

LAFCo 101

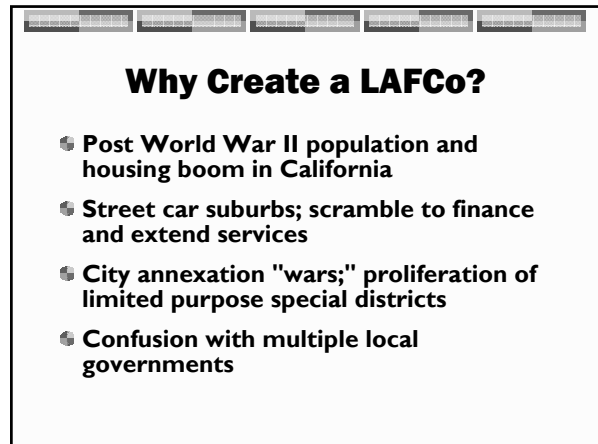
An Introduction to Local Agency Formation Commissions



LAFCos Focus on Local Agencies

Promote orderly growth
Prevent sprawl
Preserve agriculture and open space
Assure efficient, sustainable public services

California
Local Agency
Formation
Commissions



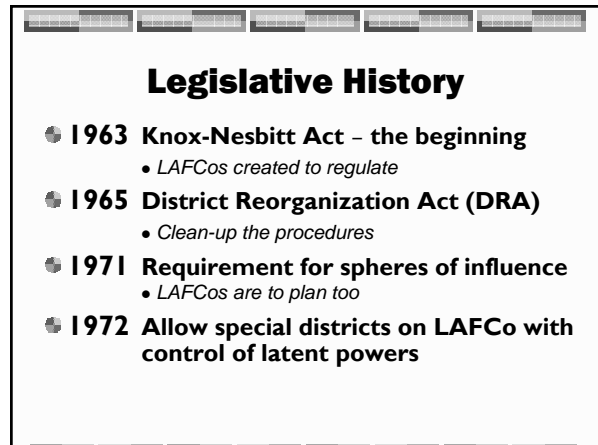
Why Create a LAFCo?

- Post World War II population and housing boom in California
- Street car suburbs; scramble to finance and extend services
- City annexation "wars;" proliferation of limited purpose special districts
- Confusion with multiple local governments



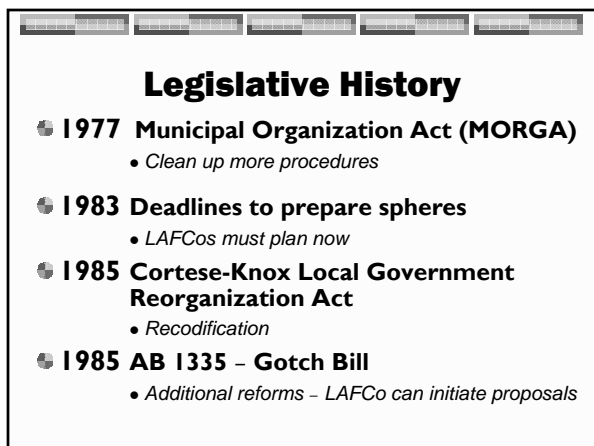
**Legislative Solution
(a compromise)**

- No state commission or statewide agency
- Local control; no state appointments
- A LAFCo in every county
- Each LAFCo independent



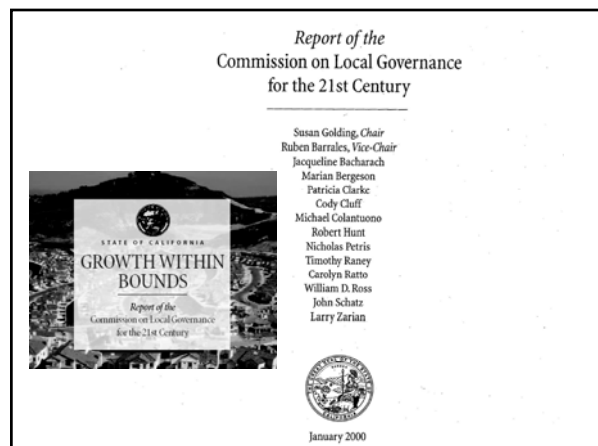
Legislative History

- 1963 Knox-Nesbitt Act – the beginning
 - LAFCos created to regulate
- 1965 District Reorganization Act (DRA)
 - Clean-up the procedures
- 1971 Requirement for spheres of influence
 - LAFCos are to plan too
- 1972 Allow special districts on LAFCo with control of latent powers




Legislative History


- 1977 Municipal Organization Act (MORGA)
 - Clean up more procedures
- 1983 Deadlines to prepare spheres
 - LAFCos must plan now
- 1985 Cortese-Knox Local Government Reorganization Act
 - Recodification
- 1985 AB 1335 – Gotch Bill
 - Additional reforms – LAFCo can initiate proposals



*Report of the
Commission on Local Governance
for the 21st Century*



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January 2000

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Legislative History

- **2000 Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000**
 - Broaden funding formula
 - LAFCo is the conducting authority for changes
 - Periodic sphere of influence updates
 - Municipal Service Reviews to update spheres
 - City/communication on city sphere expansions
 - Requires cities to prezone land
 - Adds new factors – water supply, regional housing
 - Mandates LAFCo independence

LAFCo AS IT IS TODAY Commissions are a Unique Mix

- All Local: 2 county supervisors, 2 city council members, 1 public member
- 29 LAFCos also have 2 special district members
- An alternate member in each category
- All members are required by law to represent the interests of the entire public

LAFCo Jurisdiction

- LAFCo jurisdiction includes:
 - Counties, cities, most special districts
- LAFCo jurisdiction DOES NOT include:
 - Redevelopment agencies or JPAs
 - Community facilities or Mello-Roos districts
 - School or college districts
 - County boundary lines
 - Bridge and highway districts
 - Transit or rapid transit districts
 - Improvement districts
 - Flood or conservation districts – if allowed out

As a PLANNING Agency

- Develops and periodically updates Spheres of Influence for cities and districts
- Prepares Municipal Service Reviews examine the provision of public services
- Works cooperatively with public and private agencies and interests on growth, preservation, and service delivery plans

Service Reviews Have Details

- Growth projections
- Present and planned capacity
- Financial ability of agency
- Accountability
- Operational efficiencies
- Shared resources

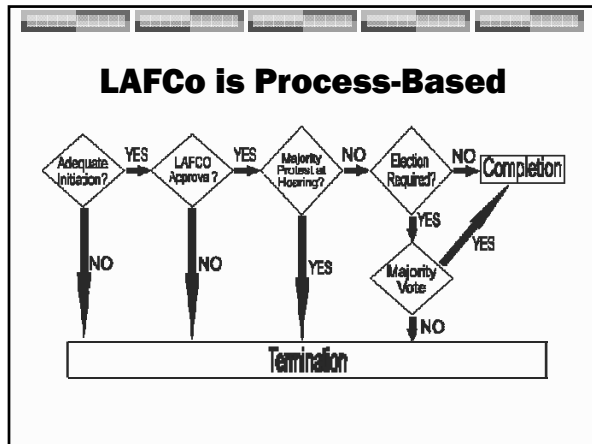


As a REGULATORY Agency

- Manages the modification of existing agencies and creation of new ones
- Approves changes only if consistent with spheres
- Controls extension of public services
- Is prohibited from directly regulating how land is used, but ...

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The Courts Support LAFCo Authority

- Engaged in the pursuit of an overriding State purpose
- Is quasi-legislative; limited legal challenge to decisions
- Is the Legislature’s “watch dog” on local governments

LAFCos Are Independent

- Commissioners make final decisions
- Adopt local policies
- Decisions cannot be appealed to other administrative bodies
- Executive Officer accountable to Commission and statutes

LAFCos Are Independent

- Provides own quarters, equipment, personnel
- Appoints an Executive Officer
- Appoints a Legal Counsel
- Can contract for staff services
- Administrative authority as an independent public agency

LAFCo is Funded Locally

- Must adopt a budget for each fiscal year
- Funded by the county, cities and special districts in equal thirds
- Local funding formulas are allowed
- Processing fees help offset expenses

Subject to State Laws

- Political Reform Act
 - Annual filing of assets and campaign contributions is required
 - Automatic disqualification from decisions related to entitlements for use
- Brown Act
- CEQA

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Full Public View

- Wide public notice of hearings required, including posting on internet
- Must coordinate with cities, special districts and school districts
- LAFCo is the conducting authority for all boundary changes

CALAFCO

The State Association

- Association created in 1971 by LAFCos
- All LAFCos eligible (57 members), plus Associate Members
- Non-profit 501(c)(3)
- Focus on supporting LAFCos through legislative representation, conferences and workshops, website, and other resources



Issues on the Horizon

- Balance preservation and prevention of sprawl with pressure for housing
- Water availability
- Multi-county COG land use planning
- Urbanization in unincorporated areas
- Viable local governments
- LAFCo policies in land use and service agency decisions

LAFCo Resources

- Visit the CALAFCO website for detailed information and resources

www.calafco.org

- *Growth Within Bounds*
- *OPR Resources*
- *It's Time to Draw the Line*
- *Guide to C-K-H Local Government Reorganization Act of 2000-2006 Update*
- *Links to other helpful websites*

The Cortese-Knox-Hertzberg Government Reorganization Act of 2000

Legislative Findings and Declarations

56001. The Legislature finds and declares that it is the **policy of the state to encourage orderly growth and development** which are essential to the social, fiscal, and economic well-being of the state.

The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.

The Legislature also recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development.

Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

The Legislature recognizes that urban population densities and intensive residential, commercial, and industrial development necessitate a broad spectrum and high level of community services and controls. The Legislature also recognizes that when areas become urbanized to the extent that they need the full range of community services, priorities are required to be established regarding the type and levels of services that the residents of an urban community need and desire; that community service priorities be established by weighing the total community service needs against the total financial resources available for securing community services; and that those community service priorities are required to reflect local circumstances, conditions, and limited financial resources.

The Legislature finds and declares that a single multipurpose governmental agency is

accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas.

Nonetheless, the Legislature recognizes the critical role of many limited purpose agencies, especially in rural communities. The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services.

56301. Among the **purposes of a commission** are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. One of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.

When the formation of a new government entity is proposed, a commission shall make a determination as to whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose agency is deemed necessary, the commission shall consider reorganization with other single-purpose agencies that provide related services.

56325.1. While serving on the commission, all commission members shall exercise their **independent judgment** on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of this division. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. This section does not require the abstention of any member on any matter, nor does it create a right of action in any person.