The San Francisco Bay Restoration Authority

Fact Sheet • AB 746 (Ting)

PURPOSE

AB 746 WILL AMEND GOVERNMENT CODE **SECTIONS 66703, 66704, 66704.05, AND 66706** TO CLARIFY THE SAN FRANCISCO BAY RESTORATION AUTHORITY'S (SFBRA) ABILITY TO USE ITS EXISTING POWERS TO RAISE AND ALLOCATE RESOURCES FOR THE RESTORATION, ENHANCEMENT, PROTECTION, AND ENJOYMENT OF WETLANDS AND WILDLIFE HABITAT IN THE SAN FRANCISCO BAY AND ALONG ITS SHORELINE.

BACKGROUND

SFBRA is a new regional government agency charged with raising and allocating resources for the restoration, enhancement, protection, and enjoyment of wetlands and wildlife habitat in the San Francisco Bay and along its shoreline. SFBRA was created by the California legislature in 2008 with the enactment of AB 2954 (Lieber).

Today, only 20 percent of the Bay's original wetlands remain due to filling and diking. Wetlands absorb and filter many pollutants found in runoff. They also provide natural flood control and can be an effective way to reduce the impact of future sea level rise due to global warming. By providing clean water, flood control, habitat, recreation, and economic benefits, wetlands are crucial to the health of the San Francisco Bay and the well-being of the millions of residents in the communities that surround it.

Restoring the Bay's wetlands requires long-term capital investments and SFBRA is charged with raising needed revenue by a variety of means. SFBRA has statutory powers to levy benefit assessments, special taxes, and property-related fees consistent with the requirements of Proposition 218 throughout its nine-county jurisdiction. The procedures under which elections will be conducted on any regional measure the SFBRA proposes were specified further by AB 2103 (Hill, 2010) and SB 279 (Hancock, 2013).

NEED FOR THE BILL

SFBRA's mission is to raise local revenues to help restore 36,000 acres of publicly-owned bay shoreline into tidal wetlands (AB 2954, Lieber, 2008). The estimated cost of this endeavor is about $1.43 billion over 50 years. Only limited federal and state funds are available for wetlands restoration projects, so SFBRA is responsible for raising new revenue to leverage these funds and narrow the remaining funding gap.

SFBRA's authorizing legislation grants the entity's Governing Board powers to carry out the Authority's mission, including powers to levy taxes and issue bonds. However the current statute includes certain limitations that effectively preclude SFBRA from using these powers to maximum benefit. AB 746 clarifies several provisions of the underlying statute to ensure that SFBRA will have the ability to issue bonds in an amount and for a duration that will allow it to fulfill the mission set out in the original act, and will have sufficient time to propose a revenue measure to finance any such bonds.

WHAT THIS BILL WOULD DO

AB 746 would:

a) eliminate the uniquely restrictive limitation of SFBRA's bonding authority to 10% of its prior year's revenue, which makes it functionally impossible for the Authority to bond;

b) extend SFBRA's existence to January 1, 2049, long enough for it to meet the obligations of any General Obligation Bonds or Revenue Bonds that it may issue financed by a forthcoming revenue measure for terms of up to 30 years;

c) extend until January 1, 2019 elements of SB 279 (Hancock, 2013) providing that in the first election where SFBRA proposes a revenue measure, it is required to reimburse each county in which the measure appears on the ballot only for the incremental costs incurred by the county elections official related to submitting the measure to the voters;

d) specify that the SFBRA chair shall be an elected official of a bayside city or county, consistent with other regional bodies chaired by elected officials from within their jurisdictions;

e) clarify that the SFBRA currently has no state revenues, and therefore that its appropriations limit will be established based on receipts from its initial revenue measure.

These changes will allow SFBRA to move forward in planning and seeking voter approval for an appropriately robust initial revenue measure that is fully consistent with its mission.