SENATE COMMITTEE ON GOVERNANCE AND FINANCE

Senator Mike McGuire, Chair 2021 - 2022 Regular

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PARKS AND RECREATION: LOWER LOS ANGELES RIVER RECREATION AND PARK DISTRICT: LOWER SAN GABRIEL RIVER RECREATION AND PARK DISTRICT: ESTABLISHMENT: BOARD OF DIRECTORS

Changes the initial board of directors for the Lower Los Angeles River Recreation and Park District and the Lower San Gabriel River Recreation and Park District, and makes additional district formation changes.

Background

Local Agency Formation Commissions. The Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH Act) delegates the Legislature's power to control the boundaries of cities and special districts to Local Agency Formation Commissions (LAFCOs). Each county has a LAFCO, which is governed by a board of elected officials—including city council members and county supervisors—and at least one member of the public appointed by the other members. About half of LAFCO boards have representatives from special districts. The CKH Act tasks LAFCOs with ensuring that services are effectively and efficiently delivered, and local governments can only exercise their powers and provide services where the LAFCO allows. In order to accomplish these goals, LAFCOs preside over boundary changes that include the formation of new cities and special districts.

Recreation and Park Districts. The Recreation and Park District Law is the principal act that governs all the recreation and park districts in California. As a special district, recreation and park districts are subject to LAFCO jurisdiction, and subject to the proceedings contained in LAFCO law. Current law provides two means for initiating the formation of a recreation and parks district: (1) by petition signed by 25 percent of the registered voters in the proposed district's territory, or (2) by resolution of application by a city or county that contains the territory proposed to be included in the district. The petition or resolution must be submitted to LAFCO.

The petition or resolution must meet all requirements under LAFCO law and specify the methods by which the district will be financed, its proposed name, the method of selecting the initial board of directors, and whether the district will have eminent domain authority. Upon receipt of the petition or resolution, the LAFCO must conduct proceedings to consider the formation of the district. The LAFCO may not approve a proposal unless it determines that the proposed district will have sufficient revenues to carry out its purpose.

A recreation and park district may exercise numerous powers, including to organize, promote, conduct, and advertise community recreation programs, and to acquire, construct, improve, maintain, and operate recreation facilities. These districts have several means of funding their operations, including levying fees, special taxes, and benefit assessments, as well as forming Mello-Roos community facilities districts. Park districts can also issue general obligation bonds. A district may also adopt rules, regulations, and ordinances governing the district's operations, including rules and regulations for the administration and use of recreation facilities.

A five-member board of directors governs each recreation and park district. A district's board may be elected or appointed by the legislative bodies of the cities and counties that make up the district's territory. If appointed, the seats must be allocated proportionally based on the population that falls within the proposed boundaries of the district in each city and in the unincorporated territory of the relevant county or counties. Following the initial board's formation, board members may be reorganized according to a process laid out in the Recreation and Park District Law.

Lower Los Angeles River Recreation and Park District. The Los Angeles River is entirely within the County of Los Angeles. The approximately 32 miles of the River upstream of the City of Vernon is considered to be the Upper River and is within the bounds of the City of Los Angeles. The approximately 19 miles of the Lower River include the Cities of Vernon, Commerce, Maywood, Bell, Bell Gardens, Cudahy, South Gate, Lynwood, Compton, Paramount, Carson and Long Beach. The Lower River is fed by the tributaries Compton Creek and Rio Honda, which is bordered by the Cities of Commerce, Downey, Montebello, and Pico Rivera.

To address the lack of access and funding for parks and recreation opportunities in this area, the Legislature enacted SB 1374 (Lara, 2016) which authorized the formation of the Lower Los Angeles River Recreation and Park District (LLAR District) pursuant to the CKH Act and the Recreation and Park District Law. SB 1374's authorization lasted until January 1, 2019, which was extended to January 1, 2021 by SB 875 (Committee on Budget & Fiscal Review, 2018), and establishes the governance and powers for the District.

SB 1374 required the LLAR District's initial board of directors to consist of no more than 13 members, appointed by cities that border the Los Angeles River, its tributaries, and Los Angeles County. Specifically:

- The city councils of the Cities of Vernon, Maywood, Bell, Bell Gardens, Cudahy, South Gate, Lynwood, Compton, Paramount, and Long Beach may each appoint one representative.
- The Los Angeles County Board of Supervisors may appoint two public members, which
 must include at least one representative of a nonprofit organization serving the Lower
 Los Angeles River region.
- The city councils of the Cities of Commerce, Downey, Montebello, and Pico Rivera may jointly appoint one representative, who serves for a two-year fixed term.

SB 1374 also required the LLAR District, in coordination with the Lower Los Angeles River Working Group and the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC), to:

- Promote the development of open space and parks along the Lower Los Angeles River;
- Identify funding and resources to promote the revitalization of the Lower Los Angeles River and open spaces along the river, for the benefit and enjoyment of local communities, and;
- Acquire, construct, improve, maintain, and operate parks and open space along the Lower Los Angeles River.

According to Los Angeles County LAFCO, the City of South Gate submitted an application on December 2019 to form the LLAR District. The LAFCO is currently reviewing the application.

Lower San Gabriel River Recreation and Park District. The Lower San Gabriel River flows 43 miles through Los Angeles and Orange Counties, including the cities of Pico Rivera, Whittier, Santa Fe Springs, Downey, Norwalk, Bellflower, Artesia, Cerritos, Hawaiian Gardens, and Lakewood. To address similar access and funding issues to the Lower Los Angeles River, the Legislature enacted SB 693 (Mendoza, 2017) which authorized the formation of the Lower San Gabriel River Recreation and Park District (LSGR District) subject to LAFCO law and the Recreation and Park District Law. The bill set a January 1, 2020, deadline for an application to form the district.

The LSGR District must also conduct its activities in coordination with RMC to:

- Promote the development of open space and parks along the Lower San Gabriel River;
- Identify funding and resources to promote the revitalization of the Lower San Gabriel River and open space along the river; and,
- Acquire, construct, improve, maintain, and operate parks and open space along the Lower San Gabriel River.

The bill specified that the initial board of directors for the LSGR District must not consist of more than 15 members appointed as follows:

- The city councils of the Cities of Downey, Whittier, Pico Rivera, Norwalk, Santa Fe Springs, Artesia, Bellflower, Cerritos, Lakewood, Montebello, Hawaiian Gardens, and Long Beach may each appoint one board member.
- The Los Angeles County Board of Supervisors may appoint one public member, who must reside within the Lower San Gabriel River Region.
- The executive officer of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) may serve as a member.
- The other members of the initial board of directors can appoint one board member. This member must be a representative of a nonprofit organization, as specified, and must reside within the Lower San Gabriel River Region.

According to Los Angeles County LAFCO, neither a petition nor a resolution to establish the recreation and park district was submitted by January 1, 2020.

The author wants to make changes to each district's board membership and extend the deadline for the Los Angeles LAFCO to receive a petition or resolution to authorize the formation of the LSGR District.

Proposed Law

Senate Bill 268 increases the initial board of directors for the LLAR District from 13 to 17 members. Instead of sharing one director who rotates every two years, the cities of Commerce, Downey, Montebello, and Pico Rivera would each appoint their own city council member with the same term as the other directors. The bill also allows the Los Angeles County Board of Supervisors to appoint a third public member to the board.

SB 268 maintains a 15-member board for the LSGR District, but replaces the member from the city of Montebello with a Governor's appointee. The bill also extends, until January 1, 2024, the deadline to submit an application to establish the LSGR District.

State Revenue Impact

No estimate.

Comments

1. <u>Purpose of the bill</u>. According to the author, "SB 268 authorizes the establishment of the Lower San Gabriel River Recreation and Park District (LSGRPD) subject to LAFCO law and the Recreation and Park District Law until January 1, 2024. It also makes changes to the board of directors for the Lower Los Angeles Park District to increase representation from cities in the District. Together the changes establish the Lower Los Angeles and Lower San Gabriel River Park Districts and allow these governmental bodies to represent the cities and stakeholders, as well as outlines the body's authorities and duties, including the responsibility to identify funding sources to promote open spaces.

"SB 268 will ensure residents in surrounding areas of the Lower Los Angeles and Lower San Gabriel River will have access to the benefits of recreational areas that many other Californians enjoy."

2. <u>Musical chairs</u>. SB 268 makes a series of changes to each district's board to ensure that every city has a seat at the table, while reserving other seats for appointed members that have experience serving the community. Expanding the LLAR board to include one member from each city would have yielded an even number of board members, so the bill gives the Los Angeles County Board of Supervisors the authority to appoint one additional public member to the LLAR board. Initially, the City of Montebello's city council had the authority to appoint a member to the board of directors for the LSGR District as part of SB 693 (Mendoza, 2017). RMC suggested the removal because the City of Montebello is not contiguous with the San Gabriel River. The City of Montebello did not object to its removal, and the bill gives the City their own spot on the LLAR District board, rather than share with three other cities. The bill replaces Montebello's seat on LSGR District with a Governor's appointee, but does not identify any specific qualifications for this appointee. The Committee may wish to consider amending the bill to replace the Governor's appointee with another public member appointed by the Los Angeles County Board of Supervisors to more closely align these two neighboring districts' boards of directors.

- 3. <u>Mandate.</u> The California Constitution generally requires the state to reimburse local agencies for their costs when the state imposes new programs or additional duties on them. SB 268 authorizes the creation of a district that may enact rules and regulations, violations of which are a misdemeanor. By creating a new crime, SB 268 creates a new state-mandated program. But the bill disclaims the state's responsibility for reimbursing local governments for enforcing these new crimes. That is consistent with the California Constitution, which says that the state does not have to reimburse local governments for the costs of new crimes (Article XIII B, 6[a] [2]).
- 4. <u>Special legislation.</u> The California Constitution prohibits special legislation when a general law can apply (Article IV, §16). SB 268 contains findings and declarations explaining the need for legislation that applies only to the Lower Los Angeles River and the Lower San Gabriel River.

Support and Opposition (3/22/21)

<u>Support</u>: City of Artesia, City of Bellflower, City of Commerce, City of Downey, City of Lakewood, City of Pico Rivera, City of Santa Fe Springs.

Opposition: None listed.