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TPA Presentation to:

**Orange County
Sanitation District**

February 10, 2020

Agenda

Legislative Schedule & Looking Ahead

Governor's January Budget

**Proposed 2020 Resources/Climate
Bond**

Impact Fee Legislation

Legislative Schedule & Looking Ahead

Legislative Schedule

- The Legislature returned January 6, 2020 from Interim Recess
- Second year of a two-year session
- January 31, 2020 deadline for all two-year bills to pass their house of origin
- Accelerated legislative timeline in the second year
- New bill introduction deadline is February 21, 2020



Governor's January Budget

Governor's January Budget

- Released Friday, January 10
- \$222 billion in proposed expenditures (2.2% increase)
 - \$153 billion General Fund
- \$5.3 billion surplus expected
- Dollar amounts will be updated when the May Revise is released
- Next steps



Governor's January Budget (cont)

Top priorities in the Governor's January Budget include:

Education

- \$84 billion in Proposition 98 funding
- Increase of \$3.8 billion
- Emphasis on improved teacher recruitment and retention

Housing/Homelessness

- \$6.8 billion aimed at increasing housing supply
- \$750 million one-time funding for services related to permanent housing
- Revamped RHNA process by 2023

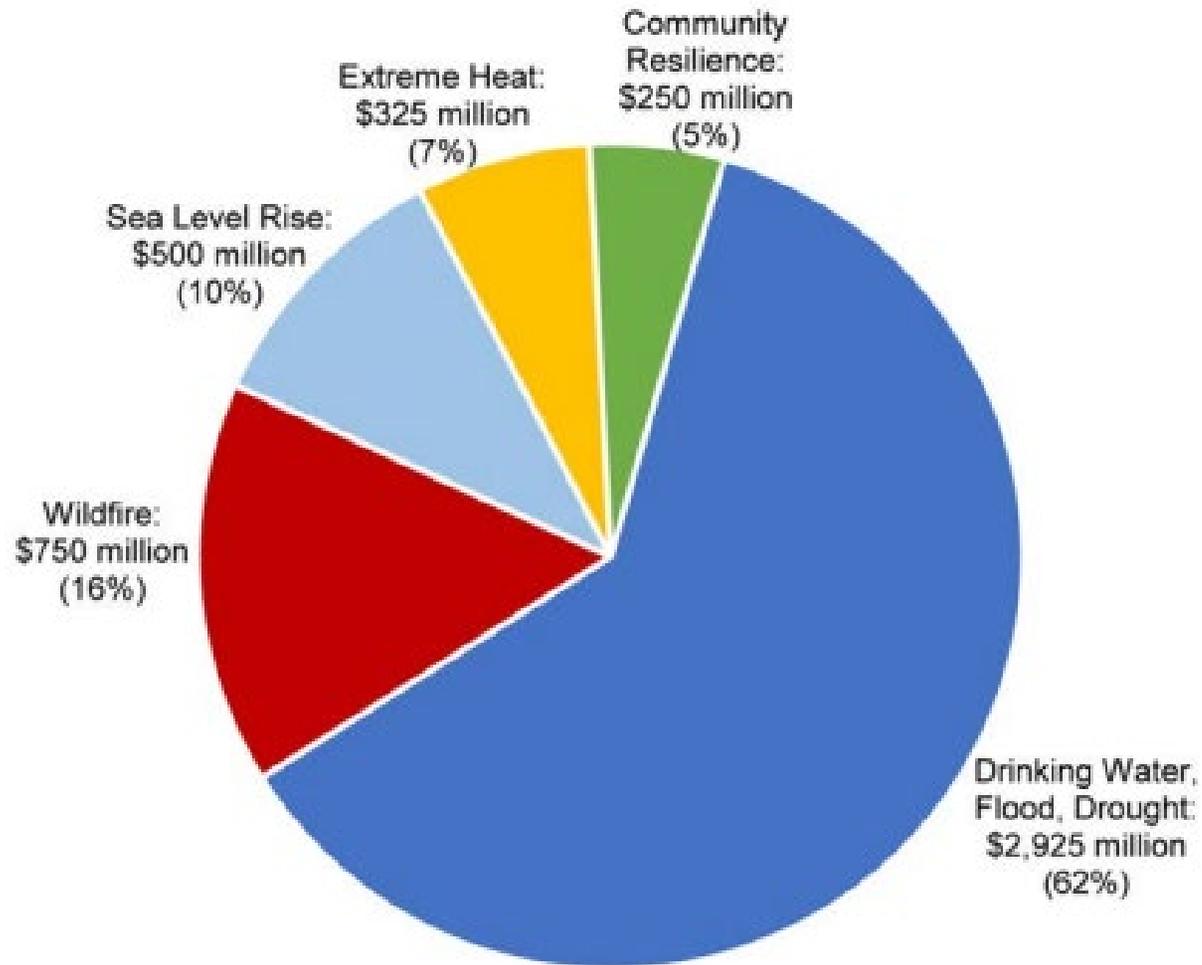
Natural Resources/Climate Change Bond

- Proposed \$4.75 billion climate resiliency bond
- Targeting November 2020 ballot
- Will need to be negotiated with the Legislature's climate bond proposals

Proposed 2020 Resources/Climate Bond

Proposed Funding Categories

Climate Resilience Bond



Organics Infrastructure Funding

- SB 667 (Hueso) - Greenhouse gases: recycling infrastructure and facilities
 - Five year needs assessment
 - Develop financial incentive mechanisms to fund organic waste diversion and recycling infrastructure
- Senator Hueso still committed to this legislation in 2020
- Focus of Senator Hueso's to include funding in the Resources/Climate Bond
- CASA support



Impact Fee Legislation

Impact Fee Legislation Update

- Assembly Member Grayson (D-Concord) introduced AB 1924 on January 14, 2020
- Requires fees on housing development projects by a local agency be proportionate to **square footage**
- CSDA solicited input from their members
- OCSD submitted feedback – currently assess fees based on number of bedrooms
 - Could lead to an inaccurate assessment of capacity
- Additional amendments expected for AB 1924



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Thank You

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