

1999 - 2000 Ventura County Grand Jury Report

LAFCO and the Santa Paula Expanded Sphere of Influence

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Background

The Cortese-Knox Local Government Reorganization Act of 1985 (Government Code, Section 5600-57550) provides for the establishment of a local Agency Formation Commission (LAFCO) in each county. LAFCO is charged with encouraging orderly growth and development and the assessment of local community services needs. The primary function of LAFCO is to review and approve or disapprove, wholly, partially, or conditionally, proposals for changes of organization or reorganization of local agencies. These changes of organization include city incorporations, district formations, annexations or detachments from a city or special district; also, disincorporations of cities, dissolutions of districts and certain mergers and consolidations.

LAFCO is the “watchdog” the legislature established to guard against the wasteful duplication of services that results from indiscriminate formation of new local agencies or haphazard annexation of territory to existing local agencies.

On Wednesday, February 2, 2000, the commissioners of LAFCO voted 4-3 to increase the sphere of influence of the city of Santa Paula by 7,737 acres, more than tripling the city’s size. The expansion areas include Adams Canyon, approximately 5,413 acres of land located northwest of Santa Paula, Fagan Canyon, approximately 2,173 acres located directly north of Santa Paula, East Area 2, approximately 26 acres in the southeast portion of the city and West Area 2, approximately 125 acres located between Adams Barranca and Peck Road.

Three members of the seven-member LAFCO commission voted in opposition to the expansion as proposed, based on their opinions that the expansion did not meet the minimum standards the State says LAFCO must apply to its decisions to define a sphere of influence. According to the opinion of the Attorney General, spheres of influence are required to be “a comprehensive, detailed planning tool.” In determining a sphere of influence, Government Code

Section 56425 mandates the commission to consider and prepare a written statement of its decisions with respect to each of the following:

1. The present and planned uses in the area, including agriculture and open space.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services which the affected agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines they are relevant to the agency.

Methodology

In an effort to determine if the Ventura LAFCO met its statutory mandate in authorizing a tripling of the size of the City of Santa Paula, the Grand Jury, as part of its oversight responsibility, did the following:

1. Invited the LAFCO Executive Officer to provide the jury with an overview of the LAFCO operation in general and specifically to provide staff reports and executive officer recommendations regarding the City of Santa Paula's petition for expansion.
2. Reviewed documents including the December 15, 1999, LAFCO staff report to the commissioners regarding the proposed expansion of the City of Santa Paula.
3. Reviewed City of Santa Paula's "White Paper" response to questions raised by the commissioners to the city's petition.
4. Reviewed the LAFCO Commissioner's Handbook, as amended.
5. Monitored the February 2, 2000, LAFCO public hearing and reviewed its special meeting agenda packet including comments of the public and the City of Santa Paula expressed therein.
6. Reviewed the October 21, 1999, memorandum of County Counsel regarding the Commissioner's Handbook.

7. Reviewed the Environmental Impact Report and Statement of Overriding Considerations submitted by the City of Santa Paula.

Findings

- F-1 LAFCO general policies and standards for decision making are outlined in the Commissioner's Handbook.
- F-2 Provisions of the original Commissioner's Handbook affecting the handling of sphere of influence applications were deleted by the commissioners during the pendency of the City of Santa Paula's expansion application and not included in the revised version dated December 15, 1999.
- F-3 A "master service" element in the original handbook, ensuring that the sphere applicant could provide needed services to the expansion area was deleted in the handbook revision.
- F-4 The commissioner's original handbook states that "the policies and standards for annexations will also be applied to sphere applications." The County Counsel memorandum of October 21, 1999 indicates: "such authority for sphere amendments may be reasonably implied from the Act" (Cortese-Knox). Notwithstanding this implication, this policy recital was deleted at County Counsel's suggestion.
- F-5 As of October 1999, the Commissioner's Handbook provided (Section XXIV): "Major amendments to a sphere of influence will only be considered after a comprehensive review of the entire sphere." County Counsel advised in its memo of October 21, 1999, with reference to this provision: "It is, of course, a source of attack for those who oppose a sphere amendment." This policy recital was deleted from the handbook at County Counsel's suggestion.
- F-6 The original handbook (page 36) states: "General/specific plan references must include policy identification in all seven (7) mandated elements, as required by Title 7, Chapter 6500 of the Government Code." County Counsel's advice to the commission, as stated in the October 21, 1999, memo was: "This is another fertile area for those who object to a (sphere) amendment...it should be deleted."
- F-7 According to the LAFCO staff report of December 15, 1999, in making their expansion application, the City of Santa

Paula did not provide for the detailed land use discussions that the commission was familiar with receiving. According to the report: “Most applications for sphere of influence changes are the direct result of planning efforts by the city and a developer. The Santa Paula effort is, in reality, more like what would result from sphere of influence studies if there were ever funds provided to complete them.”

Conclusions

- C-1 The above-recited revisions and deletions suggest that a majority of the Ventura County LAFCO commissioners do not understand and appreciate their mandate under the Cortese-Knox legislation establishing their agency. As expressed earlier, in the opinion of the Attorney General (Ops. Atty. Gen. 118, 3/8/77), spheres of influence are required to be a comprehensive, detailed planning tool and as such should contain, among other things, an inventory of the maximum service area and service capacity of each affected local government agency.
- C-2 The commissioner’s interpretation of the Cortese-Knox legislation, as reflected in its amended handbook, appears to have diluted its effectiveness in implementing its legislative mandate.

Recommendations

- R-1 LAFCO should tighten its minimum standards for sphere of influence expansion, one of them being that needed government services can be provided efficiently.
- R-2 LAFCO should require as a prerequisite to sphere expansion, detailed land use planning efforts by the city and a developer, including a specific plan.
- R-3 LAFCO should organize an ad hoc committee of all interested parties to determine which, if any, deleted handbook standards should be reincorporated to adequately preserve the original mandate of the Cortese-Knox legislation.

Response Required

LAFCO (R-1, R-2, and R-3).

County Counsel (F-4, F-5, F-6, C-1, C-2 and R-3).