

Notice of Public Hearing and Request for Comments

DATE: December 13, 2017
TO: Affected Agencies and Interested Parties
FROM: Sara Lytle-Pinhey, Executive Officer
SUBJECT: **STANISLAUS LAFCO POLICIES AND PROCEDURES UPDATE**

NOTICE IS HEREBY GIVEN that the Stanislaus Local Agency Formation Commission (LAFCO) will hold a public hearing on **Wednesday, January 24, 2018**, at a meeting starting at **6:00 P.M.** in the Basement Chambers at Tenth Street Place (1010 10th Street, Modesto) for the following:

Stanislaus LAFCO will consider an update to its Policies and Procedures document. The update affects Sections 4 and 7 of the document and includes several non-substantive changes, removal of outdated language, and minor clarifications to reflect new State laws. The update also includes the addition of Policy 15(a), outlining a recent change to State law that requires the Commission's review of certain fire protection contracts or agreements (SB-239).

The sections with proposed changes are attached to this notice for your review and are also available (in color) on Stanislaus LAFCO's website at:

<http://www.stanislauslafco.org/info/PublicNotices.htm>

The proposed updates are being made in accordance with the Cortese-Knox-Hertzberg Act (Government Code Section 56000 et. seq.), which requires LAFCOs to adopt written Policies and Procedures. Staff regularly updates the Policies and Procedures document to reflect current laws. The adoption of this Policies and Procedures update is considered to be a continuing administrative or maintenance activity and is therefore not a "project" for the purposes of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(2).

Stanislaus LAFCO is soliciting comments from all affected agencies and interested parties. Your comments should emphasize potential impacts in areas which your agency has expertise and/or jurisdictional responsibilities.

Please return all written comments as soon as possible or no later than **January 12, 2018** in order to be included with the printed staff report for the Commission. Comments will also be accepted prior to and at the public hearing on **January 24, 2018**. All interested parties are invited to attend the public hearing. The staff report for the item will be available online at least five (5) days before the hearing date at: www.stanislauslafco.org

Comments may be sent to Stanislaus LAFCO, 1010 10th Street, 3rd Floor, Modesto, CA 95354 or by e-mail to lafco@stancounty.com. If you have any questions, please call (209) 525-7660.

SECTION 4—GENERAL POWERS AND POLICY GUIDELINES

The Local Agency Formation Commission is a state-mandated entity, established for each county in the State and is independent of local county, city, or district governmental jurisdiction. (Government Code Section 56001 and 56300)

The Cortese-Knox-Hertzberg (CKH) Act requires that each LAFCO establish policies and procedures. The CKH Act also states that LAFCOs are to exercise their powers consistent with those policies and procedures.

The policies and procedures in this document are intended to reflect the legislative intent of the CKH Act and provide for the consistent implementation based upon local conditions and circumstances and are intended to supplement state law. To the extent that any portion of this document conflicts with any provisions of state law, the applicable state law ~~always~~ takes precedence. (*Amended August 27, 2003*)

POLICY 1 - PURPOSE

The purposes of the Local Agency Formation Commission are provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and include the following:

- Discourage urban sprawl.
- Encourage orderly formation and development of local governmental agencies, based on local conditions and circumstances.
- Initiate and make studies of governmental agencies.
- Adopt spheres of influence for each local governmental agency.

The following Goals will guide the Commission in implementing the purposes of LAFCO (*Amended April 23, 2003*):

1. To encourage planned, well-ordered, efficient development patterns.
2. To encourage efficient and effective delivery of governmental services by the agencies who provide those services.
3. To encourage urban land use patterns which balance urban growth with the conservation of open space and prime agricultural lands.
4. To encourage the cities and the County to plan urban land use patterns, which include a harmony between housing for residents and jobs provided by commercial and industrial development.

POLICY 2 - POWERS

The powers of LAFCO include the following:

A. Review and approve proposals with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission- (Government Code Section 56375). Types of proposals include, but are not limited to:

- Annexation of territory to cities or special districts.
- Exclusion of land from cities or special districts.
- The consolidation of two or more cities, or two or more special districts.
- The formation of new special districts and the incorporation of new cities.
- The dissolution of special districts and disincorporation of cities.
- The merger of cities and special districts.
- Reorganizations which involve boundary changes to two or more cities or special districts as part of one proceeding.
- Review of city or special district contracts for service outside of their boundaries.
- Review and approve proposals that would extend services into previously un-served territory within unincorporated areas.
- The Commission shall not approve an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community to the subject city has been filed with the executive officer. However, an application to annex a contiguous disadvantaged community shall not be required if either of the following apply: (i) A prior application for annexation of the same disadvantaged community has been made in the proceeding five years; or (ii) The commission finds, based upon written evidence, that a majority of the residents within the affected territory are opposed to annexation. (Government Code Section 56375 (8)(A)(B))
- The annexation of territory served by a mutual water company that operated a public water system to a city or special district. (Government Code Section 56375 (r))

B. The Commission shall also have the power to:

- Conduct service reviews of the municipal services provided in the county on a regional or sub-regional basis, and provide written statements with respect to infrastructure needs, growth and population projections, financing constraints,

cost avoidance opportunities, opportunities for shared facilities, and other factors in Government Code Section 56430.

- Initiate and make studies of existing governmental agencies, which may include inventorying such agencies. (Government Code Section 56378)
- Initiate proposals for consolidation of special districts, the merger of a special district with a city, the dissolution of a special district, the establishment of a subsidiary special district, or a reorganization, when consistent with a recommendation or conclusion of study prepared pursuant to Government Code Section 56378, 56425, or 56430, and the commission makes the required determinations, pursuant to Government Code Section 56881 (b).
- Adopt Evaluation Standards and procedures for the evaluation of proposals which shall include, but are not limited to, the factors identified in Government Code Section 56668. (See also: Section 2—Statutes Governing LAFCO.)

- C. **Plan for Service Requirement.** A plan for service shall be prepared and submitted ~~by~~^{for} each local agency affected by a proposed change of organization, regardless of whether that proposal is initiated by resolution or petition. In the case of a proposed annexation, the plan for service must include information that the range and level of services currently available within the study area will, at least, be maintained by the annexing agency. Services include all ~~the municipal~~^{those} services currently provided or to be extended by the agency. For those proposals involving a reorganization consisting of annexations to multiple agencies, the plan for service shall ~~also be required to include~~^{information} for each affected agency. (Government Code Section 56653)

Comment [SL1]: Clarification added, consistent with AB-464 (effective Jan. 1, 2018).

LAFCO will consider the ability of an agency to deliver adequate, reliable and sustainable services and will not approve a proposal that has potential to significantly diminish the level of service in the agency's current jurisdiction. The agency will be required to provide satisfactory documentation of capacity to provide the service within a reasonable period of time. (*Amended April 23, 2003*)

- D. **Spheres of Influence.** Government Code Section 56425 requires that LAFCO establish a spheres of influence for each city and special district in the county⁵⁷ ~~and may establish spheres for unincorporated communities, open space use, or agricultural preserves.~~

Comment [SL2]: Correcting outdated language: LAFCO is only authorized to adopt spheres of influence (SOI) for cities and special districts. While many special districts encompass unincorporated communities, LAFCO does not adopt stand-alone SOIs for each, nor does it establish stand-alone SOIs for open space or ag preserves.

- E. **Two or More Proposals For The Same Area.** If two or more proposals pending before the Commission ~~shall~~ conflict or ~~be~~^{are} in any way inconsistent with each other, the Commission may determine the relative priority for conducting further proceedings on these proposals. In the absence of any such determination, priority shall be given to that action which was first filed with the Executive Officer. (Government Code Sections 56655, 56657 and 57003)

- F. **Reorganization Committee.** The Commission may require the establishment of a reorganization committee for reorganization proposals and to adopt standards and procedures for the evaluation of any plan of reorganization or alternate plan reported on by such committee. (Government Code Section 56827)

- G. **Conduct Special Studies.** The Commission may initiate and make studies of existing governmental agencies including, but not limited to, inventorying such agencies and determining their maximum service area and service capacities.
- H. **Open Space.** It is the intent of the Legislature that Commissions establish policies and exercise their powers so as to encourage and provide planned, well ordered, efficient urban development patterns with appropriate consideration of preserving open space lands within such patterns. (Government Code Section 56001)
- I. **Conducting Authority.** The Cortese-Knox-Hertzberg Local Government Reorganization Act, taking effect on January 1, 2001, assigned the responsibility of conducting protest proceedings to the Commission itself. The Commission has determined to delegate this authority to the Executive Officer. (Government Code Section 56029)
- J. **Noncontiguous Territory Annexation.** The Commission has the authority to approve the annexation of unincorporated noncontiguous territory, in accordance with Government Code Section 56742, for proposals not exceeding 300 acres in area, located in the same County, and which is owned by the annexing city and used for municipal purposes, ~~and to authorize this annexation without notice of hearing.~~ (Government Code Section 56742)
- K. **Inhabited Annexation.** In an inhabited annexation to a city, where the area to be annexed equals 50% or more of the assessed value of the city, or the number of registered voters in the area to be annexed is 50% or more than the number of registered voters in the city, the Commission may determine as a condition of the proposal that the annexation shall be subject to the confirmation of the voters in the area to be annexed and the voters of the city. (Government Code Section 56737)
- L. **Distribution of Assets And Liabilities.** The Commission may determine the distribution of all assets and liabilities, including recommendations for retaining employees, for all consolidations, mergers, dissolutions, and creations of subsidiary districts, or any other proposal, and shall note such distribution in its resolutions. (Government Code Section 56886)
- M. **Consolidation of Cities.** After approval for the consolidation of two or more cities, the Commission will determine which shall be the consolidated successor city.
- N. **Financial Assistance.** The Commission, or the Board of Supervisors on behalf of the Commission, is authorized to apply for or accept, or both, any financial assistance and grants-in-aid from public or private agencies or from the state and federal governments or from a local government. (Government Code Section 56378)

Comment [SL3]: Clarification added, consistent with Government Code Section (GCS) 56737.

POLICY 3 - ENVIRONMENTAL ASSESSMENT

The Commission will insure that all proposals are reviewed in compliance with the California Environmental Quality Act (CEQA) and Commission adopted CEQA procedures.

POLICY 4 - PRIORITIES FOR ANNEXATION AND FORMATION

The Commission will consider the following priorities or guidelines for annexation and formation with the provision that overriding circumstances must be stated in exceptions (Government Code Section 56001):

- A. Annexation to an existing city or district instead of formation of a new agency.
- B. Annexation to a city rather than a district if both can provide comparable services.
- C. Annexation to a multi-purpose district in preference to annexation to a single purpose district.
- D. Formation of a new political entity as the last and least desirable alternative.

POLICY 5 – PRE-ZONING FOR CITY ANNEXATION

Effective January 1, 2001, prezoning is mandated by Government Code Section 56375. No city annexation application will be deemed complete unless the prezoning process has been completed. The decision of the Commission with regard to a proposal to annex territory to a city shall be based upon the general plan and prezoning of the city.

In addition, pursuant to Government Code Section 56375(e), all prezoning designations shall remain in effect for at least two years unless the City Council makes specified findings relating to changed conditions and circumstances.

The adopted procedure for prezoning is as follows:

- A. ~~Such as~~ Prezoning shall ~~also~~ require that the city become the lead agency for environmental review for the proposed change and shall prepare and submit to LAFCO the environmental assessment forms in sufficient time for LAFCO's Executive Officer to comment before a determination of environmental effects is made.

POLICY 6 - CONCURRENT CITY- DISTRICT ANNEXATION

For any annexation within a community served by a variety of community-based local agencies, the Commission shall require concurrent annexation to all of the local agencies serving the community (concurrent city/district annexations).

POLICY 7 - SPECIAL DISTRICT REPRESENTATION

The Commission has adopted "Rules and Regulations" pursuant to Government Code Section 56332 which permits Special District Representation on the Commission. The Rules and Regulations are included in Section Six of this manual.

POLICY 8 - SUFFICIENCY OF SIGNATURES ON PETITIONS AND NUMBER OF REGISTERED VOTERS

The Commission recognizes that the review and approval process for many proposals may be changed, and the number of registered voters affected (Government Code Section 56706):

- A. For proposals which require petitions to be circulated, after LAFCO approval, the number of registered voters residing in an area on the date of LAFCO approval is the number of registered voters on which the sufficiency of any petition is based. If the proposal was initiated by Resolution of Application, the number of registered voters shall be based on the date the Notice of Filing is issued.
- B. For proposals in which petitions are circulated prior to LAFCO approval and for the determination of inhabited or uninhabited actions, the date of the Notice of Filing issued by LAFCO shall be the determining date for the number of registered voters residing within the affected area.

POLICY 9 - EFFECTIVE DATE OF THE CERTIFICATE OF COMPLETION

Unless otherwise specified by the Commission, the effective date for all actions shall be the date of issuance of the Certificate of Completion. (Government Code Section 57202)

POLICY 10 - REQUESTS FOR RECONSIDERATION

Requests for reconsideration will be granted only when the petitioner can present some compelling new evidence which shall show what new or different facts exist that could not have been previously presented or the existence of an applicable new law which shows that significant factors relative to the situation were overlooked or have changed. The request shall be submitted in writing to the Executive Officer within 30 days of the Commission's decision. (Government Code Section 56895)

No request shall be deemed filed unless appropriate filing fees are submitted. In the event multiple requests for reconsideration are filed, the Executive Officer will divide a single reconsideration fee among the various petitioners for reconsideration.

The adopted procedure for reconsideration requests is as follows:

- A. Upon receipt of a legally filed request for reconsideration, the Executive Officer shall place the request on the agenda of the next Commission meeting for which notice can be provided. At the hearing, the Executive Officer will present the staff report and recommendations to the Commission and respond to questions. The Commission will then allow submission of any oral or written testimony on the issue; however, at the Chair's discretion, time limits may be placed on those wishing to provide an oral presentation. At the close of the hearing, the Commission may take one of the following actions:
 - 1. The Commission may approve the request, and adopt a resolution superseding the resolution previously issued;
 - 2. The Commission may deny the request; or,

3. The Commission may continue the hearing to a time not to exceed 35 days from the date specified in the notice.

~~**POLICY 11 (Removed as of [effective date])—REVIEW OF ENVIRONMENTAL APPEALS**~~

~~Where the published notice of the LAFCO agenda items includes notice of a hearing on any possible appeal from an environmental review determination, the LAFCO may hear the appeal on the same date it hears the agenda item, if:~~

- ~~A. The appeal was timely filed;~~
- ~~B. The time for filing an appeal has run;~~
- ~~C. The appellant and/or applicant have received personal notice of the hearing;~~
- ~~D. Any party who has requested in writing to be notified has received personal notice of the hearing; and,~~
- ~~E. The appeal is heard in advance of the agenda item.~~

POLICY 12 - WAIVER OF FILING FEES

Pursuant to Government Code Section 56383, the Commission may reduce or waive a fee, service charge, or deposit if it finds that payment would be detrimental to the public interest. The reduction or waiver of any fee, service charge or deposit is limited to the costs incurred by the Commission in the proceedings of an application.

A request for waiver or reduction of LAFCO filing fees must be submitted in writing to the Executive Officer and contain specific reasons for the request along with the submission of the application.

~~Upon receipt of such a request, t~~The Executive Officer shall present the waiver/reduction request at the next regular hearing for Commission consideration. Processing of an application for a jurisdictional change shall be held in abeyance until a decision is rendered by the Commission regarding the appeal of fees.

Circumstances that may support the granting of a deposit fee waiver or reduction in processing fees and/or service charges are as follows:

- A. Correction of a technical boundary alignment problem (split parcel, boundary overlap, etc.).
- B. Proposals seeking to accomplish a defined Commission goal or policy. This includes petition-initiated proposals to annex unincorporated territory that is totally or substantially surrounded by city boundaries.
- C. Proposals initiated by the Stanislaus County Board of Supervisors, City Council, or Special District for public facilities owned by that agency.

Comment [SL4]: This section is outdated and recommended for removal. It may also be confused with the reconsideration process in Policy 10. (LAFCO reviews environmental determinations concurrently with its review of proposals, in accordance with the California Environmental Quality Act.)

- D. Proposals initiated by Resolution of Application of a city seeking to annex unincorporated territory that is totally or substantially surrounded by city boundaries.
- E. Proposals initiated by individuals which were modified by the Commission and subsequently terminated through no fault of the proponents by majority protest or an election.

POLICY 13 - LEGAL DEFENSE FEE RESPONSIBILITY

It is the policy of this Commission that the costs for legal defense of an issue, which has been approved by the Commission, should be the primary responsibility of the agency or person seeking that approval.

Therefore, as a condition of approval of any action taken by the Local Agency Formation Commission, the Commission may impose a condition within its resolution of approval that requires the applicant to defend, indemnify, hold harmless, and provide for reimbursement or assumption of all legal costs in connection with that approval. The adopted procedure for the Legal Defense Policy is as follows (*Amended April 23, 2003*):

- A. The Commission will impose a condition of approval which requires the applicant to defend, indemnify, and hold harmless the Commission, its agents, and its employees from any claim, action or proceedings against them to attack, set aside, void, or annul such approval.
- B. The Executive Officer shall promptly notify the applicant of any legal action brought challenging the Commission's action, and the Commission, its agents, and employees shall cooperate fully in the defense of that action.

POLICY 14 - INCORPORATION POLICIES

The following are the policy statements that the Commission has adopted to assist in the guidance of unincorporated communities in their review of governmental options:

- A. Incorporation proposals involving land within an existing city sphere of influence will not be accepted for filing. If a cityhood proposal would conflict with an established city's sphere of influence, the incorporation proponents must first initiate, and the Commission must approve, a sphere of influence amendment to exclude the study area from that sphere prior to circulation of formal incorporation petitions.
- B. The Commission defines "financial feasibility" to mean the ability of a new city to maintain pre-incorporation service levels, with sufficient resources to provide a municipal-level law enforcement service consistent with the recommendations of the County Sheriff.
- C. In determining feasibility, the Commission will consider only those revenues that are currently available to all general law cities. It will not consider revenues derived through special taxes or assessments, nor will it consider hypothetical revenues available through possible actions of a future city council (e.g., utility user's taxes) in the determination of financial feasibility.

- D. In determining feasibility, the Commission requires that proposed staff salary costs shall be based on an average of similar-sized cities or those cities which have the most comparable population within Stanislaus and San Joaquin Counties.
- E. In determining compliance with Government Code Section 56720, the Commission finds that a "reasonable reserve" is a contingency fund equal to 10% of the projected general and special funds of the new city.
- F. The Commission requires that a new city shall assume jurisdiction over all community-based special districts serving the incorporation area. A clear and compelling rationale must be provided if the continued overlay of a community-based district is proposed.
- G. In order to qualify for incorporation, the community in question must contain a minimum of 10,000 people as determined by available census data or other reliable means (e.g. utility connections), and the sales tax revenues attributable to the study area must at least cover the expected administrative and legislative costs of the new city.

POLICY 15 - OUT-OF-BOUNDARY SERVICE CONTRACTS OR AGREEMENTS

(Amended January 23, 2013)

Government Code Section 56133 (Cortese-Knox-Hertzberg Act) specifies that a city or special district must apply for and obtain LAFCO approval before providing new or extended services outside its jurisdictional boundaries. The Commission will consider this policy in addition to the provisions of Government Code Section 56133 when reviewing out-of-boundary service extension requests.

- A. Pursuant to Government Code Section 56133(b), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries, but within its sphere of influence, in anticipation of a later change of organization. The Commission may authorize a city or district to provide new or extended services outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory in accordance with Government Code Section 56133(c).
- B. The Commission has determined that the Executive Officer shall have the authority to approve, or conditionally approve, proposals to extend services outside jurisdictional boundaries in cases where the service extension is proposed to remedy a clear health and safety concern for existing development.

In cases where the Executive Officer recommends denial of such a proposed service extension or where the proposal will facilitate new development, that proposal shall be placed on the next agenda for which notice can be provided so that it may be considered by the Commission. After the public hearing, the Commission may approve, conditionally approve, or deny the proposal.

- C. Considerations for Approving Agreements: Annexations to cities and special districts are generally preferred for providing public services; however, out-of-boundary service extensions can be an appropriate alternative. While each proposal must be

decided on its own merits, the Commission may favorably consider such service extensions in the following situations:

1. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.
 2. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.
 3. Where public agencies have a formal agreement defining service areas provided LAFCO has formally recognized the boundaries of the area.
 4. Emergency or health related conditions mitigate against waiting for annexation.
 5. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Stanislaus LAFCO.
- D. Health or Safety Concerns: The requirements contained in Section 56133(c) of the Government Code will be followed in the review of proposals to serve territory with municipal services outside the local agency's sphere of influence. Service extensions outside a local agency's sphere of influence will not be approved unless there is a documented existing or impending threat to public health and safety, and the request meets one or more of the following criteria as outlined below:
1. The lack of the service being requested constitutes an existing or impending health and safety concern.
 2. The property is currently developed.
 3. No future expansion of service will be permitted without approval from the LAFCO.
- E. Agreements Consenting to Annex: Whenever the affected property may ultimately be annexed to the service agency, a standard condition for approval of an out-of-boundary service extension is recordation of an agreement by the landowner consenting to annex the territory, which agreement shall inure to future owners of the property.
1. The Commission may waive this requirement on a case-by-case basis upon concurrence of the agency proposing to provide out-of-boundary services.
 2. The Commission has determined, pursuant to Government Code Section 56133(b) that the Beard Industrial Area shall not be subject to the requirement for consent-to-annex agreements, based on the historical land use of the area and its location within the Sphere of Influence of the City of Modesto.

- F. Area-wide Approvals: The Commission has recognized and approved extensions of sewer and/or water services to specific unincorporated areas, including the Bret Harte Neighborhood, Robertson Road Neighborhood, and the Beard Industrial Area. New development in these delineated unincorporated areas is considered infill and does not require further Commission review for the provision of extended sewer and/or water services. The Commission may consider similar approvals for area-wide service extensions on a case-by-case basis when it determines each of the following exists:
1. There is substantial existing development in the area, consistent with adopted land use plans or entitlements.
 2. The area is currently located within the agency's sphere of influence.
 3. The agency is capable of providing extended services to the area without negatively impacting existing users.
 4. The proposal meets one of the situations outlined in Section C of this Policy where extension of services is an appropriate alternative to annexation.
- G. In the case where a city or district has acquired the system of a private or mutual water company prior to January 1, 2001, those agencies shall be authorized to continue such service and provide additional connections within the certificated service area of the private or mutual water company, as defined by the Public Utilities Commission or other appropriate agency at the time of acquisition, without LAFCO review or approval as outlined in Government Code Section 56133. The continuation of service connections under this policy shall not be constrained by the sphere of influence of that local agency at that time. Proposals to extend service outside this previously defined certificated area would come under the provisions of Government Code Section 56133 for the review and approval by the Commission prior to the signing of a contract/agreement for the provision of the service.
- H. Exemptions: Consistent with Government Code Section 56133, this policy does not apply to:
1. ~~Contracts or agreements solely involving t~~wo or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
 2. ~~Contracts for t~~he transfer of non-potable or non-treated water;
 3. ~~contracts or agreements solely involving t~~he provision of surplus water to agricultural lands and facilities, including but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.

Comment [SL5]: Minor clarifications to this section are proposed, consistent with the current language of GCS 56133.

~~34.~~ An extended service that a city or district was providing on or before January 1, 2001.

~~45.~~ A local publicly owned electrical utility, as defined by Section 9604 of the Public Utilities Code, providing electrical services that do not involve the acquisition, construction, or installation of electrical distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.

~~6.~~ A fire protection contract, as defined in Section 56134 and Policy 15a.

POLICY 15a – FIRE PROTECTION CONTRACTS OR AGREEMENTS

Effective January 1, 2016, Government Code Section 56134 requires the Commission to review a fire protection contract or agreement that provides new or extended fire protection services outside an agency's jurisdictional boundaries and meets either of the following thresholds: (1) transfers service responsibility of more than 25 percent of an affected public agency's jurisdictional boundaries; or (2) changes the employment status of more than 25 percent of the employees of any affected public agency.

A. A request by a public agency for Commission approval of new or extended services provided pursuant to a fire protection contract shall be made by resolution of application and include all information regarding proposed services and financial information as required by Government Code Section 56134.

B. The Commission will review proposals for consistency with the required findings of 56134(h)(2)(i) and (j), as well as the overall purposes of LAFCO that encourage the efficient provision of government services.

C. Existing fire protection contracts, and their renewal, will not be subject to the requirements of Government Code Section 56134 unless a subsequent change to the contract either transfers service responsibility of more than 25 percent of an affected agency's jurisdictional boundary or changes employment status of more than 25 percent of the affected agency's employees. Additionally, mutual or automatic aid agreements are not subject to Government Code Section 56134.

POLICY 16 - INDIVIDUAL NOTICE OF COMMISSION HEARINGS TO LANDOWNERS AND REGISTERED VOTERS

In implementing the provisions of Government Code Section 56157, the Commission determines that LAFCO staff shall provide individual notice of Commission hearings to all landowners and registered voters within a proposal's boundaries. In addition, the distance requirements for providing notice to landowners and registered voters surrounding the exterior boundaries of the area proposed for change, as required by Section 56157, will be 300 feet.

~~For an incorporation, formation, consolidation or dissolution proposals which that~~ requires the mailing of at least 1,000 notices, the individual notice requirement may be waived and a 1/8th page legal ad will be placed in a newspaper of general circulation and a courtesy notice shall be placed in the local newspaper for the area, if applicable.

Comment [SL6]: Policy 15(a) is being added as a result of the requirements of SB-239.

SECTION 7—GLOSSARY OF TERMS

Glossary of Common LAFCO and Planning Terms

LAFCO TERMS:

- **Annexation:** The inclusion of territory in a city or special district.
- **Area of Concern:** A geographic area beyond the Sphere of Influence in which land decisions or other governmental actions of one local agency impact directly or indirectly upon another local agency.
- **Change of Organization:** An alteration of government structure, including: city incorporation; district formation; annexation to, or detachment from a city or district; city disincorporation; district dissolution; city or district consolidation; or merger or establishment of a subsidiary district.
- **Conducting Authority:** The commission of the principal county, or the commission's Executive Officer when authorized by the commission, when exercising its responsibility to conduct protest proceedings following approval by the commission of a change of organization or reorganization.
- **Consolidation:** The uniting or joining of two or more cities located in the same county into a single new successor city or two or more districts into a single new successor district.
- **Contiguous:** Territory ~~adjacent to~~ that abuts or shares a common boundary with territory within the local agency. Territory is not contiguous if the only contiguity is based upon a strip of land more than 300 feet long and less than 200 feet wide at its narrowest width, that width to be exclusive of highways.
- **Dependent Special District:** A special district whose board of directors is another legislative body, such as a city council or board of supervisors. Also see special district.
- **Detachment:** The removal of territory from a city or district.
- **Disadvantaged Unincorporated Community:** An inhabited territory (12 or more registered voters) or as determined by commission policy, with an annual median household income that is less than 80% of the statewide annual median household income.
- **Disincorporation:** The termination of the existence of a city.
- **Dissolution:** The termination of the existence of a district.
- **Formation:** The creation of a district.
- **Incorporation:** The creation of a city.

Comment [SL1]: New language of GCS 56031, consistent with AB 1725, effective Jan. 1, 2018.