

EXECUTIVE OFFICER SUMMARY REPORT
August 12, 2005

ITEM: **15**

SUBJECT: **SENATE BILL 153 – “CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS, AND COASTAL PROTECTION ACT OF 2006”**

Consideration and possible adoption of a resolution (*tentative Resolution 05-21*) authorizing the Executive Office to seek augmentation to the \$10 million line-item allocation currently proposed for the San Diego River Conservancy in Senate Bill 153. An overview of the currently proposed funding breakdown will be provided. (*Deborah Jayne*)

PURPOSE:

Consideration and possible adoption of tentative Resolution 05-21. The Board may discuss additional actions that individual Board members, or the Conservancy as a whole, may wish to take. The Board may also consider directing the Executive Officer to draft a letter to Senator Chesboro (the bill's author), Assemblymember Pavley, the San Diego delegation, and/or other legislators requesting their support for an increased line-item allocation and transmitting Resolution 05-21 for their consideration.

The Executive Officer is seeking the Governing Board's guidance on additional specific language for Resolution 05-21 and/or the letter from the Governing Board requesting an augmented line-item allocation.

DISCUSSION:

On June 10, 2005, the Governing Board adopted Resolution 05-10 supporting the inclusion of a specific line-item allocation for the San Diego River Conservancy in any upcoming state resource Bond Acts, including SB 153 and AB 1269. Furthermore, it authorized the Executive Officer to work with state legislators to secure capital outlay funding for the San Diego River Conservancy. (A copy of signed Resolution 05-10 is attached at the end of the June 10, 2005 Minutes, Agenda Item 2.)

Note: AB 1269 (Pavley) the “Clean Air, Clean Water, Coastal Protection, and Parks Act of 2007” did not pass out of its house of origin (Assembly) by the legislative deadline required for further consideration for this year. This bill may progress when the Legislature reconvenes in January 2006.

During two recent trips to Sacramento, your Executive Officer met with several legislators and their staff to advocate for a capital outlay line-item allocation for the San Diego River Conservancy.

At that time, specific dollar allocations were not included in the language for SB 153. However since then, the bill has been amended a couple of times and now provides a breakdown of how the bond money will potentially be distributed.

Current Language of SB 153

The total dollar amount currently proposed in the bond act is \$3,865,000,000. The sum of \$300,000,000 will be allocated to state conservancies (*see SB 153, Article 3, Section (e)*) in accordance with the particular provisions of the statute creating each conservancy, for acquisition, development, restoration and interpretation, according to the following scheduleⁱ:

1. Baldwin Hills Conservancy - \$40 million
2. San Gabriel and Lower LA Rivers and Mountains Conservancy - \$40 million
3. San Francisco Bay Area Conservancy - \$40 millionⁱⁱ
4. Santa Monica Mountains Conservancy - \$40 million
5. Sierra Nevada Conservancy – \$40 million
6. California Tahoe Conservancy - \$40 million
7. Coachella Valley Mountains Conservancy - \$20 million
8. San Joaquin River Conservancy - \$30 million
9. San Diego River Conservancy - \$10 million

It has been explained that the reason the San Diego River Conservancy received the smallest allocation is due to our size (we are the smallest of the state conservancies) and the lack of an established track record for expending money and making acquisitions.

Current Status of SB 153

7/11/05- Read for a second time in Assembly Appropriations Committee. On August 15, 2005, the legislature reconvenes from recess, and ideally this bill will pass out of Assembly Appropriations to the Assembly Floor for a vote. September 2nd is the last day to amend bills on the Floor. September 9th

is the deadline for Assembly to pass this bill. If approved, this measure would appear on the 2006 statewide primary election.

The Importance of a Track Record / “Funding Catch-22”

It is very important to develop a track record which demonstrates that the Conservancy has the organizational capacity to expend money, acquire and manage land, create effective partnerships and leverage funds, etc.

For example, it is important for the Conservancy to get appropriate recognition for the three projects previously approved by the Board for Prop 40 funding (Eagle Peak Acquisition, Ocean Beach Bicycle Path, and Mission Valley Preserve Restoration). When money flows directly from Resources Agency to the City of San Diego or the San Diego River Park Foundation, the Conservancy’s role and “value added” is much less obvious.

The San Diego River Conservancy is a “good investment of State resources”. The Catch-22 appears to be “you need money (and a track record) to get money”.

Justification / Track Record

The Conservancy has made considerable progress in its capacity to work with local partners, potential sellers, and bring attention to the San Diego River. Important efforts that could be used to justify an augmentation to the Conservancy’s line-item allocation are:

- Several promising acquisitions in the headwaters
- Several promising acquisitions in Mission Valley
- Initiated or strengthened new working relationships with key partners of legislators.
- Spoke at or participated in community groups and public outreach events
- Developed first Conservancy brochure and promotional giveaways for public outreach purposes.
- Analyzed and commented on numerous critical planning documents and CEQA reviews for new proposed developments along the San Diego River

Role of Conservancy

In agenda item 19, the Board will be asked to make a policy decision to identify the best role (and strategy) for the Conservancy in an upcoming potential acquisition. The Governing Board could provide direction on what the role of

the Conservancy should be, keeping in mind the importance and effects of establishing a track record.

There are three possible roles the Conservancy could take:

1. Conservancy obtains a grant from Resources Agency (Prop 40 funds) and we acquire the property directly. The Conservancy then transfers the property to a local partner for long-term maintenance; OR
2. Conservancy obtains a grant from Resources Agency (Prop 40 funds). The Conservancy then “re-grants” the funds to a partner. The partner then acquires the property; OR
3. Our partner obtains a grant directly from Resources Agency. The Conservancy Governing Board approves and recommends the project for funding. The Partner then acquires the property.

LEGAL CONCERNS: None.

FISCAL IMPACT: Potential increase in Capitol Outlay funding.

SUPPORTING
DOCUMENTS:

1. Tentative Resolution 05-21
2. Current Text of SB 153 (Chesboro)

RECOMMENDATION: Adopt Resolution 05-21.

ⁱ State Coastal Conservancy allocation of \$500 million is specified in Article 4, Section (d) and Article 5, Section (a) of the bond. In addition to the \$500 million, the State Coastal Conservancy has been allocated \$50 million for acquisition, development and restoration to expand the Santa Ana River Parkway.

ⁱⁱ Note that the San Francisco Bay Area Conservancy is NOT a state-chartered conservancy. It is instead a program of the State Coastal Conservancy.