AMENDED IN ASSEMBLY MARCH 28, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 890

Introduced by Assembly Member Medina

February 16, 2017

An act to amend Sections 9105, 9108, 9110, 9116, 9118, 9203, 9207, 9208, 9214, 9215, 9301, 9305, 9310, 9311, and 9312 of, and to add Sections 9117, 9219, 9227, and 9318 to, the Elections Code, to amend Section 65867.5 of the Government Code, and to amend Sections 21065 and 21152 of the Public Resources Code, relating to initiatives.

LEGISLATIVE COUNSEL'S DIGEST

AB 890, as amended, Medina. Local land use initiatives: environmental review.

The California Constitution authorizes the electors of each city and county to exercise the powers of initiative and referendum under procedures provided by the Legislature. Pursuant to that authority, existing law authorizes a proposed ordinance to be submitted to the appropriate elections official and requires the elections official to forward the proposed ordinance to appropriate counsel for preparation of a ballot title and summary. Existing law requires the elections official to provide the ballot title and summary to proponents of the proposed measure and the proponents are required to include the ballot title and summary upon each section of the petition used to gather the required number of signatures. Under existing law, if an initiative petition is signed by not less than a specified number of voters and filed with the elections official, that elections official must submit the proposed ordinance to the county board of supervisors, legislative body of a city, or governing board of a district. Existing law requires the governing

 $AB 890 \qquad \qquad -2 -$

body to (1) adopt the ordinance without alteration, (2) call an election or special election in certain instances, at which the ordinance, without alteration, would be submitted to a vote of the voters of the jurisdiction, or (3) for cities and counties, order a report on the ordinance and then adopt the ordinance or submit it to the voters.

This bill would require a proponent of an proposed initiative ordinance, at the time he or she files a copy of the proposed initiative ordinance for preparation of a ballot title and summary with the appropriate elections official, to also request that an environmental review of the proposed initiative ordinance be conducted by the appropriate planning department, as specified. The bill would require the elections official to notify the proponent of the result of the environmental review. The bill would require the county board of supervisors, legislative body of a city, or governing board of a district, if the initiative ordinance proposes an activity that would result in a direct or indirect physical change in the environment, as specified, to order that an environmental impact report or mitigated negative declaration of the proposed ordinance be prepared. Once the environmental impact report or mitigated negative declaration has been prepared, the bill would require the governing body to hold a public hearing and either approve or deny the proposed ordinance, instead of allowing the proposed ordinance to be submitted to the voters.

By requiring local officials to provide a higher level of service, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 (a) Local land use initiative measures are matters in which there
- 4 is a statewide interest because they have effects beyond the

3 AB 890

jurisdictional limits of a local agency, and thus are not matters of purely local concern.

- (b) Local land use initiative measures may affect the health, safety, and general welfare of residents within and outside the jurisdictional limits of a local agency.
- (c) Local land use initiative measures may impact the environment, which is an asset of all the people of California and is a matter of statewide concern, consistent with the legislative intent expressed in Chapter 1 (commencing with Section 21000) of Division 13 of the Public Resources Code.
- (d) A thorough environmental review of local land use projects is necessary to safeguard the environment and to inform the public of the projects' possible consequences. This environmental review must occur at the earliest possible time.
- (e) Voters, like legislators, should have access to information about a local land use initiative measure's environmental impacts.
- (f) Approving local land use initiative measures that have the potential to cause significant environmental impacts is fundamentally incompatible with California's substantive environmental mandate, as set forth in Section 21002 of the Public Resources Code, which states that projects are not to be approved "if there are feasible alternatives or feasible mitigation measures available which would substantially lessen the significant environmental effects of such projects."
- (g) Development agreements, which are negotiated contractual agreements between a legislative body and an individual or entity, are unsuitable for the initiative process.
- SEC. 2. Section 9105 of the Elections Code is amended to read: 9105. (a) The county elections official shall immediately transmit a copy of any proposed measure to the county counsel. Within 15 days after the proposed measure is filed, the county counsel shall provide and return to the county elections official a ballot title and summary for the proposed measure. The ballot title may differ from any other title of the proposed measure and shall express in 500 words or less the purpose of the proposed measure. In providing the ballot title, the county counsel shall give a true and impartial statement of the purpose of the proposed measure in such language that the ballot title shall neither be an argument, nor be likely to create prejudice, for or against the proposed measure.

AB 890 —4—

(b) The county elections official shall furnish a copy of the ballot title and summary to the proponents of the proposed measure. The proponents shall, before the circulation of the petition, publish the Notice of Intention, and the ballot title and summary of the proposed measure in a newspaper of general circulation published in that county, and file proof of publication with the county elections official.

(c) The ballot title and summary prepared by the county counsel shall appear upon each section of the petition, above the text of the proposed measure and across the top of each page of the petition on which signatures are to appear, in roman boldface type not smaller than 12 point. The ballot title and summary shall be clearly separated from the text of the measure. The text of the measure shall be printed in type not smaller than 8 point.

The heading of the proposed measure shall be in substantially the following form:

Initiative Measure to be Submitted Directly to the Voters

The county counsel has prepared the following title and summary of the chief purpose and points of the proposed measure:

(Here set forth the title and summary prepared by the county counsel. This title and summary must also be printed across the top of each page of the petition whereon signatures are to appear.)

(d) (1) Any person who is interested in any proponent of a proposed measure shall file a copy of the proposed measure with the elections official with a request than an environmental review of the proposed measure be conducted. The elections official shall immediately transmit a copy of the proposed measure to the county planning department. Within 30 days after the proposed measure is filed, the county planning department shall determine if the activity proposed by the measure is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code.) If the activity proposed by the measure is subject to the California Environmental Quality Act and no exemption applies, the county planning department shall determine if the activity proposed by the measure has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. If there is no potential for such a change, the -5— AB 890

city shall prepare a negative declaration within 180 days. If there is potential for such a change, the city shall notify the proponent, within 30 days after the proposed measure is filed, that the proposed measure cannot be adopted by the initiative process but can receive a public hearing pursuant to Section 9117 if a sufficient number of signatures are collected.

- (2) The elections official shall furnish a copy of the negative declaration or any other environmental determination to the person filing the proposed measure. Any negative declaration or any other environmental determination shall be included with each section of the petition.
- SEC. 3. Section 9108 of the Elections Code is amended to read: 9108. The proponents may commence to circulate the petitions among the voters of the county for signatures by any registered voter of the county after publication of the title and summary prepared by the county counsel, and after receiving a negative declaration or other environmental determination from the county planning department. Each section of the petition shall bear a copy of the notice of intention, and the title and summary prepared by the county counsel, and any negative declaration or other environmental determination prepared for the measure.
- SEC. 4. Section 9110 of the Elections Code is amended to read: 9110. Signatures shall be secured and the petition shall be presented to the county elections official for filing within 180 days from the date of receipt of the title and summary, and negative declaration or other environmental determination, or after termination of any action for a writ of mandate pursuant to Section 9106 and, if applicable, after receipt of an amended title or summary, or both, whichever occurs later.
- SEC. 5. Section 9116 of the Elections Code is amended to read: 9116. If the initiative petition is signed by voters not less in number than 20 percent of the entire vote cast within the county for all candidates for Governor at the last gubernatorial election preceding the publication of the notice of intention to circulate an initiative petition, and contains a request that the ordinance be submitted immediately to a vote of the people at a special election, the board of supervisors shall consider certifying the petition at the next regular meeting after any required public review and comment period. If the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that

AB 890 — 6 —

the activity has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall declare that the initiative petition proposes an activity that is unsuitable for the initiative process and proceed pursuant to Section 9117. If a negative declaration was prepared for the petition, the negative declaration shall be circulated for public review and comment for at least 20 days before the meeting at which the legislative body will consider certifying the petition, and the legislative body shall consider any public comments raised. At the meeting where the legislative body will consider certifying the petition, the legislative body shall do one of the following:

- (a) Adopt the ordinance without alteration, unless a negative declaration was prepared for the petition, in which case only subdivisions (b) and (c) apply. subdivision (b) applies.
- (b) Immediately call a special election pursuant to subdivision (a) of Section 1405, at which the ordinance, without alteration, shall be submitted to a vote of the voters of the county. The special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- (c) Order a report pursuant to Section 9111. When the report is presented to the board of supervisors, it shall either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).
- SEC. 6. Section 9117 is added to the Elections Code, to read: 9117. If an initiative petition is signed by not less than the number of voters specified in Section 9118, and the activity proposed by the initiative petition has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall require that an environmental impact report or mitigated negative declaration be prepared to analyze the impacts of the activity proposed by the initiative petition. Once the environmental document is complete, the legislative body shall hold a public hearing to either approve or deny the proposal.
- SEC. 7. Section 9118 of the Elections Code is amended to read: 9118. If the initiative petition is signed by voters not less in number than 10 percent of the entire vote cast in the county for all

7 AB 890

candidates for Governor at the last gubernatorial election preceding the publication of the notice of intention to circulate an initiative petition, the board of supervisors shall consider certifying the petition at the next regular meeting after any required public review and comment period. If the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that the activity has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall declare that the initiative petition proposes an activity that is unsuitable for the initiative process and proceed pursuant to Section 9117. If a negative declaration was prepared for the petition, the negative declaration shall be circulated for public review and comment for at least 20 days before the meeting at which the legislative body will consider certifying the petition, and the legislative body shall consider any public comments raised. At the meeting where the legislative body will consider certifying the petition, the legislative body shall do one of the following:

(a) Adopt the ordinance without alteration, unless a negative declaration was prepared for the petition, in which case only subdivisions (b) and (c) apply. subdivision (b) applies.

- (b) Submit the ordinance, without alteration, to the voters pursuant to subdivision (b) of Section 1405, unless the ordinance petitioned for is required to be, or for some reason is, submitted to the voters at a special election pursuant to subdivision (a) of Section 1405. Any special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- (c) Order a report pursuant to Section 9111. When the report is presented to the board of supervisors, it shall either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).
- SEC. 8. Section 9203 of the Elections Code is amended to read: 9203. (a) Any person who is interested in any proponent of a proposed measure shall file a copy of the proposed measure with the elections official with a request that a ballot title and summary be prepared. This request shall be accompanied by the address of the person proposing the measure. The elections official shall immediately transmit a copy of the proposed measure to the city

AB 890 —8—

attorney. Within 15 days after the proposed measure is filed, the city attorney shall provide and return to the city elections official a ballot title for and summary of the proposed measure. The ballot title may differ from any other title of the proposed measure and shall express in 500 words or less the purpose of the proposed measure. In providing the ballot title, the city attorney shall give a true and impartial statement of the purpose of the proposed measure in such language that the ballot title shall neither be an argument, nor be likely to create prejudice, for or against the proposed measure.

(b) The elections official shall furnish a copy of the ballot title and summary to the person filing the proposed measure. The person proposing the measure shall, before its circulation, place upon each section of the petition, above the text of the proposed measure and across the top of each page of the petition on which signatures are to appear, in roman boldface type not smaller than 12 point, the ballot title prepared by the city attorney. The text of the measure shall be printed in type not smaller than 8 point.

The heading of the proposed measure shall be in substantially the following form:

Initiative Measure to be Submitted Directly to the Voters

The city attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

(Here set forth the title and summary prepared by the city attorney. This title and summary must also be printed across the top of each page of the petition whereon signatures are to appear.)

(c) (1) Any—person who is interested in any proponent of a proposed measure shall file a copy of the proposed measure with the elections official with a request than an environmental review of the proposed measure be conducted. The elections official shall immediately transmit a copy of the proposed measure to the city planning department. Within 30 days after the proposed measure is filed, the city planning department shall determine if the activity proposed by the measure is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code.) If the activity proposed by the measure is subject to the California Environmental Quality Act and no exemption applies, the city planning department shall determine

-9- AB 890

if the activity proposed by the measure has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. If there is no potential for such a change, the city shall prepare a negative declaration within 180 days. If there is potential for such a change, the city shall notify the proponent, within 30 days after the proposed measure is filed, that the proposed measure cannot be adopted by the initiative process but can receive a public hearing pursuant to Section 9219 if a sufficient number of signatures are collected.

- (2) The elections official shall furnish a copy of the negative declaration or any other environmental determination to the person filing the proposed measure. Any negative declaration or any other environmental determination shall be included with each section of the petition.
- SEC. 9. Section 9207 of the Elections Code is amended to read: 9207. The proponents may commence to circulate the petitions among the voters of the city for signatures by any registered voter of the city after publication or posting, or both, as required by Section 9205, of the title and summary prepared by the city attorney, and after receiving a negative declaration or other environmental determination from the city planning department. Each section of the petition shall bear a copy of the notice of intention and the title and summary prepared by the city attorney, and any negative declaration or other environmental determination prepared for the measure.
- SEC. 10. Section 9208 of the Elections Code is amended to read:

9208. Signatures upon petitions and sections of petitions shall be secured, and the petition, together with all sections of the petition and the negative declaration or other environmental determination, shall be filed within 180 days from the date of receipt of the title and summary, or after termination of any action for a writ of mandate pursuant to Section 9204, and, if applicable, after receipt of an amended title or summary, or both, whichever occurs later. Petitions and sections of petitions shall be filed in the office of the elections official during normal office hours as posted. If the petitions are not filed within the time permitted by this section, the petitions shall be void for all purposes.

AB 890 — 10 —

3

4

5

6

7 8

10

11

12

13

14

15

16 17

18

19

20 21

22

23

24

25

26

27

28

29

30

31

32

33 34

35

36 37

38

39

40

1 SEC. 11. Section 9214 of the Elections Code is amended to 2 read:

9214. If the initiative petition is signed by not less than 15 percent of the voters of the city according to the last report of registration by the county elections official to the Secretary of State pursuant to Section 2187, effective at the time the notice specified in Section 9202 was published, or, in a city with 1,000 or less registered voters, by 25 percent of the voters or 100 voters of the city, whichever is the lesser number, and contains a request that the ordinance be submitted immediately to a vote of the people at a special election, the legislative body shall consider certifying the petition at the next regular meeting after any required public review and comment period. If the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that the activity has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall declare that the initiative petition proposes an activity that is unsuitable for the initiative process and proceed pursuant to Section 9219. If a negative declaration was prepared for the petition, the negative declaration shall be circulated for public review and comment for at least 20 days before the meeting at which the legislative body will consider certifying the petition, and the legislative body shall consider any public comments raised. At the meeting where the legislative body will consider certifying the petition, the legislative body shall do one of the following:

- (a) Adopt the ordinance, without alteration, unless a negative declaration was prepared for the petition, in which case only subdivisions (b) and (c) apply. subdivision (b) applies.
- (b) Immediately order a special election, to be held pursuant to subdivision (a) of Section 1405, at which the ordinance, without alteration, shall be submitted to a vote of the voters of the city. The special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- (c) Order a report pursuant to Section 9212. When the report is presented to the legislative body, the legislative body shall either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).

-11- AB 890

SEC. 12. Section 9215 of the Elections Code is amended to read:

1

2

3

4

5

6

7

8

10

11

12

13

14 15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38 39

40

9215. If the initiative petition is signed by not less than 10 percent of the voters of the city, according to the last report of registration by the county elections official to the Secretary of State pursuant to Section 2187, effective at the time the notice specified in Section 9202 was published, or, in a city with 1,000 or less registered voters, by 25 percent of the voters or 100 voters of the city, whichever is the lesser number, the legislative body shall consider certifying the petition at the next regular meeting after any required public review and comment period. If the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that the activity has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall declare that the initiative petition proposes an activity that is unsuitable for the initiative process and proceed pursuant to Section 9219. If a negative declaration was prepared for the petition, the negative declaration shall be circulated for public review and comment for at least 20 days before the meeting at which the legislative body will consider certifying the petition, and the legislative body shall consider any public comments raised. At the meeting where the legislative body will consider certifying the petition, the legislative body shall do one of the following:

- (a) Adopt the ordinance, without alteration, unless a negative declaration was prepared for the petition, in which case only subdivisions (b) and (c) apply. subdivision (b) applies.
- (b) Submit the ordinance, without alteration, to the voters pursuant to subdivision (b) of Section 1405, unless the ordinance petitioned for is required to be, or for some reason is, submitted to the voters at a special election pursuant to subdivision (a) of Section 1405. Any special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- (c) Order a report pursuant to Section 9212. When the report is presented to the legislative body, the legislative body shall either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).

AB 890 — 12 —

SEC. 13. Section 9219 is added to the Elections Code, to read: 9219. If an initiative petition is signed by not less than the number of voters specified in Section 9215, and the activity proposed by the initiative petition has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the legislative body shall require that an environmental impact report or mitigated negative declaration be prepared to analyze the impacts of the activity proposed by the initiative petition. Once the environmental document is complete, the legislative body shall hold a public hearing to either approve or deny the proposal.

SEC. 14. Section 9227 is added to the Elections Code, to read: 9227. The initiative process in a city charter shall not be written or interpreted in a way that precludes environmental review of an initiative under state law.

SEC. 15. Section 9301 of the Elections Code is amended to read:

9301. Any proposed ordinance may be submitted to the governing board of the district by an initiative petition filed with the district elections official. Signatures to these petitions shall be obtained in the same manner as set forth in Section 9020. Affidavits shall be attached to each petition section in the form and in the manner set forth in Section 9022. An environmental review of the activity proposed by the initiative petition shall be conducted in the manner set forth in subdivision (c) of Section 9203.

SEC. 16. Section 9305 of the Elections Code is amended to read:

9305. After filing a copy of the notice of intention, statement of the reasons for the proposed petition, written text of the initiative, negative declaration or other environmental determination, and affidavit of publication or posting with the district elections official pursuant to Section 9304, the petition may be circulated among the voters of the district for signatures by any person who meets the requirements of Section 102. Each section of the petition shall bear a copy of the notice of intention and statement.

37 SEC. 17. Section 9310 of the Elections Code is amended to 38 read:

9310. (a) If the initiative petition is signed by voters not less in number than 10 percent of the voters in the district, where the

-13- AB 890

1 total number of registered voters is less than 500,000, or not less 2 in number than 5 percent of the voters in the district, where the 3 total number of registered voters is 500,000 or more, and the 4 petition contains a request that the ordinance be submitted 5 immediately to a vote of the people at a special election, the district 6 board shall consider certifying the petition at the next regular 7 meeting after any required public review and comment period. If 8 the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that the activity 10 has the potential for resulting in either a direct physical change in 11 the environment, or a reasonably foreseeable indirect physical 12 change in the environment, the district board shall declare that the 13 initiative petition proposes an activity that is unsuitable for the 14 initiative process and proceed pursuant to Section 9318. If a 15 negative declaration was prepared for the petition, the negative 16 declaration shall be circulated for public review and comment for 17 at least 20 days before the meeting at which the district board will 18 consider certifying the petition, and the district board shall consider 19 any public comments raised. At the meeting where the district 20 board will consider certifying the petition, the board shall do either 21 of the following: 22

(1) Adopt the ordinance, without alteration, unless a negative declaration was prepared for the petition, in which case only paragraph (2) applies.

23

24

25

26

27

28

29 30

31

32

33

34

35

38

39

- (2) Immediately order that the ordinance be submitted to the voters, without alteration, pursuant to subdivision (a) of Section 1405. The special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- (b) The number of registered voters referred to in subdivision (a) shall be calculated as of the time of the last report of registration by the county elections official to the Secretary of State made before publication or posting of the notice of intention to circulate the initiative petition.
- 36 SEC. 18. Section 9311 of the Elections Code is amended to 37 read:
 - 9311. If the initiative petition does not request a special election, the district board shall consider certifying the petition at the next regular meeting after any required public review and

AB 890 —14—

comment period. If the initiative petition proposes an activity for which there is substantial evidence supporting a fair argument that the activity has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the district board shall declare that the initiative petition proposes an activity that is unsuitable for the initiative process and proceed pursuant to Section 9318. If a negative declaration was prepared for the petition, the negative declaration shall be circulated for public review and comment for at least 20 days before the meeting at which the district board will consider certifying the petition, and the district board shall consider any public comments raised. At the meeting where the district board will consider certifying the petition, the board shall do either of the following:

- (a) Adopt the ordinance, without alteration, unless a negative declaration was prepared for the petition, in which case only subdivision (b) applies.
- (b) Submit the ordinance to the voters, without alteration, pursuant to subdivision (b) of Section 1405, unless the ordinance petitioned for is required to be, or for some reason is, submitted to the voters at a special election pursuant to subdivision (a) of Section 1405. Any special election shall be funded by the proponent of the initiative petition. If the proponent declines to fund the special election, the ordinance shall be submitted to voters pursuant to subdivision (b) of Section 1405.
- SEC. 19. Section 9312 of the Elections Code is amended to read:
- 9312. Whenever an ordinance is required by this article to be submitted to the voters of a district at an election, the district elections official shall cause the ordinance to be printed. A copy of the ordinance shall be made available to any voter upon request.

The district elections official shall mail with the voter information guide to each voter the following notice printed in no less than 10-point type.

"If you desire a copy of the proposed ordinance, please call the district elections official's office at (insert telephone number) and a copy will be mailed at no cost to you."

If a negative declaration was prepared for the ordinance, the district elections official shall print a copy of the negative

15 AB 890

1 declaration and similarly notify the public that it is available by 2 request.

SEC. 20. Section 9318 is added to the Elections Code, to read: 9318. If an initiative petition is signed by not less than the number of voters specified in Section 9310, and the activity proposed by the initiative petition has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, the district board shall require that an environmental impact report or mitigated negative declaration be prepared to analyze the impacts of the activity proposed by the initiative petition. Once the environmental document is complete, the district board shall hold a public hearing to either approve or deny the proposal.

- SEC. 21. Section 65867.5 of the Government Code is amended to read:
- 65867.5. (a) A development agreement is a legislative act that shall be approved by ordinance and is subject to referendum.
- (b) A development agreement cannot be approved by an ordinance adopted through the initiative process.
- (c) A development agreement shall not be approved unless the legislative body finds that the agreement is consistent with the general plan and any applicable specific plan.
- (d) A development agreement that includes a subdivision, as defined in Section 66473.7, shall not be approved unless the agreement provides that any tentative map prepared for the subdivision will comply with Section 66473.7.
- SEC. 22. Section 21065 of the Public Resources Code is amended to read:
- 21065. "Project" means an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and which is any of the following:
 - (a) An activity directly undertaken by any public agency.
- (b) An activity undertaken by a person which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies.
- (c) An activity that involves the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

AB 890 —16—

1 2

(d) An activity that is proposed by a local initiative measure and, that, if passed or adopted, would be implemented by a public agency.

- SEC. 23. Section 21152 of the Public Resources Code is amended to read:
- 21152. (a) If a local agency approves or determines to carry out a project that is subject to this division, the local agency shall file notice of the approval or the determination within five working days after the approval or determination becomes final, with the county clerk of each county in which the project will be located. The notice shall identify the person or persons in subdivision (b) or (c) of Section 21065, as reflected in the agency's record of proceedings, and indicate the determination of the local agency whether the project will, or will not, have a significant effect on the environment and shall indicate whether an environmental impact report has been prepared pursuant to this division. The notice shall also include certification that the final environmental impact report, if one was prepared, together with comments and responses, is available to the general public.
- (b) If a local agency determines that a project is not subject to this division pursuant to subdivision (b) of Section 21080, and the local agency approves or determines to carry out the project, the local agency or the person specified in subdivision (b) or (c) of Section 21065 may file a notice of the determination with the county clerk of each county in which the project will be located. A notice filed pursuant to this subdivision shall identify the person or persons in subdivision (b) or (c) of Section 21065, as reflected in the agency's record of proceedings. A notice filed pursuant to this subdivision by a person specified in subdivision (b) or (c) of Section 21065 shall have a certificate of determination attached to it issued by the local agency responsible for making the determination that the project is not subject to this division pursuant to subdivision (b) of Section 21080. The certificate of determination may be in the form of a certified copy of an existing document or record of the local agency.
- (c) A notice filed pursuant to this section shall be available for public inspection, and shall be posted within 24 hours of receipt in the office of the county clerk. A notice shall remain posted for a period of 30 days. Thereafter, the clerk shall return the notice to

-17- AB 890

the local agency with a notation of the period it was posted. The local agency shall retain the notice for not less than 12 months.

2

3

4

- (d) For a project submitted through the initiative process, a notice filed pursuant to this section shall not be filed until five working days after the initiative petition is adopted or election results approving the initiative are certified.
- SEC. 24. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.