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

Introduced by Assembly Member Williams

December 1, 2014

An act to amend Section 61105 of 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 establish authorize the establishment of the Isla Vista Community Services District and by requiring the board of supervisors of the County of Santa Barbara to place the question of whether the district should be established on the ballot at the next countywide election. By imposing new duties on the County of Santa Barbara, this bill would impose a state-mandated local program. The bill would

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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, 2027, 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

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 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: no-yes. State-mandated local program: no-yes.

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

- 1 SECTION 1. The Legislature finds and declares all of the following:
- 3 (a) The Isla Vista community encompasses a population of over 4 20,000 residents situated within an area comprising of less than
- one square mile of land in Santa Barbara County. It is adjacent to
- the University of California, Santa Barbara (UCSB) campus and
- 7 its student population. Including university property, the area totals
- about 1,500 acres. Isla Vista represents one of the largest urban communities in California not governed as a city.
- 10 (b) Isla Vista faces various challenges in local governance. As 11 a university town, Isla Vista must accommodate the service needs associated with its transient student population and a predominantly 12
- 13 renter-oriented community. Isla Vista's situation is complicated
- 14 by its unincorporated status, which limits its local participation in
- 15 managing public services and providing needed public
- improvements. 16

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

- (d) There have been multiple attempts at achieving cityhood for Isla Vista, however, insufficient tax revenue prevents cityhood from being a viable solution. 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.
- (e) Over the last year, the Isla Vista community has been faced with many challenges due to tragic events, including multiple deaths from students falling off cliffs, two violent sexual assaults, a riot, 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.
- (f) 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. Section 61105 of the Government Code is amended to read:

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61105. (a) The Legislature finds and declares that the unique eircumstances that exist in certain communities justify the enactment of special statutes for specific districts. In enacting this section, the Legislature intends to provide specific districts with special statutory powers to provide special services and facilities that are not available to other districts.

- (b) (1) The Los Osos Community Services District may borrow money from public or private lenders and lend those funds to property owners within the district to pay for the costs of decommissioning septic systems and constructing lateral connections on private property to facilitate the connection of those properties to the district's wastewater treatment system. The district shall lend money for this purpose at rates not to exceed its cost of borrowing and the district's cost of making the loans. The district may require that the borrower pay the district's reasonable attorney's fees and administrative costs in the event that the district is required to take legal action to enforce the provisions of the contract or note securing the loan. The district may elect to have the debt payments or any delinquency collected on the tax roll pursuant to Section 61116. To secure the loan as a lien on real property, the district shall follow the procedures for the creation of special tax liens in Section 53328.3 of this code and Section 3114.5 of the Streets and Highways Code.
- (2) (A) (i) Except as otherwise provided in this paragraph, on and after January 1, 2007, the Los Osos Community Services District shall not undertake any efforts to design, construct, and operate a community wastewater collection and treatment system within, or for the benefit of, the district. The district shall resume those powers on the date specified in any resolution adopted pursuant to subdivision (*l*) of Section 25825.5.
- (ii) Upon resuming the powers pursuant to subdivision (i), the Los Osos Community Services District may continue the program to offset assessments or charges for very low or low-income households with funding sources, including, but not limited to, grants, adopted pursuant to subdivision (g) of Section 25825.5. If the county has not implemented that program, the Los Osos Community Services District may adopt a program that complies with subdivision (g) of Section 25825.5 to offset assessments or charges for very low or low-income households. The Los Osos Community Services District shall not include in an assessment

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or charge an amount to cover the costs to the county in carrying out the offset program.

- (B) Nothing in this paragraph shall affect the district's power to do any of the following:
- (i) Operate wastewater collection and treatment facilities within the district that the district was operating on January 1, 2006.
- (ii) Provide facilities and services in the territory that is within the district, but outside the prohibition zone.
- (iii) Provide facilities and services, other than wastewater collection and treatment, within the prohibition zone.
- (C) Promptly upon the adoption of a resolution by the Board of Supervisors of the County of San Luis Obispo requesting this action pursuant to subdivision (i) of Section 25825.5, the district shall convey to the County of San Luis Obispo all retained rights-of-way, licenses, other interests in real property, funds, and other personal property previously acquired by the district in connection with construction projects for which the district awarded contracts in 2005.
- (c) The Heritage Ranch Community Services District may acquire, construct, improve, maintain, and operate petroleum storage tanks and related facilities for its own use, and sell those petroleum products to the district's property owners, residents, and visitors. The authority granted by this subdivision shall expire when a private person or entity is ready, willing, and able to acquire, construct, improve, maintain, and operate petroleum storage tanks and related facilities, and sell those petroleum products to the district and its property owners, residents, and visitors. At that time, the district shall either (1) diligently transfer its title, ownership, maintenance, control, and operation of those petroleum tanks and related facilities at a fair market value to that private person or entity, or (2) lease the operation of those petroleum tanks and related facilities at a fair market value to that private person or entity.
- (d) The Wallace Community Services District may acquire, own, maintain, control, or operate the underground gas distribution pipeline system located and to be located within Wallace Lake Estates for the purpose of allowing a privately owned provider of liquefied petroleum gas to use the underground gas distribution system pursuant to a mutual agreement between the private provider and the district or the district's predecessor in interest.

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The district shall require and receive payment from the private provider for the use of that system. The authority granted by this subdivision shall expire when the Pacific Gas and Electric Company is ready, willing, and able to provide natural gas service to the residents of Wallace Lake Estates. At that time, the district shall diligently transfer its title, ownership, maintenance, control, and operation of the system to the Pacific Gas and Electric Company.

- (e) The Cameron Park Community Services District, the El Dorado Hills Community Services District, the Golden Hills Community Services District, the Mountain House Community Services District, the Rancho Murieta Community Services District, the Salton Community Services District, the Stallion Springs Community Services District, and the Tenaja Meadows Community Services District, which enforced covenants, conditions, and restrictions prior to January 1, 2006, pursuant to former Section 61601.7 and former Section 61601.10, may continue to exercise the powers set forth in former Section 61601.7 and former Section 61601.10.
- (f) (1) The Bel Marin Keys Community Services District may enforce all or part of the covenants, conditions, and restrictions for a tract, and assume the duties of the architectural control committee, to the extent that a tract's covenants, conditions, and restrictions authorize an architectural control committee. Before the district can enforce covenants, conditions, and restrictions, and assume the duties of an architectural control committee, for a tract, the board of directors shall:
- (A) Receive a written request from the board of directors of the tract's property owners' association or homeowners' association, with a petition signed by not less than a majority of the property owners of the parcels within the tracts covered by those associations, requesting the district to enforce the covenants, conditions, and restrictions for that tract and assume the duties of the architectural control committee for that tract, if an architectural control committee is called for in the covenants, conditions, and restrictions.
- (B) Conduct a public hearing on the question, after giving mailed notice to each affected property owner of the date, time, and location of the meeting.

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(C) Submit an application to the local agency formation commission pursuant to Section 56824.10, specifying the exact nature and scope of the intended services to be provided by the district.

- (D) Receive the approval of the local agency formation eommission, pursuant to Article 1.5 (commencing with Section 56824.10) of Chapter 5 of Part 3 of Division 3 of Title 5, which may include completion terms deemed appropriate by the eommission, to enforce covenants, conditions, and restrictions for a tract, and to assume the duties of the architectural control committee for that tract.
- (E) Adopt an ordinance assuming the power to enforce eovenants, conditions, and restrictions for a tract, and to assume the duties of the architectural control committee for that tract, provided that the ordinance requires:
- (i) The property owners within the tract to finance the enforcement of the covenants, conditions, and restrictions, and the duties of the architectural control committee.
- (ii) The tract's property owners' association or homeowners' association to indemnify the district for the costs of any litigation, settlements, injuries, damages, or judgments arising from enforcement of the covenants, conditions, and restrictions, and the district's duties as the architectural control committee.
- (2) The Bel Marin Keys Community Services District may, by ordinance, divest itself of the power undertaken under this subdivision.
- (g) The Bear Valley Community Services District, the Bell Canyon Community Services District, the Cameron Estates Community Services District, the Lake Sherwood Community Services District, the Saddle Creek Community Services District, the Wallace Community Services District, and the Santa Rita Hills Community Services District may, for roads owned by the district and that are not formally dedicated to or kept open for use by the public for the purpose of vehicular travel, by ordinance, limit access to and the use of those roads to the landowners and residents of that district.
- (h) Notwithstanding any other provision of law, the transfer of the assets of the Stonehouse Mutual Water Company, including its lands, easements, rights, and obligations to act as sole agent of the stockholders in exercising the riparian rights of the

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stockholders, and rights relating to the ownership, operation, and maintenance of those facilities serving the customers of the company, to the Hidden Valley Lake Community Services District is not a transfer subject to taxes imposed by Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

- (i) The El Dorado Hills Community Services District and the Rancho Murieta Community Services District may each acquire, construct, improve, maintain, and operate television receiving, translating, or distribution facilities, provide television and television-related services to the district and its residents, or authorize the construction and operation of a cable television system to serve the district and its residents by franchise or license. In authorizing the construction and operation of a cable television system by franchise or license, the district shall have the same powers as a city or county under Section 53066.
- (i) The Mountain House Community Services District may provide facilities for television and telecommunications systems, including the installation of wires, cables, conduits, fiber optic lines, terminal panels, service space, and appurtenances required to provide television, telecommunication, and data transfer services to the district and its residents, and provide facilities for a cable television system, including the installation of wires, cables, conduits, and appurtenances to service the district and its residents by franchise or license, except that the district may not provide or install any facilities pursuant to this subdivision unless one or more eable franchises or licenses have been awarded under Section 53066 and the franchised or licensed cable television and telecommunications services providers are permitted equal access to the utility trenches, conduits, service spaces, easements, utility poles, and rights-of-way in the district necessary to construct their facilities concurrently with the construction of the district's facilities. The district shall not have the authority to operate television, cable, or telecommunications systems, except as provided in Section 61100. The district shall have the same powers as a city or county under Section 53066 in granting a franchise or license for the operation of a cable television system.
- (k) (1) Notwithstanding Chapter 2 (commencing with Section 61010) of Part 1, the Isla Vista Community Services District shall

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be established in accordance with all other provisions of this division, except as provided in this subdivision. 3

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- (2) 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 the directors of the Isla Vista Community Services District shall be composed as follows:
- (A) Five members elected at large from within the district for a term of four years.
- (B) One member appointed by the Board of Supervisors of the County of Santa Barbara for a term of four years.
- (C) One member appointed by the Chancellor of the University of California, Santa Barbara for a term of four years.
- (3) The boundaries of the district shall be contiguous with the area known as County Service Area No. 31 within the County of Santa Barbara and shall additionally include the University of California, Santa Barbara.
- (4) Section 61100 shall not apply to the Isla Vista Community Services District. The district may, within its boundaries, do any of the following:
- (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 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.

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(G) Acquire, construct, improve, and maintain sidewalks, lighting, gutters, and trees. 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.

- (I) Levy a utility user tax at a rate specified by the governing board of the district.
- (5) The Isla Vista Community Services District shall not have the power to organize, promote, conduct, or advertise programs of community recreation in the same manner as the Isla Vista Parks and Recreation District.
- 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

- 17 61250. (a) Notwithstanding Chapter 2 (commencing with 18 Section 61010) of Part 1, the Isla Vista Community Services 19 District may be established in accordance with this part. All other 20 provisions of this division shall apply to the Isla Vista Community 21 Services District upon its establishment, except as provided in this
- Services District upon its establishment, except as provided in this
 part.
 (b) (1) (A) The board of supervisors of the County of Santa
 - (b) (1) (A) The board of supervisors of the County of Santa Barbara shall place the question of whether the Isla Vista Community Services District shall be established on the ballot at the next countywide election. 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.
 - (B) The board of supervisors shall additionally place the candidates for the five elected positions on the initial board of directors of the district on the ballot at the same election at which the question of whether to establish the district is placed on the ballot.
 - (2) If the district is formed pursuant to paragraph (1), the board of the district shall place a utility user tax on the ballot, pursuant to paragraph (9) of subdivision (e). If the voters of the district do not vote to impose a utility user tax within the district on or before January 1, 2027, the district shall be dissolved as of that date.

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

- (1) Five members elected at large from within the district for a term of four years.
- (2) One member appointed by the Board of Supervisors of the County of Santa Barbara for a term of four years.
- (3) One member appointed by the Chancellor of the University of California, Santa Barbara for a term of four years.
- (d) The boundaries of the district shall be contiguous with the area known as County Service Area No. 31 within the County of Santa Barbara and shall additionally include the University of California, Santa Barbara.
- (e) Section 61100 shall not apply to the district. The district may, within its boundaries, do any of the following:
- (1) Finance the operations of municipal advisory councils formed pursuant to Section 31010.
 - (2) Create a tenant mediation program.

- (3) Finance the operations of area planning commissions formed pursuant to Section 65101.
- (4) 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).
- (5) Contract with the County of Santa Barbara or the Regents of the University of California, or both, for additional police protection services above 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.
- (6) Acquire, construct, improve, maintain, and operate community facilities, including, but not limited to, community centers, libraries, theaters, museums, cultural facilities, and child care facilities.
- (7) Acquire, construct, improve, and maintain sidewalks, lighting, gutters, and trees. 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.
 - (8) Abate graffiti.

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(9) Levy a utility user tax at a rate specified by the governing board of the district pursuant to approval by a ²/₃ vote in accordance with Section 2 of Article XIII C of the California Constitution.

- (f) The district shall not have the power to organize, promote, conduct, or advertise programs of community recreation in the same manner as the Isla Vista Parks and Recreation District.
- (g) As used in this part, the term "district" means the Isla Vista Community Services District formed pursuant to this part.
- 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.