

An Introduction to Local Agency Formation Commissions (LAFCOs)

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Christine Crawford, AICP Yolo LAFCo Executive Officer

Guide to the

Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000



Prepared by Assembly Committee on Local Government Honorable Cecilia M. Aguiar-Curry, Chair

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1



What is the Local Agency Formation Commission (LAFCO)?

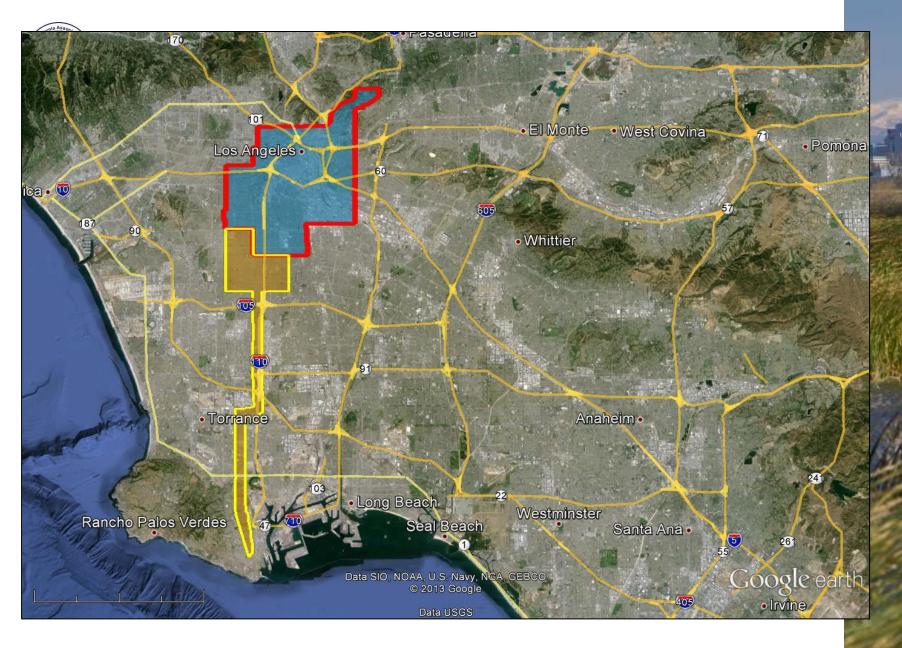
- Independent regulatory authority of the State of California
- Created in 1963 as the Legislature's "watchdog" to manage the orderly growth and development of cities and districts
- Also known as the State's steward of "good government"

LAFCOs organize local government, county by county

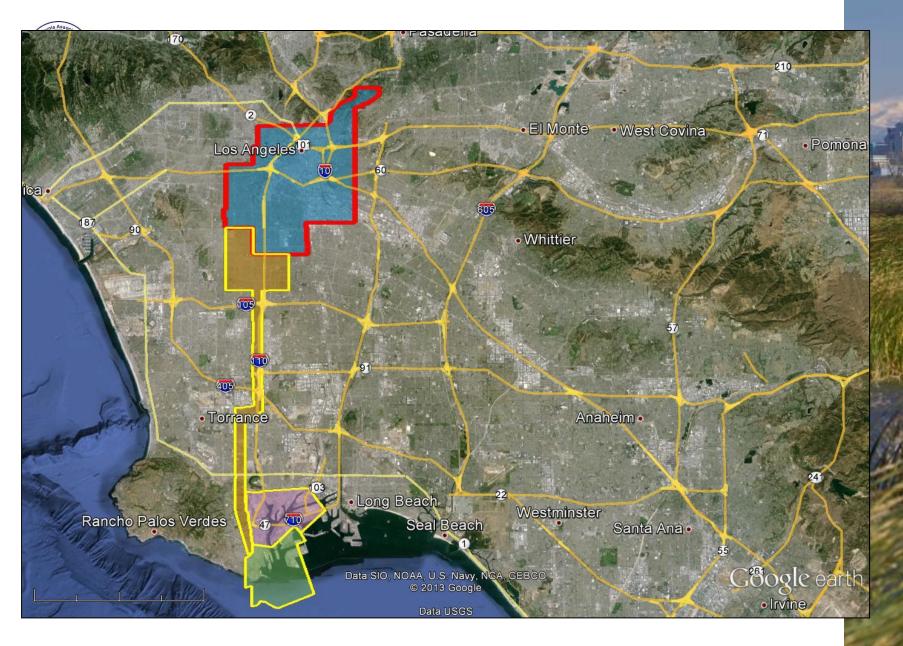


CITY OF LOS ANGELES AROUND 1900

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CITY OF LOS ANGELES SHOESTRING ANNEXATION (1906)



CITY OF LOS ANGELES CONSOLIDATION OF WILMINGTON & SAN PEDRO (1909)



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



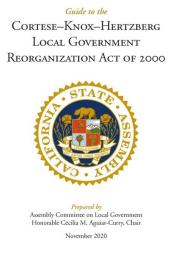
Legislative Solution in 1963 State Law, Local Flexibility

- Legislature 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
- Unique to California



LAFCO Statutory Mission

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





Regulatory Function:

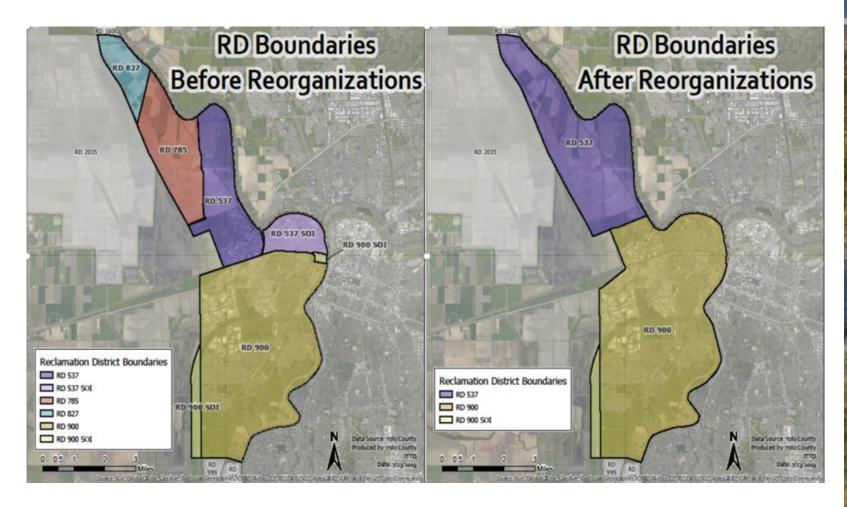
- Form/dissolve cities and special districts
- Consolidate or change city/district boundaries
- Authorize service extensions outside a city or district
- Activate/divest district powers to provide certain services

Planning Function:

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

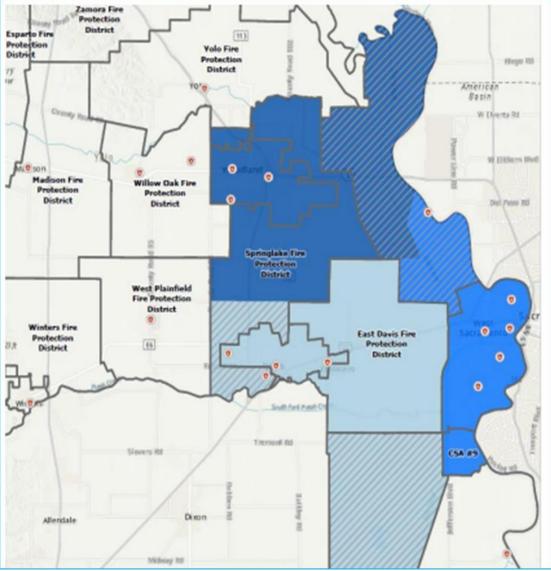


Yolo LAFCO Case Study (2019) Flood Protection





Yolo LAFCO Case Study (2022) Fire Protection



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11



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
- SOI studies since early '70s; municipal service reviews since early 2000s; GIS data layers and maps



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





Subject to 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"





Representation of Special Districts on LAFCo



17

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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
- No registered lobbyist on staff
- 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
- ✤ 1.5 FTE staff



CALAFCO as a **RESOURCE**

Executive Director: René LaRoche 1129 Firehouse Alley Sacramento, CA 95814

> (916) 442-6536 rlaroche@calafco.org

www.calafco.org