

# LAFCo 101

## An Introduction to Local Agency Formation Commissions

### What's Ahead

- ❖ Why LAFCo was created
- ❖ LAFCo's role and functions
- ❖ What are MSRs and SOIs, and why do them anyway?
- ❖ How to use LAFCo resources
- ❖ Your questions

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

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### What Does LAFCo Do??

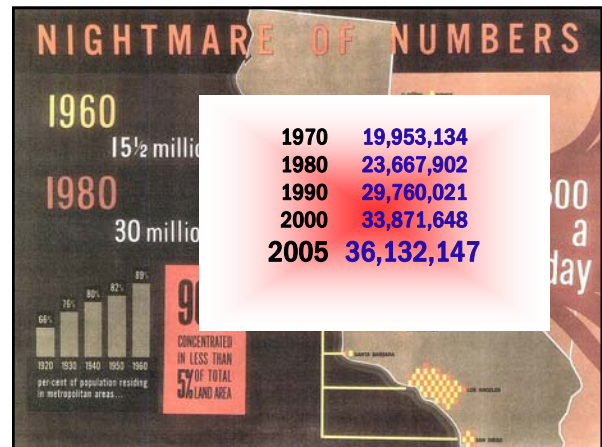
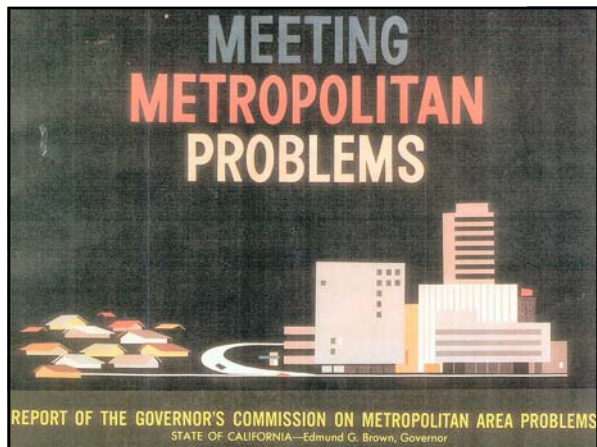
- ❖ Creates new cities and special districts
- ❖ Changes boundaries
- ❖ Changes authorized services
- ❖ Allows service extensions
- ❖ Performs municipal service reviews
- ❖ Reorganizes local agencies

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### 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

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### Legislative Solution (1960 to 1963)

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



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### LAFCo Composition Commissions 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



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### Commissions a Unique Mix



29 LAFCos with  
Special District  
Members



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### Jurisdiction

- ❖ Includes:
  - ◆ Counties, cities, most special districts
- ❖ 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 – *maybe!*



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### As a PLANNING Agency

- ❖ Develop and update Spheres of Influence for cities and districts
- ❖ Prepare Municipal Service Reviews for all local
- ❖ Work cooperatively with public and private agencies and interests on growth, preservation and service delivery



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### As a REGULATORY Agency

- ❖ Manages modification of existing agencies and creation of new ones
- ❖ Approves boundary changes 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
  - ◆ Determinations vs. findings
- ❖ Is the Legislature's "*watch dog*" on local governments

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### 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
- ❖ Administrative authority as an independent public agency

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### 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

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### 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

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### 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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### The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000

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### Governed by Government Code

- ❖ Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
  - ◆ Became law in January, 2001
- ❖ §56425 – Spheres of Influence
- ❖ §56430 – Municipal Service Reviews

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### A New Stage Set in 2000

- ❖ Speaker Hertzberg's Commission on Local Governance for the 21<sup>st</sup> Century
- ❖ 2000 Report
- ❖ Most recommendations incorporated into C-K-H in 2000



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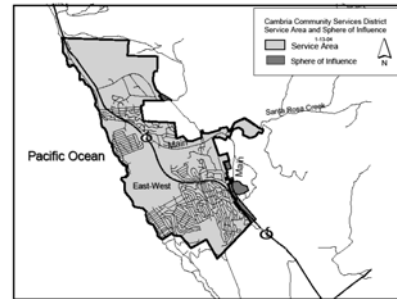
### Spheres of Influence §56425

- ◆ (a) "... the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere."



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### Typical Sphere of Influence Map



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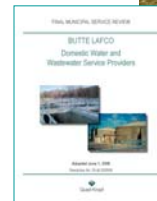
### Spheres of Influence §56425

- ❖ In determining the SOI the commission considers ...
  1. Present and planned land uses, including agricultural and open-space
  2. Present and probable need for public facilities and services
  3. Present capacity and adequacy of public facilities
  4. Existence of social or economic communities of interest

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### Spheres of Influence §56425

- ◆ (g) "The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for those recommendations." (added in 2001)



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### Municipal Service Reviews

\$56430

- ♦ "In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission."
- ♦ *Added in January, 2001*



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### Service Reviews Have Details

\$56430

- ❖ Growth projections
- ❖ Present and planned capacity
- ❖ Financial ability of agency
- ❖ Shared facilities
- ❖ Accountability
- ❖ Other matters



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### When Are SOI/MSRs Done?

- ❖ All Spheres updated by 1 January 2008
- ❖ Subsequent sphere reviews every five years, *as necessary*
  - ♦ Leaves "*as necessary*" to local policy
  - ♦ 1 January 2013 next deadline
- ❖ MSR required with sphere update

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### LAFCo Resources to Use

- ❖ Municipal Service Reviews
- ❖ Maps of Boundaries and Spheres
- ❖ History of Formation and Changes to Local Agencies
  - ♦ Authorized powers
- ❖ Local Agency Governance and Contact Information
- ❖ Local Agency Formation Laws

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### Issues on the Horizon

- ❖ Balance resource preservation with pressure for housing
- ❖ Infill vs sprawl
- ❖ Regional land and transportation planning – SB 375
- ❖ Water; infrastructure availability
- ❖ Urbanization outside of cities
- ❖ Viable local agencies and services

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[www.calafco.org](http://www.calafco.org)

Information and resources on LAFCo law and process

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