

Section 26

**Hearing on AB 4242
(Creates Regional Development and Infrastructure Agencies)**

**California Assembly Committee on Local Government
Sam Farr, Chairman
(08/08/1990)**

Date of Hearing: August 8, 1990

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT
Sam Farr, Chair

AB 4242 (Willie Brown) - As Amended: August 6, 1990

ASSEMBLY ACTIONS:

COMMITTEE _____ L. GOV. _____ VOTE> _____ COMMITTEE _____ W. & M. _____ VOTE> _____

Ayes: > Ayes: >

Nays: > Nays: >

SUBJECT: Creates regional development and infrastructure agencies.

DIGEST

Existing law:

- 1) Establishes local agency formation commissions (LAFCOs) in each county, air pollution control districts (APCDs), and regional water quality control boards, and provides for regional transportation planning agencies (RTPAs). Councils of Governments (COGs) may also be formed through joint powers agreements.
- 2) Requires every city and county to adopt a general plan which includes the following seven mandatory elements: land use, circulation, housing, conservation, open space, noise, and safety.

This bill:

- 1) Beginning January 1, 1991, creates seven regional development and infrastructure agencies (RDIAs) (San Francisco Bay Region, San Diego Region, Los Angeles Region, South Central Coast Region, North Central Coast Region, Sacramento Valley Region, Central Valley Region) which generally follow air basin boundaries with some adjustments for commuting patterns. The functions of APCDs, regional water quality control boards, RTPAs, and COGs are consolidated in the RDIAs. Each RDIA must submit a consolidation plan to the Legislature by July 1, 1993.
- 2) Establishes RDIA board representation with 13 members, seven of whom will be local government officials. The remaining six must be public members. Appointments will be made by the Governor, the Speaker of the Assembly, and the Senate Rules Committee. Board members will serve four-year terms.
- 3) Requires a regional plan for each region with correlated elements for air

housing sphere of influence with

appoint standing committees to assist in preparing and reviewing the respective plan elements.

- 4) Authorizes the creation of subregional planning authorities at the county or multi-county level, subject to the approval of the counties and cities. If no authority is created then the RDIA will assume the authority's responsibilities. The authority will also assume LAFCO's responsibilities.
- 5) Requires the subregional plans to be consistent with the regional plan; requires local agency plans to be consistent with the subregional plan.
- 6) Requires the RDIA to reconcile differences between the regional and subregional plans, and transmit them to the subregional authorities "for implementation by local agencies . . ."
- 7) Provides that the RDIA and subregional authorities are considered responsible agencies under the California Environmental Quality Act (CEQA) for purposes of approving local general plan amendments.
- 8) Requires the RDIA to site "regional infrastructure".
- 9) Transfers city, county, and special district funding for existing single-purpose regional entities to the RDIAs for their financial support, with an increased amount each year indexed to the increase in each city and county budget. Subregional authorities are to be supported by revenues from predecessor agencies (LAFCOs) and by fees from local agencies. Allows RDIAs and subregional authorities to create infrastructure financing districts if SB 308 (Seymour) becomes law.
- 10) Creates an Interregional Conflict Resolution Board to hear and resolve RDIA disputes and to prepare a consolidation plan if an RDIA fails to prepare one.
- 11) Exempts local agencies in San Diego County from the bill's provisions if certain conditions are met.

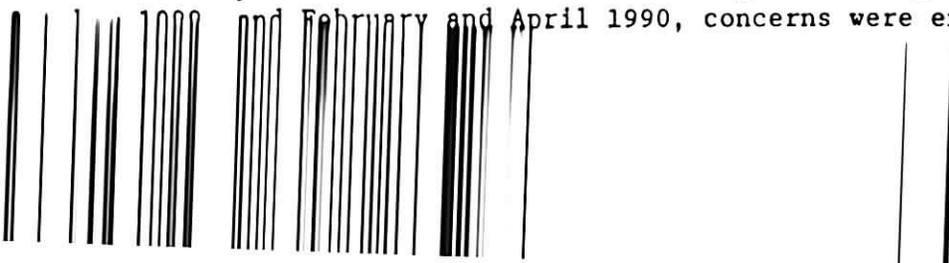
FISCAL EFFECT

Current financial support for single-purpose regional agencies will be transferred to the RDIA and the subregional planning authorities. Consolidation of the agencies may result in lower overall costs to support planning and staff. Development project application and review costs may be reduced where multiple approvals are currently required.

COMMENTS

- 1) Background.

At the Assembly Local Government Committee's growth management hearings in
February and April 1990, concerns were expressed



regional agencies. Certain groups have also made recommendations in this area. For example, a League of California Cities policy in Action for the 90s recommends that "[e]xisting regional agencies should be provided with the option to consolidate several single purpose agencies (i.e., COGs, RTPAs, Air Boards, etc.) into a comprehensive organization to deal with regional planning and growth management strategies." LA 2000 stresses the need to "consider and recommend ways to restructure government agencies at the city, county, and regional levels to meet complex growth problems."

A recent report prepared by the Assembly Office of Research recommended a realignment of functions at the regional level by merging single-purpose regional agencies in order to better manage growth. This bill is an effort to respond to this issue.

2) Regional Boundaries.

Single-purpose regional agencies have boundaries which generally relate to an entity's interest (e.g., air basins). Others, such as LAFCOs, follow county lines. Current COG boundaries are based upon those of the entities which have entered into joint powers agreements. The result is regional entities with overlapping boundaries. This bill establishes seven regions which generally follow air basin boundaries with some adjustments for commuting patterns. The more rural areas of the state are not affected by the bill. (See attached map, but note that Solano County is now entirely within the San Francisco Bay Region and a portion of El Dorado County now lies within the Sacramento Valley Region.)

Should a state agency, such as the Office of Planning and Research (in accordance with current law for establishing regional planning districts) or a State Planning Agency as proposed by AB 4235 (Farr), work with affected single-purpose regional agencies, local governments, and the public to determine regional boundaries?

Because many of the state's rural areas are experiencing rapid growth, or are likely to face this prospect, should the entire state be subject to the bill's provisions? Should the bill's provisions be phased in statewide by, for example, applying first to the Los Angeles and Bay Area regions, followed by other regions?

3) The Regional Development and Infrastructure Agency Board.

Under the bill, a regional development and infrastructure agency (RDIA) consolidates numerous single-purpose agencies with special staff and governing board expertise. Should there be a RDIA board (replacing other agencies), or should separate agencies continue their responsibilities with their actions being appealable to an agency board (e.g., existing COGs, consolidated single-county COGs) which prepares and maintains a consolidated plan? Should there be a "superagency" with existing single-purpose agencies operating within that entity?

This bill establishes RDIA board representation at 13 members, seven of whom represent local governments with the remaining six representing the general public members and holding no public office. Nominations and appointments must be made on the basis of expertise and the demographic composition of the region's population.

Should the expertise be specified for each appointed position to ensure a broad base of knowledge and experience on the board?

4) The Regional Plan.

This bill requires a regional plan with seven elements: air quality, water quality, transportation, housing, sphere of influence, capital facilities, and open space. Local general plans must also include seven elements: land use, circulation, housing, conservation, open space, noise, and safety.

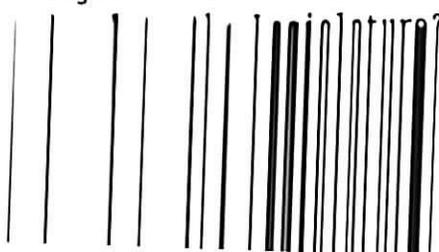
To ensure that local governments are able to coordinate with and implement regional plans, should the regional plans also include all of the local general plan elements? Should the regional plans be consistent with the state's environmental goals and policy report (when and if it is again prepared) or a state planning report required under AB 4235 (Farr)? Should special district actions be consistent with the regional plan?

5) Plan Implementation.

A common concern regarding planning is the inability of an entity to implement its plan. Weak implementation mechanisms can make the planning process ineffective or even moot. This bill facilitates implementation of the regional plan in four key areas: a) Subregional plans must be consistent with the regional plans and local plans must be consistent with the subregional plans; b) The RDIA's and subregional authorities have review and approval authority over local general plan amendments; c) The RDIA boards must approve "financial assistance" (state/federal grants, contractual arrangements, loans, loan guarantees, and insurance) relating to or substantially affecting the regional plan; and d) The RDIA's have cease and desist authority over local agencies and private persons on matters relating to inconsistent provisions of plans, ordinances or regulations.

6) Timing.

This bill requires the RDIA board to begin functioning in place of the consolidated entities by January 1, 1991, but requires a consolidation plan related to certain responsibilities to be submitted by January 1, 1993. Should the RDIA first develop a consolidation plan related to all of the new responsibilities and should that plan be developed prior to the board assuming these responsibilities? Should the consolidation plans be subject to some state review and approval rather



7) Response to Issues.

This bill was heard by the Committee on April 25, 1990, and was discussed at two other informational hearings. The recent amendments respond to certain issues raised at these hearings: a) The bill now requires the RDIA's to act on local general plan amendments rather than all projects of areawide or regional significance; b) The bill incorporates a subregional planning approach similar to that of SB 1332 (Presley); c) The RDIA board is appointed rather than elected; and, d) The bill references certain state policies to guide the plans.

8) Other Considerations.

This bill transfers local government and special district funding from the single-purpose regional agencies to the new RDIA, indexed to the increase in each budget. Because budgets may increase in a particular year because of a large project, should the index be tied to operating expenses? Should the RDIA be required to first demonstrate a need for the additional funding through their own adopted budget?

This bill provides legislative intent that RDIA and subregional authority decisions, policies, plans, and programs must implement various state policies referenced in the bill and that if there is a conflict, it must be resolved in a manner which is most protective of certain resources. Should the bill provide more detailed policies to avoid conflicts?

This bill requires the RDIA's to approve regional infrastructure but provides no definition of that term. The regional sphere of influence element must identify urban limit lines but there is little guidance on the process for identifying the lines.

9) Related Legislation.

There are four other planning bills relating to institutional changes: AB 1512 (Farr) authorizing county and regional study groups is currently on the Senate Appropriations Committee Suspense file, AB 4235 (Farr) creating a State Planning Agency is on the Assembly Ways and Means Committee Suspense file, SB 969 (Bergeson) establishing the Southern California Association of Governments Act is in this Committee, and SB 1332 (Presley) establishing the Subregional Planning Act was approved by the Committee on June 27, 1990, and is in the Assembly Ways and Means Committee.

This bill's procedures for establishing the subregional planning authority and preparing and approving the subregional plans differ with those in SB 1332. Should this bill be consistent with SB 1332?

SUPPORT/OPPOSITION: WITH RECENT AMENDMENTS, SUPPORT AND OPPOSITION IS UNKNOWN.

