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CITY OF HUNTINGTON BEACH

8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF ORANGE**

11 CITIZENS' ASSOCIATION OF SUNSET
12 BEACH,

13 Plaintiff and Petitioner,

14 v.

15 ORANGE COUNTY LOCAL AGENCY
16 FORMATION COMMISSION, a governmental
17 entity; the CITY OF HUNTINGTON BEACH, a
municipal corporation; and DOES 1 through 50,
inclusive,

18 Defendants and Respondents.

CASE NO.: 30-2010-00431832

**(Assigned for all purposes to the Hon.
Frederick Horn)**

**RESPONDENT CITY OF HUNTINGTON
BEACH'S REQUEST FOR JUDICIAL
NOTICE IN SUPPORT OF OPPOSITION
TO PETITION FOR WRIT OF MANDATE**

Complaint Filed: December 9, 2010

Hearing Date: Aug. 11, 2011
Time: 1:30 p.m.
Dept.: C31

20 Respondent City of Huntington Beach, by and through its attorneys, hereby request the Court
21 take judicial notice pursuant to California Evidence Code Sections 451, 452 and 453 of the following
22 in support of its Opposition to Petition for Writ of Mandate:

- 23 A. Legislative Analyst Report for A.B. No. 2227 (LOCAL AGENCIES—FORMATION—
24 PROCEDURES AND REQUIREMENTS) published by West's CALIFORNIA 2002
25 LEGISLATIVE SERVICE. A true and correct copy is attached as Exhibit A hereto.
26 B. Ballot Materials related to Proposition 218 included in the Voter Information Pamphlet
27 for the November 1996 election located on the California Secretary of State's website at
28 <http://vote96.sos.ca.gov/BP/218.htm>. A true and correct copy is attached as Exhibit B

Colantuono & Levin, PC
300 S. GRAND AVENUE, SUITE 2700
LOS ANGELES, CA 90071-3137

1 hereto.

2 C. Assembly floor vote count for S.B. 919 (Proposition 218 Omnibus Implementation Act of
3 1997) as posted on the Official Website for Legislative Information maintained by the
4 Legislative Counsel for the State of California, located at
5 [http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-](http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-0950/sb_919_vote_19970630_1238PM_asm_floor.html)
6 [0950/sb_919_vote_19970630_1238PM_asm_floor.html](http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-0950/sb_919_vote_19970630_1238PM_asm_floor.html)

7 D. Senate Floor vote count for S.B. 919 (Proposition 218 Omnibus Implementation Act of
8 1997) as posted on the Official Website for Legislative Information maintained by the
9 Legislative Counsel for the State of California, located at
10 [http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-](http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-0950/sb_919_vote_19970630_1154AM_sen_floor.html)
11 [0950/sb_919_vote_19970630_1154AM_sen_floor.html](http://www.leginfo.ca.gov/pub/97-98/bill/sen/sb_0901-0950/sb_919_vote_19970630_1154AM_sen_floor.html)

12 As to Exhibit A, reports from the Legislative Analyst are proper subjects of judicial notice.

13 (*Heavenly Valley v. El Dorado County Bd. of Equalization* (2000) 84 Cal.App.4th 1323, 1339–1340;
14 *Board of Administration v. Wilson* (1997) 52 Cal.App.4th 1109, 1133; *Aguimatang v. California*
15 *State Lottery* (1991) 234 Cal.App.3d 769, 788.)

16 As to Exhibit B, a court may take judicial notice of ballot materials as accepted indicia of the
17 voters' intent and understanding of initiative measures. (*Strong v. State Bd. of Equalization* (2007)
18 155 Cal.App.4th 1182, 1196; see also *Town of Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057,
19 1073 [court took judicial notice of voter pamphlet materials for Proposition 218 on its own motion].)

20 The Court should judicially notice the documents in Exhibits C and D. These documents are
21 elements of the legislative history of The Proposition 219 Omnibus Implementation Act of 1997,
22 Government Code Sections 53750 et seq., and may assist this Court in interpreting the meaning of
23 Proposition 218 as understood by the Legislature and then-Governor Wilson who approved this
24 urgency legislation to aid in implement the new measure immediately following its approval by
25 California voters at the November 1996 election. Legislative history materials may be judicially
26 noticed pursuant to Evidence Code sections 452(b) and (h). *Quintano v. Mercury Casualty Co.*
27 (1995) 11 Cal.4th 1049, 1062, fn. 5; *People v. Watie* (2002) 100 Cal.App.4th 866, 884; *San Rafael*
28 *Elementary School Dist. v. State Bd. of Education* (1999) 73 Cal.App.4th 1018, 1025, fn. 8; *Ketchum*

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v. Moses (2001) 24 Cal.4th 1122, 1135, fn. 1. *In re J.W.* (2002) 29 Cal.4th 200, 211 (Senate and Assembly committees analyses); see also *People v. Cruz* (1996) 13 Cal.4th 764, 773, fn. 5; *Hutnick v. United States Fidelity & Guaranty Co.* (1988) 47 Cal.3d 456, 465, fn. 7.

DATED: July 1, 2011

Respectfully submitted,
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EXHIBIT A

2002 Cal. Legis. Serv. Ch. 548 (A.B. 2227) (WEST)

CALIFORNIA 2002 LEGISLATIVE SERVICE
2002 Portion of 2001-2002 Regular Session
1768

Additions are indicated by **Text**; deletions by
* * *. Changes in tables are made but not highlighted.

CHAPTER 548

A.B. No. 2227

LOCAL AGENCIES—FORMATION—PROCEDURES AND REQUIREMENTS

AN ACT to amend Sections 56026, 56035, 56048, 56068, 56103, 56133, 56157, 56300, 56375, 56375.3, 56383, 56386, 56427, 56661, 56663, 56668.3, 56708, 56710, 56751, 56759, 56857, 56886, 56895, 57002, 57007, 57025, 57077, 57078.5, 57080, 57102, 57108, 57109, 57119, 57302, and 57450 of, to amend and renumber Section 56746 of, and to repeal Section 56745 of, the Government Code, relating to local agency formation.

[Filed with Secretary of State September 15, 2002.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2227, Harman. Local agency formation.

(1) The Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. For purposes of the act, the terms “landowners” and “owner of land” are defined as any person shown as the owner of land on the most recent assessment roll being prepared by the county at the time the conducting authority adopts a resolution of application, except where that person is no longer the owner.

This bill would change these definitions to any person shown as the owner of land on the most recent assessment roll being prepared by the county at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer of a local agency formation commission, except where that person is no longer the owner, and would make related changes.

(2) For purposes of the act, the term “proponent” is defined as the person or persons who file a notice of intention to circulate a petition with the executive officer.

This bill would change that definition to the person or persons who file a notice of intention to circulate a petition with the executive officer or the local agency that adopts a resolution of application.

(3) Existing law requires that any action brought to determine the validity of any change of organization or reorganization be brought pursuant to specified procedures.

This bill would include within this requirement actions brought to determine the validity of sphere of influence determinations.

(4) Existing law specifies how required notice shall be mailed with respect to the proceedings of a local agency formation commission. With regard to mailed notice to landowners, existing law requires that notice be addressed to each person to whom land is assessed, as shown upon the most recent assessment roll being prepared by the county at the time the commission adopts a resolution of application. With regard to mailed notice to registered voters, existing law requires that notice be given to all registered voters within the property that is subject to the hearing and all registered voters within 300 feet of the exterior boundary of that property.

This bill would provide that required notice to landowners be addressed to each person to whom land is assessed as shown on the most recent assessment roll being prepared by the county at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer, and to all landowners within 300 feet of the exterior boundary of the property that is the subject of the hearing. This bill would also provide that required notice to registered voters be addressed to all registered voters within the affected territory at the address as shown on the most recent index of affidavits prepared by the county elections official at the time the proponent adopts a resolution of application or files a notice of intention to circulate a petition with the executive officer and to all registered voters within 300 feet of the exterior boundary of the property that is the subject of the hearing.

(5) Existing law permits a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Approval is not required for an extended service that a city or district was providing on January 1, 1994.

This bill would extend that exemption from commission approval to an extended service that a city or district was providing on or before January 1, 2001.

(6) Existing law sets forth the various powers and duties of a local agency formation commission in reviewing and approving or disapproving proposals for changes of organization or reorganization. Among other things, a commission shall require, as a condition to annexation to a city, that the city prezone the territory to be annexed and require that approval of the annexation be consistent with the planned and probable use of the property based upon the review of the general plan and rezoning designations.

This bill would permit the commission not to require a city to prezone the territory to be annexed if satisfactory evidence is presented to the commission that the existing future development entitlements on territory to be annexed are vested or are already at buildout, and are consistent with the city's general plan land use element.

(7) Existing law allows a commission to approve an annexation to a city of island territory without an election or waive a protest hearing, as specified.

This bill would, subject to specified conditions, require the commission to approve the annexation and waive protest proceedings as to annexations initiated on or after January 1, 2000, and before January 1, 2007, and approve these annexations initiated on or after January 1, 2007.

(8) Existing law requires the local agency formation commission to mail notice of a public hearing regarding the adoption, amendment, or revision of spheres of influence, at least 15 days prior to the date of the hearing and to publish that notice in a newspaper at least 15 days prior to the hearing.

This bill would require instead that the mailed and published notice be made at least 21 days prior to the date of the hearing and specify publication in a newspaper of general circulation within the affected territory.

(9) Existing law requires a local agency formation commission to terminate any change of organization or reorganization, except a special reorganization, that includes the detachment of territory from any city if any city from which the detachment of territory is requested adopts and transmits a resolution requesting termination of the proceedings no later than 60 days after the date that the proposal is on the commission's meeting agenda.

This bill would make this requirement inapplicable if the commission receives a resolution in support of the proposed change of organization or reorganization from all cities from which the detachment of territory is proposed.

(10) Existing law requires a local agency formation commission to terminate any change of organization or reorganization that includes the annexation of territory to any district if any district to which the annexation of territory is requested adopts and transmits a resolution requesting termination of the proceedings no later than 60 days after the date that the proposal is on the commission's meeting agenda.

This bill would make this requirement inapplicable if the commission receives a resolution in support of the proposed change of organization or reorganization from all districts to which the annexation of territory is proposed.

(11) Existing law permits a local agency formation commission to make its approval of a change of organization or reorganization of local government entities subject to any of specified conditions.

This bill would require that any of the specified conditions imposed on a change of organization or reorganization constitute the exclusive conditions for the change of organization or reorganization, notwithstanding the general provisions of the act, and would make conforming changes.

(12) Existing law provides that protest proceedings with respect to a district formation that is not part of a reorganization shall be conducted pursuant to the principal act of the district to be formed, and that commission protest procedures shall not apply except as specified.

This bill would provide that protest proceedings of the Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000 shall prevail in the event of a conflict with the principal act of the district to be formed.

(13) Existing law requires the executive officer of the commission to give mailed notice of the protest hearing on a proposed annexation to a city of 75 acres or less to each landowner within the affected territory.

This bill would delete that requirement.

(14) Existing law authorizes a petition to be filed with the executive officer of the commission prior to the conclusion of the protest hearing by the commission on the issue of merging a district with a city or establishing a subsidiary district of a city, if the petition requests that any election on that question be called, held, and conducted only within the district.

This bill would require the commission to forward the proposal to the affected city and would require the affected city to call, hold, or conduct any election if the executive officer certifies the petition. The bill would also require the commission to forward the proposal to the principal county and would require the principal county to call, hold, and conduct any election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or within the district to be established as a subsidiary district if the petition requesting the election is certified.

(15) Existing law requires the commission, in any resolution ordering a special organization, to call an election in both the territory to be detached from the city and the entire territory of the city from which the detachment is ordered to occur.

This bill would require that any resolution ordering a special reorganization require the principal county to call the election.

(16) This bill would make various related conforming changes.

(17) By imposing various duties described above on local agency formation commissions and local government agencies, this bill would impose a state-mandated local program.

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.

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

SECTION 1. Section 56026 of the Government Code is amended to read:

<< CA GOVT § 56026 >>

56026. "Clerk" means the clerk or secretary of a **commission**, county, city, or district, or the clerk or secretary of the legislative body of a county, city, or district. Where the office of county clerk is separate from the office of the clerk of the board of supervisors, "clerk" means the clerk of the board of supervisors. Where the office of county clerk is separate from the office of the registrar of voters, "clerk" means the registrar of voters with respect to all duties pertaining to the conduct of elections and the county clerk with respect to all other duties.

SEC. 2. Section 56035 of the Government Code is amended to read:

<< CA GOVT § 56035 >>

56035. "Dissolution" means the dissolution, disincorporation, extinguishment, and termination of the existence of a district and the cessation of all its corporate powers, except **as the commission may otherwise provide pursuant to Section 56886** or for the purpose of winding up the affairs of the district.

SEC. 3. Section 56048 of the Government Code is amended to read:

<< CA GOVT § 56048 >>

56048. (a) Except as otherwise provided in subdivision (b) or (c), "landowner" or "owner of land" means all of the following:

(1) Any person shown as the owner of land on the most recent assessment roll being prepared by the county at the time the **proponent** adopts a resolution of application **pursuant to Section 56654 or files a notice of intention to circulate a petition with the executive officer pursuant to subdivision (a) of Section 56700.4**, except where that person is no longer the owner. Where that person is no longer the owner, the landowner or owner of land is any person entitled to be shown as owner of land on the next assessment roll.

(2) Where land is subject to a recorded written agreement of sale, any person shown in the agreement as purchaser.

(3) Any public agency owning land.

(b) "Landowner" or "owner of land" does not include a public agency which owns highways, rights-of-way, easements, waterways, or canals.

* * *

SEC. 4. Section 56068 of the Government Code is amended to read:

<< CA GOVT § 56068 >>

56068. "Proponent" means the person or persons who file a notice of intention to circulate a petition with the executive officer **pursuant to subdivision (a) of Section 56700.4, or the affected local agency or agencies that adopt a resolution of application pursuant to Section 56654.**

SEC. 5. Section 56103 of the Government Code is amended to read:

<< CA GOVT § 56103 >>

56103. An action to determine the validity of any change of organization, reorganization, or **sphere of influence determination** completed pursuant to this division shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 6. Section 56133 of the Government Code is amended to read:

<< CA GOVT § 56133 >>

56133. (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county.

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.

(c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

(1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of those requests to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the contract for extended services. If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to contracts or agreements solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider. This section does not apply to contracts for the transfer of nonpotable or nontreated water. This section does not apply to contracts or agreements solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county. This section does not apply to an extended service that a city or district was providing on **or before** January 1, **2001**. This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.

SEC. 7. Section 56157 of the Government Code is amended to read:

<< CA GOVT § 56157 >>

56157. When mailed notice is required to be given to:

(a) A county, city, or district, it shall be addressed to the clerk of the county, city, or district.

(b) A commission, it shall be addressed to the executive officer.

(c) Proponents, it shall be addressed to the persons so designated in the petition at the address specified in the petition.

(d) Landowners, it shall be addressed to each person to whom land is assessed, as shown upon the most recent assessment roll being prepared by the county at the time the **proponent** adopts a resolution of application **pursuant to Section 56654 or files a notice of intention to circulate a petition with the executive officer pursuant to subdivision (a) of Section 56700.4**, at the address shown upon the assessment roll **and to all landowners within 300 feet of the exterior boundary of the property that is the subject of the hearing at least 21 days prior to the**

hearing. This requirement may be waived if proof satisfactory to the commission is presented that shows that individual notices to landowners have already been provided by the initiating agency. Notice also shall be either posted or published in accordance with Section 56153 in a newspaper of general circulation that is circulated within the affected territory 21 days prior to the hearing. If this section would require more than 1,000 notices to be mailed, then notice may be provided instead pursuant to paragraph (3) of subdivision (a) of Section 65091.

(e) Persons requesting special notice, it shall be addressed to each person who has filed a written request for special notice with the executive officer or clerk at the mailing address specified in the request.

(f) To all registered voters * * ***within the affected territory**, to the address as shown on the most recent * * ***index of affidavits** prepared by the county elections official at the time * * ***the proponent adopts a resolution of application pursuant to Section 56654 or files a notice of intention to circulate a petition with the executive officer pursuant to subdivision (a) of Section 56700.4 and to all registered voters** within 300 feet of the exterior boundary of the property that is the subject of the hearing at least 21 days prior to the hearing. This requirement may be waived if proof satisfactory to the commission is presented that shows that individual notices to registered voters * * *have already been provided by the initiating agency. Notice shall also either be posted or published in * * ***accordance with Section 56153 in a newspaper of general circulation that is circulated within the affected territory** 21 days prior to the hearing. If this section would require more than 1,000 notices to be mailed, then notice may instead be provided pursuant to paragraph (3) of subdivision (a) of Section 65091.

SEC. 8. Section 56300 of the Government Code is amended to read:

<< CA GOVT § 56300 >>

56300. (a) It is the intent of the Legislature that each commission, not later than January 1, 2002, shall establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space **and agricultural** lands within those patterns.

(b) Each commission with a proposal pending on January 1, 2001, shall, by March 31, 2001, hold a public hearing to discuss the adoption of policies and procedures to require the disclosure of contributions, expenditures, and independent expenditures authorized by Section 56100.1. Reporting requirements adopted pursuant to this section shall be effective upon the date of adoption or a later date specified in the resolution. Any commission that does not have a proposal pending on January 1, 2001, shall hold a public hearing to discuss the adoption of those policies and procedures within 90 days of submission of a proposal or at any time prior to submission of a proposal. Once a hearing has taken place under this subdivision, no subsequent hearing shall be required except by petition of 100 or more registered voters residing in the county in which the commission is located.

(c) A commission may require, through the adoption of written policies and procedures, lobbying disclosure and reporting requirements for persons who attempt to influence pending decisions by

commission members, staff, or consultants. Disclosure shall be made either to the commission's executive officer, in which case it shall be posted on the commission **Web site**, if applicable, or to the recorder, registrar of voters, or clerk of the board of supervisors of the county in which the commission is located. Each commission that on January 1, 2001, has a pending proposal, as defined in Section 56069 shall, by March 31, 2001, hold a public hearing to discuss the adoption of policies and procedures governing lobbying disclosure authorized by this subdivision. Reporting requirements adopted pursuant to this section shall be effective upon the date of adoption or on a later date specified in the resolution. Any commission that does not have a proposal pending on January 1, 2001, shall hold a public hearing to discuss the adoption of those policies and procedures within 90 days of submission of a proposal, or at any time prior to submission of a proposal.

(d) Any public hearings required by this section may be held concurrently.

(e) The written policies and procedures adopted by the commission shall include forms to be used for various submittals to the commission including at a minimum a form for any protests to be filed with the commission concerning any proposed organization change.

(f)(1) On or before January 1, 2002, the commission shall establish and maintain, or otherwise provide access to notices and other commission information for the public through an Internet **Web site**.

(2) The written policies and procedures adopted by the commission shall require that, to the extent that the commission maintains an Internet **Web site**, notice of all public hearings and commission meetings shall be made available in electronic format on that site.

SEC. 9. Section 56375 of the Government Code is amended to read:

<< CA GOVT § 56375 >>

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

(a) To review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission. The commission may initiate proposals for (1) consolidation of districts, as defined in Section 56036, (2) dissolution, (3) merger, or (4) establishment of a subsidiary district, or a reorganization that includes any of these changes of organization. A commission shall have the authority to initiate only a (1) consolidation of districts, (2) dissolution, (3) merger, (4) establishment of a subsidiary district, or (5) a reorganization that includes any of these changes of organization, if that change of organization or reorganization is consistent with a recommendation or conclusion of a study prepared pursuant to Section 56378, 56425, or **56430** and the commission makes the determinations specified in subdivision (b) of Section 56881. However, a commission shall not have the power to disapprove an annexation to a city, initiated by resolution, of contiguous territory that the commission finds is any of the following:

(1) Surrounded or substantially surrounded by the city to which the annexation is proposed or by that city and a county boundary or the Pacific Ocean if the territory to be annexed is substantially developed or developing, is not prime agricultural land as defined in Section 56064, is

designated for urban growth by the general plan of the annexing city, and is not within the sphere of influence of another city.

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

(3) An annexation or reorganization of unincorporated islands meeting the requirements of Section 56375.3.

As a condition to the annexation of an area that is surrounded, or substantially surrounded, by the city to which the annexation is proposed, the commission may require, where consistent with the purposes of this division, that the annexation include the entire island of surrounded, or substantially surrounded, territory.

A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements. When the development purposes are not made known to the annexing city, the annexation shall be reviewed on the basis of the adopted plans and policies of the annexing city or county. A commission shall require, as a condition to annexation, that a city prezone the territory to be annexed **or present evidence satisfactory to the commission that the existing development entitlements on the territory are vested or are already at buildout, and are consistent with the city's general plan .**

However, the commission shall not specify how, or in what manner, the territory shall be zoned. The decision of the commission with regard to a proposal to annex territory to a city shall be based upon the general plan and zoning of the city.

(b) With regard to a proposal for annexation or detachment of territory to, or from, a city or district or with regard to a proposal for reorganization that includes annexation or detachment, to determine whether territory proposed for annexation or detachment, as described in its resolution approving the annexation, detachment, or reorganization, is inhabited or uninhabited.

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

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

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

(f) With respect to the incorporation of a new city or the formation of a new special district, to determine the number of registered voters residing within the proposed city or special district or, for a landowner-voter special district, the number of owners of land and the assessed value of their land within the territory proposed to be included in the new special district. The number of registered voters shall be calculated as of the time of the last report of voter registration by the

county elections official to the Secretary of State prior to the date the first signature was affixed to the petition. The executive officer shall notify the petitioners of the number of registered voters resulting from this calculation. The assessed value of the land within the territory proposed to be included in a new landowner-voter special district shall be calculated as shown on the last equalized assessment roll.

(g) To adopt written procedures for the evaluation of proposals, **including written definitions not inconsistent with existing state law**. The commission may adopt standards for any of the factors enumerated in Section 56668. Any standards adopted by the commission shall be written.

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

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

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

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

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

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

(n) To waive the application of Section 25210.90 or Section 22613 of the Streets and Highways Code if it finds the application would deprive an area of a service needed to ensure the health, safety, or welfare of the residents of the area and if it finds that the waiver would not affect the ability of a city to provide any service. However, within 60 days of the inclusion of the territory within the city, the legislative body may adopt a resolution nullifying the waiver.

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

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

(q) To enter into an agreement with the commission for an adjoining county for the purpose of determining procedures for the consideration of proposals that may affect the adjoining county or where the jurisdiction of an affected agency crosses the boundary of the adjoining county.

SEC. 10. Section 56375.3 of the Government Code is amended to read:

<< CA GOVT § 56375.3 >>

56375.3. (a) In addition to those powers enumerated in Section 56375, a commission * * ***shall do either of the following:**

(1) Approve, after notice and hearing, the annexation to a city* * *, and waive * * *protest * * *proceedings pursuant to Part 4 (commencing with Section 57000) entirely, if * * *all of the following are true:

(A) The annexation is initiated on or after January 1, 2000, and before January 1, 2007.

(B) The annexation * * *is proposed by resolution adopted by the affected city* * *.

(C) The commission finds that the territory contained in the annexation proposal meets all of the * * *requirements * * *set forth in subdivision (b).

(2) Approve, after notice and hearing, the annexation to a city, subject to subdivision (a) of Section 57080, if all of the following are true:

(A) The annexation is initiated on or after January 1, 2007.

(B) The annexation is proposed by resolution adopted by the affected city.

(C) The commission finds that the territory contained in the annexation proposal meets all of the requirements set forth in subdivision (b).

(b) Subdivision (a) applies to territory that meets all of the following requirements:

(1) It does not exceed 75 acres in area, that area constitutes the entire island, and that island does not constitute a part of an unincorporated area that is more than 100 acres in area.

(2) The territory constitutes an entire unincorporated island located within the limits of a city, or constitutes a reorganization containing a number of individual unincorporated islands.

(3) It is surrounded in either of the following ways:

(A) Surrounded, or substantially surrounded, by the city to which annexation is proposed or by the city and a county boundary or the Pacific Ocean.

(B) Surrounded by the city to which annexation is proposed and adjacent cities.

(C) This subdivision shall not be construed to apply to any unincorporated island within a city that is a gated community where services are currently provided by a community services district.

(D) Notwithstanding any other provision of law, at the option of either the city or the county, a separate property tax transfer agreement may be agreed to between a city and a county pursuant to Section 99 of the Revenue and Taxation Code regarding an annexation subject to this subdivision without affecting any existing master tax sharing agreement between the city and county.

(4) It is substantially developed or developing. The finding required by this subparagraph shall be based upon one or more factors, including, but not limited to, any of the following factors:

(A) The availability of public utility services.

(B) The presence of public improvements.

(C) The presence of physical improvements upon the parcel or parcels within the area.

(5) It is not prime agricultural land, as defined by Section 56064.

(6) It will benefit from the annexation or is receiving benefits from the annexing city.

(c) Notwithstanding any other provision of this subdivision, this subdivision shall not apply to all or any part of that portion of the development project area referenced in subdivision (e) of Section 33492.41 of the Health and Safety Code that as of January 1, 2000, meets all of the following requirements:

(1) Is unincorporated territory.

(2) Contains at least 100 acres.

- (3) Is surrounded or substantially surrounded by incorporated territory.
- (4) Contains at least 100 acres zoned for commercial or industrial uses or is designated on the applicable county general plan for commercial or industrial uses.

SEC. 11. Section 56383 of the Government Code is amended to read:

<< CA GOVT § 56383 >>

56383. (a) The commission may establish a schedule of fees for the costs of proceedings taken pursuant to this division, including, but not limited to, all of the following:

- (1) Filing and processing applications filed with the commission.
- (2) Proceedings undertaken by the commission and any reorganization committee.
- (3) Amending a sphere of influence.
- (4) Reconsidering a resolution making determinations.

(b) The schedule of fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged and shall be imposed pursuant to Section 66016.

(c) The commission may require that a fee be deposited with the executive officer before any further action is taken. The deposit of the fee shall be made within the time period specified by the commission. No petition shall be deemed filed until the fee has been deposited.

(d) The commission may waive a fee if it finds that payment would be detrimental to the public interest.

(e) The signatures on a petition submitted to the commission by **registered voters** shall be verified by the elections official of the county and the costs of verification shall be provided for in the same manner and by the same agencies which bear the costs of verifying signatures for an initiative petition in the same county.

(f) Waiver of fees is limited to those costs incurred by the commission in the processing of a proposal.

(g) For incorporation proceedings that have been initiated by the filing of a sufficient number of voter signatures on petitions that have been verified by the county registrar of voters, the commission may, upon the receipt of a certification by the proponents that they are unable to raise sufficient funds to reimburse fees for the proceedings, take no action on the proposal and request a loan from the General Fund of an amount sufficient to cover those expenses subject to availability of an appropriation for those purposes and in accordance with any provisions of the appropriation. Repayment of the loan shall be made a condition of approval of the incorporation, if successful, and shall become an obligation of the newly formed city. Repayment shall be made within two years of the effective date of incorporation. If the proposal is denied by the commission or defeated at an election, the loan shall be forgiven.

SEC. 12. Section 56386 of the Government Code is amended to read:

<< CA GOVT § 56386 >>

56386. (a) The officers and employees of a city, county, or special district, including any local agency, school district, community college district, and any regional agency, or state agency or department, as may be necessary, or any other public agency shall furnish the executive officer

with any records or information in their possession which may be necessary to assist the commission and the executive officer in their duties, including, but not limited to, the preparation of reports pursuant to Sections 56665 and 56800.

(b) Upon request by the commission or the executive officer, the county surveyor, or any other county officer, county official, or employee as the board of supervisors may designate, shall examine and report to the commission or the executive officer upon any application or other document involving any of the matters specified in subdivision (l) of Section 56375.

SEC. 13. Section 56427 of the Government Code is amended to read:

<< CA GOVT § 56427 >>

56427. The commission shall adopt, amend, or revise spheres of influence after a public hearing called and held for that purpose. At least 21 days prior to the date of that hearing, the executive officer shall give mailed notice of the hearing to each affected local agency or affected county, and to any interested party who has filed a written request for notice with the executive officer. In addition, at least 21 days prior to the date of that hearing, the executive officer shall cause notice of the hearing to be published in accordance with Section 56153 in a newspaper of general circulation which is circulated within the territory affected by the sphere of influence proposed to be adopted. The commission may continue from time to time any hearing called pursuant to this section.

At any hearing called and held pursuant to this section, the commission shall hear and consider oral or written testimony presented by any affected local agency or affected county or any interested person who wishes to appear.

This section shall only apply to spheres of influence adopted by the commission after January 1, 1975.

SEC. 14. Section 56661 of the Government Code is amended to read:

<< CA GOVT § 56661 >>

56661. To the extent that the commission maintains an Internet Web site, notice of all public hearings shall be made available in electronic format on that site. The executive officer shall also give mailed notice of any hearing by the commission, as provided in Sections 56155 to 56157, inclusive, by mailing notice of the hearing or transmitting by electronic mail, if available to the recipient, to all of the following persons and entities:

- (a) To each affected local agency by giving notice to the legislative body and the executive officer of the agency.
- (b) To the proponents, if any.
- (c) To each person who has filed a written request for special notice with the executive officer.
- (d) If the proposal is for any annexation or detachment, or for a reorganization providing for the formation of a new district, to each city within three miles of the exterior boundaries of the territory proposed to be annexed, detached, or formed into a new district.
- (e) If the proposal is to incorporate a new city or for the formation of a district, to the affected county.

(f) If the proposal includes the formation of, or annexation of territory to, a fire protection district formed pursuant to the Fire Protection District Law of 1987, Part 3 (commencing with Section 13800) of Division 12 of the Health and Safety Code, and all or part of the affected territory has been classified as a state responsibility area, to the Director of Forestry and Fire Protection.

(g) If the proposal would result in the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), to the Director of Conservation.

(h) To all landowners within the affected territory pursuant to the provisions of subdivision (d) of Section 56157.

(i) To all registered voters * * * within the affected territory * * * pursuant to the provisions of subdivision (f) of Section 56157.

SEC. 15. Section 56663 of the Government Code is amended to read:

<< CA GOVT § 56663 >>

56663. (a) If a petition for an annexation, a detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area is signed by all of the owners of land within the affected territory of the proposed change of organization or reorganization, or if a resolution of application by a legislative body of an affected district, affected county, or affected city making a proposal for an annexation or detachment, or for a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area is accompanied by proof, satisfactory to the commission, that all the owners of land within the affected territory have given their written consent to that change of organization or reorganization, the commission may approve or disapprove the change of organization or reorganization, without notice and hearing by the commission. In those cases, the commission may also approve and conduct proceedings for the change of organization or reorganization under any of the following conditions:

- (1) Without notice and hearing.
- (2) Without an election.
- (3) Without notice, hearing, or an election.

(b) The executive officer shall give any affected agency mailed notice of the filing of the petition or resolution of application initiating proceedings by the commission. The commission shall not, without the written consent of the subject agency, take any further action on the petition or resolution of application for 10 days following that mailing. Upon written demand by an affected local agency, filed with the executive officer during that 10-day period, the commission shall make determinations upon the petition or resolution of application only after notice and hearing on the petition or resolution of application. If no written demand is filed, the commission may make those determinations without notice and hearing. By written consent, which may be filed with the executive officer at any time, a subject agency may do any of the following:

- (1) Waive the requirement of mailed notice.
- (2) Consent to the commission making determinations without notice and hearing.
- (3) Waive the requirement of mailed notice and consent to the commission making determinations without notice and hearing.

(c) In the case of uninhabited territory, the commission may waive protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely if both of the following conditions apply:

(1) All the owners of land within the affected territory have given their written consent to the change of organization or reorganization.

(2) All * * ***subject** agencies * * *have consented in writing to a waiver of protest proceedings.

(d) In the case of inhabited city and district annexations or detachments, or both, the commission may waive protest proceedings pursuant to Part 4 (commencing with Section 57000) entirely if both of the following conditions apply:

(1) The commission has provided written notice of commission proceedings to all registered voters and landowners within the affected territory and no written opposition from registered voters or landowners within the affected territory is received prior to the conclusion of the commission meeting. The written notice shall disclose to the registered voters and landowners that unless written opposition is received regarding the proposal or the commission's intention to waive protest proceedings, that there will be no subsequent protest and election proceedings.

(2) All * * ***subject** agencies * * *have consented in writing to a waiver of protest proceedings.

SEC. 16. Section 56668.3 of the Government Code is amended to read:

<< CA GOVT § 56668.3 >>

56668.3. (a) If the proposed change of organization or reorganization includes a city detachment or district annexation, except a special reorganization, and the proceeding has not been terminated based upon receipt of a resolution requesting termination pursuant to either Section 56751 or Section 56857, factors to be considered by the commission shall include all of the following:

(1) * * ***In the case of district annexation**, whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.

* * *

(2) **In the case of a city detachment**, whether the proposed detachment will be for the interest of the landowners or present or future inhabitants within the city and within the territory proposed to be detached from the city.

(3) Any factors which may be considered by the commission as provided in Section 56668.

(4) Any resolution * * ***raising objections** to the action that may be filed by an affected agency.

(5) Any other matters which the commission deems material.

(b) The commission shall give great weight to any resolution **raising objections** to the action that is filed by a city or a district. The commission's consideration shall be based only on financial or service related concerns expressed in the protest. Except for findings regarding the value of written protests, the commission is not required to make any express findings concerning any of the factors considered by the commission.

SEC. 17. Section 56708 of the Government Code is amended to read:

<< CA GOVT § 56708 >>

56708. If a petition is signed by owners of land, the executive officer shall cause the names of the signers on the petition to be compared with the names of the persons shown as owners of land on the most recent assessment roll being prepared by the county at the time the **proponent** adopts a resolution of application **pursuant to Section 56654 or files a notice of intention to circulate a petition with the executive officer pursuant to subdivision (a) of Section 56700.4** and ascertain, to the extent possible, both of the following:

(a) The total number of landowners within the territory and the total assessed valuation of all land within the affected territory.

(b) The total number of landowners represented by qualified signers and the total assessed valuation of land owned by qualified signers.

SEC. 18. Section 56710 of the Government Code is amended to read:

<< CA GOVT § 56710 >>

56710. For purposes of evaluating the sufficiency of any petition signed by owners of land:

(a) The assessed value to be given land exempt from taxation or owned by a public agency shall be determined by the county assessor, at the request of the executive officer, in the same amount as the county assessor would assess that land, if the land were not exempt from taxation or owned by a public agency.

(b) The value given land held in joint tenancy or tenancy in common shall be determined in proportion to the proportionate interest of the petitioner in that land.

(c) The executive officer shall disregard the signature of any person not shown as owner on the most recent assessment roll being prepared by the county at the time the **proponent** adopts a resolution of application **pursuant to Section 56654 or files a notice of intention to circulate a petition with the executive officer pursuant to subdivision (a) of Section 56700.4**, unless prior to certification the executive officer is furnished with written evidence, satisfactory to the executive officer, that the signer meets any of the following requirements:

(1) Is a legal representative of the owner.

(2) Is entitled to be shown as owner of land on the next assessment roll.

(3) Is a purchaser of land under a recorded written agreement of sale.

(4) Is authorized to sign for, and on behalf of, any public agency owning land.

<< Repealed: CA GOVT § 56745 >>

SEC. 19. Section 56745 of the Government Code is repealed.

<< CA GOVT § 56746 >>

<< CA GOVT § 56375.4 >>

SEC. 20. Section 56746 of the Government Code is amended and renumbered to read:

56375.4. (a) The authority to initiate, conduct, and complete any proceeding pursuant to **subdivision (a) of Section 56375.3** does not apply to any territory **that**, after January 1, 2000,

became surrounded or substantially surrounded by the city to which annexation is proposed. The authority to initiate, conduct, and complete any proceeding pursuant to **paragraph (1) of subdivision (a) of Section 56375.3** shall expire January 1, 2007. The period of time between January 1, 2000, and January 1, 2007, shall not include any period of time during which, in an action pending in any court, a local agency is enjoined from conducting proceedings pursuant to paragraph (1) of subdivision (a) of Section 56375.3. Upon final disposition of that case, the previously enjoined local agency may initiate, conduct, and complete proceedings **pursuant to paragraph (1) of subdivision (a) of Section 56375.3** for the same period of time as was remaining under that seven-year limit at the time the injunction commenced. However, if the remaining time is less than six months, that authority shall continue for six months following final disposition of the action.

(b) Between January 1, 2000, and January 1, 2007, no new proposal involving the same or substantially the same territory as a proposal initiated pursuant to **paragraph (1) of subdivision (a) of Section 56375.3** after January 1, 2000, shall be initiated for two years after the date of adoption by the commission of a resolution terminating proceedings.

SEC. 21. Section 56751 of the Government Code is amended to read:

<< CA GOVT § 56751 >>

56751. (a) Upon receipt by the commission of a proposed change of organization or reorganization, except a special reorganization, that includes the detachment of territory from any city, the executive officer shall place the proposal on the agenda for the next commission meeting for information purposes only and shall transmit a copy of the proposal to any city from which the detachment of territory is requested.

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subdivision (a), **a city from which the detachment of territory is proposed** may adopt and transmit to the commission a resolution requesting termination of the proceedings.

(c) If * * ***the city from which the detachment of territory is proposed** has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by this section, then the commission shall terminate the proceedings upon receipt of the resolution from the city.

(d) This section shall not apply if the city from which the detachment of territory is proposed has adopted and transmitted to the commission a resolution supporting the proposed change of organization or reorganization.

SEC. 22. Section 56759 of the Government Code is amended to read:

<< CA GOVT § 56759 >>

56759. In any order approving a proposal **subject to an election** for an annexation or a reorganization that includes annexation of inhabited territory to a city when the assessed value of land within that territory proposed to be annexed equals one-half, or more, of that within the city, as shown by the last equalized assessment rolls, or the number of registered voters of the

territory equals one-half, or more, of the number of registered voters within the city, as shown by the county register of voters, the commission shall require that an election called upon the question of confirming the annexation or reorganization shall also be called, held, and conducted within the territory of the city to which territory is proposed to be annexed.

SEC. 23. Section 56857 of the Government Code is amended to read:

<< CA GOVT § 56857 >>

56857. (a) Upon receipt by the commission of a proposed change of organization or reorganization that includes the annexation of territory to any district, if the proposal is not filed by the district to which annexation of territory is proposed, the commission shall place the proposal on the agenda for the next commission meeting for information purposes only and shall transmit a copy of the proposal to any district to which an annexation of territory is requested.

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subdivision (a), any district to which annexation of territory is proposed may adopt and transmit to the commission a resolution requesting termination of the proceedings.

(c) If any district to which annexation of territory is proposed has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by this section, then the commission shall terminate the proceedings upon receipt of the resolution from the district.

(d) This section shall not apply if all districts to which annexation of territory is proposed have adopted and transmitted to the commission a resolution supporting the proposed change of organization or reorganization.

SEC. 24. Section 56886 of the Government Code is amended to read:

<< CA GOVT § 56886 >>

56886. Any change of organization or reorganization may provide for, or be made subject to one or more of, the following terms and conditions. **If a change of organization or reorganization is made subject to one or more of the following terms and conditions in the commission's resolution making determinations, the terms and conditions imposed shall constitute the exclusive terms and conditions for the change of organization or reorganization, notwithstanding the general provisions of Part 5 (commencing with Section 57300).**

However, none of the following terms and conditions shall directly regulate land use, property development, or subdivision requirements:

(a) The payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use or right of use of all or any part of the existing property, real or personal, of any city, county, or district.

(b) The levying or fixing and the collection of any of the following, for the purpose of providing for any payment required pursuant to subdivision (a):

- (1) Special, extraordinary, or additional taxes or assessments.
- (2) Special, extraordinary, or additional service charges, rentals, or rates.
- (3) Both taxes or assessments and service charges, rentals, or rates.

(c) The imposition, exemption, transfer, division, or apportionment, as among any affected cities, affected counties, affected districts, and affected territory of liability for payment of all or any part of principal, interest, and any other amounts which shall become due on account of all or any part of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of any city, county, district, or any improvement district within a local agency, and the levying or fixing and the collection of any (1) taxes or assessments, or (2) service charges, rentals, or rates, or (3) both taxes or assessments and service charges, rentals, or rates, in the same manner as provided in the original authorization of the bonds and in the amount necessary to provide for that payment.

(d) If, as a result of any term or condition made pursuant to subdivision (c), the liability of any affected city, affected county, or affected district for payment of the principal of any bonded indebtedness is increased or decreased, the term and condition may specify the amount, if any, of that increase or decrease which shall be included in, or excluded from, the outstanding bonded indebtedness of that entity for the purpose of the application of any statute or charter provision imposing a limitation upon the principal amount of outstanding bonded indebtedness of the entity.

(e) The formation of a new improvement district or districts or the annexation or detachment of territory to, or from, any existing improvement district or districts.

(f) The incurring of new indebtedness or liability by, or on behalf of, all or any part of any local agency, including territory being annexed to any local agency, or of any existing or proposed new improvement district within that local agency. The new indebtedness may be the obligation solely of territory to be annexed if the local agency has the authority to establish zones for incurring indebtedness. The indebtedness or liability shall be incurred substantially in accordance with the laws otherwise applicable to the local agency.

(g) The issuance and sale of any bonds, including authorized but unissued bonds of a local agency, either by that local agency or by a local agency designated as the successor to any local agency which is extinguished as a result of any change of organization or reorganization.

(h) The acquisition, improvement, disposition, sale, transfer, or division of any property, real or personal.

(i) The disposition, transfer, or division of any moneys or funds, including cash on hand and moneys due but uncollected, and any other obligations.

(j) The fixing and establishment of priorities of use, or right of use, of water, or capacity rights in any public improvements or facilities or any other property, real or personal. However, none of the terms and conditions ordered pursuant to this subdivision shall modify priorities of use, or right of use, to water, or capacity rights in any public improvements or facilities that have been fixed and established by a court or an order of the State Water Resources Control Board.

(k) The establishment, continuation, or termination of any office, department, or board, or the transfer, combining, consolidation, or separation of any offices, departments, or boards, or any of the functions of those offices, departments, or boards, if, and to the extent that, any of those matters is authorized by the principal act.

(l) The employment, transfer, or discharge of employees, the continuation, modification, or termination of existing employment contracts, civil service rights, seniority rights, retirement rights, and other employee benefits and rights.

- (m) The designation of a city, county, or district, as the successor to any local agency **that** is extinguished as a result of any change of organization or reorganization, for the purpose of succeeding to all of the rights, duties, and obligations of the extinguished local agency with respect to enforcement, performance, or payment of any outstanding bonds, including revenue bonds, or other contracts and obligations of the extinguished local agency.
- (n) The designation of (1) the method for the selection of members of the legislative body of a district or (2) the number of those members, or (3) both, where the proceedings are for a consolidation, or a reorganization providing for a consolidation or formation of a new district and the principal act provides for alternative methods of that selection or for varying numbers of those members, or both.
- (o) The initiation, conduct, or completion of proceedings on a proposal made under, and pursuant to, this division.
- (p) The fixing of the effective date of any change of organization, subject to the limitations of Section 57202.
- (q) Any terms and conditions authorized or required by the principal act with respect to any change of organization.
- (r) The continuation or provision of any service provided at that time, or previously authorized to be provided by an official act of the local agency.
- (s) The levying of assessments, including the imposition of a fee pursuant to Section 50029 or 66484.3 or the approval by the voters of general or special taxes. For the purposes of this section, imposition of a fee as a condition of the issuance of a building permit does not constitute direct regulation of land use, property development, or subdivision requirements.
- (t) The extension or continuation of any previously authorized charge, fee, assessment, or tax by the local agency or a successor local agency in the affected territory.
- (u) The transfer of authority and responsibility among any affected cities, affected counties, and affected districts for the administration of special tax and special assessment districts, including, but not limited to, the levying and collecting of special taxes and special assessments, including the determination of the annual special tax rate within authorized limits; the management of redemption, reserve, special reserve, and construction funds; the issuance of bonds which are authorized but not yet issued at the time of the transfer, including not yet issued portions or phases of bonds which are authorized; supervision of construction paid for with bond or special tax or assessment proceeds; administration of agreements to acquire public facilities and reimburse advances made to the district; and all other rights and responsibilities with respect to the levies, bonds, funds, and use of proceeds that would have applied to the local agency that created the special tax or special assessment district.
- (v) Any other matters necessary or incidental to any of the terms and conditions specified in this section. **If a change of organization, reorganization, or special reorganization provides for, or is made subject to one or more of, the terms and conditions specified in this section, those terms and conditions shall be deemed to be the exclusive terms and conditions for the change of organization, reorganization, or special reorganization, and shall control over any general provisions of Part 5 (commencing with Section 57300).**
- SEC. 25. Section 56895 of the Government Code is amended to read:

<< CA GOVT § 56895 >>

56895. (a) When a commission has adopted a resolution making determinations, any person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of the resolution. The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously * * * are claimed to warrant the reconsideration. If the request is filed by a school district that received notification pursuant to Section 56658, the commission shall consider that request at a public hearing.

(b) Notwithstanding Section 56106, the deadlines set by this section are mandatory. The person or agency shall file the written request within 30 days of the adoption of the initial or superseding resolution by the commission making determinations. If no person or agency files a timely request, the commission shall not take any action pursuant to this section.

(c) Upon receipt of a timely request, the executive officer shall not take any further action until the commission acts on the request.

(d) Upon receipt of a timely request by the executive officer, the time to file any action, including, but not limited to, an action pursuant to Section 21167 of the Public Resources Code and any provisions of Part 4 (commencing with Section 57000) governing the time within which the commission is to act shall be tolled for the time that the commission takes to act on the request.

(e) The executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given pursuant to this subdivision. The executive officer shall give notice of the consideration of the request by the commission in the same manner as for the original proposal. The executive officer may give notice in any other manner as he or she deems necessary or desirable.

(f) At that meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time but not to exceed 35 days from the date specified in the notice. The person or agency that filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

(g) At the conclusion of its consideration, the commission may approve or disapprove with or without amendment, wholly, partially, or conditionally, the request. If the commission disapproves the request, it shall not adopt a new resolution making determinations. If the commission approves the request, with or without amendment, wholly, partially, or conditionally, the commission shall adopt a resolution making determinations that shall supersede the resolution previously issued.

(h) The determinations of the commission shall be final and conclusive. No person or agency shall make any further request for the same change or a substantially similar change, as determined by the commission.

(i) Notwithstanding subdivision (h), clerical errors or mistakes may be corrected pursuant to Section 56883.

SEC. 26. Section 57002 of the Government Code is amended to read:

<< CA GOVT § 57002 >>

57002. (a) Within 35 days following the adoption of the commission's resolution making determinations, * * * the executive officer of the commission shall set the proposal for hearing and give notice of that hearing by mailing, publication, and posting, as provided in Chapter 4 (commencing with Section 56150) of Part 1. The hearing shall not be held prior to the expiration of the reconsideration period specified in subdivision (b) of Section 56895. The date of that hearing shall not be less than 21 days, or more than 60 days, after the date the notice is given.

(b) Notwithstanding subdivision (a), for any proposal that includes an incorporation, the executive officer of the * * * **commission** shall set the proposal for hearing within 15 days following the adoption of the commission's resolution making determinations. The hearing shall be set for the next regularly scheduled hearing that provides sufficient time to give public notice of that hearing by mailing, publication, and posting, as provided in Chapter 4 (commencing with Section 56150) of Part 1.

(c) Where the proceeding is for the establishment of a district of limited powers as a subsidiary district of a city, upon the request of the affected district, the date of the hearing shall be at least 90 days, but no more than 135 days, from the date the notice is given.

(d) If authorized by the commission pursuant to Section 56663, a change of organization or reorganization may be approved without notice, hearing, and election.

SEC. 27. Section 57007 of the Government Code is amended to read:

<< CA GOVT § 57007 >>

57007. * * * **Protest proceedings for a district formation shall be conducted * * * by the commission as the conducting authority, and the procedural requirements of this division shall apply and shall prevail in the event of a conflict with the procedural requirements of the principal act of the district proposed to be formed. In the event of a conflict, the commission shall specify the procedural requirements that apply, consistent with the requirements of Section 56100.**

SEC. 28. Section 57025 of the Government Code is amended to read:

<< CA GOVT § 57025 >>

57025. (a) The executive officer of the commission shall give notice of the protest hearing to be held on the proposal by publication pursuant to Sections 56153 and 56154 and by posting pursuant to Sections 56158 and 56159.

(b) The executive officer shall also give mailed notice to each affected city, affected district, or affected county, the proponents, if any, all landowners owning land within any territory proposed to be formed into, or to be annexed to, or detached from, an improvement district within any city or district, and to persons requesting special notice, in accordance with the provisions of Sections 56155 to 56157, inclusive.

* * *

(c) In the case of a proposed change of organization or reorganization that would result in the extension of any previously authorized special tax or benefit assessment to the affected territory,

the executive officer of the commission shall give mailed notice to each landowner within the affected territory.

SEC. 29. Section 57077 of the Government Code is amended to read:

<< CA GOVT § 57077 >>

57077. (a) Where a change of organization consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, the commission, not more than 30 days after the conclusion of the hearing, shall make a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the change of organization subject to confirmation of the voters, or in the case of a landowner-voter district, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district **or otherwise authorized pursuant to Section 56854.**

(3) Order the change of organization without election if it is a change of organization that meets the requirements of Section 56854, 57081, 57102, or 57107; otherwise, the commission shall take the action specified in paragraph (2).

(b) Where a reorganization consists of one or more dissolutions, incorporations, formations, disincorporations, mergers, establishments of subsidiary districts, consolidations, or any combination of those proposals, the commission, not more than 30 days after the conclusion of the hearing, shall make a finding regarding the value of written protests filed and not withdrawn and take one of the following actions:

(1) Terminate proceedings if a majority protest exists in accordance with Section 57078.

(2) Order the reorganization subject to confirmation of the voters, or in the case of landowner-voter districts, subject to confirmation by the landowners, unless otherwise * * * **authorized pursuant to Section 56854.**

(3) Order the reorganization without election if it is a reorganization that meets the requirements of Section 56854, 57081, 57102, 57107, or 57111; otherwise, the commission shall take the action specified in paragraph (2).

SEC. 30. Section 57078.5 of the Government Code is amended to read:

<< CA GOVT § 57078.5 >>

57078.5. If the affected territory with respect to a proposed annexation **to a city** consists of (a) territories that are not contiguous to one another and (b) two or more distinct communities, as defined in the county general plan, the census unincorporated places listing, or other commonly recognized community designation, as determined by the commission, and any one community has more than 250 registered voters, any protest filed pursuant to Section 57078 shall be accounted separately for that community, unless the annexation is proposed pursuant to Section 56375.3.

SEC. 31. Section 57080 of the Government Code is amended to read:

<< CA GOVT § 57080 >>

57080. * * *(a) With respect to a proceeding initiated on or after January 1, 2007, when approved and authorized by the commission pursuant to Section 56375.3, Sections 57050, 57051, 57052, **and 57078**, shall apply and * * *Section 57075 **shall** not apply.

(b) The commission, not more than 30 days after conclusion of the hearing, shall make a finding regarding the value of written protests filed and not withdrawn and shall do either of the following:

(1) Terminate proceedings if written protests have been filed and not withdrawn by 50 percent or more of the registered voters within the affected territory.

(2) Order the territory annexed without an election.

* * *

SEC. 32. Section 57102 of the Government Code is amended to read:

<< CA GOVT § 57102 >>

57102. (a) In any resolution ordering a dissolution, the commission shall make findings upon one or more of the following matters:

(1) That the corporate powers have not been used, as specified in Section 56871, and that there is a reasonable probability that those powers will not be used in the future.

(2) That the district is a registered-voter district and is uninhabited.

(3) That the board of directors of the district has, by unanimous resolution, consented to the dissolution of the district.

(4) That the commission has authorized, pursuant to Section 56854, the dissolution of the district without an election.

(b) If the commission makes any of the findings specified in subdivision (a), the commission may, except as otherwise provided in Section 57103, order the dissolution of the district without election.

SEC. 33. Section 57108 of the Government Code is amended to read:

<< CA GOVT § 57108 >>

57108. At any time prior to the conclusion of the protest hearing by the commission ordering the district to be merged with or established as a subsidiary district of a city, a petition may be filed with the executive officer referring, by date of adoption, to the commission's resolution making determinations and requesting that any election upon that question be called, held, and conducted only within that district. Any petition so filed shall be immediately examined and certified by the executive officer by the same method and in the same manner as provided in Sections 56707 to 56711, inclusive, for the examination of petitions by the executive officer. The commission shall forward the proposal * * ***to the affected city, and the affected city shall call, hold, and conduct any** election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or established as a subsidiary district, if the executive officer certifies that any petition so filed was signed by either of the following:

(a) In the case of a registered voter district, by not less than 10 percent of the registered voters of the district.

(b) In the case of a landowner-voter district, by not less than 10 percent of the number of landowner-voters within the district who also own not less than 10 percent of the assessed value of land within the district.

SEC. 34. Section 57109 of the Government Code is amended to read:

<< CA GOVT § 57109 >>

57109. At any time prior to the completion of the protest hearing by the commission and the adoption of a resolution ordering a reorganization that includes an incorporation and the establishment of a subsidiary district or a merger, a petition may be filed with the executive officer referring, by date of adoption, to the commission's resolution making determinations and requesting that a separate election be called, held, and conducted only within that district on the establishment of the subsidiary district or the merger. That election shall be conducted at the same time as the election on the incorporation. Any petition so filed shall be immediately examined and certified by the executive officer by the same method and in the same manner as provided in Sections 56707 to 56711, inclusive, for the examination of petitions by the executive officer. The commission shall **forward the proposal to the principal county and the principal county shall call**, hold, and conduct any election upon the question of a merger or the establishment of a subsidiary district only within the district to be merged or established as a subsidiary district, if the executive officer certifies that any petition so filed was signed by either of the following:

(a) In the case of a registered voter district, by not less than 10 percent of the registered voters of the district.

(b) In the case of a landowner-voter district, by not less than 10 percent of the number of landowner-voters within the district who also own not less than 10 percent of the assessed value of land within the district.

SEC. 35. Section 57119 of the Government Code is amended to read:

<< CA GOVT § 57119 >>

57119. Notwithstanding Section 57118, any resolution ordering a special reorganization * * * shall **require the principal county to call** an election in both of the following territories:

(a) The territory ordered to be detached from the city.

(b) The entire territory of the city from which the detachment is ordered to occur.

SEC. 36. Section 57302 of the Government Code is amended to read:

<< CA GOVT § 57302 >>

57302. The general provisions of this part shall apply only if * * * **the commission does not impose terms and conditions on any change of organization * * * or reorganization pursuant to Section 56886.** If a change of organization or a reorganization specifically provides for, and is

made subject to any of, the terms and conditions authorized by Section 56886, the specific terms and conditions shall **be deemed to be the exclusive terms and conditions of the change of organization or reorganization and shall** control over the general provisions of this part. Any of those terms and conditions may be provided for, and be made applicable to, any affected county, affected city, or affected district, to all or any part of the territory of the county, city, or district, to any territory proposed to be annexed to the county, city, or district and to the owner or owners of property within that territory. **The general provisions of this part shall not be construed as limiting in any manner the authority of the commission to impose one or more of the terms and conditions set forth in Section 56886.**

SEC. 37. Section 57450 of the Government Code is amended to read:

<< CA GOVT § 57450 >>

57450. On and after the effective date of the dissolution of a district, the district shall be dissolved, disincorporated, and extinguished, its existence shall be terminated, and all of its corporate powers shall cease, except **as the commission may otherwise provide pursuant to Section 56886** or for the purpose of winding up the affairs of the district and as otherwise provided in this chapter. **The general provisions of this chapter shall not be construed as limiting in any manner the authority of the commission to impose one or more of the terms and conditions set forth in Section 56886.**

SEC. 38. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

CA LEGIS 548 (2002)

CA LEGIS 548 (2002)

END OF DOCUMENT



Directions to 2301 N Highland Ave, Los Angeles, CA 90068
7.4 mi – about 13 mins – up to 35 mins in traffic

Save trees. Go green!
 Download Google Maps on your phone at google.com/gmm



 300 S Grand Ave, Los Angeles, CA 90071

- | | | |
|--|---|---------------------------|
| 1. | Head northeast on S Grand Ave toward W 2nd St
About 2 mins | go 0.6 mi
total 0.6 mi |
|  | 2. Turn left to merge onto US-101 N
About 8 mins | go 6.4 mi
total 7.0 mi |
|  | 3. Take exit 9B toward Highland Ave/Hollywood Bowl | go 0.1 mi
total 7.1 mi |
|  | 4. Keep right at the fork to continue toward Odin St | go 249 ft
total 7.1 mi |
|  | 5. Turn right onto Odin St | go 0.2 mi
total 7.3 mi |
|  | 6. Turn right onto N Highland Ave | go 472 ft
total 7.4 mi |
|  | 7. Make a U-turn at S Hollywood Fwy
Destination will be on the right
About 1 min | go 207 ft
total 7.4 mi |

 2301 N Highland Ave, Los Angeles, CA 90068

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Map data ©2011 Google

Directions weren't right? Please find your route on maps.google.com and click "Report a problem" at the bottom left.

EXHIBIT B

Ballot Information for Proposition 218

As published by the Secretary of State Website
Located at: <http://vote96.sos.ca.gov/BP/218.htm>

Legislative Analyst

OVERVIEW

Local governments provide many services to people and businesses in their communities. To pay for these services, local governments raise revenues by imposing fees, assessments, and taxes. This constitutional measure would make it more difficult for local governments to raise these revenues. As a result, this measure would:

- Reduce the amount of fees, assessments, and taxes that individuals and businesses pay.
- Decrease spending for local public services.

PROPOSAL

This measure would constrain local governments' ability to impose fees, assessments, and taxes. The measure would apply to all cities, counties, special districts, redevelopment agencies, and school districts in California.

Fees

Current Practice. Local governments charge fees to pay for many services to their residents. Some of these fees pay for services to property, such as garbage collection and sewer service. Fees are also called "charges."

Local governments often establish several fee amounts for a service, each based on the approximate cost of providing the service to different types of properties (such as commercial, industrial, or residential property). Local governments usually send monthly bills to property owners to collect these fees, although some fees are placed on the property tax bill. Local governments generally hold public hearings before creating or increasing such a fee, but do not hold elections on fees.

Proposed Requirements for Property-Related Fees. This measure would restrict local governments' ability to charge "property-related" fees. (Fees for water, sewer, and refuse collection service probably meet the measure's definition of a property-related fee. Gas and electric fees and fees charged to land developers are specifically exempted.)

Specifically, the measure states that all local property-related fees must comply by July 1, 1997, with the following restrictions:

- No property owner's fee may be more than the cost to provide service to that property owner's land.

No fee may be charged for fire, police, ambulance, library service, or any other service widely available to the public.

No fee revenue may be used for any purpose other than providing the property-related service. Fees may only be charged for services immediately available to property owners.

In addition, the measure specifies that before adopting a new property-related fee (or increasing an existing one), local governments must: mail information about the fee to every property owner, reject the fee if a majority of the property owners protest in writing, and hold an election on the fee (unless it is for water, sewer, or refuse collection service).

Taken together, these fee restrictions would require local governments to reduce or eliminate some existing fees. Unless local governments increased taxes to replace these lost fee revenues, spending for local public services likely would be decreased. The measure's requirements would also expand local governments' administrative workload. For example, local governments would have to adjust many property-related fees, potentially (1) setting them on a block-by-block or parcel-by-parcel basis and (2) ending programs that allow low-income people to pay reduced property-related fees. Local governments would also have to mail information to every property owner and hold elections.

Assessments

Current Practice. Local governments charge assessments to pay for projects and services that benefit specific properties. For example, home owners may pay assessments for sidewalks, streets, lighting, or recreation programs in their neighborhood. Assessments are also called "benefit assessments," "special assessments," "maintenance assessments," and similar terms. Local governments typically place assessment charges on the property tax bill.

To create an assessment, state laws require local governments to determine which properties would benefit from a project or service, notify the owners, and set assessment amounts based on the approximate benefit property owners would receive. Often, the rest of the community or region also receives some general benefit from the project or service, but does not pay a share of cost. Typical assessments that provide general benefits include fire, park, ambulance, and mosquito control assessments. State laws generally require local governments to reject a proposed assessment if more than 50 percent of the property owners protest in writing.

Some local governments also levy "standby charges," which are similar to assessments. Standby charges commonly finance water and sewer service expansions to new households and businesses. (The measure treats standby charges as assessments.)

Proposed Requirements for Assessments. This measure would place extensive requirements on local governments charging assessments. Specifically, the measure requires all new or increased assessments--and some existing assessments--to meet four conditions.

First, local governments must estimate the amount of "special benefit" landowners receive--or would receive--from a project or service. Special benefit is defined as a particular benefit to land and buildings, not a general benefit to the public at large or a general increase in property values.

If a project provides both special benefits and general benefits, a local government may charge landowners only for the cost of providing the special benefit. Local government must use general revenues (such as taxes) to pay the remaining portion of the project or service's cost. In some cases, local government may not have sufficient revenues to pay this cost, or may choose not to pay it. In these cases, a project or service would not be provided.

Second, local governments must ensure that no property owner's assessment is greater than the cost to provide the improvement or service to the owner's property. This provision would require local governments to examine assessment amounts in detail, potentially setting them on a parcel-by-parcel or block-by-block basis.

Third, local governments must charge schools and other public agencies their share of assessments. Currently, public agencies generally do not pay assessments.

Finally, local governments must hold a mail-in election for each assessment. Only property owners and any renters responsible for paying assessments would be eligible to vote. Ballots cast in these elections would be weighted based on the amount of the assessment the property owner or renter would pay. For example, if a business owner would pay twice as much assessment as a homeowner, the business owner's vote would "count" twice as much as the homeowner's vote.

Figure 1 summarizes the existing assessments that would be exempt from the measure's requirements. We estimate that more than half of all existing assessments would qualify for an exemption. All other existing assessments must meet the measure's requirements--including the voter approval requirement--by July 1, 1997.

Figure 1

Existing Assessments Exempt from the Measure's Requirements

Assessments previously approved by voters--or by all property owners at the time the assessment was created.
Assessments where all the funds are used to repay bond obligations.

Assessments where all the funds are used to pay for sidewalks, streets, sewers, water, flood control, drainage systems or, "vector control" (such as mosquito control).

Taxes

Current Practice. Local governments typically use taxes to pay for general government programs, such as police and fire services. Taxes are "general" if their revenues can be used to pay for many government programs, rather than being reserved for specific programs. Proposition 62--a statutory measure approved by the voters in 1986--requires new local general taxes to be approved by a majority vote of the people. Currently, there are lawsuits pending as to whether this provision applies to cities that have adopted a local charter, such as Los Angeles, Long Beach, Sacramento, San Jose, and many others.

Proposed Requirements for Taxes. The measure states that all future local general taxes, including those in cities with charters, must be approved by a majority vote of the people. The measure also requires existing local general taxes established after December 31, 1994, without a vote of the people to be placed before the voters within two years.

Other Provisions

Burden of Proof. Currently, the courts allow local governments significant flexibility in determining fee and assessment amounts. In lawsuits challenging property fees and assessments, the taxpayer generally has the "burden of proof" to show that they are not legal. This measure shifts the burden of proof in these lawsuits to local government. As a result, it would be easier for taxpayers to win lawsuits, resulting in reduced or repealed fees and assessments.

Initiative Powers. The measure states that Californians have the power to repeal or reduce any local tax, assessment, or fee through the initiative process. This provision broadens the existing initiative powers available under the State Constitution and local charters.

FISCAL IMPACT

Revenue Reductions

Existing Revenues. By July 1, 1997, local governments would be required to reduce or repeal existing property-related fees and assessments that do not meet the measure's restrictions on (1) fee and assessment amounts or (2) the use of these revenues. The most likely fees and assessments affected by these provisions would be those for: park and recreation programs, fire protection, lighting, ambulance, business improvement programs, library, and water service. Statewide, local government revenue reductions probably would exceed \$100 million annually. The actual level of revenue reduction would depend in large part on how the courts interpret various provisions of the measure. In addition, because local governments vary significantly in their reliance upon fees and assessments, the measure's impact on individual communities would differ greatly.

Within two years, local governments also would be required to hold elections on some recently imposed taxes and existing assessments. The total amount of these taxes and assessments is unknown, but probably exceeds \$100 million statewide. If voters do not approve these existing taxes and assessments, local governments would lose additional existing revenues.

New Revenues. The measure's restrictions and voter-approval requirements would constrain new and increased fees, assessments, and taxes. As a result, local government revenues in the future would be lower than they would be otherwise. The extent of these revenue reductions would depend on court interpretation of the measure's provisions and local government actions to replace lost revenues.

Summary of Revenue Reductions. In the short term, local government revenues probably would be reduced by more than \$100 million annually. Over time, local government revenues would be significantly lower than they would otherwise be, potentially by hundreds of millions of dollars

annually. Individual and business payments to local government would decline by the same amount. In general, these local government revenue losses would result in comparable reductions in spending for local public services.

Cost Increases

Local governments would have significantly increased costs to hold elections, calculate fees and assessments, notify the public, and defend their fees and assessments in court. These local increased costs are unknown, but could exceed \$10 million initially, and lesser amounts annually after that.

School and community college districts, state agencies, cities, counties, and other public agencies would have increased costs to pay their share of assessments. The amount of this cost is not known, but could total over \$10 million initially, and increasing amounts in the future.

Argument in Favor of Proposition 218

Arguments on this page are the opinions of the authors and have not been checked for accuracy by any official agency.

VOTE YES ON PROPOSITION 218. IT WILL GIVE YOU THE RIGHT TO VOTE ON TAX INCREASES!

Proposition 218 guarantees your right to vote on local tax increases--even when they are called something else, like "assessments" or "fees" and imposed on homeowners.

Proposition 218 guarantees your right to vote on taxes imposed on your water, gas, electric, and telephone bills.

Proposition 218 does NOT prevent government from raising and spending money for vital services like police, fire and education. If politicians want to raise taxes they need only convince local voters that new taxes are really needed.

Proposition 218 simply extends the long standing constitutional protection against politicians imposing tax increases without voter approval.

After voters passed Proposition 13, politicians created a loophole in the law that allows them to raise taxes without voter approval by calling taxes "assessments" and "fees."

Once this loophole was created, one lawyer working with politicians wrote, assessments "are now limited only by the limits of human imagination."

How imaginative can the politicians be with assessments? Here are a few examples among thousands:

A view tax in Southern California--the better the view of the ocean you have the more you pay.

In Los Angeles, a proposal for assessments for a \$2-million scoreboard and a \$6-million equestrian center to be paid for by property owners.

In Northern California, taxpayers 27 miles away from a park are assessed because their property supposedly benefits from that park.

In the Central Valley, homeowners are assessed to refurbish a college football field.

TAXPAYERS HAVE NO RIGHT TO VOTE ON THESE TAX INCREASES AND OTHERS LIKE THEM UNLESS PROPOSITION 218 PASSES!

Proposition 218 will significantly tighten the kind of benefit assessments that can be levied.

Here are examples of why fees and assessments and other nonvoted taxes are so unfair:

The poor pay the same assessments as the rich. An elderly widow pays exactly the same on her modest home as a tycoon with a mansion.

There are now over 5,000 local districts which can impose fees and assessments without the consent of local voters. Special districts have increased assessments by over 2400% over 15 years. Likewise, cities have increased utility taxes 415% and raised benefit assessments 976%, a ten-fold increase.

Non-voted taxes on electricity, gas, water, and telephone services hit renters and homeowners hard.

And, retired homeowners get hit doubly hard!

To confirm the impact of fees and assessments on you, look at your property tax bill. You will see a growing list of assessments imposed without voter approval. The list will grow even longer unless Proposition 218 passes.

Proposition 218 will allow you and your neighbors--not politicians--to decide how high your taxes will be. It will allow those who pay assessments to decide if what they are being asked to pay for is worth the cost.

FOR THE RIGHT TO VOTE ON TAXES, VOTE YES ON PROPOSITION 218.

JOEL FOX
President, Howard Jarvis Taxpayers Association

JIM CONRAN
President, Consumers First

RICHARD GANN
President, Paul Gann's Citizens Committee

Rebuttal to Argument in Favor of Proposition 218

Arguments on this page are the opinions of the authors and have not been checked for accuracy by any official agency.

PROPOSITION 218 IS NO FALSE ALARM . . . IT HURTS

Propositions can deceive, so carefully judge who you believe.

Beware of wild claims for new "constitutional rights" and people who pretend concern about widows and orphans.

Read Proposition 218 yourself and see how large corporations, big landowners and foreign interests gain more voting power than YOU.

Promoters say you get "tax reform" . . . you may actually get serious cutbacks in local service and FEWER VOTING RIGHTS for millions of California citizens.

Sometimes we hear hysterical warnings about bad things that never occur . . . Proposition 218 is a REAL threat. On Proposition 218 consider the harm to EXISTING local services, not vague future threats:

- May reduce CURRENT funding for police, fire and emergency medical programs across California.

- Worsens SCHOOL CROWDING by making public schools pay NEW TAXES, cutting classroom teaching.

- Could eliminate LifeLine utility support for SENIORS and disabled citizens.

CONSTITUTIONAL POWER SHIFT.

Proposition 218 etches this into the state Constitution:

- Blocks 3 million Californians from voting on tax assessments. The struggling young couple renting a small home, WILL HAVE NO VOTE on the assessments imposed on the house they rent.

- Grants special land interests more voting power than average homeowners. The "elderly widow" promoters cite will be banned from voting if she is a renter, or her voting power dwarfed by large property owners.

- Gives non-citizens voting rights on your community taxes.

Proposition 218 is a great deal for wealthy special interests. But it's a bad deal for the average taxpayer, homeowner and renter.

HOWARD OWENS
Congress of California Seniors

LOIS TINSON
President, California Teachers Association

RON SNIDER
President, California Association of
Highway Patrolmen

Argument Against Proposition 218

Arguments on this page are the opinions of the authors and have not been checked for accuracy by any official agency.

PROPOSITION 218 DILUTES VOTING RIGHTS, HURTS LOCAL SERVICES

In the disguise of tax reform, Proposition 218's Constitutional Amendment REDUCES YOUR VOTING POWER and gives huge voting power to corporations, foreign interests and wealthy land owners.

It cuts police, fire, library, park, senior, and disabled services and diverts funds needed for classroom-size reductions.

Read Proposition 218 carefully--it's a wolf, not a lamb!

YOU LOSE RIGHTS; CORPORATIONS, DEVELOPERS, NON-CITIZENS GAIN VOTING POWER

Section 4(e) of Proposition 218 changes the Constitution to give corporations, wealthy landowners and developers MORE VOTING POWER THAN HOMEOWNERS. It lets large outside interests control community taxes--against the will of local citizens.

EXAMPLE: An oil company owns 1000 acres, you own one acre; the oil corporation gets 1000 times more voting power than you.

While Prop. 218 gives voting power to outside interests, Section 4(g) denies voting rights to more than 3,000,000 California renters.

Reducing American citizens' Constitutional rights, it grants voting rights to corporations and absentee landowners--even foreign citizens.

EXAMPLE: A shopping center owned by a foreign citizen is worth 100 times as much as your home; that person gets 100 times more voting power than you!

Every citizen should have the right to vote if a community is voting on local assessments for police, fire, emergency medical and library programs. It's unfair to give voting power to non-citizens, big landowners and developers, yet deny it to millions of Californians.

MAY CUT LOCAL POLICE, FIRE PROTECTION

Section 6(b)(5) eliminates vital funding sources for local police, fire, emergency medical and library services.

Proposition 218 goes too far--may forbid emergency assessments for earthquakes, floods and fires.

Don't handcuff police and firefighters. The California Police Chiefs Association, Fire Chiefs Association and California Professional Firefighters ask you to vote NO.

The impartial Legislative Analyst's report shows how Proposition 218 could impede LifeLine support for the elderly and disabled. It prohibits seniors and disabled from receiving needed utility services unless they pay all costs themselves.

Proposition 218 cuts more than \$100 million from local services, yet wastes tens of millions each year by changing the Constitution to require 5,000 local elections even if local citizens don't want an election . . . even if the election cost is more than the potential revenue.

MAKES SCHOOL CROWDING WORSE

California teachers oppose Proposition 218 because Section 4(a) imposes a new tax on public school property, diverting millions from classroom programs to pay for non-school expenses. California already has the most crowded classrooms in America (dead last of 50 states). Proposition 218 makes school crowding worse.

SHELL GAME

This measure takes a few good ideas, but twists and perverts them. It cripples the best local services and puts more power into the hands of special interests and non-citizens.

Proposition 218 goes too far. Assessment laws DO need improvement, but Proposition 218 is the wrong way to do it. It does more harm than good, restricting our voting rights, hurting schools, seniors and public safety programs.

Please vote NO on Proposition 218.

FRAN PACKARD
President, League of Women Voters of California

CHIEF RON LOWENBERG
President, California Police Chiefs' Association

CHIEF JEFF BOWMAN
President, California Fire Chiefs' Association

Rebuttal to Argument Against Proposition 218

Arguments on this page are the opinions of the authors and have not been checked for accuracy by any official agency.

Arguments against Proposition 218 are misleading and designed to confuse voters. In truth:

1. Proposition 218 expands your voting rights. It CONSTITUTIONALLY GUARANTEES your right to vote on taxes.
2. Under Proposition 218, only California registered voters, including renters, can vote in tax elections. Corporations and foreigners get no new rights.
3. Current law already allows property owners, including nonresidents, to act on property assessments based on the assessment amount they pay. This is NOT created by Proposition 218.
4. "Lifeline" rates for elderly and disabled for telephone, gas, and electric services are NOT affected.
5. Proposition 218 allows voter approved taxes for police, fire, education.

Proposition 218 simply gives taxpayers the right to vote on taxes and stops politicians' end-runs around Proposition 13.

That's why ordinary taxpayers, seniors, parents, homeowners, renters, consumer advocates, support Proposition 218.

Under Proposition 218, officials must convince taxpayers that tax increases are justified. Politicians and special interest groups don't like this idea. But they can't win by saying "taxpayers should not vote on taxes," so they use misleading statements to confuse a simple question.

That question: DO YOU BELIEVE TAXPAYERS SHOULD HAVE THE RIGHT TO VOTE ON TAXES? If you answered "yes", VOTE YES ON PROPOSITION 218.

Read the nonpartisan, independent SUMMARY by the Attorney General, which begins "VOTER APPROVAL FOR LOCAL GOVERNMENT TAXES." And, by all means read your property tax bill, due out now. Then you'll know the truth.

FOR THE RIGHT TO VOTE ON TAXES, VOTE YES ON PROPOSITION 218!

CAROL ROSS EVANS
Vice-President, California Taxpayers Association

FELICIA ELKINSON
Past President, Council of Sacramento
Senior Organizations

LEE PHELPS Founder, Alliance of California Taxpayers
and Involved Voters (ACTIV)

EXHIBIT C

VOTES - ROLL CALL

MEASURE: SB 919
 AUTHOR: Rainey
 TOPIC: Local government taxes, fees, assessments, an
 DATE: 06/30/1997
 LOCATION: ASM. FLOOR
 MOTION: SB 919 3RD READING URGENCY W/O REFERENCE TO FILE BY AGUIAR
 (AYES 72. NOES 0.) (PASS)

AYES

Ackerman	Aguiar	Alby	Alquist	
Aroner	Ashburn	Baca	Baldwin	
Baugh	Bordonaro		Bowen	Bowler
Brewer	Brown	Campbell	Cardenas	
Cardoza	Davis	Ducheny	Escutia	
Figueroa	Firestone		Frusetta	Gallegos
Goldsmith		Granlund	Havice	Hertzberg
Honda	House	Kaloogian		Keeley
Kuehl	Kuykendall		Leach	Lempert
Machado	Margett	Martinez	Mazzoni	
Migden	Miller	Morrissey		Morrow
Murray	Napolitano		Olberg	Oller
Ortiz	Pacheco	Papan	Perata	
Poochigian		Prenter	Pringle	Richter
Runner	Scott	Shelley	Strom-Martin	
Sweeney	Takasugi	Thomson	Torlakson	
Villaraigosa	Vincent	Washington		Wayne
Wildman	Woods	Wright	Bustamante	

NOES

ABSENT, ABSTAINING, OR NOT VOTING

Battin	Caldera	Cunneen	Floyd	
Knox	Leonard	McClintock		Thompson

EXHIBIT D

VOTES - ROLL CALL

MEASURE:SB 919

AUTHOR: Rainey

TOPIC: Local government taxes, fees, assessments, an

DATE: 06/30/1997

LOCATION: SEN. FLOOR

MOTION: W/O REFERENCE TO FILE SB 919 RAINEY CONCUR IN ASSEMBLY AMD
(AYES 35. NOES 0.) (PASS)

AYES

Alpert	Ayala	Brulte	Burton
CalderonCosta	Dills	Greene	
Hayden	Haynes	Hughes	Hurt
Johannessen	Johnson	Johnston	Karnette
Kelley	Knight	Kopp	Leslie
Lewis	Lockyer	Maddy	McPherson
Monteith	Mountjoy	O'Connell	Polanco
Rainey	Rosenthal	Schiff	Sher
Solis	Thompson	Wright	

NOES

ABSENT, ABSTAINING, OR NOT VOTING

Craven	Lee	Peace	Vasconcellos
Watson			

PROOF OF SERVICE

Citizen's Assn. of Sunset Beach v. Orange County Local Agency Formation Comm., et al.
Case No. OCSC Case No. 30-2010-431832

I, Kimberly Nielsen, declare:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 300 S. Grand Avenue, Suite 2700, Los Angeles, California 90071. On July 1, 2011, I served the document described as **RESPONDENT CITY OF HUNTINGTON BEACH'S REQUEST FOR JUDICIAL NOTICE IN SUPPORT OF OPPOSITION TO PETITION FOR WRIT OF MANDATE** on the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

Dale A. Stern, Esq.
John C. McCarron, Esq.
STERN, VAN VLECK & MCCARRON, LLP
925 L. Street, Suite 850
Sacramento, CA 95814
Counsel for Petitioner

Scott C. Smith
BEST BEST & KRIEGER
5 Park Plaza, Suite 1500
Irvine, CA 92614
Counsel for Orange County LAFCO

BY OVERNIGHT DELIVERY: I deposited such envelope in a facility regularly maintained by with delivery fees fully provided for or delivered the envelope to a courier or driver of authorized to receive documents at 300 S. Grand Avenue, Suite 2700, Los Angeles, California 90071 with delivery fees fully provided for.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 1, 2011, at Los Angeles, California.

Kimberly Nielsen