

AMENDED IN ASSEMBLY APRIL 8, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1859

Introduced by Assembly Member Norby

February 12, 2010

An act to ~~amend Section 56744 of~~ amend Sections 56021 and 56375 of, and to add Section 56067.5 to, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1859, as amended, Norby. Local government: ~~annexation.~~ change of organization or reorganization.

(1) Under Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 a local agency formation commission, among other things, approves or disapproves, in whole or part, changes of organization or reorganization, as specified. The act defines a "change of organization" to mean a city incorporation or disincorporation, a district formation or dissolution, an annexation, a consolidation, a merger, or a proposal for the exercise of new or different functions or classes of services, or divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district.

This bill would include within a local agency formation commission's powers the power to approve, disapprove, or approve conditionally, a request by a redevelopment agency to establish, extend, or expand a project area. The bill would include within the definition of "change of organization" a proposal to establish, extend, or expand a project area, and would define the term "project area." By expanding a local

agency formation commission’s duties, this bill would impose a state-mandated local program.

(2) 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 that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~Existing law authorizes the incorporation or annexation of territory to a city under specified circumstances, unless, as a result of that incorporation or annexation, incorporated territory is completely surrounded by that city or by territory of that city on one or more sides and the Pacific Ocean on the remaining sides.~~

~~This bill would make a technical, nonsubstantive change to this provision.~~

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. Section 56021 of the Government Code is
2 amended to read:

3 56021. “Change of organization” means any of the following:

- 4 (a) A city incorporation.
- 5 (b) A district formation.
- 6 (c) An annexation to, or detachment from, a city or district.
- 7 (d) A disincorporation of a city.
- 8 (e) A district dissolution.
- 9 (f) A consolidation of cities or special districts.
- 10 (g) A merger or establishment of a subsidiary district.
- 11 (h) A proposal for the exercise of new or different functions or
- 12 classes of services, or divestiture of the power to provide particular
- 13 functions or classes of services, within all or part of the
- 14 jurisdictional boundaries of a special district.
- 15 (i) A proposal for the establishment, expansion, or extension of
- 16 a redevelopment agency’s project area.

17 SEC. 2. Section 56067.5 is added to the Government Code, to
18 read:

19 56067.5. “Project area” means a redevelopment project
20 established, or proposed to be established, expanded, or extended,

1 *by a redevelopment agency for redevelopment purposes, pursuant*
2 *to the Community Redevelopment Law (Part 1 (commencing with*
3 *Section 33000) of Division 24 of the Health and Safety Code).*

4 SEC. 3. *Section 56375 of the Government Code is amended to*
5 *read:*

6 56375. The commission shall have all of the following powers
7 and duties subject to any limitations upon its jurisdiction set forth
8 in this part:

9 (a) (1) To review and approve or disapprove with or without
10 amendment, wholly, partially, or conditionally, proposals for
11 changes of organization or reorganization, *including a request to*
12 *establish, expand, or extend a redevelopment agency's project*
13 *area*, consistent with written policies, procedures, and guidelines
14 adopted by the commission.

15 (2) The commission may initiate proposals for any of the
16 following:

17 (A) The consolidation of a district, as defined in Section 56036.

18 (B) The dissolution of a district.

19 (C) A merger.

20 (D) The establishment of a subsidiary district.

21 (E) The formation of a new district or districts.

22 (F) A reorganization that includes any of the changes specified
23 in subparagraph (A), (B), (C), (D), or (E).

24 (3) A commission may initiate a proposal described in paragraph
25 (2) only if that change of organization or reorganization is
26 consistent with a recommendation or conclusion of a study
27 prepared pursuant to Section 56378, 56425, or 56430, and the
28 commission makes the determinations specified in subdivision (b)
29 of Section 56881.

30 (4) A commission shall not disapprove an annexation to a city,
31 initiated by resolution, of contiguous territory that the commission
32 finds is any of the following:

33 (A) Surrounded or substantially surrounded by the city to which
34 the annexation is proposed or by that city and a county boundary
35 or the Pacific Ocean if the territory to be annexed is substantially
36 developed or developing, is not prime agricultural land as defined
37 in Section 56064, is designated for urban growth by the general
38 plan of the annexing city, and is not within the sphere of influence
39 of another city.

1 (B) Located within an urban service area that has been delineated
 2 and adopted by a commission, which is not prime agricultural land,
 3 as defined by Section 56064, and is designated for urban growth
 4 by the general plan of the annexing city.

5 (C) An annexation or reorganization of unincorporated islands
 6 meeting the requirements of Section 56375.3.

7 (5) As a condition to the annexation of an area that is
 8 surrounded, or substantially surrounded, by the city to which the
 9 annexation is proposed, the commission may require, where
 10 consistent with the purposes of this division, that the annexation
 11 include the entire island of surrounded, or substantially surrounded,
 12 territory.

13 (6) A commission shall not impose any conditions that would
 14 directly regulate land use density or intensity, property
 15 development, or subdivision requirements.

16 (7) The decision of the commission with regard to a proposal
 17 to annex territory to a city shall be based upon the general plan
 18 and rezoning of the city. When the development purposes are not
 19 made known to the annexing city, the annexation shall be reviewed
 20 on the basis of the adopted plans and policies of the annexing city
 21 or county. A commission shall require, as a condition to
 22 annexation, that a city rezone the territory to be annexed or present
 23 evidence satisfactory to the commission that the existing
 24 development entitlements on the territory are vested or are already
 25 at build-out, and are consistent with the city's general plan.
 26 However, the commission shall not specify how, or in what
 27 manner, the territory shall be rezoned.

28 (8) *With regard to a proposal to establish, expand, or extend a*
 29 *redevelopment project area, the commission shall only have the*
 30 *power to review a redevelopment agency's proposal for financial*
 31 *soundness, and to approve or deny the request, or to require a*
 32 *specified pass-through funding level as a condition to approval.*
 33 *The commission shall have no power to review or consider a*
 34 *finding of blight. Nothing in this act shall be construed to affect*
 35 *judicial review of a finding of blight.*

36 (b) With regard to a proposal for annexation or detachment of
 37 territory to, or from, a city or district or with regard to a proposal
 38 for reorganization that includes annexation or detachment, to
 39 determine whether territory proposed for annexation or detachment,

1 as described in its resolution approving the annexation, detachment,
2 or reorganization, is inhabited or uninhabited.

3 (c) With regard to a proposal for consolidation of two or more
4 cities or districts, to determine which city or district shall be the
5 consolidated successor city or district.

6 (d) To approve the annexation of unincorporated, noncontiguous
7 territory, subject to the limitations of Section 56742, located in the
8 same county as that in which the city is located, and that is owned
9 by a city and used for municipal purposes and to authorize the
10 annexation of the territory without notice and hearing.

11 (e) To approve the annexation of unincorporated territory
12 consistent with the planned and probable use of the property based
13 upon the review of general plan and rezoning designations. No
14 subsequent change may be made to the general plan for the annexed
15 territory or zoning that is not in conformance to the rezoning
16 designations for a period of two years after the completion of the
17 annexation, unless the legislative body for the city makes a finding
18 at a public hearing that a substantial change has occurred in
19 circumstances that necessitate a departure from the rezoning in
20 the application to the commission.

21 (f) With respect to the incorporation of a new city or the
22 formation of a new special district, to determine the number of
23 registered voters residing within the proposed city or special district
24 or, for a landowner-voter special district, the number of owners
25 of land and the assessed value of their land within the territory
26 proposed to be included in the new special district. The number
27 of registered voters shall be calculated as of the time of the last
28 report of voter registration by the county elections official to the
29 Secretary of State prior to the date the first signature was affixed
30 to the petition. The executive officer shall notify the petitioners of
31 the number of registered voters resulting from this calculation.
32 The assessed value of the land within the territory proposed to be
33 included in a new landowner-voter special district shall be
34 calculated as shown on the last equalized assessment roll.

35 (g) To adopt written procedures for the evaluation of proposals,
36 including written definitions consistent with existing state law.
37 The commission may adopt standards for any of the factors
38 enumerated in Section 56668. Any standards adopted by the
39 commission shall be written.

1 (h) To adopt standards and procedures for the evaluation of
2 service plans submitted pursuant to Section 56653 and the initiation
3 of a change of organization or reorganization pursuant to
4 subdivision (a).

5 (i) To make and enforce regulations for the orderly and fair
6 conduct of hearings by the commission.

7 (j) To incur usual and necessary expenses for the
8 accomplishment of its functions.

9 (k) To appoint and assign staff personnel and to employ or
10 contract for professional or consulting services to carry out and
11 effect the functions of the commission.

12 (l) To review the boundaries of the territory involved in any
13 proposal with respect to the definiteness and certainty of those
14 boundaries, the nonconformance of proposed boundaries with lines
15 of assessment or ownership, and other similar matters affecting
16 the proposed boundaries.

17 (m) To waive the restrictions of Section 56744 if it finds that
18 the application of the restrictions would be detrimental to the
19 orderly development of the community and that the area that would
20 be enclosed by the annexation or incorporation is so located that
21 it cannot reasonably be annexed to another city or incorporated as
22 a new city.

23 (n) To waive the application of Section 22613 of the Streets and
24 Highways Code if it finds the application would deprive an area
25 of a service needed to ensure the health, safety, or welfare of the
26 residents of the area and if it finds that the waiver would not affect
27 the ability of a city to provide any service. However, within 60
28 days of the inclusion of the territory within the city, the legislative
29 body may adopt a resolution nullifying the waiver.

30 (o) If the proposal includes the incorporation of a city, as defined
31 in Section 56043, or the formation of a district, as defined in
32 Section 2215 of the Revenue and Taxation Code, the commission
33 shall determine the property tax revenue to be exchanged by the
34 affected local agencies pursuant to Section 56810.

35 (p) To authorize a city or district to provide new or extended
36 services outside its jurisdictional boundaries pursuant to Section
37 56133.

38 (q) To enter into an agreement with the commission for an
39 adjoining county for the purpose of determining procedures for
40 the consideration of proposals that may affect the adjoining county

1 or where the jurisdiction of an affected agency crosses the boundary
2 of the adjoining county.

3 *SEC. 4. No reimbursement is required by this act pursuant to*
4 *Section 6 of Article XIII B of the California Constitution because*
5 *a local agency or school district has the authority to levy service*
6 *charges, fees, or assessments sufficient to pay for the program or*
7 *level of service mandated by this act, within the meaning of Section*
8 *17556 of the Government Code.*

9 ~~SECTION 1. Section 56744 of the Government Code is~~
10 ~~amended to read:~~

11 ~~56744. Unless otherwise determined by the commission~~
12 ~~pursuant to subdivision (m) of Section 56375, territory shall not~~
13 ~~be incorporated into, or annexed to, a city pursuant to this division~~
14 ~~if, as a result of that incorporation or annexation, any~~
15 ~~unincorporated territory is completely surrounded by that city or~~
16 ~~by territory of that city on one or more sides and the Pacific Ocean~~
17 ~~on the remaining sides.~~