

LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION
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KATE McKENNA, AICP
Executive Officer

DATE: May 24, 2010

TO: Chair and Members of the Formation Commission

FROM: Kate McKenna, AICP, Executive Officer

**SUBJECT: CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION
COMMISSIONS -- PROFESSIONAL DEVELOPMENT AND
LEGISLATIVE ACTIVITIES REPORT**

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission accept this report for information only; no action is required at this time.

EXECUTIVE OFFICER'S REPORT:

This report provides information on two current areas of activity.

CALAFCO University

The California Association of Local Agency Formation Commissions (CALAFCO) is sponsoring a practical skills workshop for LAFCO staff on "**LAFCO as a Catalyst: Facilitation Skills for LAFCO Staff**" in Oakland on June 10. I have coordinated the design of the class and will moderate it in my volunteer capacity as CALAFCO's Deputy Executive Officer. Attachment 1 contains the course outline.

Legislation

Attachment 2 is the most recent CALAFCO Legislative Committee Report and Recommendations. In addition to information about current legislation, the report includes a discussion of Williamson Act funding and LAFCO review of local financing agencies.

On May 14, the CALAFCO Board of Directors voted to support continued funding of State subventions for the Williamson Act program. The Board authorized a letter to the Governor and the Legislative Budget Committees urging the retention of this viable program for farmland protection.

The Board of Directors initiated a discussion of LAFCO review of local financing agencies not currently subject to LAFCO authority. Consideration of this item will be continued to the October 2010 CALAFCO Annual Conference.

No Commission action on these items is required at this time.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. CALAFCO "LAFCO as a Catalyst: Facilitation Skills for LAFCO Staff" Course Announcement, June 10, 2010.
2. CALAFCO Legislative Committee Report and Recommendations, May 14, 2010.

The California Association of Local Agency Formation Commissions is proud to present a new CALAFCO University Course ...



LAFCo as a Catalyst Facilitation Skills for LAFCo Staff

A Best Practices Workshop

A PRACTICAL WORKSHOP

How many times have you found yourself trying to bring two or more parties together to find common ground on an agreement, application, policy or study? LAFCo staff can play an important facilitative role to encourage local agencies, community groups, neighborhoods and others to have a conversation with each other to address differences and seek solutions together.

Facilitation requires a specific set of skills. This course provides hand-on practices and techniques in effective facilitation. Participants will learn:

- ◆ The facilitative process
- ◆ Establishing expectations: yours and theirs
- ◆ How to prepare yourself and the parties
- ◆ The art of constructing an agenda
- ◆ Roles and responsibilities of the facilitator
- ◆ Techniques to guide discovery, discussion and agreement
- ◆ Practices to handle conflict, resistance and stalls
- ◆ Moving a facilitation to closure

EXPERIENCED INSTRUCTORS

Moderator

Kate McKenna, Executive Officer, Monterey LAFCo

Instructor

Bill Chiat, Executive Director, CALAFCO
Bill is a seasoned facilitator and facilitation instructor. For the last 25 years, he has conducted hundreds of facilitations, from intergovernmental task groups to community strategic planning efforts and local agency and community problem-solving town halls.

COURSE DETAILS

**THURSDAY
10 June 2010**

9:30 am (check-in)
10:00 am to 3:30 pm

Alameda County
Conference Center.
Oakland Room
125 12th Street
Oakland, CA
(Located in downtown Oakland)

Registration Fee

Members and Associates

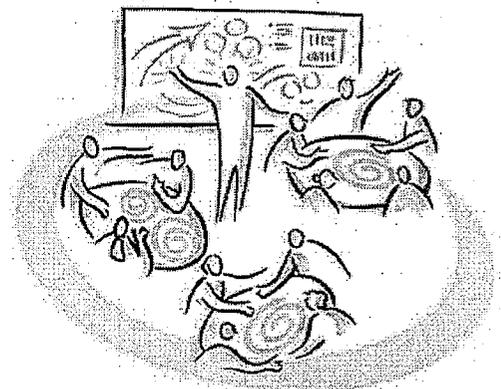
\$75/person

\$60/person for three or more from the same LAFCo

Non-Members \$125

Registration includes course materials, Facilitation Practices Pocket Guide and lunch.

*Space is limited.
Register early.*



REGISTRATION

Please send registration and check payable to "CALAFCO" to:

CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814
916/442-6536

Curriculum Questions

Kate McKenna, AICP, Executive Officer, Monterey LAFCo and Deputy Executive Officer, CALAFCO ♦ 831/754-5838

REGISTRATION FORM – Facilitation Skills for LAFCo Staff

LAFCo or Agency _____

Address _____

Phone () _____

Attendees _____

Please include e-mail

FEES

Members

_____ at \$75 \$_____

_____ at \$60 \$_____

Three or more from same agency registering together

Non-Members

_____ at \$125 \$_____

Total Enclosed \$_____

NOTICE: Seatina is limited. Registrations are transferable but there are no refunds. Pavment must accomany registration.



Attachment 2

CALIFORNIA ASSOCIATION OF
LOCAL AGENCY FORMATION
COMMISSIONS

CALAFCO

Board of Directors Meeting
14 May 2010

Agenda Item No. 3.5 **MEMORANDUM**

To: CALAFCO Board of Directors
From: William Chiat, Executive Director
Date: 14 May 2010
RE: Legislative Committee Report and Recommendations

RECOMMENDATION

1. Receive and file legislative report
2. Consider a policy supporting continued funding of the Williamson Act subventions.
3. Consider a policy discussion on LAFCo review of certain local agencies, including maintenance districts, county finance districts and redevelopment project areas.

DISCUSSION

Legislative Report

The Legislative Committee met on Friday, 30 April 2010 in San Diego. Attached please find the summary minutes of that meeting. Two items were forwarded to your Board for consideration and are discussed further below. At the time of this writing, the following is a brief summary of the current status of the legislation CALAFCO is following:

- a. AB 419 (Caballero) – *Placing LAFCo Items on Ballot-time limit*: This is a gut-and-amend bill from 2009. It is sitting at the Senate Local Government Committee. County elections officials have raised some concerns. CALAFCO is meeting with them on 11 May to resolve issues.
- b. AB 711 (C. Calderon) – *Funding for East L.A. Incorporation Studies*: Has been amended several times with different sources of the fund. Has passed Senate, passed Assembly Local Government Committee in concurrence with Senate amendments. Is awaiting a final Assembly vote before it goes to Governor. Urgency bill and will take affect immediately upon signature.
- c. AB 853 (Arambula) – *Procedures for annexation of communities*: Remains at Senate Local Government with no action since 2009. No stakeholder meetings have been scheduled.
- d. AB 1668 (Knight) – *Council Election After Incorporation §57116*: Passed Assembly Local Government unanimously. Should go to Assembly consent agenda for second and third reading.
- e. AB 1859 (Norby) – *LAFCo Review of RDA Project Areas*: Failed in the Assembly Local Government with no 'aye' votes. Is now a dead bill.
- f. AB 2795 (Assembly Local Government Committee) – *CALAFCO-sponsored bill with nonsubstantive changes to C-K-H*: Passed Assembly Local Government on consent. On consent agenda for second and third reading in Assembly.
- g. SB 194 (Florez) – *Use of federal/state block grants for disadvantaged unincorporated communities*: Passed Senate in January. Has been held at Assembly desk since then. Has not been assigned to committee or scheduled for action.

- h. SB 894 (Senate Local Government Committee) – *Nonsubstantive changes to local government laws*: Passed Senate Local Government Committee on consent. On consent agenda for second and third reading in Senate.
- i. SB 1023 (Wiggins) – *Reorganization of RIDs/MIDs to CSD*: Passed Senate Local Government unanimously. To Senate agenda for second and third reading.
- j. SB 1174 (Wolk) – *Inclusion of disadvantaged unincorporated communities' future in housing element*: Passed Senate Local Government Committee. Referred to Senate Appropriations. Scheduled to be heard on 10 May.
- k. SB 1232 (Romero) – *Extension of Time for East L.A. Incorporation Petition*: At Senate Local Government Committee. First hearing on bill was cancelled by the author.

Williamson Act

The Williamson Act was created in 1965 to provide an incentive for the preservation of agricultural and open space lands. As part of the ERAF shift in 1993 the state assured counties it would backfill the loss of property taxes through subventions. Those subventions (\$38M in 2008) continued until FY 2009-10 when the Governor proposed and the adopted budget contained a significant reduction in Williamson Act subventions. The budget reduced those subventions to only \$1,000/county. The Governor has proposed continuing the reduced subventions in 2010-11, which effectively requires the counties to make up the difference from their general fund. Many affected counties argue this virtually eliminates the program. Imperial County has already begun the process to cancel all Williamson Act contracts, and a number of other counties have stated they will do likewise if there are not subventions or other significant changes to the program.

Some LAFcos rely on the Williamson Act as an incentive for preservation of agricultural and open space lands. The Board has not taken a specific position on the Williamson Act. As the reduction in subventions is likely to continue, the question is whether CALAFCO should support the continuation of the program. The Legislative Committee discussed the issue and recommended it for policy consideration by your Board. A broad stakeholder group (including CSAC and RCRC) has been formed to save the Williamson Act.

The CALAFCO Board has established legislative policies regarding agriculture and open space:

- ◆ Support legislation which clarifies LAFco authority to identify, encourage and insure the preservation of agricultural and open space lands.
- ◆ Encourage a consistent definition of agricultural and open space lands.
- ◆ Support policies which encourage cities, counties and special districts to direct development away from prime agricultural lands.

In its discussion, the Legislative Committee identified a number of issues related to the Williamson Act. Those include (in no particular order):

1. LAFcos rely on the Williamson Act as an incentive for landowners and local agencies to preserve land for agricultural or open space uses, a key purpose of LAFcos. Lack of subventions to the counties may affect the ability of LAFco and the local agencies to protect these lands.
2. Does the Williamson Act really protect lands? Some wonder whether the right lands are being protected by the Act and whether it actually is as effective as other means (local measures, easements, zoning, etc.) in protecting agricultural and open space lands.
3. Is this a policy issue or a state budget issue? The state subventions are a budget balancing issue. CALAFCO has not typically been involved in state budget issues.
4. Eliminating or severely reducing the subventions amounts to an unfunded mandate on counties. Your Board has previously expressed concerns with unfunded mandates that relate to LAFco actions or responsibilities.

The Legislative Committee did not reach a consensus on a policy position, but supported the Williamson Act in concept. Most were unsure of the level of concern this is for CALAFCO. The committee recommended the question of support for saving the Act as a policy discussion by your Board and to direct staff as appropriate.

LAFCo Review of Local Financing Agencies

Earlier this year Assembly Member Chris Norby introduced AB 1859 which would have subjected city and county redevelopment agency project areas to LAFCo review. Under his bill LAFCo would review and approve (with or without conditions) any new project areas or expansions of existing project areas. Mr. Norby's bill died in committee; however he remains committed to more oversight of redevelopment agencies. Whether that would involve LAFCo is unknown at the time.

The bill, however, raised some interesting questions by the Legislative Committee for consideration by your Board. Currently LAFCo does not have authority to review a variety of local agencies whose primary missions have traditionally been to serve as a financing mechanism. Those include redevelopment agencies, Mello-Roos or community facilities districts, and county maintenance districts, among others. While most of these agencies were established solely for the purpose of financing projects, LAFCos have argued that in today's environment some of these are operating in a way that is very close to a municipal service provider.

In particular a few LAFCos point to county maintenance districts that are moving towards acting more like county service areas, but are not subject to LAFCo review. A brief review of maintenance district law shows two types of districts; one in the public works code and the other in the health and safety code. Some of the districts formed under the health and safety code may in fact be subject to LAFCo. The League of Cities has long argued that counties are able to develop in the unincorporated areas without LAFCo review while any expansion of a city or extension of service is subject to LAFCo approval. Maintenance districts may provide a vehicle to that development in some counties.

When AB 1859 was being considered, it was pointed out that redevelopment project areas provide funding for municipal services, are required to provide affordable housing and are responsible for infill development. Some argued therefore they should be subject to LAFCo oversight. Others argued that redevelopment agencies are simply a financing structure and LAFCos do not have the knowledge expertise to evaluate and approve the complex financing plans for the project areas.

Perhaps over time the purposes of these financing agencies have matured. While there was no consensus on whether any of these should be considered a special district subject to LAFCo, the Legislative Committee felt this should be a policy discussion for the Board. Your Board may want to schedule a broader policy-level discussion on this issue and seek member input on whether CALAFCO should adopt a position on subjecting some or all of these local agencies to LAFCo review. It is likely that AB 1859 will not be the last attempt by the Legislature to add local agencies for LAFCo review.