

February 19, 2015

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

Consideration of a Letter of Concern Regarding Assembly Bill 3 (Williams)

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission review and approve the “Letter of Concern” and authorize the Chair to Sign.

DISCUSSION

At the February 5, 2015, meeting, the Commission considered a report on Assembly Bill 3 (Williams). Earlier that week, the AB 3 Ad Hoc Committee, consisting of Commissioner Farr, Commissioner Geyer, and Commissioner Moorhouse, directed staff to develop a “Letter of Concern” to be presented to the Commission at the February 5th meeting.

The “Letter of Concern” was distributed to the Commission at the meeting. However, because approval of the letter was not sufficiently noticed, it was decided to call a Special Meeting to review and approve of the letter and authorization for the Chair to sign.

The draft “Letter or Concern” is attached as **Exhibit A**.

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

LAFCO

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

February 19, 2015 (Agenda)

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

RE: Assembly Bill 3 – Letter of Concern

Dear Assembly Member Williams:

The Santa Barbara Local Agency Formation Commission (Santa Barbara LAFCO) appreciates your efforts to do something positive to address the long standing serious problems in the Isla Vista Community. Santa Barbara LAFCO, however, has strong concerns over your bill AB 3, which declares 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 related to that intent.

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 the LAFCO receives the proper petition or resolution initiating that district formation. This process allows for the comprehensive review of the viability of the proposed district and services to be provided.

Santa Barbara LAFCO supports the positions expressed by CALAFCO Executive Director Pamela Miller in her December 20, 2014, "Letter of Concern." It appears from statements made in public forums that the intent of AB 3 may be to bypass the LAFCO formation process, which is of great concern to CALAFCO as well as Santa Barbara LAFCO. Santa Barbara LAFCO sees a potential role for special legislation to address some governance issues of Isla Vista, especially with regard to the makeup of the board of any new CSD or other special district. Entirely bypassing the LAFCO formation process, however, raises concerns because it is in that process

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Executive Officer: Paul Hood

EXHIBIT A

where the critical issues concerning the viability of a proposed special district are heard in a local LAFCO public hearing and fully vetted.

Specifically, Santa Barbara LAFCO has a number of more specific concerns that are set forth below:

1. If the LAFCO process is bypassed, there would be no LAFCO application to begin the formation process, i.e. petition signed by 25% of the registered voters or resolution of affected agency. This limits public input into the formation process.
2. The bill does not list which services and powers are envisioned for the CSD? Usually new CSD's fold in existing districts. Are new services envisioned? The bill states "performance of various services, included, but not limited to, public parks, police protection, and transportation facilities." Does this mean replacing IV Rec and Park District, County Sheriff, and the County Transit District? What other services are envisioned? Which agencies, if any, to be dissolved or detached? For instance, IV Rec and Parks, CSA 31, Goleta West Sanitary, Goleta Water, County Fire District, Santa Barbara Metropolitan Transit District, Santa Barbara Vector Control District, others? We note that normally, these questions are addressed and answered during the review process before LAFCO.
3. AB 3 was introduced on December 1, 2014, without public outreach on the bill which started on January 6, 2015, with a series of community stakeholder and town hall meetings. As a result of these community meetings, there is concern that the bill will be amended to include language that circumvents the Cortese-Knox Hertzberg Act.
4. How are additional services and powers going to be financed? Property taxes from dissolving or detaching special districts, a Special Tax (requires a 2/3 vote of registered voters), Assessment District (Protest vote of property owners), Utility Users Tax (2/3 vote of registered voters), Federal and State Grants, loans, subventions. Would AB 3 include a provision to amend the law to allow a Utility Users Tax to be imposed only within the IVCSA rather than countywide?
5. What is the University of California at Santa Barbara's (UCSB) role – Financing, Services, UCSB Police, University of California Regents funding, etc?
6. Santa Barbara City College (SBCC). Many SBCC students reside in Isla Vista. No housing for its students is provided by SBCC. Does SBCC have any responsibility for funding infrastructure or services in Isla Vista?
7. Santa Barbara County responsibility? The County is currently providing many services in Isla Vista including County Sheriff, Fire, Roads, street lighting, sidewalks, etc. Would any of these services be assumed by the new Isla Vista CSD?

8. What will be the makeup of the board of directors? Elected, appointed, landowners or a combination thereof? The California CSD Law (Government Code Section 61000 et.seq.) establishes Community Services Districts as registered voter districts. This means that the Board of Directors are resident voters within a CSD. Appointing or electing landowners to a board of directors is not currently possible in the CSD Law. This is an area AB 3 can address, since LAFCO has no authority to deviate from the CSD Law regarding the makeup of the CSD board.
9. Comprehensive Fiscal Analysis? An application for the formation of a CSD would require a financial feasibility study or comprehensive fiscal analysis. Such a study is not mentioned in AB 3. Santa Barbara LAFCO believes the normal LAFCO review process is the appropriate public forum to review and determine the feasibility of such a critical plan.
10. Would the Isla Vista CSD be tasked with planning issues? Would an Area Planning Commission or Municipal Advisory Commission be formed? Pursuant to Government Code Section 65000, local land use planning is reserved for cities and counties. Would AB 3 add planning authority to the Isla Vista CSD? Would this create a precedent for other special districts in the State? Also, providing planning services can be very expensive; so how would this be financed?
11. If the Isla Vista CSD is formed with LAFCO approval, would the district be subject to the Cortese Knox Hertzberg Act after the Isla Vista CSD is formed? In particular, pursuant to the Act, LAFCO has authority to perform municipal service reviews, determine spheres of influence, and consider annexation proposals for every other special district in the State of California. This process should apply to any new CSD.

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,

DOREEN FARR, CHAIR
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

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