



LAFCO - San Luis Obispo - Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

TO: MEMBERS, FORMATION COMMISSION

FROM: DAVID CHURCH, AICP, EXECUTIVE OFFICER

DATE: NOVEMBER 17, 2016

SUBJECT: CALAFCO ANNUAL CONFERENCE AND LEGISLATIVE UPDATE

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Recommendation. It is respectfully recommended that the Commission consider this CALAFCO Activities and Legislative Update and receive and file this report.

CALAFCO Annual Conference. The Annual Conference was conducted on October 26-28, 2016 at the Fess Parker Doubletree in Santa Barbara. It was an excellent conference with lots of relevant and content rich sessions: A Water Report from State, Legal, and Local levels, Curbing Urban Sprawl and Preserving Open Space, Demographics, Cutting Edge trends, Revisiting Property Tax Exchanges, and City Incorporations-just a few topics. Also Jean-Michel Cousteau was the Keynote Luncheon speaker on Thursday. Thanks to Commissioners Frank Mecham, Tom Murry, Robert Enns, and Ed Eby for attending the conference.

Attachment A:
Legislative Update

Three award nominations were submitted for consideration by the CALAFCO awards committee: 1) Most Effective Commission, 2) Outstanding Commissioner-Tom Murray, and 3) Project of the Year-Paso Robles Basin Water District Formation. San Luis Obispo LAFCO was honored to receive the Most Effective Commission Award at the Annual Awards Dinner.

Legislative Update. Attached is the legislative update provided by the Staff from the Senate Governance and Finance Committee. It provides a summary of LAFCO related bills, bills regarding Land Use Planning and Development, Housing, and Local Finance considered during the year. The summary indicates if a bill was signed into law, died in the legislature, or was vetoed by the Governor.

Attachment A

Senate Governance and Finance Committee

LEGISLATIVE UPDATE FROM SACRAMENTO

2016 CALAFCO ANNUAL CONFERENCE

October 28, 2016

LAFCO-Related Bills

- **SB 1266 (McGuire)** requires joint powers agencies and joint powers authorities that provide municipal services to file copies of specified documents with local agency formation commissions. *Signed – Chapter 173, Statutes of 2016.*
- **SB 1318 (Wolk)** would have required local agency formation commissions to identify disadvantaged un-incorporated communities that are within or adjacent to the sphere of influence of a city or special district, assess their needs for water and wastewater infrastructure, and adopt and implement a plan to address any water and wastewater service deficiencies. *Died in the Assembly Local Government Committee.*
- **AB 2414 (Eduardo Garcia)** establishes an annexation process to expand the Desert Healthcare District’s boundaries that is exempt from some statutes that generally govern district annexations. *Signed – Chapter 416, Statutes of 2016.*
- **AB 2470 (Gonzalez)** requires one of two water districts in San Diego County to provide water outside of the district’s boundaries to the Sycuan Tribe upon request of the tribe. *Signed – Chapter 301, Statutes of 2016.*
- **AB 2471 (Quirk)** would have required, notwithstanding the statutes that generally govern district dissolutions, that the Alameda County Local Agency Formation Commission must order the Eden Township Healthcare District’s dissolution if the District meets specified criteria. *Died on the Senate Floor.*
- **AB 2910 (Committee on Local Government)** is the annual local agency formation commission omnibus bill, which contains several non-controversial changes to state laws affecting local government organization and reorganization. *Signed – Chapter 165, Statutes of 2016.*

Land Use Planning & Development

- **SB 1000 (Leyva)** requires each city and county to incorporate an environmental justice element, or goal, policies, and objectives for environmental justice contained in other elements, into its general plan. *Signed – Chapter 587, Statutes of 2016.*

- **SB 1262 (Pavley)** requires a water supply assessment for new development to include additional information on groundwater resources if the development relies on groundwater and requires identification of water systems where the service area contains or is adjacent to the development site, if those systems may serve as a potential supplier to the project. *Signed – Chapter 594, Statutes of 2016.*
- **SB 1263 (Wiekowski)** requires the State Water Resources Control Board (SWRCB) to review permit applications for new water systems, authorizes SWRCB to deny a permit if it is found that the service area of the public water system can be served by an existing public water system, and prohibits a city or county from issuing a building permit for new residential development when the proposed water supply is bottled water, transported by a water hauler, or provided by a water-vending machine or a retail water facility. *Signed – Chapter 843, Statutes of 2016.*
- **SB 1317 (Wolk)** would have generally required a city or county overlying certain groundwater basins to establish a process for permitting new wells that (1) requires the permit applicant to demonstrate that the well will not contribute to or create an undesirable result for the basin, until January 31, 2022 or the basin is governed by an approved groundwater sustainability plan; and (2) prohibits new wells in probationary or overdrafted basins. *Died in the Assembly Water, Parks, and Wildlife Committee.*
- **AB 2180 (Ting)** shortens deadlines for lead agencies and responsible agencies, excluding the California Coastal Commission, to approve or disapprove certain residential and mixed use developments under the Permit Streamlining Act. *Signed – Chapter 566, Statutes of 2016.*

Housing

- **SB 1069 (Wiekowski)** repeals the ability of local governments to prohibit the construction of “second units,” requires the ministerial approval of some second unit development applications, and limits the conditions that local governments may impose on the development of second units, such as lowering the maximum amount of parking that local governments may require. *Signed – Chapter 720, Statutes of 2016.*
- **AB 2031 (Bonta)** allows a city or county to reject allocations of specified revenues resulting from redevelopment agencies’ dissolution to make those revenues available to develop affordable housing. *Signed – Chapter 453, Statutes of 2016.*
- **AB 2299 (Bloom)** repeals the ability of local governments to enact ordinances banning second units and limits the requirements that cities and counties may impose on second units. *Signed – Chapter 735, Statutes of 2016.*

Local Finance

- **SB 817 (Roth)** would have changed the formulas for calculating annual vehicle license fee adjustment amounts for four cities that incorporated after 2004. *Vetoed.*
- **SB 1029 (Hertzberg)** requires state and local government debt issuers to report to the California Debt and Investment Advisory Commission (CDIAC) specified information about some proposed and outstanding debt. *Signed – Chapter 307, Statutes of 2016.*
- **AB 2613 (Achadjian)** allows certain small special districts, until January 1, 2027 to replace a required annual audit with an annual financial compilation or an agreed-upon procedures engagement. *Signed – Chapter 164, Statutes of 2016.*

Issues on Deck for Next Session

- Housing affordability, housing affordability, housing affordability
- Water, continued
- 2016 ballot measure implementation
- Environmental justice/disadvantaged communities

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