecom services are expressly carved out (and does telecom include telephone, cable and video?) as telecom services would generally generate the greatest amount of revenue.
- The January 5, 2016, date to initiate in 61250(b)(1) should be extended to at least February 2 or March 2, 2016.
- The 120-days in 61250(b)(2) should be extended to at least 180-days to allow the LAFCo ample time to do a thorough review.



Ms. Emily Holland  
August 19, 2015  
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Specific suggested amendments for consideration are noted below. Some of these attempt to make this section more consistent with other sections within CKH in terms of phrasing used. Others incorporate some of the comments noted above. The last one helps to clarify the newly added section on latent powers.

61250. (a) (1) Notwithstanding Chapter 2 (commencing with Section 61010) of Part 1, the Isla Vista Community Services District may be established in accordance with this part. All other provisions of this division shall apply to the Isla Vista Community Services District upon its establishment, except as provided in this part.

(2) Except as provided in this part, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, (Division 3 (commencing with Section 56000) of Title 5), shall govern any change of organization or reorganization of the district.

(b) (1) On or before ~~January 5, 2016~~ February 2, 2016, the Board of Supervisors of the County of Santa Barbara shall adopt and file a resolution of application with the Santa Barbara County Local Agency Formation Commission, pursuant to subdivision (a) of Section 56654, to initiate a ~~comprehensive review and recommendation of the formation of the district by the Santa Barbara County Local Agency Formation Commission.~~ Such application shall comply with the application requirements adopted by the Commission. The board of supervisors shall pay any fees associated with the initiation of the formation of the district ~~resolution of application.~~

(2) The Santa Barbara County Local Agency Formation Commission shall complete ~~its~~ the review no later than ~~120~~ 180 days following receipt of the completed ~~resolution of application.~~ Notwithstanding any other law, the Santa Barbara County Local Agency Formation Commission shall not have the power to disapprove the formation of the district ~~resolution of application.~~

Section (d)(2) on page 4: (2) This subdivision shall not be construed to limit the services that may be ~~funding~~ funded by a tax imposed at a later date.

(g) The district shall have all the powers listed in Section 61100 except those powers specified in subdivision (e) and (f) of that section. All other powers shall be considered latent as set forth on Section 56050.5 and shall not be exercised until determined by the Commission subject to subdivision (i) of Section 56425

Again I would like to thank you for considering our input and feedback. I am happy to answer any questions you may have about any of these comments, and look forward to continuing to work with you on any further clean-up of AB 3.

Sincerely,



Pamela Miller  
Executive Director



# LAFCO

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**Santa Barbara Local Agency Formation Commission**

105 East Anapamu Street ♦ Santa Barbara CA 93101

805/568-3391 ♦ FAX 805/568-2249

www.sblafco.org ♦ lafco@sblafco.org

May 7, 2015

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

RE: Assembly Bill 3 – Oppose, Unless Amended (Amended 5-4, 2015)

Dear Assembly Member Williams:

The Santa Barbara Local Agency Formation Commission (Santa Barbara LAFCO), at the May 7, 2015 meeting, reaffirmed its Oppose, Unless Amended position on your Assembly Bill 3 (AB 3). The Commission appreciates your efforts to do something positive to address the long standing serious problems in the Isla Vista Community. However, Santa Barbara LAFCO has concerns regarding AB 3 because it circumvents the LAFCO district formation process.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides that the local agency formation commissions (LAFCO) have jurisdiction over community services districts (CSD) and that the organization or reorganization of such districts be subject to LAFCO proceedings. This means that, in the case of the formation of a new CSD to serve Isla Vista, the proceedings to initiate the formation of this district would go through the normal LAFCO review process, once LAFCO receives the proper petition or resolution initiating that district formation. This process allows for the comprehensive review, including financial feasibility, of the viability of the proposed district based on the services to be provided and the boundaries.

Many of the concerns expressed in Santa Barbara LAFCO's February 19, 2015 Letter of Concern have been addressed by amendments to AB 3. However, Santa Barbara LAFCO cannot support the bill unless the Commission is involved in the formation process.

Santa Barbara LAFCO supports the positions expressed by CALAFCO Executive Director Pamela Miller in her May 1, 2015 Oppose, Unless Amended letter. Specifically,

“We strongly believe the LAFCO process *should not* be circumvented and request the bill be amended to ensure the formation process complies with the Act. We urge you to consider AB 2453 (Achadjian) which was signed into law last year as an example of the process for formation. This language allowed the formation process for which

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**Commissioners:** Doreen Farr, Chair ♦ Roger Aceves ♦ Bob Short ♦ Craig Geyer ♦ Jeff Moorhouse ♦ Bob Orach ♦ Janet Wolf ♦ John Fox ♦ Steve Lavagnino ♦ Jim Richardson ♦ Roger Welt ♦ **Executive Officer:** Paul Hood

**EXHIBIT D**

Local Agency Formation Commission  
May 7, 2015  
Page | 2

LAFCO is responsible to remain intact, while addressing the need for the creation of a special governing body based on local circumstances and conditions.”

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

Noes: Commissioners Farr and Wolf.

Thank you for taking Santa Barbara LAFCO’s concerns into consideration. We look forward to working with you and your staff on amendments to AB 3 that create logical and workable solutions for all.

Sincerely,

PAUL HOOD, EXECUTIVE OFFICER  
SANTA BARBARA LAFCO

Cc: 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

## COMPLETE BILL HISTORY

BILL NUMBER : A.B. No. 3  
 AUTHOR : Williams  
 TOPIC : Isla Vista Community Services District.

## TYPE OF BILL :

Active  
 Non-Urgency  
 Non-Appropriations  
 Majority Vote Required  
 State-Mandated Local Program  
 Fiscal  
 Non-Tax Levy

## BILL HISTORY

2015

Aug. 18 Read second time. Ordered to third reading.  
 Aug. 17 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR. From committee: Be placed on second reading file pursuant to Senate Rule 28.8.  
 July 8 From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (July 8). Re-referred to Com. on APPR.  
 July 1 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on GOV. & F.  
 June 18 Referred to Com. on GOV. & F.  
 June 3 In Senate. Read first time. To Com. on RLS. for assignment.  
 June 3 Read third time. Passed. Ordered to the Senate. (Ayes 51. Noes 26. Page 1848.)  
 May 28 Read second time. Ordered to third reading.  
 May 27 From committee: Do pass. (Ayes 13. Noes 4.) (May 27).  
 May 14 From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 1.) (May 13). Re-referred to Com. on APPR.  
 May 6 Re-referred to Com. on L. GOV.  
 May 5 From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.  
 May 4 In committee: Set, first hearing. Hearing canceled at the request of author.  
 Apr. 28 Re-referred to Com. on L. GOV.  
 Apr. 27 From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.  
 Apr. 6 Re-referred to Com. on L. GOV.  
 Mar. 26 Referred to Com. on L. GOV. From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.

2014

Dec. 2 From printer. May be heard in committee January 1.  
 Dec. 1 Read first time. To print.



## CURRENT BILL STATUS

MEASURE : A.B. No. 3  
AUTHOR(S) : Williams.  
TOPIC : Isla Vista Community Services District.  
HOUSE LOCATION : SEN  
+LAST AMENDED DATE : 08/17/2015

## TYPE OF BILL :

Active  
Non-Urgency  
Non-Appropriations  
Majority Vote Required  
State-Mandated Local Program  
Fiscal  
Non-Tax Levy

LAST HIST. ACT. DATE: 08/18/2015  
LAST HIST. ACTION : Read second time. Ordered to third reading.  
FILE : SEN THIRD READING  
FILE DATE : 08/31/2015  
ITEM : 307

COMM. LOCATION : SEN APPROPRIATIONS

TITLE : An act to add Part 4 (commencing with Section 61250) to  
Division 3 of Title 6 of the Government Code, relating  
to local government.