Elizabeth Mallen

From: Dane Wadle <danew@csda.net>
Sent: Thursday, June 13, 2019 10:22 AM

To: Elizabeth Mallen

Subject: CSDA Request: SB 13 Oppose Letter from OPUD

Attachments: 06_2019 Take Action Brief - Final.pdf; SB_13_Oppose_Letter_Individual_District_1

(1).docx

Hi Liz:

Thanks for your time just now. As we discussed, we are trying to get letters from our members in opposition to SB 13. This bill would prohibit districts from imposing development impact fees for accessory dwelling units or "granny flats" smaller than 750 square feet. We believe this bill hurts districts by eliminating a potential revenue source to cover the costs of providing services to these units. This is a big issue for our parks and fire districts and we are trying to generate letters as the bill has moved to the Assembly and thus has "legs."

I have attached the CSDA Take Action Brief for June. Page 5 has a description of SB 13 for John and the Board. In addition, I have attached a sample oppose letter for the district's use.

If OPUD could submit an oppose letter, it would be a big help. You could send me an oppose letter on your letterhead, and I will make sure it gets to your state legislators.

Thanks for your help and please let me know if you have any questions.

Sincerely, Dane

Dane Wadlé, CPFO

Public Affairs Field Coordinator

Celebrating 50 Years of Service: 1969-2019

California Special Districts Association 1112 I Street, Suite 200 Sacramento, CA 95814 877.924.2732, 916.442.7889 fax www.csda.net

A Proud California Special Districts Alliance Partner. California Special Districts Association Special District Risk Management Authority CSDA Finance Corporation



June 2019

It's crunch time for the State Budget, with a June 15 Constitutional deadline for the State Legislature to send Governor Gavin Newsom a balanced budget in time for the July 1 fiscal new year. Also, in June, policy committees will reconvene for legislation that made it to the second house. Therefore, Senate policy committees will begin hearing Assembly Bills and vice-versa.

CSDA currently has three active Calls-to-Action. Sample letters, background information, and more can be found on each one at csda.net/take-action. Make sure your district has submitted your letter on all three:

- Surplus Land Restrictions (AB 1486) OPPOSE
- Development Impact Fee Prohibitions (SB 13) OPPOSE
- Local Infrastructure and Housing Funding (ACA 1) SUPPORT



Inside this edition of the Take Action Brief:

CSDA Supported Local Infrastructure and Housing Funding Action Needed	2
Email Retention Mandate Passes the Assembly	3
Surplus Land and Impact Fee Legislation Reaches the Second House	4
Sexual Harassment Prevention Training Requirements Being Updated	5
2019 Student Video Contest Open	6
Learn More, Utilize Resources, Join Today, and Stay Informed	7

Contact a local CSDA representative near you!

Dane Wadlé	Northern & Sierra Networks	danew@csda.net
Colleen Haley	Bay Area Network	colleenh@csda.net
Cole Karr	Central Network	colek@csda.net
Steven Nascimento	Coastal Network	stevenn@csda.net
Chris Palmer	Southern Network	chrisp@csda.net



REVENUE, FINANCES, AND TAXATION

CSDA's long range policy priority on revenue, finances, and taxation is to ensure adequate funding for special districts' safe and reliable core local service delivery. Protect special districts' resources from the shift or diversion of revenues without the consent of the affected districts. Promote the financial independence of special districts and afford them access to revenue opportunities equal to that of other types of local agencies.

CSDA Supported Local Infrastructure and Hosing Funding Action Needed!

Assembly Constitutional Amendments (ACA) 1 (Aguiar-Curry) will create a new constitutional vote threshold of 55 percent for both General Obligation (G.O.) bonds and special taxes, when proposed specifically for the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing. The bill also specifies requirements for voter protection, public notice, and financial accountability.

CSDA strongly supports the measure and encourages special districts to voice their support by sending in a letter of support. Additional information and a sample letter are available on the CSDA Take Action page

ACA 1 defines "public infrastructure" to include, but not be limited to, projects that provide the following:

- Water or protect water quality, sanitary sewer, treatment of wastewater, or reduction of pollution from storm water runoff
- Protection of property from impacts of sea level rise
- Open space, parks and recreation facilities
- Improvements to transit and streets and highways
- Flood control
- Broadband internet access service expansion in underserved areas
- Local hospital construction
- Public safety buildings or facilities and equipment
- Public library facilities

Currently, the California Constitution requires a two-thirds vote at the local level for both G.O. bonds and special taxes, regardless of how the city, county, or special district proposes to use the funds.

Under current law, local officials propose a local bond or special tax and then the voters in that community decide whether or not they support the idea. Under ACA 1, voters would still need to overwhelmingly (with 55 percent of the vote) support a bond or special tax in order for it to be approved. ACA 1 will level the playing field and create parity between school districts and special districts, cities, and counties, so that all local governments have a viable financing tool to address community needs.

Cities, counties, and special districts face numerous challenges in securing funding for important local public infrastructure projects. ACA 1 would provide viable financing options while providing robust public accountability. If ACA 1 passes both houses of the Legislature with two-thirds of the vote, it would then be placed on a statewide ballot in 2020 for voter approval.

After securing amendments to include special districts in the new vote threshold for G.O. bonds, CSDA moved to full support of this measure and all special districts are encouraged to submit letters of support. You can find a sample letter on the Take Action page at csda.net/take-action.

Should you have any questions about the bill, please contact CSDA Legislative Representative Anthony Tannehill at anthonyt@csda.net.



CSDA Advocates to Protect Property-Related Rates and Fees in CA Supreme Court

On May 29, CSDA joined the Association of California Water Agencies, California Association of Sanitation Agencies, California State Association of Counties, and League of California Cities in a brief to the California Supreme Court in the Wilde v. City of Dunsmuir case. The case involves a city's water rate plan resolution that was adopted for an extensive water upgrade project, and whether the resolution is subject to a referendum by voters, or if it can only be changed through the initiative process.

California voters adopted Proposition 218 to add article XIII C to the California Constitution by which they expressly reserved their right to challenge local taxes, assessments, fees, and charges by initiative. At issue in this case is whether the electorate (i.e. voters) can use the referendum power (Cal. Const., art. II, § 9) to challenge a city's resolution increasing water fees or is such a challenge expressly limited to the power of initiative (Cal. Const., arts. XIII C & XIII D, § 6).

Appeals Court Rules Prop 218 Rate Plan Subject to Referendum

Last year, the Third District Court of Appeal held that voters' adoption of Proposition 218 did not repeal the right to challenge local resolutions and ordinances by referendum, and that a public agency's adoption of a water rate plan is a legislative decision subject to referendum. The court's decision would allow referenda against property-related fees and may serve to destabilize the finances of districts that provide water. sewer, and solid waste services, among others.

The Court of Appeal decision reverses previous precedent that exempted local taxes, fees, and other property-related revenue measures from referendum (but not an initiative, as permitted by Article XIII C, section 3 of the California Constitution). The distinction between a referendum and an initiative is important for special districts to consider. A referendum is a challenge by voters to an enactment already made by the legislative body, whereas an initiative is a legislative proposal by the people placed on the ballot by voters to be decided by voters. Both qualify for the ballot through submission of a petition signed by a designated percentage of the electorate. Most importantly, an initiative operates prospectively and is less disruptive to municipal finances than a referendum, which automatically suspends the resolution the moment signatures are certified until and unless the voters reject the referendum when it is later taken up at the ballot.

CSDA Action

The brief recently filed with the California Supreme Court on behalf of special districts and other local governments argues four main points:

- 1) The article II, section 9 prohibition on the use of referenda to challenge certain tax levies or appropriations applies here;
- 2) Property-related rates and fees are subject to initiative, but exempt from referendum:
- 3) Nothing in the text of article II, section 9 or article XIII A, XIII C, or XIII D suggests assessments. charges, or fees are subject to referendum; and
- 4) Public policy supports allowing majority protests and initiatives, but not referenda, on water rates.

CSDA will continue to monitor this case and provide updates as the case proceeds in the California Supreme Court.

If you have any questions about this case or how it impacts your district, contact Legislative Analyst – Attorney Mustafa Hessabi at mustafah@csda.net.



GOVERNANCE AND ACCOUNTABILITY

CSDA's long range policy priority on governance and accountability is to enhance special districts' ability to govern as independent, local government bodies in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant, or one-size-fits all approaches. Protect meaningful public participation in local agency formations, dissolutions, and reorganizations, and ensure local services meet the unique needs, priorities, and preference of each community

Email Retention Mandate Passes the Assembly

In the final week of May, the California State Assembly passed AB 1184 (Gloria) on a vote of 59-8. The bill places a new requirement in the California Public Records Act (CPRA) that requires all public agencies to retain ALL emails related to the business of the agency for two-years.

While this bill is being promoted by the author as a transparency measure, it simply isn't; it is, however, a data retention measure. This bill creates no new record disclosure requirements, nor does it provide any new exemptions. AB 1184 does not provide the public with any greater access to records than is already available to them, yet public agencies will be on the hook for the costs of storing the emails because the author is purposefully trying to avoid having the State reimburse public agencies for this new mandate by placing it in the CPRA. The retention requirements of AB 1184 would be the only retention requirements in the CPRA; all other record retention requirements are in other areas of the Government Code.

CSDA, along with a growing coalition of public agencies are opposing AB 1184, but we need your help. We are looking for examples of email and record retention policies from districts that we can use as an example of why this bill isn't needed. If your district has a written email and or records retention policy, please email it to CSDA Senior Legislative Representative, Dillon Gibbons at dillong@csda.net. Any examples you provide CSDA will not be shared with your district's name without your express permission.



> INFRASTRUCTURE, INNOVATION, AND INVESTMENT

CSDA's long range policy principal regarding infrastructure, innovation, and investment is to encourage prudent planning for investment and maintenance of innovative long-term infrastructure. CSDA supports the development of fiscal tools and incentives to assist special districts in their efforts to meet California's changing demands, ensuring the efficient and effective delivery of core local services.

Surplus Land and Impact Fee Legislation Reaches the Second House

CSDA is asking members to take action by submitting or updating letters in opposition to AB 1486, which places costly restrictions on surplus land, and SB 13, which imposes prohibitions on certain special district fees. To download a template please visit the <u>Take Action Page</u> on CSDA's website. If your district previously submitted a letter in opposition to <u>AB 1486</u>, please submit an updated version, as the bill has been significantly amended.

Surplus Land Restrictions (AB 1486)

Prior to the first house deadline, the Assembly took up <u>AB 1486 (Ting)</u>, which would expand the Surplus Land Act (SLA) to cover all land owned by public agencies. AB 1486 passed the Assembly Floor on a mostly party line vote and now advances to the Senate for consideration in policy committees.

Previously, AB 1486 generated intense opposition from a coalition of public agencies, including CSDA. Over 40 CSDA members submitted letters of opposition to the bill and called members of the Committee. Thanks largely to this grassroots effort, the author was compelled to accept amendments in order to keep AB 1486 moving through the Legislature as other concerns are addressed. Unfortunately, CSDA has been unable to resolve remaining concerns, and we must now call upon our membership to renew opposition as we continue our attempts to work with the author in good faith.

Items remaining to be addressed include:

- Allowing agencies discretion to determine what land is actually surplus to their mission/purpose.
- Allowing agencies to conduct informal and formal negotiations to determine the market value of their land without triggering the requirements of the SLA.
- Removing provisions that would invalidate land transfers where an agency did not follow the SLA when required.

Development Impact Fee Prohibitions (SB 13)

The Senate passed <u>SB 13 (Wieckowski)</u> on a 34-2 vote prior to the first house deadline. The bill now awaits referral to a policy committee and will likely be heard some time in June.

SB 13 prohibits impact fees for ADUs smaller than 750 square feet and limits impact fees for ADUs larger than 750 or more square feet to 25 percent of the impact fees otherwise charged for a new single-family dwelling on the same lot. The legislation does not define the term "impact fee", so this prohibition applies to developer fees charged by recreation and park districts, fire protection districts, flood control districts, and other non-enterprise services, as well as potentially applying to capacity and connection fees charged by sewer, water, and utility districts.

Given that revenue for local governments is tightly restricted by the California Constitution, fees are one of the few ways that special districts can fund the infrastructure needs of those moving into a community. Impact fees are critical for park and fire protection districts trying to recoup their costs for serving the residents of new accessory dwelling unit developments.

If you have any questions about AB 1486 or SB 13, please contact CSDA Legislative Representative Rylan Gervase at rylang@csda.net.



HUMAN RESOURCES AND PERSONNEL

CSDA's long range policy priority on human resources and personnel is to promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees, both represented and non-represented.

Sexual Harassment Prevention Training Requirements Being Updated

In 2018 the Legislature passed SB 1343 (Mitchell), which requires employers with 50 or more employees to provide all employees with sexual harassment prevention training. Unfortunately, the bill that was signed had some drafting errors, SB 778 (Committee on Labor, Public Employment and Retirement) fixes those errors. Under AB 1343, as interpreted by the Department of Fair Employment and Housing, employees that receive sexual harassment prevention training in 2019, would be required to also receive the training in 2020. However, the intent of the legislation was to allow employees to receive the training every two years. SB 778 corrects the drafting error to allow employees receiving training in 2019 to not be required to receive the training again until 2021. This bill includes an urgency clause and will become effective as soon as it is signed by the Governor.

Human Resources Bills Amended, Died, and Held-Over During House of Origin Deadline

The California State Legislature is a deadline driven Legislature. May 31 was one of those deadlines; the House of Origin deadline. By May 31, all bill must pass the house that they are introduced in (Senate or Assembly) or they are held over in their current location until the following year and referred to as "two-year bills." Below are a few of the bills that were acted on just prior to the House of Origin deadline:

AB 555 (Gonzalez) - Paid Sick Leave - Oppose

Status: 2-Year Bill on the Assembly Floor

This bill, which would extend the current 3-day minimum sick leave allowance for employees to 5-days, was placed on the Assembly Inactive File. No further action can be taken on AB 555 until January 2020.

AB 628 (Bonta) - Sexual Harassment Leave - Oppose

Status: Failed passage on the Assembly Floor (36-15)

Current law allows employees that are victims of domestic violence, sexual assault, or stalking to take time off to access related services or counseling, without fear of retaliation from their employers (25 or more employees). This bill, similar to AB 2366 (Bonta, 2018), would have allowed this time off for victims of sexual harassment and immediate family members of victims of sexual harassment.

AB 639 (Carillo) - Penalties for Failure to Pay Wages - Oppose

Status: Passed Assembly Floor as amended and is now in Senate Rules Committee This bill which would have created a new civil liability for employers by allowing an employee to directly bring a civil suit against an employer for failure to pay wages, rather than go through the Office of the Labor Commissioner, has been significantly amended and removed the new civil action provision from the bill. With the amendment CSDA anticipates joining the California Chamber of commerce in removing our opposition to the bill.

Should you have any questions or comments about these bills, please contact CSDA Senior Legislative Representative Dillon Gibbons at dillong@csda.net.



DISTRICTS MAKE THE DIFFERENCE

Districts Make the Difference was created to increase public awareness and understanding of special districts across California. The campaign website, www.districtsmakethedifference.org provides a public place to learn more about special districts and the positive effect they have on their communities, while also serving as a resource for districts to download useful materials, collateral, and information.

2019 Student Video Contest Launches

Districts Make the Difference has launched the 2019 Student Video Contest! The new submission period is open now until **September 30** to allow more students to participate.

Students are encouraged to be as creative as possible when making their 60-90 second videos. That's correct, the length of the videos has also been extended! Students can now create videos up to 90 seconds long.

Do you know a student who may be interested? Do you know a teacher, principal, superintendent, or school board member that can help promote the contest? Resources are available on the Districts Make the Difference website to help you promote the student video contest on your website, social media, or in your office.

Start spreading the word using these resources available at <u>DistrictsMaketheDifference.org/video-contest</u>:

- Flyer/Poster
- Contest Scholarships Graphic •
- Contest Scholarships Banner
- Steps to Enter Graphic
- Statewide Voting Graphic
- Sample Newsletter/Website Content

Chapters are also encouraged to hold a local contest in conjunction with the statewide competition. A toolkit detailing how to facilitate a local contest is now available. Last year, the Alameda County Special Districts Association, Contra Costa Special Districts Association, and Santa Clara County Special Districts Association all held local contests and selected a local student winner from their communities. Contact your public affairs field coordinator for more information.

Hosting a local contest is a wonderful way for students to learn about your special district and potentially win a scholarship! Promotional materials including a flyer and the social media graphics are also available on the Districts Make the Difference website at www.DistrictsMakeTheDifference.org/video-contest.

For more information about the contest and to watch last year's winning videos, visit the Districts Make the Difference website.



> OTHER WAYS TO TAKE ACTION

Learn More

2019 CSDA Award Nominations are now open! Deadline July 17, 2019

Each year, CSDA presents various awards during the CSDA Annual Conference & Exhibitor Showcase. There are several different categories to enter your district, chapter, and/or an individual. All nominations must be received by July 17, 2019. Nominate your candidate and learn more here: https://www.csda.net/about-csda/get-involved/awards.

Utilize Resources

CSDA has partnered with the government surplus auction, GovDeals, to provide special districts and other government agencies with an easy-to-use, transparent web-based platform for buying and selling surplus items online. Visit the Surplus Marketplace to check out items listed by government agencies across the USA. Browse through a wide selection of pre-owned vehicles, office furniture, tools and equipment, storage sheds, and much more. Contact Jason Weber at iweber@govdeals.com or 310.600.3651 for more information.

Join Today

Join an Expert Feedback Teams to provide CSDA staff with invaluable insights on policy issues. Email marcusd@csda.net to inquire about joining one of the following teams:

- Budget, Finance and Taxation
- Environment
- Formation and Reorganization
- Human Resources and Personnel
- Governance
- Public Works and Contracting

Stay Informed

In addition to the many ways you can **TAKE ACTION** with CSDA's advocacy efforts, CSDA offers a variety of tools to keep you up-to-date and assist you in your district's legislative and public outreach. Make sure you're reading these resources:

- CSDA's weekly e-Newsletter
- · Districts in the News
- CSDA's CA Special District Magazine

Email advocacy@csda.net for help accessing these additional member resources.

[Agency letterhead]

[Date]

The Honorable Bob Wieckowski California State Assembly State Capitol Sacramento, CA 95814

RE: Senate Bill 13 (Wieckowski) - Oppose [As Amended May 17, 2019]

Dear Senator Wieckowski:

The **[District name]** is respectfully opposed to Senate Bill 13. SB 13 prohibits impact fees on Accessory Dwelling Units (ADUs) smaller than 750 square feet and significantly limits the impact fees that may be charged to larger ADUs. **[Include a brief description of your district]**

Given that revenue for local governments is tightly restricted by the California Constitution, fees are one of the few ways that special districts can offset the indirect costs of growth. Impact fees are critical for park, fire protection, and other types of districts trying to recoup their costs for providing infrastructure and services to new accessory dwelling unit developments.

[Include if fire district:] SB 13's restrictions on impact fees could not come at a more critical time for the bottom line of fire services already stretched thin by California's ever more dangerous fire season. Impact fees pay for increasing firefighting capacity, acquiring new personnel, facilities, vehicles and equipment to maintain service levels and protect the lives property within new structures, including ADUs. With substantial increases in neighborhood density, comes the need to purchase and crew additional fire response apparatus.

[Include if park district:] Recreation and park districts depend on impact fees to establish new parks as neighborhoods grow. Park fees were implemented during the post war boom to ensure that all California neighborhoods would have access to parks and open space. For our district, Quimby and park development fees make up [XX%] of our total annual revenue.

[Provide a brief explanation of how the proposed legislation will negatively impact your community and region specifically. Would your district lose existing or future revenue from the proposed caps on impact fees? Please explicitly describe what infrastructure, equipment, or services the fees pay for and the potential consequences the loss of it may have on your community.]

Impact fees are an important tool for special districts to provide services, infrastructure, and quality of life for local communities. The impact fee caps in SB 13 will reduce local government funding for public safety and quality of life investments. For these reasons, [name of district] respectfully opposes SB 13 unless it is amended.

Sincerely,

[<mark>Your name, Title</mark>] [Name of your district]

CC: Francisco Montes, Office of Senator Bob Wieckowski [francisco.montes@sen.ca.gov]

[Your Assembly Member]

[Your Senator]
Rylan Gervase, Legislative Representative, California Special Districts Association
[advocacy@csda.net]