



An Introduction to Local Agency Formation Commissions (LAFCOs): A Primer for Legislative Staffers

Guide to the
CORTESE–KNOX–HERTZBERG
LOCAL GOVERNMENT
REORGANIZATION ACT OF 2000



Prepared by
Assembly Committee on Local Government
Honorable Juan Carrillo, Chair
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What is the Local Agency Formation Commission (LAFCO)?

- ❖ Independent regulatory authority of the State of California
- ❖ Created in 1963 as the Legislature’s “watchdog” to manage the orderly growth and development of cities and districts
- ❖ Also known as the State’s steward of “good government”

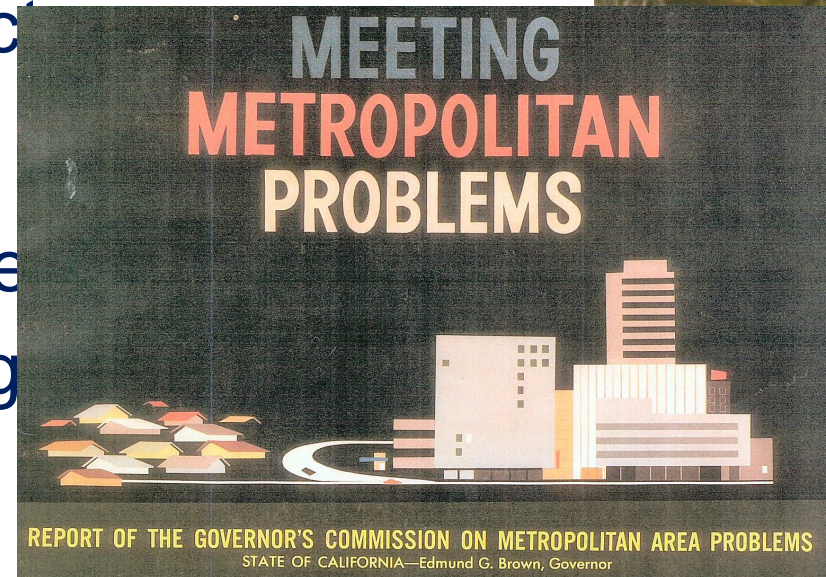
***LAFCOs organize local government,
county by county***





Why LAFCO?

- ❖ 1960's post World War II population and housing boom in California
- ❖ Ensuing scramble to finance and extend services
- ❖ City annexation "wars," proliferation of limited purpose special districts
- ❖ Governor Pat Brown's Commission on Urban Problems focused on need to encourage orderly boundaries





Legislative Solution in 1963 State Law, Local Flexibility

- ❖ Legislature compromise decided no state commission or state agency
- ❖ Local control – no state appointees or funding
- ❖ A LAFCO in every county
- ❖ Each LAFCO is independent
- ❖ Local flexibility – local policies – local politics
- ❖ 6 major revisions to State law over 58 years





LAFCO Statutory Mission

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- ❖ Encourage orderly city/district boundaries
- ❖ Discourage urban sprawl and preserve agriculture and open space
- ❖ Promote efficient and sustainable municipal services





LAFCO Functions

Regulatory Function:

- ❖ Local agency boundary approvals (annex/detach)
- ❖ Form/dissolve cities and special districts
- ❖ Consolidate/merge local agencies
- ❖ Authorize service extensions outside a city or district
- ❖ Activate/divest district powers to provide certain services

Planning Function:

- ❖ Approve/update Spheres of Influence (growth planning boundary) for cities and districts
- ❖ Conduct Municipal Service Reviews and make recommendations for needed change





LAFCOs are a Resource

- ❖ Convener to address local municipal service issues
- ❖ Models for tax sharing, revenue generation, governance options, social justice, etc.
- ❖ Training and educational resources for compliance with state laws and best practices
- ❖ Historical, current and trending info – 60-year record of formations and boundary changes





Local Agencies Regulated by LAFCO

❖ Includes:

Cities, independent & dependent special districts

❖ Does NOT include:

- ◆ County boundaries
- ◆ Joint Powers Authorities/Agencies (JPAs)
- ◆ School or college districts
- ◆ Community facilities (or Mello-Roos) districts (CFDs)
- ◆ Bridge and highway districts
- ◆ Improvement districts
- ◆ Air pollution districts
- ◆ Mutual Water Companies

***Not all “districts”
are alike***





LAFCO is Independent

- ❖ Separate from each County
- ❖ LAFCO staff accountable to Commission and statutes
- ❖ Commission makes final decisions
- ❖ Decisions cannot be appealed to other administrative bodies





Relevant LAFCO State Laws

- ❖ Cortese-Knox-Hertzberg Act
- ❖ Brown Act / Public Records Act
- ❖ CEQA
- ❖ Revenue & Tax Code
- ❖ Political Reform Act / Other Conflict of Interest Laws
- ❖ Special District Principal Acts





LAFCO Composition

A balance:

- ❖ 2 **County** Supervisors
- ❖ 2 **City** Council members
- ❖ 1 public member

31 LAFCOs also include:

- ❖ 2 **Special District** members

Some LAFCOs have “special seats” unique to local circumstances.





Representation of Special Districts on LAFCo





How is LAFCO Funded?

- ❖ Funded in equal shares, either:
 - 1/2 county – 1/2 cities; or
 - 1/3 county – 1/3 cities – 1/3 special districts
- ❖ Local funding formulas are allowed
- ❖ Application fees for proposals help offset some expenses





Who is CALAFCO?

- ❖ Association of LAFCOs Founded in 1971 as a 501(c)3 non-profit
- ❖ Provides educational, technical and legislative resources that otherwise would not be available
- ❖ Act as resource to other State agencies, the Legislature and State Administration
- ❖ Structure for information sharing among the various LAFCOs and other governmental agencies
- ❖ Support over 750 LAFCo commissioners and staff





LAFCO in Every County

FOUR REGIONS





CALAFCO as a RESOURCE

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