CALAFCO

Supporting our member LAFCos in fulfilling their statutory mission

Sphere of Influence (SOI) and Municipal Service Update (MSR)

Prepared for Trinity LAFCo
June 16, 2020
LAFCOs are responsible for:

- Develop and update Spheres of Influence for cities and special districts
- Prepare Municipal Service Reviews for same
- Work on growth, AG preservation, and service delivery issues
LAFCOs-SOIs-MSRs
Planning and Policy

- Sphere is an area that might be served by a jurisdiction in the next 20 years
  - Updated every 5 years: “as needed”

- Municipal Service Review evaluates service capability
  - Basis for a Sphere of Influence decision
  - 7 factors are addressed
LAFCOs-SOIs-MSRs
Planning and Policy

- LAFCO determines a sphere of influence for each city and special district in the county.
- An area legally needs to be inside a sphere of influence to be annexed.
- After adoption, a sphere of influence is used as a factor in the review of proposals.
LAFCOs-SOIs-MSRs
Planning and Policy

- To evaluate the jurisdiction’s service capabilities
- To prepare the documentation: SOI Update, MSR, CEQA, Resolution
- To consider future annexations
“Coterminous” SOI
“Larger Than” SOI
“Zero” SOI
Preparation SOIs and MSRs

**Approaches**

- **Geographically**
  - North County, South Bay, etc.

- **By Function**
  - All cemetery districts, fire districts, etc.

- **Function/Geography**
  - North County cemetery districts, South Bay fire districts, etc.

- **Single Agency**
  - City of Pleasantville, Lovelywood Estates Community Services District
Preparing SOIs and MSRs

- Working with Jurisdictions – to prepare SOI
- “Collaborative” Process
- Compiling Information:
  - General Plans, EIRs, Capital Improvement Plans, Service Maps,
  - Budgets, Audits
  - Future development proposals
  - Outside documents
Sphere Update Process

Step I: Information Gathering
Study Areas-GP, Service Docs, Financials

Step II: Preparing Documents
SOI Update-MSR-CEQA: On-going

Step III: Public Review
45-60 Day Period

Step IV: Public Hearings
Preparation of SOIs and MSRs

**Determinations**

- Present and planned land uses in the area, including agriculture, and open space lands;
- Present and probable need for public facilities and services in the area;
- Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide; and
- Existence of social or economic communities of interest in the area.
Preparing SOIs and MSRs

**Municipal Service Reviews**

- Review the jurisdiction's service capability present and future
- Look for opportunities for more efficient public services
- Needs to be completed for a sphere of influence update
- Six factors need to be addressed
Preparing SOIs and MSRs

**CKH-Service Review Factors**

- **Growth and Population**
  - Growth rates and forecasted build-out
  - MOA provides a mechanism for the City and the County to work together on growth issues
  - City/County General Plan provides for the growth and development of the City
Preparing SOIs and MSRs

CKH-Service Review Factors

- Disadvantaged Unincorporated Communities
  - DUCs - inhabited areas with less than 80% of State median income
  - Identified in or adjacent to the SOI
  - Considered when areas are annexed
Preparing SOIs and MSRs

CKH-Service Review Factors

- Infrastructure Needs or Deficiencies
  - Water resources to serve the development
  - Water supplies in place prior to annexing territory
  - Wastewater Treatment Plant capacity-condition
  - Police and fire services
  - Roads - Circulation Element
Preparing SOIs and MSRs

CKH-Service Review Factors

Financial ability of Agency

- Overall fiscal health—not an audit
- Budget process
- Capital improvement plans, development impact fees, and developer-required
- Water and sewer rates
- Revenues: local hotel tax, sales tax, fees, and local property taxes
- Fund Balance Reserves
Preparing SOIs and MSRs

CKH-Service Review Factors

- Status of, and Opportunity for, Shared Facilities
  - Works cooperatively with a variety of Agencies?
  - Distinction between City and County services in the SOI study areas are clear
  - Identify opportunities that might help
Preparing SOIs and MSRs

CKH-Service Review Factors

- Local Accountability and Governance
  - Regular budget reviews and goal-setting workshops to keep the public informed
  - Annual audits are completed and made available to the public
  - Well-organized and equipped administratively to serve the recommended Sphere of Influence
Preventing SOIs and MSRs

MEMORANDUM OF AGREEMENT (MOA)

- MOA is approved by the City and County

- Purpose and Process:
  - Agreement on the SOI boundary
  - Recognizes need to coordinate
  - Uses both City and County General Plans
  - This MOA identifies provisions for possible future development
LAFCOs-SOIs-MSRs
Planning and Policy

Summary

- SOIs plan for orderly development
- MSRs review services to be provided
- SOI/MSR done together can be an effective tool
- MSR is an informational document
- Use it to inform decisions
- MSR can be added to—but there is a limit
Using LAFCO, MSRs and SOIs as a Resource

- Historical, current and trending info – 50+ year record of formations and boundary changes
- SOI studies since early ‘70s; MSRs since early 2000s; GIS data layers and maps
- Strong knowledge of local issues and intricacies – what has been tried, what hasn’t, and what options should be considered to solve local issues
- Shared service models, studies and exchanges; information about other local service delivery options
- Model inter-agency agreements
- Models for tax sharing, revenue generation, governance options, social justice, etc.
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