

# Presentation to the Venice Neighborhood Council



VENICE  
NEIGHBORHOOD  
COUNCIL  
BOUNDARIES

LAFCO is a public agency with county-wide jurisdiction established by a State law known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“Act”)

LAFCO oversees changes to local government boundaries involving the formation and expansion of cities and special districts.

# LAFCO regulates the boundaries of:

- Cities
- Cemetery districts
- Community Service Districts (“CSDs”)
- County Service Areas (“CSAs”)
- County waterworks districts
- Fire protection Districts
- Hospital and health care districts
- Irrigation districts
- Library districts
- Municipal utility districts
- Reclamation districts
- Recreation and parks districts
- Resource conservation districts
- Sanitation districts
- Water districts \*

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



*Prepared by*  
Assembly Committee on Local Government  
Honorable Brian Maienschein, Chair

December 2015

# The Act declares that is the policy of the state to:

- Encourage orderly growth;
- Promote the logical formation and determination of local agency boundaries;
- Discourage urban sprawl; and
- Preserve open space and prime agricultural lands.

(Government Code Section 56001)

Every County has a LAFCO

LAFCO commissioners are local (not state) appointees

State laws give broad discretion to Commissions to apply the law in light of local circumstances

Each LAFCO has authority over boundary decisions within that county, and each LAFCO is independent of other LAFCOs

Commissioners make final decisions that cannot be appealed to other administrative bodies

# The Commission:

- 2 members (and 1 alternate) from the County Board of Supervisors
- 1 member (and 1 alternate) from the Los Angeles City Council
- 2 members (and 1 alternate) from city councils from the other 88 cities
- 2 members (and 1 alternate) representing the independent special districts
- 1 member (and 1 alternate) representing the San Fernando Valley
- 1 member (and 1 alternate) representing the general public

(Government Code Section 56325 & 56326)

Commission appoints the Executive Officer,  
who manages other staff

Commission retains legal counsel

Commission hires independent accounting  
firm to conduct annual audits

LAFCO provides its own office, equipment, and  
supplies

(Government Code Section 56384)

# LAFCOs:

1. Create new cities and special districts
2. Change boundaries of cities and special districts
3. Adopt and amend Spheres of Influence (SOIs”) for cities and special districts
4. Allow service outside of district boundaries and authorize new services for special districts
5. Prepare Municipal Service Reviews (“MSRs”)

# 1. Creating new cities

Since their establishment in 1963, LAFCOs have had the responsibility for the creation of new cities

- Calabasas and Malibu (1991)
- Proposed City of Hacienda Heights
- Proposed City of East Los Angeles

# 1. Forming new special districts

Upon application to LAFCO

Application by registered voters, landowners, or an underlying jurisdiction (county or city)

Governed by both the Act and the “principal act” for the type of special district involved (sanitation district, water district, etc.)

(Government Code Sections 56100 & 56589)

# 2. Changing Boundaries

In LAFCO terms, a boundary change is defined as a “change of organization” (essentially, one change), a “reorganization” (multiple changes), or a “special reorganization” (detachment from a city and incorporation of a new city)

May include:

- Annexation of territory (into a city or district)
- Detachment of territory (from a city or district)
- Incorporation of a city
- Disincorporation of a city
- Formation of a special district
- Dissolution of a special district
- Consolidation of two or more cities or special districts
- Merger of a special district into a city
- Establishment of a subsidiary district

(Government Code Sections 56021 & 56375 & 56075.5)

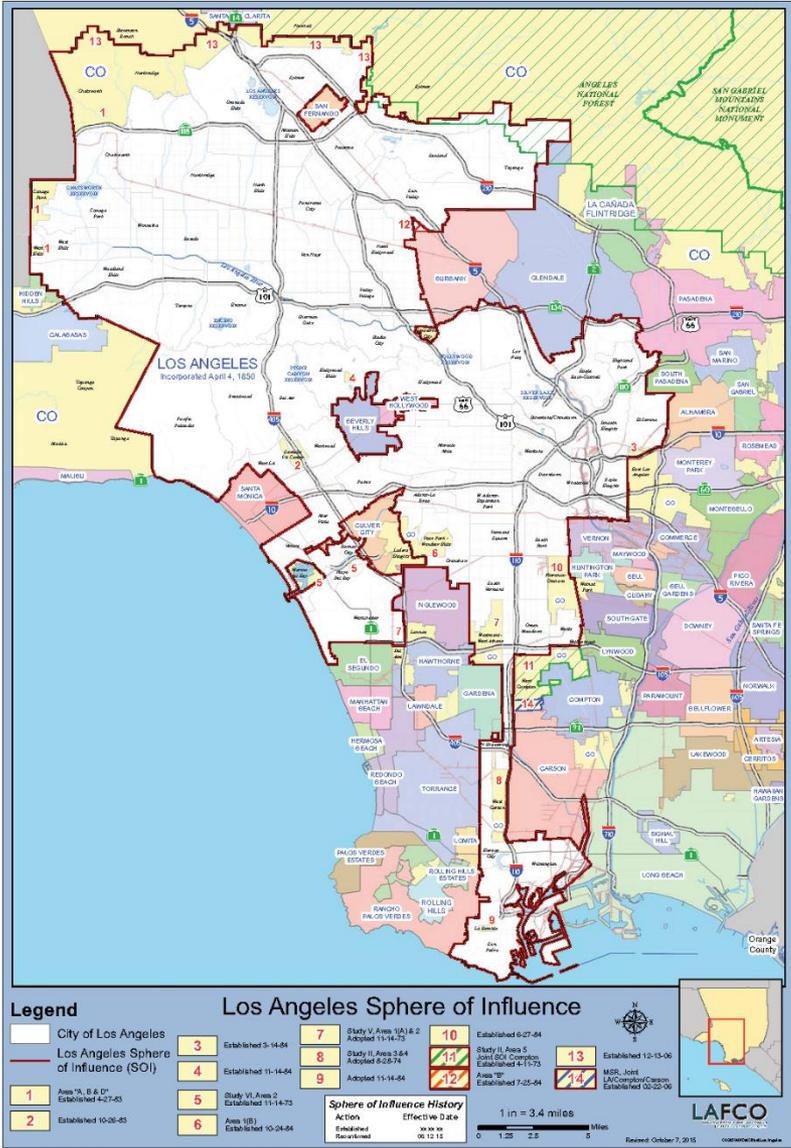
# 3. Spheres of Influence (SOIs)

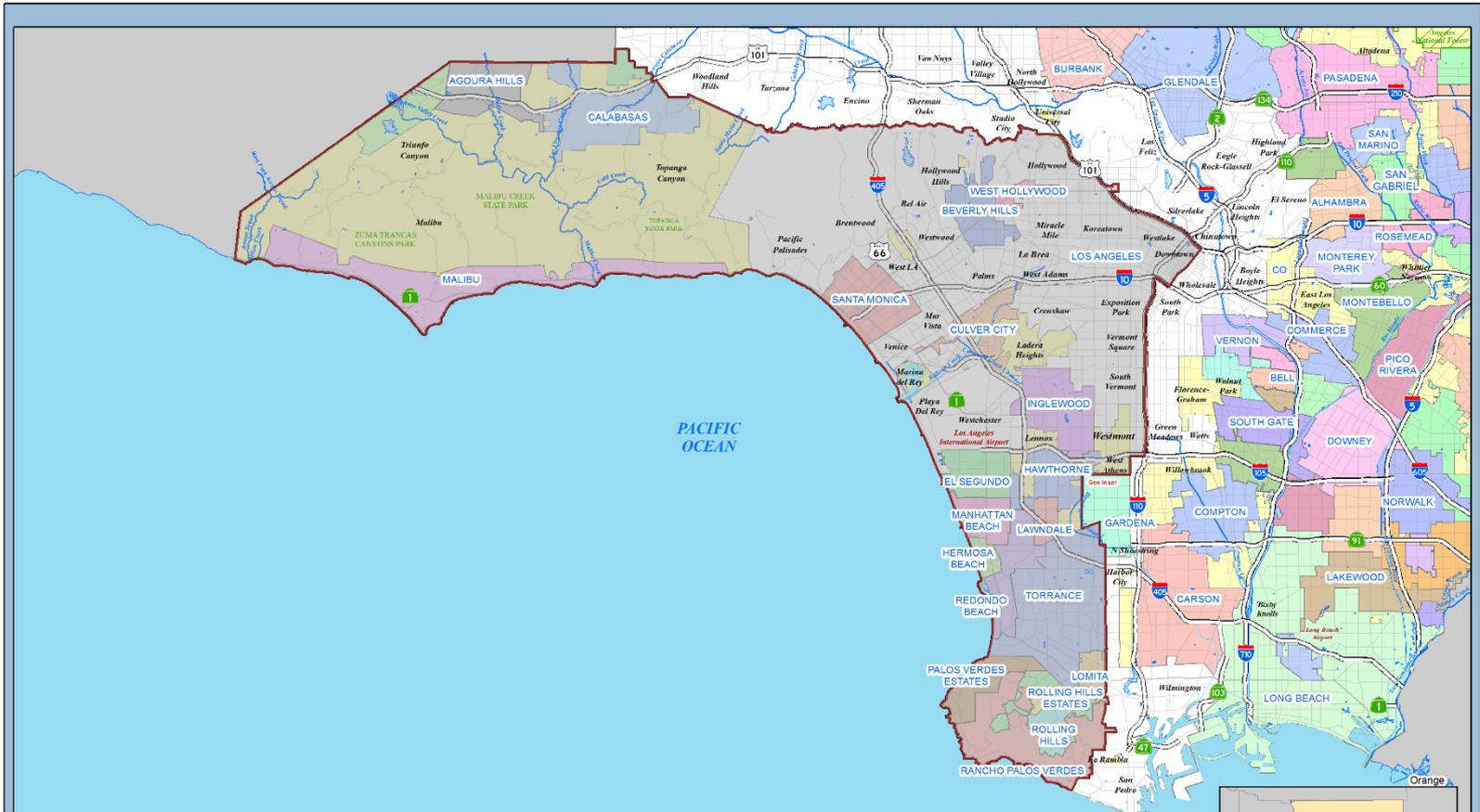
As of 1971, LAFCOs are required to adopt SOIs for cities and special districts

SOI as “a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission”

Presumed that the area within an SOI will be annexed over time

(Government Code Section 56076 & 56425)





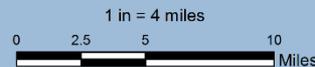
## Los Angeles County West Vector & Vector-Borne Disease Control District

### Legend

- Los Angeles County West VCD
- Los Angeles County West Vector Control
- Sphere of Influence (SOI), Coterminous

### Sphere of Influence History

Action	Effective Date
Established	XX-XX-XX
Reconfirmed	XX-XX-XX
Reconfirmed	10-10-12



Revised: November 14, 2013

© 2013 LAFCO. All rights reserved.

## 4. Service Extensions and Exercise of New or Different Functions or Classes of Services

### Service Extensions:

- Commission may authorize a city or district to provide services outside its boundaries

### Exercise of New or Different Functions or Classes of Services:

- All special districts are authorized to perform specified services under State law
- A special district may want to provide new services
- A special district must secure LAFCO approval in advance

# 5. Municipal Service Reviews (“MSRs”)

Since 2000, LAFCOs are required to prepare MSRs.

For a particular region, city, or special district, an MSR examines:

- Growth and population projections
- Disadvantaged Unincorporated Communities (“DUCs”)
- Present and planned capacity of public facilities
- Financial ability of agencies to provide services
- Opportunities for shared facilities
- Accountability, governmental structure, and operational facilities
- Any other matter related to service delivery

(Government Code Section 56430)

“Vexit”

# THREE Options

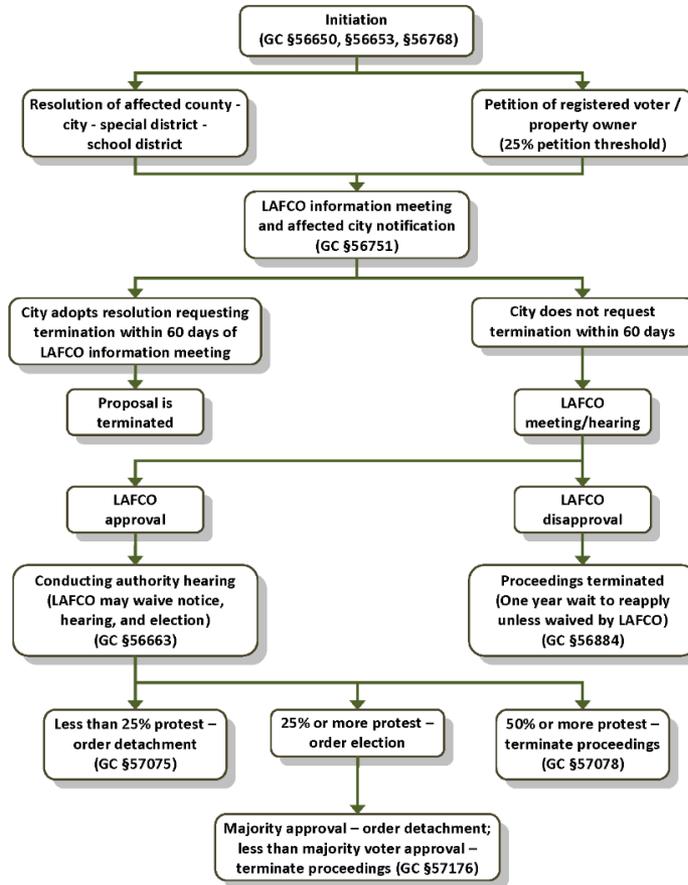
- LAFCO approval of a detachment from the City of Los Angeles and reversion to County unincorporated territory (“Change of Organization” or “Reorganization”)
- LAFCO approval of a detachment & formation of a new City of Venice (“Special Reorganization”)
- Legislation to detach Venice from the City of Los Angeles and form a new City of Venice

## ***OPTION ONE: LAFCO approval of a detachment from the City of Los Angeles and reversion to County unincorporated territory (“Change or Organization” or “Reorganization”)***

- Upon application to LAFCO
- Initiated in any of three ways:
  - adoption of resolution by public agency whose boundaries include Venice (i.e., LA City Council); or
  - petition of 25% of registered voters in the affected territory; or
  - petition of 25% of landowners (based upon assessed value) in the affected territory.
- 18-Month Process
- Upon approval, Venice would become County unincorporated territory

## Inhabited City Detachment

(other than special reorganization)



# ***Detachment: The Thing to Know***

## **Government Code Section 56751**

(a) Upon receipt by the commission of a proposed change of organization or reorganization, except a special reorganization, that includes the detachment of territory from any city, the executive officer shall place the proposal on the agenda for the next commission meeting for information purposes only and shall transmit a copy of the proposal to any city from which the detachment of territory is requested.

(b) No later than 60 days after the date that the proposal is on the commission's meeting agenda in accordance with subdivision (a), a city from which the detachment of territory is proposed may adopt and transmit to the commission a resolution requesting termination of the proceedings.

(c) If the city from which the detachment of territory is proposed has adopted and transmitted to the commission a resolution requesting termination of proceedings within the time period prescribed by this section, then the commission shall terminate the proceedings upon receipt of the resolution from the city.

(d) This section shall not apply if the city from which the detachment of territory is proposed has adopted and transmitted to the commission a resolution supporting the proposed change of organization or reorganization.

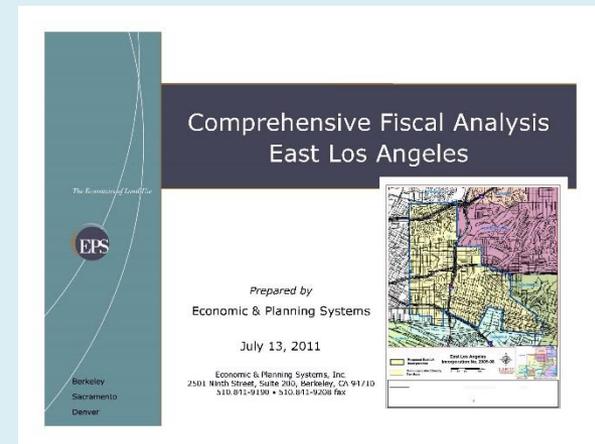
*(Amended by Stats. 2002, Ch. 548, Sec. 21. Effective January 1, 2003.)*

## *OPTION TWO: LAFCO approval of a detachment & formation of a new City of Venice (“Special Reorganization”)*

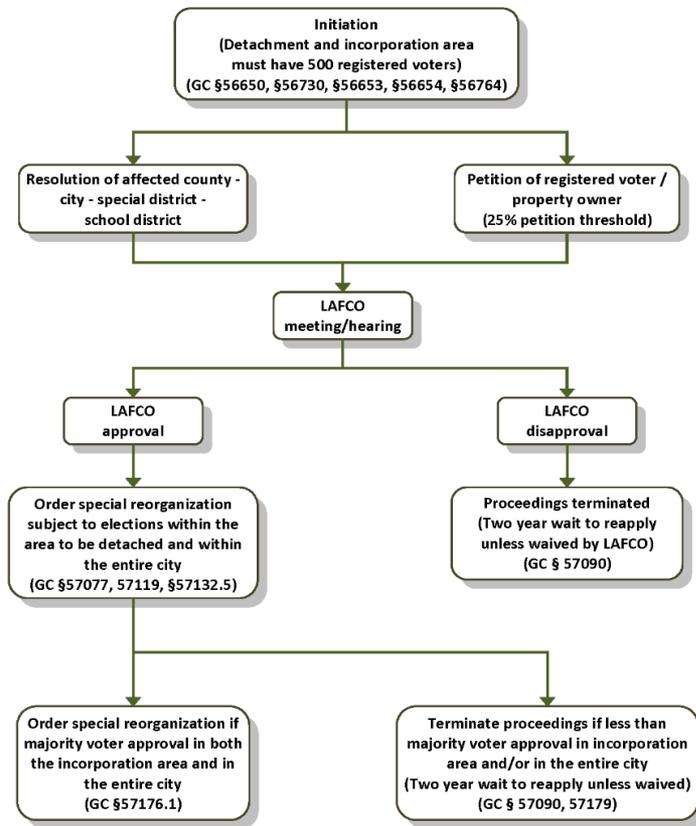
- Upon application to LAFCO
- Initiated in any of three ways:
  - adoption of resolution by public agency whose boundaries include Venice (i.e., LA City Council);
  - by petition of 25% of registered voters in the affected territory; or
  - by petition of 25% of landowners (based upon assessed value) in the affected territory.
- 2-3 Year Process

# *Detachment & Formation of New City of Venice: Things to Know*

- State law requires that the new city is shown to be “economically viable” for first three years of cityhood, as determined by LAFCO
- Recent change in law (SB 89, adopted in 2013) eliminated the “Vehicle License Fee (VLF) Bump,” which substantially reduced revenue to new cities during the first 5 years after city incorporation
- Costs borne by cityhood proponents (ELA Incorporation Example):
  - CEQA Clearance (approximately \$20,000)
  - Comprehensive Fiscal Analysis (approximately \$160,000)
- Mandatory voter approval
  - Within affected territory (Venice)
  - Within entire City of Los Angeles
- Sustained effort over several years



## Special Reorganization (City Detachment and Incorporation)



## Government Code Section 57119

Notwithstanding Section 57118, any resolution ordering a special reorganization shall require the principal county to call an election in both of the following territories:

- (a) The territory ordered to be detached from the city.
- (b) The entire territory of the city from which the detachment is ordered to occur.

*(Amended by Stats. 2002, Ch. 548, Sec. 35. Effective January 1, 2003.)*

*OPTION THREE: State Legislation to detach Venice from the City of Los Angeles and form a new City of Venice*

- Introduction of a bill by a State Legislator
- Subject to approval of Assembly, Senate, and Governor
- One Year Process

## *State Legislation: Things to Know*

- Requires a sympathetic State legislator willing to introduce special legislation
- Approval of the Legislature takes a concerted effort
- Presume City of Los Angeles objections
- Potential objection from other parties (other cities, League of California Cities)
- Unprecedented

# Questions

# www.lalafco.org

Paul A Novak, AICP

Executive Officer

[pnovak@lalafco.org](mailto:pnovak@lalafco.org)

(626) 204-6500

LAFCO

80 South Lake Avenue

Suite 870

Pasadena, CA 91101