

Elizabeth Mallen

From: Dane Wadle <danew@csda.net>
Sent: Thursday, July 18, 2019 11:12 AM
To: Dane Wadle
Subject: CSDA Advocacy Request: Submit AB 1486 Oppose Letter
Attachments: AB_1486_OUA_Letter_2nd_House_7_3_2019_Individual_District_(1).docx

Good morning:

As you may have seen, CSDA is actively opposing AB 1486. The bill expands the types of agencies subject to the Surplus Land Act (SLA) to include local agencies. The bill would add additional hoops for local agencies to go through if it wanted to enter informal negotiations to dispose of surplus land.

Furthermore, the definition of whether or not a local agency “uses” the property is narrowly defined to potentially affect parcels that are not used in day-to-day operations. As such, more property could be subject to the SLA under the current language.

We are trying to get letters from our members. I have attached an “oppose unless amended” sample letter for your use. If your district could email me a letter by August 9th, I would appreciate it.

More information on the bill is available at: <https://www.csda.net/advocate/take-action/campaign-315963>

Please let me know if you have any questions.

Thanks.
Dane

Dane Wadlé, CPFO
Public Affairs Field Coordinator

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OLIVEHURST PUBLIC UTILITY DISTRICT

Our mission is to provide high quality services to enhance our community's quality of life.



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John C. Tillotson

August 15, 2019

The Honorable Phil Ting
California State Assembly
State Capitol
Sacramento, CA 95814

RE: Assembly Bill 1486 (Ting) – Oppose Unless Amended [As Amended June 27, 2019]

Dear Assembly Member Ting:

The Olivehurst Public Utility District writes to respectfully oppose Assembly Bill 1486 unless it is amended to address our concerns. AB 1486 would impose onerous new requirements on public agencies attempting to dispose of their land.

The Olivehurst Public Utility District is a special district comprised of a Parks Department, Water Department, Wastewater Department and Fire Department.

AB 1486 expands the types of agencies subject to the Surplus Land Act (SLA), by adding sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state to the list of agencies that are mandated to follow certain requirements before disposing of surplus land.

As currently drafted, AB 1486 would apply the requirements of the SLA to all land owned by a public agency no longer necessary for the agency's "use." AB 1486 would also narrowly define the term "use" in a manner that does not contemplate the countless instances where a public agency owns land for a public purpose but does not use the land in its day to day operations.

AB 1486 also would require a local agency to notice the availability of the property prior to participating in even informal negotiations to dispose of the land. There are many reasons for an agency to have informal negotiations, particularly if the disposition is time sensitive. Informal discussions can provide a public agency the opportunity to closely consider the viability of the land for the agency's public purpose, available alternatives, and a good sense of potential market value. The exceptions included in the bill for "participating in negotiations" fail to address the scope of informal negotiations sometimes necessary to analyze the unique potential, condition, and use of surplus property, which can go beyond simple appraisal or value study. Moreover, because "negotiation" is undefined, it could open an agency to unnecessary liability for actions that may not even be initiated by elected leaders or staff of a local agency.

AB 1486 would impose an onerous penalty of 50% of the final value of the land disposed of where a public agency did not comply with the requirements of the SLA. This could be a devastating blow to a small local agency that makes an error. A 50% penalty could substantially harm an agency's finances, and by extension the residents and customers they serve.

Finally, AB 1486 would create costly reporting requirements for local agencies and put the Department of Housing and Community Development in the new role of enforcing the SLA—even for properties that have not been designated as suitable for residential housing pursuant to a housing element. We understand amendments have been proposed to better align the bill's reporting and enforcement provisions with current statutory requirements for housing and land use planning.

The amendments are important to ensure that small districts such as OPUD are not inhibited from future disposal of their land and to ensure they and the residents they serve are not unnecessarily penalized on procedural grounds.

Recent committee amendments remove the definition of "disposal" which would have required public agencies to offer a right of first refusal before leasing or otherwise conveying their land. This amendment significantly improves the bill and retains public agencies' ability to preserve their land for future use.

We respectfully request AB 1486 be amended to address these issues. Our opposition is not a challenge to the need for affordable housing, but a validation of the need for local flexibility when it comes to proper governmental land use management.

For these reasons, the Olivehurst Public Utility District respectfully opposes AB 1486 unless it is amended.

Sincerely,

John Tillotson
General Manager, Olivehurst Public Utility District

CC: Francisco Montes, Office of Senator Bob Wieckowski [francisco.montes@sen.ca.gov]
Assembly Member James Gallagher, 1130 Civic Center Blvd, Suite F, Yuba City, CA 95993
Senator Jim Nielsen, 1110 Civic Center Blvd., Suite 202-A, Yuba City, CA 95993
Rylan Gervase, Legislative Representative, California Special Districts Association
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