



LAFCO 101

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OBJECTIVE

- Educate the public on LAFCo
- To provide a general understanding of State Law & LAFCo policies
- Understand our role in Sacramento County
- Identify state law responsibilities and trends



HISTORY

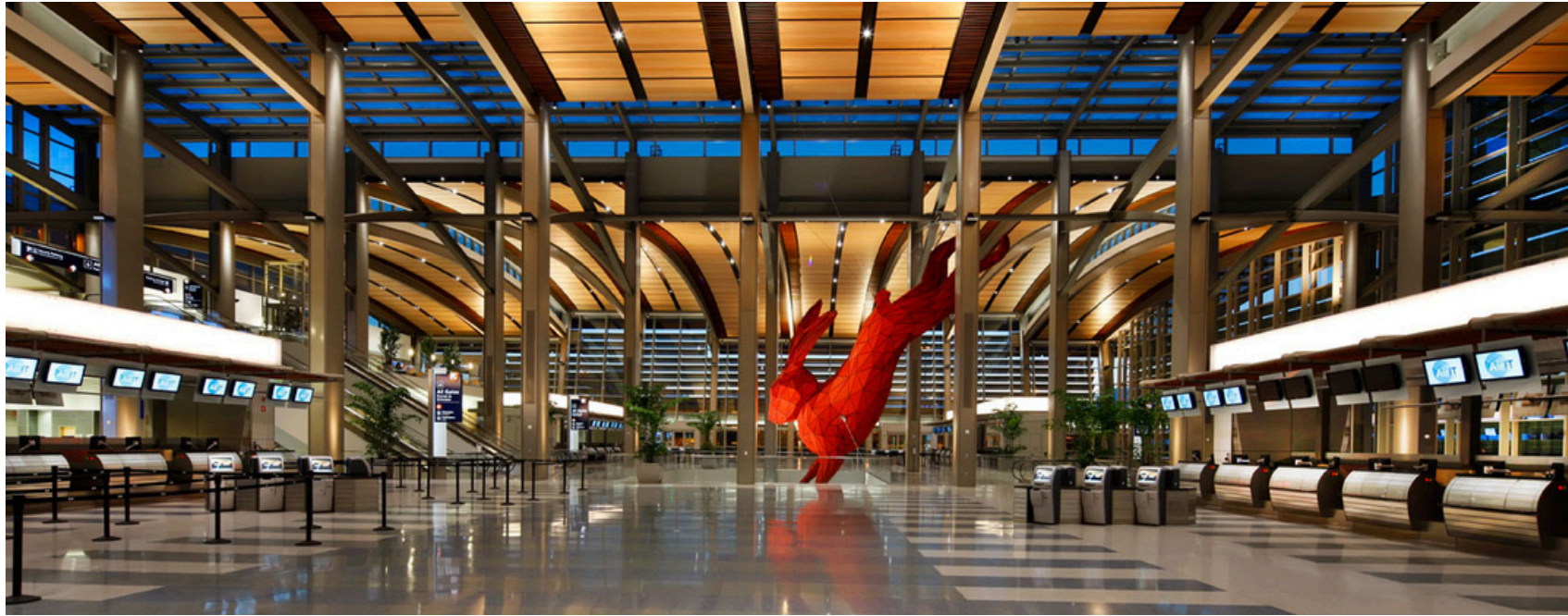
Background

- High population growth and the rush for development created a challenge for California.
 - Scramble to finance and extend public services.
 - Conscious efforts by agencies to exclude communities.
- Local Agency Formation Commissions (LAFCOs) were established in 1963 and were put in place to provide regional growth management services in all 58 counties.
 - Created by the State Legislature to regulate the boundaries of some local public agencies.
 - Governing document is Cortese-Knox-Hertzberg Act (Government Code §56000 et seq.)
- LAFCO is a hybrid entity: A State agency with local representation.

Agencies

- Seven cities: Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova and Sacramento
- 71 special districts: water, fire, park & rec, reclamation district, levee maintenance, cemetery, community service districts, etc.
- Dependent vs. independent districts





LAFCO GOALS

- Preservation of open space and agricultural resources
- Discourage sprawl
- Ensure the efficient extension and provision of public services
- Promote orderly growth and development



COMPOSITION

Commissioners consists of the following:

- Two members are members of the Sacramento County Board of Supervisors;
- Two members are selected by the independent Special Districts located within the County of Sacramento;
- One member, appointed by the Mayor, serves on the City Council of the City of Sacramento; and,
- One member, appointed by the City Selection Committee, is a member of a City Council other than the City of Sacramento.
- These six Regular members of the Commission appoint a Commissioner who represents the public at large.
- There is an alternate for each of these classes who can vote when the Regular Commission is absent or recused



LAFCO STAFF

Responsibilities

- Serves the Commission by providing accurate and comprehensive information
- Reviews and analyzes relevant sections of CKH and other laws (CEQA, General Plans, etc.)
- Processes proposals consistent with CKH and local procedures and policies
- Prepares staff reports, studies and makes recommendations
- Implements Commission decisions

Fun Facts

- We all live within Sacramento County
- LAFCo Experience: José - 20+ years, Desirae (former planner with 6 years of experience) - 2 years, & Kristi (former planner with 18 years of experience) - Less than a year

LAFCO FUNDING

Agency Contributions

- Agency Contributions are assessments to all agencies under this LAFCo's jurisdiction. Largest single source of revenue.
 - The County of Sacramento is allocated a third of the contributions.
 - The cities are responsible for a second third and the independent special districts split the last third.
 - The City of Sacramento picks up half of the cities' share, with the remainder proportionally divided among the other six cities based upon their total revenues.
 - On the independent special district side, the Sacramento Municipal Utility District agreed to pay half of the special district share, with the payments from the remaining districts calculated on a proportional basis.



LAFCO FUNDING CONT.

Additional Funding Sources

- Project revenue is composed of monies paid to LAFCo by applicants to reimburse the agency for time spent by staff processing their applications.
- Interest revenue is composed of the interest the bank. This is the smallest revenue source.



GOVERNING DOCUMENTS

Cortese-Knox-Hertzberg (CKH)

Approved by the State Legislature and has to apply statewide. Addresses general provisions, commission selection/powers, types of applications, procedures, conducting authority, terms and conditions, etc.

ALL LAFCOS

Policy, Standards & Procedures Document (PSP)

Sacramento LAFCo PSP document was developed in 1990 and was recently updated in April 2024. Interprets CKH to apply it specifically to Sacramento County.

SAC LAFCO





POLICY, STANDARDS & PROCEDURES DOCUMENT (PSP)

Service Outside of Agency Boundaries

The Commission shall consider any proposals for an out-of-agency service extension, either pursuant to Government Code Section 56133(b), if a future change of organization or reorganization is anticipated, or pursuant to Government Code Section 56133(c), if the Commission finds that there is an existing or impending threat to public health or safety of the residents of the affected territory.

Municipal Service Review Communication

The Municipal Service Review shall provide information on how effectively an agency or district maintains communication with its customers.

INDEPENDENCE OF LAFCOS

**Exercise independent judgment
on behalf of public**

**Commissioners make final
decisions and cannot be appealed
to other administrative bodies**

**Executive Officer is accountable to
Commission and statutes**

Adopts local policies

WHAT WE DO?

- Incorporations
- District Formations
- Dissolution
- Disincorporation
- Annexations
- Detachments
- Outside User Agreements
- Spheres of Influence/MSR
- Activate Latent Powers
- Consolidations of cities or of districts
- Mergers - district is dissolved and city takes over





TYPES OF PROJECTS

- **Annexation:**
 - The inclusion, attachment, or addition of territory to a city or district
- **Sphere of Influence (SOI):**
 - Plan for the probable physical boundaries and service area of a local agency, as determined by the commission.
- **Municipal Service Review (MSR):**
 - An analysis of the service or services to be reviewed that is prepared with determinations to review such as: growth projections, disadvantaged communities, infrastructure needs, financial, opportunities, shared facilities, and community needs.



01

**Application
Initiation**

02

**Research &
Analysis**

03

**Public Hearing &
Reconsideration**

04

**Conducting
Authority**

05

Completion

LAFCO PROCESS

01

APPLICATION INITIATION

- **Application material:**
 - **General application, Services Proposed for Project, Land Use/Zoning Information, Plan for Service, Agreement to Pay for Services, Legal Indemnification, FFPC Party Disclosure Form, AB 745 Disclosure, CEQA Document, Project Maps, and Fees.**
- **Certificate of Sufficiency :**
 - **This document indicates whether the requisite number of signers signed the petition.**
- **Launch of the AB-8 Process:**
 - **AB 8 contains a formula, which is used to distribute each county's one percent ad valorem property tax among the local government agencies in the county.**

02

RESEARCH & ANALYSIS

- At the end of the AB-8 process, and all other required materials have been submitted to the satisfaction of executive officer, a Certificate of Filing is issued that sets hearing date
- LAFCo staff compiles all information gathered during process including agency comments, CEQA document and AB-8 resolutions to write up the staff report to the Commission addressing all of the GC §56668 factors as well as any other pertinent information

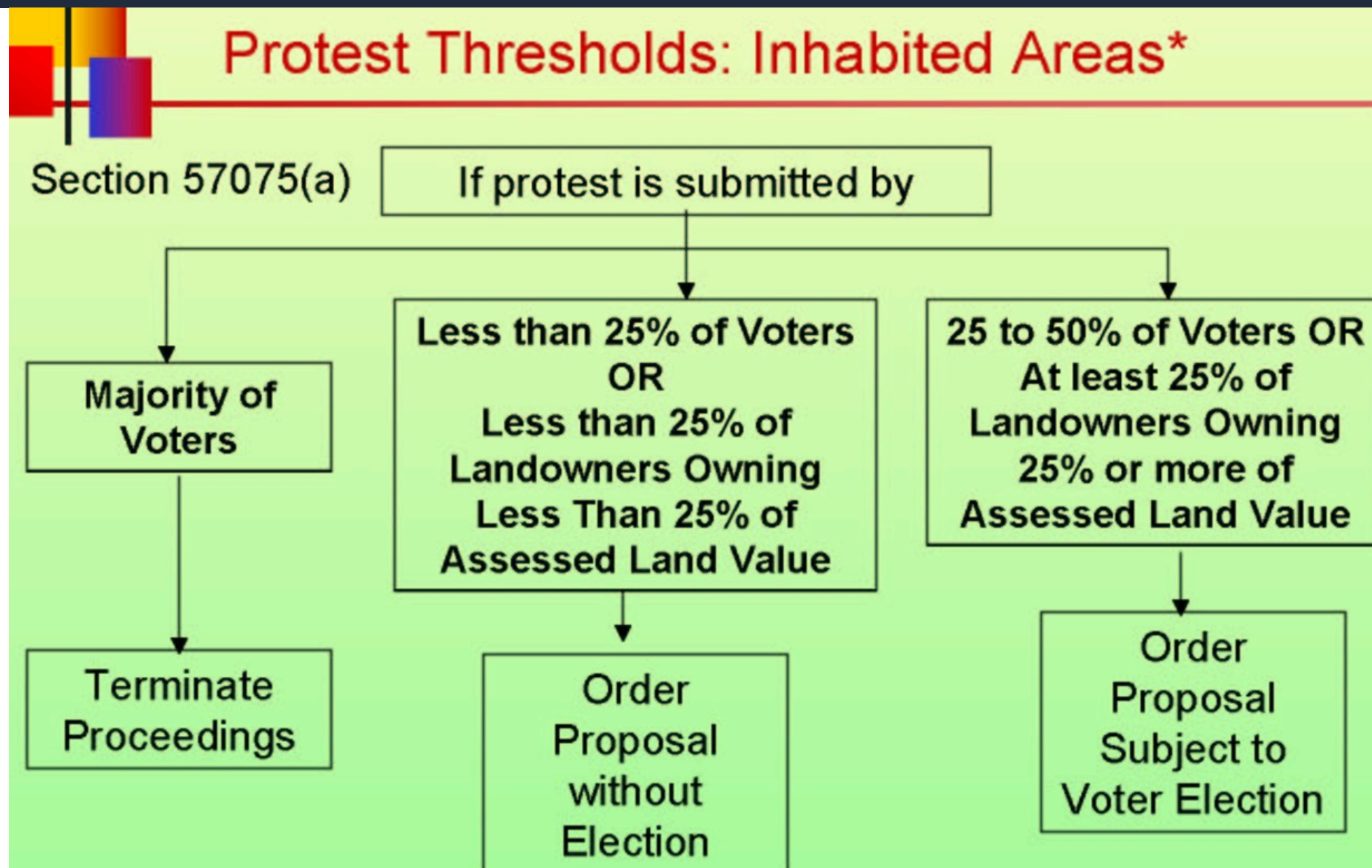
03

PUBLIC HEARING & RECONSIDERATION

- **The Commission considers all of these materials and may approve, deny or conditionally approve the petition. The Commission also has the discretion to modify the proposal if it finds sufficient cause to do so (GC §56375)**
- **If the project is conditionally approved, the applicant has 12 months from the date of the Commission action to meet all conditions**
- **A 30-day “reconsideration period” opens**
 - **Any member of the public or agency may file**
 - **Must provide new evidence or facts that were not considered by the Commission at the time a decision was made**
 - **Next stage of the process can begin after reconsideration period closes**

04

CONDUCTING AUTHORITY



* Areas with 12 or more registered voters (Section 56046)

05

COMPLETION

- **Filing of appropriate California Environmental Quality Act documents and fees are paid in full**
- **Issuance of the Certification of Completion and sent to affected agencies**
- **Application file closed**



LAFCO INFORMALLY

- **LAFCO staff strives to be a consultant, broker, facilitator and educator**
 - **Consultant** – Able to independent conduct research for other parties
 - **Broker** – Assist with resolving policy issues among agencies
 - **Facilitator** – Look for win-win scenarios
 - **Educator** – Present ideas, options and results of research

A DIFFERENT ROLE

Statewide Partnership

LAFCo staff can access information from other LAFCOs. By tapping into this resource, LAFCo can learn from examples all around the state.

Local Partnership

LAFCo staff receives calls daily from agencies, elected officials, applicants and the public relating to finances & governmental structure of local agencies.

The LAFCo process can help to assist with agencies' goals related to planning and efficient services.



QUESTIONS/COMMENTS

THANK YOU

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