

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

August 16, 1993

To: Board of Directors (Executive Committee--Action)

From: General Manager

Subject: Reaffirm of Advocacy Programs for Growth Management Policy Principles

### Background

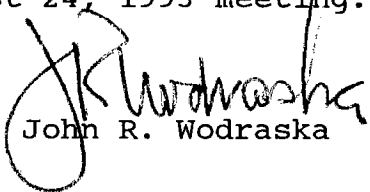
At the August 10 Special Committee on Legislation meeting, Metropolitan staff presented an oral report on the status of growth management legislation. The presentation focused on the alignment between Metropolitan's growth management policy principles and the two major legislative proposals to reform growth management and infrastructure coordination. The two bills are SB 377 (Presley-Riverside) and SB 273 (Bergeson-Newport Beach). As part of the oral report, staff distributed an internal memorandum outlining the issues and timing of each bill (attached).

### Board Committee Assignments

Board letter is referred for action to the Executive Committee because of its jurisdiction to study, advise and make recommendations with regard to legislation affecting the District, pursuant to Administrative Code Section 2417(a).

### Recommendation

Following the oral report, the Special Committee on Legislation adopted the following motion reaffirming that "Metropolitan should seek amendments to SB 273 to have water supply treated as it is in SB 377. Metropolitan should continue to support SB 377 and SB 273 if they set forth a program for integrated planning and infrastructure financing that treats water supply agencies as a utility and are consistent with Metropolitan's growth management policy principles. Staff should continue to participate in the development of state legislation consistent with the policy principles and monitor the bills as they are amended in the Assembly". They urge the Executive Committee and the Board to concur in this action at the August 24, 1993 meeting.



John R. Wodraska

AEB/mdm

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## **MWD**

*METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA*

August 9, 1993

General Manager

Executive Assistant for Strategic Policy Development

Information for Distribution at Special Committee on  
Legislation Regarding Growth Management

There remains two major legislative proposals to reform growth management and infrastructure coordination. SB 377 (Presley-Riverside) was amended in the final days before the summer recess and is scheduled for a vote on the Senate floor as soon as the Legislature returns. SB 273 (Bergeson-Newport Beach) has passed the Senate and is in the Assembly Local Government Committee. Both Senators Presley and Bergeson are working together for the passage of these bills and expect to combine them. Both bills will be made two-year bills when they reach the Assembly.

### KEY FEATURES:

#### SB 377 (Presley-Riverside)

SB 377 is a policy and planning bill that:

- 1) Reforms State goals and objectives for economic growth, environmental quality, governmental efficiency and accountability to the public. It establishes State policies and actions to assure both sustainable economic growth and environmental quality.
- 2) Sets forth a streamlined local planning process to assure greater efficiency of government by providing for certainty for development and for natural resources conservation and public accountability. This process can be adopted by local governments at their option. Local governments which adopt this integrated planning process are eligible for financial incentives.

- 3) Requires existing regional agencies to work together to remove conflicts and overlap in their responsibilities under existing law, to achieve greater efficiency and accountability. It allows regional agencies to propose a cooperative regional strategy and local government to propose or coordinate strategy for county-wide economic development and growth management. If regional agencies fail in transportation, air quality and housing, the State may take action. Local agencies would enjoy incentives for county-wide cooperation and coordination with other agencies in their county but there is not provision for State action.
- 4) Create a 16-member State Conservation and Development Commission composed of 12 gubernatorial appointments which will guide the State planner and would be staffed by OPR.
- 5) Within one year, this Commission would develop implementation guidelines: (a) compact and efficient development, (b) criteria for local, regional and State agencies to identify natural resources of critical statewide, regional, and local importance for enhanced conservation, preservation, protection, and sustainable management to achieve the State goals in the bill for State Conservation and Development. State agencies will be prohibited from funding public works projects inconsistent with state goals.
- 6) Includes changes to zoning and CEQA and other implementation statues to facilitate development and conservation certainty objectives.
- 7) Establishes an administrative appeals process to the Commission as an available first step before judicial remedy.

SB 377 is joined to SB 101 which establishes a State infrastructure bank and legislation which reduces the voting requirement from 2/3 voter approval for majority vote for general obligation bonds (SCA 19).

Due to Metropolitan Water District's involvement, Senator Presley's package seeks to give local voters greater ability to finance public facilities which are consistent with local growth plans and more economically efficient patterns of State investment in public facilities through better coordinated planning and local land use decision. SB 377 has been amended to address Metropolitan's concerns. It is also a part of the Assembly's economic recovery package.

SB 273 (Bergeson-Newport Beach)

SB 273 enacts the State Conservation and Development Strategy Act. It establishes OPR as the appropriate State agency to carry out statewide land use planning which is similar to SB 377 except as it relates to water. It establishes specific State objectives for investment in infrastructure, efficiency in use of resources and decision making and accountability. SB 273 requires OPR to identify State departments responsible for functional planning and to establish boundaries for regional planning. The provision of water is assigned to the Resources Agency and Cal EPA. OPR, working with these agencies, will adopt guidelines to accomplish the goals of SB 273 and requires local plans to be consistent with OPR's guidelines in order to receive State funds. OPR is designated as the "czar" agency to oversee all State functional plans, including water.

SB 273 allows county-wide agencies to establish an integrated/coordinated growth management program. State agencies cannot fund a number of programs unless they are consistent with State-mandated regional goals as set forth in a comprehensive regional strategy. One of the categories is "Facilities for the supply, storage, treatment, transmission and distribution of non-agricultural water." It requires LAFCO decisions to be consistent with State goals and any comprehensive regional strategy.

The local general plan could be replaced in cities and counties with a new "comprehensive plan" that includes five sections: land use, housing, capital improvements, resources and hazards. These plans must be consistent with the State strategy prepared by OPR.

The attached chart is a comparison of both bills regarding water supply based on Metropolitan's growth management principals.

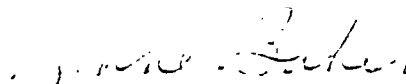
While both SB 377 and SB 273 have similar policy structures, there are major differences. One of the major

differences is how water infrastructure planning is handled.  
(See attachment.)

- SB 377 replaces the planning process with a new State Commission.
- SB 273 has planning process done by OPR.
- SB 377 provides certainty for the implementation of development of growth in the planning process.
- SB 273 is driven by OPR policy.
- SB 377 is based on local planning with State appeal available for controversial situations.
- SB 273 is a complicated process with OPR as "czar" over a State-integrated plan.
- SB 377 is locally driven.

POLICY OPTIONS:

- 1) Seek amendments to SB 273 to have water supply treated as it is in SB 377. Continue to support SB 377 and SB 273 as setting forth a program for integrated planning and infrastructure financing that treats water supply agencies as a utility and consistent with Metropolitan's growth management policy and monitor as bills are amended in the Assembly.
- 2) Oppose SB 377 and SB 273 as burdensome on local governments and special districts during difficult fiscal times.
- 3) Take a neutral position on SB 377 and SB 273 and monitor the progress of growth management legislation.

  
Anne E. Baker

AEB/mdm  
Attachment

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Policy Principles for Growth Management  
 Adopted by Metropolitan Water District  
 of Southern California on April 13, 1993

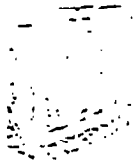
Attachment re: G.M. Letter

**Infrastructure Planning Consideration**

<p>Water supply is not a reason in and of itself to limit or control growth in California. There are sufficient water resources to accommodate continued population and economic growth through better management, including conservation, voluntary transfers and additional storage and conveyance facilities. Water supply for urban, agricultural and environmental uses will be adequate and reliable.</p>	<p align="center"><b>SB 377</b></p> <p>Text specifically addressed in bill language</p>	<p align="center"><b>SB 273</b></p> <p>Bill text implies balance between efficient use of resources needed by local land uses.</p>
<p>Growth management and the allocation and direction of development should be the responsibility of general purpose government. Utilities, including water purveyors, should provide adequate facilities to serve the projected growth at the state, regional and local level.</p>	<p>Text calls for better coordination between local agencies and water districts. Leaves growth allocation to local governments.</p>	<p>Calls for better coordination, but leaves decision with local government.</p>
<p>For planning and infrastructure purposes water supply should be treated as a utility not required to be a general purpose government plan element. However, water purveyors at the state, regional and local level should be a member of any proposed infrastructure planning structure to ensure optimum coordination and infrastructure resource investment.</p>	<p>Water specifically treated as utility and is a participant in decision body for process for developing regional plan and local CIP's. Water district local zoning override left in place.</p>	<p>Requires regional and local general purpose plans to have a resources element tied to growth forecasts. That element encompasses water.</p>
<p><b>Infrastructure Financing</b></p>		
<p>Financing mechanisms should be developed for general purpose and special district governments to develop adequate facilities to serve the projected growth.</p>	<p>Addresses 2/3 bond vote for local governments.</p>	<p>Appears to override current water district local zoning override.</p>
<p>Infrastructure financing programs should provide for new growth to pay "fair-share" relative to total infrastructure program.</p>	<p>Silent to fair share use.</p>	<p>Silent on fair share issue.</p>
<p>Market mechanisms to improve the efficiency in use of natural resources and public facilities such as water transfers should be encouraged.</p>	<p>Referenced in text as one method.</p>	<p>Silent on market uses.</p>

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SB377



**MWD**

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

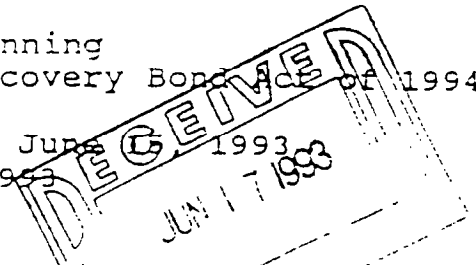
Legislative Office

June 15, 1993

Senator Robert Presley  
California State Senate  
State Capitol, Room 5114  
Sacramento, CA 95814

Re: SB 101 (Bergeson) - Infrastructure Financing  
SB 273 (Bergeson) and SB 377 (Presley) - Planning  
SB 844 (Presley) - Economic/Environmental Recovery Bond Act of 1994

Senate Subcommittee on Bonded Indebtedness - June 15, 1993  
Senate Appropriations Committee - June 21, 1993



Dear Senator Presley:

The Board of Directors for the Metropolitan Water District of Southern California supports legislation that advances better coordination of infrastructure. For the last year, Metropolitan has participated in the effort by the Economic and Environmental Recovery Coalition to develop your bill, SB 377. A copy of the Policy Principles for Growth Management adopted by Metropolitan's Board on April 13, 1993, is attached.

Growth management should be the responsibility of local government. Metropolitan believes that a water agency should be treated as a utility and should demonstrate the ability to provide water consistent with local development plans. Metropolitan also supports the provisions outlined in SB 377 which requires regional and local water agencies to participate in any planning structure created to review capital programs.

Metropolitan's Board believes a number of implementation details are necessary before any of the growth management bills before the Committee become law. Metropolitan, however, endorses the effort to move SB 101, SB 273, SB 377 and SB 844 forward in the legislative process. We look forward to continuing discussions as implementation refinements are developed.

If you have any questions with respect to the District's position, please do not hesitate to contact my office.

Sincerely,

Raymond Corley, Jr.  
Legislative Representative

cc: Members and Consultant to Senate Appropriations Committee  
Senator Marian Bergeson

## Policy Principles for Growth Management

Adopted by Metropolitan Water District  
of Southern California on April 13, 1993

### Infrastructure Planning Coordination

\* Water supply is not a reason in and of itself to limit or control growth in California. There are sufficient water resources to accommodate continued population and economic growth through better management, including conservation, voluntary transfers and additional storage and conveyance facilities. Water supply for urban, agricultural and environmental uses will be adequate and reliable.

\* Growth management and the allocation and direction of development should be the responsibility of general purpose government. Utilities, including water purveyors, should provide adequate facilities to serve the projected growth at the state, regional and local level.

\* For planning and infrastructure purposes water supply should be treated as a utility not required to be a general purpose government plan element. However, water purveyors at the state, regional and local level should be a member of any proposed infrastructure planning structure to ensure optimum coordination and infrastructure resource investment.

### Infrastructure Financing

\* Financing mechanisms should be developed for general purpose and special district governments to develop adequate facilities to serve the projected growth.

\* Infrastructure financing programs should provide for new growth to pay "fair-share" relative to total infrastructure program.

\* Market mechanisms to improve the efficiency in use of natural resources and public facilities such as water transfers should be encouraged.

Any legislation to integrate infrastructure planning and to address the financing of facilities to fund growth and new development will be brought to the Board.



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA.

Sacramento Legislative Office

June 28, 1993

Senator Robert Presley  
California State Senate  
State Capitol, Room 5114  
Sacramento, CA 95814

Re: SB 377 (Presley) - Planning  
SB 844 (Presley) - Economic/Environmental Recovery Bond of 1994

Dear Senator Presley:

The Board of Directors for the Metropolitan Water District of Southern California supports legislation that advances better coordination of infrastructure. For the last year, Metropolitan has participated in the effort by the Economic and Environmental Recovery Coalition to develop your bill, SB 377. A copy of the Policy Principles for Growth Management adopted by Metropolitan's Board on April 13, 1993, is attached.

Growth management should be the responsibility of local government. Metropolitan believes that a water agency should be treated as a utility and should demonstrate the ability to provide water consistent with local development plans. Metropolitan also supports the provisions outlined in SB 377 which requires regional and local water agencies to participate in any planning structure created to review capital programs.

Metropolitan's Board believes a number of implementation details are necessary before any of the growth management bills now before the Senate become law. Metropolitan, however, endorses the effort to move the package of growth management bills forward in the legislative process. We look forward to continuing discussions as implementation refinements are developed.

If you have any questions with respect to the District's position, please do not hesitate to contact my office.

Sincerely,

Raymond Corley, Jr.  
Legislative Representative

cc: Members of the State Senate

## Policy Principles for Growth Management

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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Sacramento Legislative Office

June 28, 1993

Senator Marian Bergeson  
California State Senate  
State Capitol, Room 3063  
Sacramento, CA 95814

Re: SB 101 (Bergeson) - Infrastructure Financing

Dear Senator Bergeson:

The Board of Directors for the Metropolitan Water District of Southern California supports legislation that advances better coordination of infrastructure. For the last year, Metropolitan has participated in the effort by the Economic and Environmental Recovery Coalition to develop growth management legislation that includes an infrastructure bank. A copy of the Policy Principles for Growth Management adopted by Metropolitan's Board on April 13, 1993, is attached.

Growth management should be the responsibility of local government. Metropolitan believes that a water agency should be treated as a utility and should demonstrate the ability to provide water consistent with local development plans. Metropolitan also supports growth management legislation which requires regional and local water agencies to participate in any planning structure created to review capital programs. SB 101, which creates an infrastructure bank to support this effort, is essential to this package.

Metropolitan's Board believes a number of implementation details are necessary before any of the growth management bills before the Senate become law. Metropolitan, however, endorses the effort to move SB 101, SB 377, and SB 844 forward in the legislative process. We look forward to continuing discussions as implementation refinements are developed.

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Sincerely,

  
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