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## Agenda Item: 9.a.

**Meeting Date:** October 5, 2017

**From:** George Williamson, Executive Officer & Kathy Bull, Office Manager

**Subject:** Policy and Procedures Update – Chapters 3 & 4

### **Background**

Chapters 1 & 2 were presented previously and approved by the Commission. Draft updates of the Shasta LAFCO Policy Chapters 3 & 4 included for consideration are as follows:

#### **CHAPTER 3 - COMMISSION ORGANIZATION AND TRANSACTION OF OFFICIAL BUSINESS**

- Section 1. Introduction
- Section 2. Definitions
- Section 3. Policies Pertaining to Changes of Organization or Reorganization
- Section 4. Periodic Review and Update

#### **CHAPTER 4 - CHANGES OF ORGANIZATION AND REORGANIZATION**

- Section 1. Introduction
- Section 2. Notice
- Section 3. Initiation of Proceedings
- Section 4. Application Requirements
- Section 5. Application Review
- Section 6. Executive Officer's Report
- Section 7. Commission Proceedings/Action
- Section 8. Conducting Authority Proceedings
- Section 9. Elections
- Section 10. Completion/Final Filings
- Section 11. Periodic Review and Update

### **Discussion**

Staff has incorporated proposed changes Commission consideration and input.

### **Recommendation**

Review and provide comments to staff on draft updates and adopt the updated Policies and Procedures Chapters 3 & 4.

Attachment: Draft Policy and Procedures – Chapters 3 & 4

# CHAPTER 3 ~~ORGANIZATION CHANGES AND REORGANIZATION~~ GENERAL POLICIES AND STANDARDS

## Section 1. Introduction

### 1.1 Legislative Intent and Statutory Authority

~~Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) reiterates and emphasizes the Legislature's policies of discouraging urban sprawl, preserving open space and prime agricultural land, efficiently extending services, and promoting orderly development through providing housing for persons and families of all incomes.~~

~~CKH Act states that the policy direction should be "effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing...", and makes it clear that while the Legislature's policy that a single multipurpose governmental agency... "may be the best mechanism for establishing community service priorities especially in urban areas...", limited purpose agencies also play a critical role in providing services, especially in rural areas and areas in transition from rural to urban.~~

~~To effectuate the Legislature's policy, CKH Act § 56300(a) requires each LAFCO to establish written policies and procedures which encourage and provide for planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open space lands within those patterns. § 56375 requires each LAFCO's actions on organization changes or reorganization to be consistent with its written policies and procedures.~~

### 1.2 Statement of Purpose

~~The purpose of the policies set forth in this Chapter is to establish how the Shasta Local Agency Formation Commission, hereinafter referred to as "Shasta LAFCO" or "Commission", will implement the legislative intent and specific requirements set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.~~

## Section 2. Definitions

~~The definitions hereunder were selected from but do not include all of the definitions under Chapter 2 of the CKH Act. Unless the provision or context otherwise requires, the definitions hereafter govern the construction of this chapter of Shasta LAFCO policies. The definition of a word also applies to any of that word's variants.~~

### 2.1 Affected City:

~~Any city which satisfies either of the following conditions: (A) It contains, or its sphere of influence contains, territory for which a change of organization is proposed or ordered either singularly or as part of a reorganization; (B) It would contain the territory~~

~~described in subdivision (A) as a result of proceedings for a change of organization or reorganization taken pursuant to the CKH Act.~~

~~2.2 Affected County:~~

~~Each county which contains, or would contain, any territory for which a change of organization or reorganization is proposed or ordered or which contains all or any part of a district for which a change of organization or reorganization is proposed or ordered with respect to territory outside that county.~~

~~2.3 Affected District:~~

~~A special district, as defined by § 56036 of the CKH Act, and in Section 2.21 of this chapter, which contains, or whose sphere of influence contains, any territory for which a reorganization or a change of organization is proposed or ordered.~~

~~2.4 Affected Local Agency:~~

~~Any agency which contains, or would contain, or whose sphere of influence contains, any territory within any proposal or study to be reviewed by the commission.~~

~~2.5 Affected Territory:~~

~~Any territory for which an organization change or reorganization is proposed or directed.~~

~~2.6 Agricultural Lands:~~

~~Land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.~~

~~2.7 Annexation:~~

~~The annexation, inclusion, attachment, or addition of territory to a city or district.~~

~~2.8 Certificate of Completion:~~

~~The document prepared by the executive officer and recorded with the county recorder that confirms the final successful resolution of a change of organization or reorganization.~~

~~2.9 Certificate of Termination of Proceedings:~~

~~The document prepared by the executive officer and retained by the commission that indicates that a proposal for a change of organization or reorganization was terminated because of majority written protest or rejection by voters in an election.~~

~~2.10 Change of Organization:~~

~~Any of the following: (a) city incorporation; (b) district formation; (c) annexation to, or detachment from, a city or district; (d) city disincorporation; (e) district dissolution; (f) consolidation of cities or special districts; (g) merger or subsidiary district establishment.~~

~~2.11 City:~~

~~Any chartered or general law city, including any city identified by the word "town".~~

~~2.12 Commission:~~

~~A local agency formation commission.~~

~~2.13 Conducting Authority:~~

~~The commission of the principal county of the entity proposing a change of organization or reorganization, unless another conducting authority is specified by law.~~

~~2.14 Consolidation:~~

~~The uniting or joining of two or more cities located in the same county into a single new successor city or two or more districts into a single new successor district. In the case of consolidation of special districts, all of those districts shall have been formed pursuant to the same principal act.~~

~~2.15 Contiguous:~~

~~In the case of annexation, territory adjacent to, or territory adjoining territory within, the local agency to which annexation is proposed. In the case of consolidation, territory of a local agency or agencies which is adjacent to, or adjoining the territory of, the consolidating local agency or to the territory of another agency which is contiguous to the consolidating local agency and to be consolidated with the consolidating local agency. Territory is not contiguous if contiguity is based only upon a strip of land more than 300 feet long and less than 200 feet wide, that width to be exclusive of highways.~~

~~2.16 Detachment:~~

~~The detachment, de-annexation, exclusion, deletion, or removal from a city or district of any portion of the territory of that city or district.~~

~~2.17 Disincorporation:~~

~~The disincorporation, dissolution, extinguishment, and termination of the existence of a city and cessation of corporate powers, except for the purpose of winding up city affairs.~~

~~2.18 Dissolution:~~

~~The dissolution, disincorporation, extinguishment, and termination of district existence and cessation of all corporate powers, except for purpose of winding up district affairs.~~

~~2.19 District, Special District, and/or District of Limited Powers:~~

~~An agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries. For the purposes of changes of organization and reorganization, district, special district, and/or district of limited powers includes the following:~~

- |  |   |
|--|---|
| <del>(1) Airport District</del>                  | <del>(8) Port District</del>                |
| <del>(2) Community Services District</del>       | <del>(9) Recreational Harbor</del>          |
| <del>(3) County Service Area</del>               | <del>(10) Small Craft Harbor District</del> |
| <del>(4) Municipal Utility District</del>        | <del>(11) Resort Improvement</del>          |
| <del>(5) Public Utilities District</del>         | <del>(12) Library District</del>            |
| <del>(6) Fire Protection District</del>          | <del>(13) Local Hospital District</del>     |
| <del>(7) Harbor District</del>                   | <del>(14) Local Health District</del>       |
| <del>(15) Municipal Improvement District</del>   | <del>(22) County Sanitation District</del>  |
| <del>(16) Municipal Water District</del>         | <del>(23) Public Cemetery District</del>    |
| <del>(17) Police Protection District</del>       | <del>(24) California Water District</del>   |
| <del>(18) Recreation and Park District</del>     | <del>(25) County Water District</del>       |
| <del>(19) Garbage Disposal District</del>        | <del>(26) County Waterworks</del>           |
| <del>(20) Garbage/Refuse Disposal District</del> | <del>(27) Irrigation District</del>         |
| <del>(21) Sanitary District</del>                |   |

~~Excluded from the definition of district, special district, and/or district of limited powers are all of the following: (1) The state, (2) a county, (3) a city, (4) a school district or community college district, (5) a special assessment district, (6) an improvement district, (7) a Mello-Roos community facilities district, (8) a permanent road division formed pursuant to the Streets and Highways Code, (9) an air pollution control district or air quality management district, (10) a service zone of a fire protection district, (11) a unified or unified high school library district, (12) a bridge and highway district, (13) a joint highway district, (14) a transit or rapid transit district, (15) a metropolitan water district, (16) a separation of grade district, (16) a flood control district,~~

~~(17) a flood control and water conservation district, (18) a conservation district, (19) a water conservation district, (20) a water replenishment district, (21) a California water storage district,~~

~~(22) a water agency, (23) a county water authority or a water authority.~~

~~2.20 Feasible:~~

~~Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, legal, social, and technological factors.~~

~~2.21 Formation:~~

~~The formation, incorporation, organization, or creation of a district.~~

~~2.22 Incorporation:~~

~~The incorporation, formation, creation, and establishment of a city with corporate powers. Any area proposed for incorporation as a new city shall have at least 500 registered voters residing within the affected area at the time commission proceedings are initiated.~~

~~2.23 Independent Special District:~~

~~Includes any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. Independent special district does not include any district excluded from the definition of district contained in Section 2.21.~~

~~2.24 Inhabited Territory:~~

~~Territory within which there reside 12 or more registered voters as of the date of the resolution of application by a legislative body pursuant to CKH Act § 56654, or the date a petition or other resolution of application is accepted for filing and a certificate of filing is issued by the executive officer. All other territory shall be deemed "uninhabited".~~

~~2.25 Interested Agency:~~

~~Each local agency that provides facilities or services in the affected territory that a subject agency would provide.~~

~~2.26 Landowner or Owner of Land:~~

~~All of the following: (A) Any person shown as the owner of land on the most recent assessment roll being prepared by the county at the time the conducting authority adopts a resolution . . . . except where that person is no longer the owner. Where that person is no longer the owner, the landowner or owner of land is any person entitled to be shown as owner of land on the next assessment roll. (B) Where land is subject to a recorded written agreement of sale, any person shown in the agreement as purchaser (C) Any public agency owning land.~~

~~Landowner or owner of land does not include a public agency which owns highways, rights-of-way, easements, waterways, or canals. For the purpose of mailed notice, landowner or owner of land means each person to whom land is assessed, as shown upon the last equalized assessment roll of the county, at the address shown upon that assessment roll.~~

~~2.27 Landowner voter:~~

~~Any person entitled to vote in a landowner voter district, or the legal representative of that person, or, in the case of an election, the proxy of that person.~~

~~2.28 Landowner voter District:~~

~~A district whose principal act provides that owners of land within the district are entitled to vote upon the election of district officers, the incurring of bonded indebtedness, or any other district matter.~~

~~2.29 Legislative Body:~~

~~The legislative body or governing board of a city, special district, or county.~~

~~2.30 Local Agency:~~

~~A city, county, or district.~~

~~2.31 Merger:~~

~~The extinguishment, termination, and cessation of the existence of a district of limited powers by the merger of that district with a city as a result of proceedings for a change of organization or reorganization.~~

~~2.32 Notice:~~

~~Any matter authorized or required by the statute to be published, posted, or mailed.~~

~~2.33 Open Space:~~

~~Any parcel or area of land or water that is substantially unimproved and devoted to an open space use.~~

~~2.34 Overlap or Overlapping Territory:~~

~~Territory that is included within the boundaries of two or more districts or within one or more districts and a city or cities.~~

~~2.35 Plan of Reorganization:~~

~~A plan or program for effecting a reorganization and which contains a description of all changes of organization included in the reorganization and setting forth all terms, conditions, and matters necessary or incidental to the reorganization effectuation.~~

~~2.36 Prime Agricultural Land:~~

~~An area of land, whether a single or contiguous parcels, that have not been developed~~

~~for a use other than an agricultural use and that meets any of the following qualifications: (a) Land that, if irrigated, qualifies for rating as Class I or Class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not the land is actually irrigated, provided that irrigation is feasible; (b) land that qualifies for a rating of 80 through 100 in the Storie Index Rating; (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935; (d) land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production of not less than four hundred dollars (\$400) per acre; (e) land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.~~

#### ~~2.37 Principal Act:~~

~~In the case of a district, the law under which the district was formed and, in the case of a city, the general laws or a charter, as the case may be.~~

#### ~~2.38 Principal County:~~

~~The county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change of organization or reorganization is proposed.~~

#### ~~2.39 Proceedings for a Change of Organization, or Proceedings for a Reorganization:~~

~~Proceedings taken by a commission for a proposed organization change or reorganization.~~

#### ~~2.40 Proponent:~~

~~The person or persons who file a notice of intention to circulate a petition with the executive officer.~~

#### ~~2.41 Proposal:~~

~~A request or statement of intention made by petition or by resolution or application of a legislative body or of a school district proposing proceedings for the change of organization or reorganization described in the request or statement of intention.~~

#### ~~2.42 Public Agency:~~

~~The state or any state agency, board, or commission, any city, county, city and county,~~



~~special district, or other political subdivision, or any agency, board, or commission of the city, county, city and county, special district, or other political subdivision.~~

~~2.43 Registered Voter:~~

~~Any elector registered under, and pursuant to, the Elections Code.~~

~~2.44 Registered voter District:~~

~~A district whose principal act provides that registered voters residing with the district are entitled to vote for the election of district officers, incurring of bonded indebtedness, or any other district matter.~~

~~2.45 Reorganization:~~

~~Two or more changes of organization initiated in a single proposal.~~

~~2.46 Service:~~

~~A class established within, and as a part of, a single function, as provided by regulations adopted by the commission pursuant to Chapter 5 of the CKH Act pertaining to special districts.~~

~~2.47 Special Assessment District:~~

~~An area fixed, established, and formed by a city, county, district, or the state, pursuant to general law, special act, or charter, that is specially benefited by, and assessed or to be assessed, to pay the costs and expenses of, acquiring any lands or rights-of-way, acquiring or constructing any public improvements, maintaining or operating any public improvement, or lighting of any public street, highway, or place.~~

~~2.48 Special Reorganization:~~

~~A reorganization that includes the detachment of territory from a city or city and county and the incorporation of that entire detached territory as a city.~~

~~2.49 Sphere of Influence:~~

~~A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.~~

~~2.50 Subject Agency:~~

~~Each district or city for which a change of organization is proposed or provided in a reorganization or plan of reorganization.~~

~~2.51 Subsidiary District:~~

~~A district of limited powers in which a city council is designated as, and empowered to act as, the ex officio board of directors of the district.~~

~~2.52 Sufficient Petition:~~

~~A petition that, upon its filing and certification, requires the commission to hold a hearing and make determinations with respect to the proposal.~~

~~2.53 Urban Service Area:~~

~~Developed undeveloped, or agricultural land, either incorporated or unincorporated, within the sphere of influence of a city, which is served by urban facilities, utilities, and services or which are proposed to be served by urban facilities, utilities, and services during the first five years of an adopted capital improvement program of the city if the city adopts that type of program for those facilities, utilities and services. The boundary around an urban area shall be called the urban service area boundary and shall be developed in cooperation with a city and adopted by a commission pursuant to policies adopted by the commission.~~

~~2.54 Voter:~~

~~A landowner voter or a registered voter.~~

## Section 31. General Policies Pertaining to Organization Changes of Organization or Reorganization

Shasta LAFCO shall apply the following policies ~~to proposals for~~ changes of organization changes or reorganization proposals, as ~~defined follows:~~

### 1.1

#### 3.1 Demographics and Land Use Characteristics

~~Shasta LAFCO encourages and will favorably consider proposals where it is demonstrated and findings or determinations can be made that the proposal is consistent with current population, population density, land area and land use, per capita assessed valuation, topography, natural boundaries, and drainage basins, proximity to other populated areas, and the likelihood of significant growth in the area and adjacent areas over the next 10 years (CKH Act § 56668(a)).~~

#### Communication Among Local Agencies

Shasta LAFCO encourages communication and collaborative planning and studies among public agencies (such as the County, cities, and special districts), members of the public, and private sector service providers.

### 1.2 Public Accessibility and Accountability

Shasta LAFCO recognizes that the public's ability to participate in the local governance process is improved when the government structure is clear and accessible and when decision-makers are accountable to the public. The Commission shall consider this principle when it evaluates proposals for changes of organization or reorganization.

### 1.3 Discouraging Urban Sprawl

Shasta LAFCO has been directed by the State Legislature to discourage urban sprawl, and the Commission will generally deny proposals that can reasonably be expected to result in sprawl. Sprawl is characterized by irregular, dispersed, and/or disorganized urban or suburban growth patterns occurring at a relatively low density and in a manner that precludes or hinders efficient delivery of municipal services, especially roads, sewer, and water.

### 1.4 Premature Extension of Urban Services

Shasta LAFCO discourages the extension of urban services (i.e., water and sewer service) in the absence of either existing development or plans for imminent development. Unless exceptional circumstances exist, no application for a change of organization or reorganization will be accepted until all discretionary approvals for any pending application for land use entitlements, including land divisions pertaining to the subject territory, are granted.

### 1.5 Adequate Services

Shasta LAFCO shall consider the ability of an agency to effectively and efficiently deliver adequate, reliable, and sustainable services and shall not approve a proposal that has significant potential to diminish the level of service in the agency's current jurisdiction. The agency will be required to provide satisfactory documentation of capacity to provide service within a reasonable period of time.

### 1.6 ~~3.2~~ Community Efficient Services

~~Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the proposal will either meet an immediate need for organized community services in the area or adjacent areas, or meet a probable future need for organized community services in the area or adjacent areas (CKH Act § 56668(b)).~~

~~In determining the merits of the proposal, the Commission will also consider the present cost and adequacy of governmental services and controls in the area against the probable effect of the proposed change of organization or reorganization on the future cost and adequacy of services and controls in the area and adjacent areas.~~

Shasta LAFCO has determined that community needs ~~for community services~~ are ~~generally~~ met most effectively and efficiently by proposed changes of organization and reorganization which:

~~(a)~~ ~~(a)~~ diminish or eliminate a threat to public health and safety;

~~(b)~~ ~~(b)~~ consolidate the activities and services of public agencies in order to obtain economies from the provision of consolidated services; ~~(c)~~ ~~consolidate services and service providers if such consolidations enhance the efficiency and quality of service;~~

~~(c)~~ ~~(d)~~ restructure agency boundaries and service areas to provide more logical, effective, and efficient local government services; and

~~(e)~~ ~~consolidate service provided by local governmental agencies in this descending order of preference: (1) annexation to an existing city, (2) annexation to either an existing multi-purpose dependent special district of which the governing board is the Board of Supervisors, or (3) annexation to an existing multi-purpose independent special district, whichever is more efficient for providing services, or (4) annexation to an existing single-purpose special district.~~

~~To effectuate the purposes of this policy section, Shasta LAFCO has determined that proposals for a change of organization or reorganization shall include a plan for services statement pursuant to § 56653 of the CKH Act, and said statement shall include the following: (1) an enumeration and description of the services to be extended to the affected territory, (2) the level and range of those services, (3) an indication of when those services can feasibly be extended to the affected territory, (4) an indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed, and (5) information with respect to how those services will be financed.~~

### 1.7 ~~3.3~~ Social and Economic Interests

Shasta LAFCO shall consider the impacts of a proposal and any alternative proposals on adjacent areas, on social and economic interests, and on the local government structures of the County. The Commission may deny a proposal if adverse impacts are not mitigated to an acceptable level.

~~Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the proposed change of organization or reorganization is consistent with mutual social and economic interest in the area and in adjacent areas, and is consistent with the local governmental structure of the county. Where potential significant adverse effects are identified, consideration will be given to proposed mitigation measures (CKH Act § 56668(c)).~~

### ~~3.4~~ Urban Development

~~Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the proposed change of organization or reorganization and its anticipated effects conforms with the~~

~~Commission's policy to provide for planned, orderly, and efficient patterns of urban development (CKH Act § 56668(d)).~~

### ~~3.5 Open Space Lands/Uses~~

~~In reviewing proposals that could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, Shasta LAFCO will take into consideration the following:~~

~~1. Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area;~~

~~2. Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency (CKH Act § 56668(d) and § 56377).~~

### ~~3.6 Agricultural Lands~~

~~Shasta LAFCO will consider and make determinations with respect to the potential effects of a proposed organization change or reorganization on the maintenance of the physical and economic integrity of agricultural lands, as defined. In making their determinations, Shasta LAFCO will consider the following factors: (a) the agricultural significance of the subject and adjacent areas relative to other agricultural lands in the region,~~

~~(b) the existing and/or proposed use of the subject area and adjacent areas, (c) whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of adjacent or nearby agricultural land, or will be extended through or adjacent to, and other agricultural land which lies between the project site and existing facilities, (d) and whether natural or man-made barriers serve to buffer adjacent or nearby agricultural land from the effects of any proposed development which is expected to occur as a function of the proposed change of organization or reorganization (CKH Act § 56668(e)).~~

### ~~1.8 3.7~~ Boundaries

Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the boundary of the proposed change of organization or reorganization is definite, certain and fully described, conforms with lines of assessment or ownership, and does not create islands or corridors of unincorporated territory (CKH Act § 56668(f)).

Shasta LAFCO also encourages and will favorably consider proposals that seek to correct

illogical boundaries within the affected agency's sphere of influence, ~~follow natural or man-made features, and include logical service areas~~. Conversely, Shasta LAFCO discourages boundaries which split neighborhoods or divide an existing identifiable community, commercial district, or other area having a social or economic identity, are drawn for the exclusive purpose of encompassing revenue-producing territories, or would cause city limits to fall within the road right-of-way or make road islands of county maintained roads.

~~Shasta LAFCO would entertain an exception to the policy position set forth above if it can be demonstrated that the proposal boundary is necessary due to unique circumstances not generally applicable to other situations, results in an improved quality or lower cost of service available to the affected parties, and there exists no feasible and logical alternative. The burden of proof in demonstrating such necessity lies with the applicant.~~ Shasta LAFCO will also exercise its statutory authority to modify proposed boundaries to include or exclude territory to accomplish policy objectives of this section.

### 1.9 Unincorporated Islands

Shasta LAFCO acknowledges that unincorporated islands are generally costly for county government to serve and often have service impacts on the surrounding city. Cities should be encouraged to annex unincorporated islands or land that is substantially surrounded by a city (G.C. § 56744 and 56375.3). LAFCo discourages the formation of special districts within unincorporated islands for services that are readily available from the surrounding city.

### 3.81.10 Conformance with General and Specific Plans

Shasta LAFCO shall approve changes of organization or reorganization only if the proposal is consistent with the applicable General Plan or Specific Plan. LAFCo shall discourage proposals that promote urban development in areas not planned for urban uses.

~~Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the proposal is consistent with affected city or county general and specific plans (CKH Act § 56668(g)).~~

### 3.91.13 Consistency with Spheres of Influence

Shasta LAFCO encourages and will favorably consider proposals where it can be demonstrated and findings or determinations can be made that the proposal is consistent with the sphere of influence of any local agency that may be applicable to the proposal being reviewed (CKH Act § 56668(h)).

### 1.14 Environmental Review

Shasta LAFCO shall operate in accordance with the CEQA and the regulations of the California Resources Agency, which establishes the guidelines for its implementation. Furthermore, whenever an agency other than the Commission is involved in the approval

of a project, the Commission prefers that the other agency be designated as the “Lead Agency.” For annexations and/or reorganizations involving annexation to a city, the city shall act as the Lead Agency under CEQA for the proposal.

## Section 2. Agricultural and Open Space

### 2.1 Legislative Responsibility

Shasta LAFCO’s decisions shall reflect its legislated responsibility to work to maximize the retention of prime agricultural land and open space while facilitating the logical and orderly expansion of urban areas. As such, development of existing vacant lands for urban uses within the jurisdictional boundaries of a local agency shall be encouraged before any annexation proposal or change to a sphere of influence is approved which would lead to, or allow, the development of prime agricultural or open space lands outside the existing jurisdiction of any local agency.

### 2.2 Evaluation of Agricultural and Open Space Land

A proposal which includes agricultural or open-space designated land shall be evaluated in light of the existence of the following factors:

- (a) “prime agricultural land” as defined in G.C. §56064;
- (b) “open space” as defined in G.C. §56059;
- (c) land that is under contract to remain in agricultural or open-space use, such as a Williamson Act Contract or Agricultural/Open-Space Easement;
- (d) land which has an agricultural or open-space designation;
- (e) the adopted General Plan policies of the County and the affected city;
- (f) the physical and economic integrity of both agricultural lands proposed for conversion to urban use and adjoining land in agricultural use;
- (g) the potential for the premature conversion of agricultural or open-space designated land to urban use; and
- (h) the policies and priorities in G.C. §56377.

### 2.2 Conversion of Agriculture and Open Space Land

Shasta LAFCO will apply a heightened level of review when considering proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of prime agricultural land or open space uses to other uses. The Commission will approve such proposals only when the Commission finds that the proposal will lead to planned, orderly,

and efficient development and/or provision of services. For purposes of this standard, a proposal leads to planned, orderly, and efficient development only if all of the following criteria have been considered:

- (a) the land subject to the change of organization or reorganization is contiguous either to lands developed with an urban use or to lands which have received all discretionary approvals for urban development;
- (b) the proposed development of the subject lands is consistent with the sphere of influence plan(s) of the affected agency or agencies;
- (c) the land subject to the change of organization is likely to be developed within five years. For large development projects, annexation should be phased wherever feasible. If the Commission finds phasing infeasible for specific reasons, it may approve annexation if all or a substantial portion of the subject land is likely to develop within a reasonable period of time;
- (d) insufficient vacant non-prime or open space land exists within the existing agency boundaries or applicable sphere boundaries that is planned and developable for the same general type of use; and
- (e) The proposal will have no significant adverse effect on the physical and economic integrity of other ag/open space lands.

### 3.10 Agency Comments

~~Shasta LAFCO shall consider and give great weight to any information or comments from any affected local agency, as defined, pertaining to a proposed change of organization or reorganization (CKH Act § 56668(i)).~~

### 3.11 Ability to Serve.

~~For proposed changes of organization or reorganization, Shasta LAFCO shall consider the ability of any newly-formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for such services following the proposed boundary change (CKH Act § 56668(j)).~~

### 3.12 Water Supply

~~For a proposed change of organization or reorganization which would result in the provision of water service, Shasta LAFCO shall consider and give great weight to evidence of a timely availability of water supplies adequate for projected needs including, but not limited to, the projected needs as specified in Government Code § 65352.5 pertaining to general and specific plans (CKH Act § 56668(k)).~~

### 3.13 Housing



~~If and when an appropriate council of governments has been established, Shasta LAFCO shall consider the extent to which a proposed change of organization or reorganization will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the council of governments (CKH Act § 56668(l)).~~

### ~~3.14 Landowner Comments~~

~~Shasta LAFCO shall consider and give great weight to any information or comments from the landowner or owners in an area that is proposed for a change of organization or reorganization (CKH Act § 56668(m)).~~

### ~~3.15 Land Use Designations~~

~~Shasta LAFCO shall consider any information relating to existing land use designations in an area proposed for an organization change or reorganization (CKH Act § 56668(n)).~~

### ~~3.16 Applications by Other than Affected Agencies~~

~~For applications which propose detachment from a city or annexation to a district, but the application has not been submitted by the detaching city or annexing district, Shasta LAFCO shall, in addition to all of the factors set forth above, give consideration to (1) whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district; (2) any resolution objecting to the action which may be filed by the detaching city or the annexing district, as referred to as the affected agency; (3) any other matters which LAFCO deems material (CKH Act § 56668.3).~~

~~It is the policy of Shasta LAFCO, when considering a proposed city detachment or district annexation where the application has not been by the detaching city or annexing district, to give great weight to any resolution objecting to the action which is filed by a city or a district. Shasta LAFCO's consideration shall be based only on financial or service related concerns expressed in the protest; however, except for findings regarding the value of written protests, Shasta LAFCO shall not make specific findings with respect to these additional considerations, as is required under CKH Act § 56668.3(b).~~

### ~~3.17 Regional Growth Goals~~

~~In the event of the establishment of a collaboration of elected officials formally representing their local jurisdictions in an official capacity on a regional or sub regional basis, Shasta LAFCO may, but is not required to, consider the regional growth goals and policies established by said collaboration of elected officials. However, it is recognized that § 56668.5 does not grant any new powers or authority to Shasta LAFCO or to any other body to establish regional growth goals and policies independent of the powers granted by other laws (CKH Act § 56668.5).~~

## Section 3. Disadvantaged Unincorporated Communities

### 3.1 Definition

A Disadvantaged Unincorporated Community (DUC) is defined as a developed area that has been identified as such by LAFCo, the County or applicable city; or one that meets all the following criteria:

- (a) is substantially developed with at least 15 dwelling units at a density not less than one unit per acre;
- (b) does not have reliable public water, sewer, or structural fire protection service available;
- (c) includes 12 or more registered voters; and
- (d) has a median household income level of 80% or less than the statewide median household income.

The Commission may determine that a community is a DUC due to its unique circumstances even when it does not meet all the criteria identified above.

### 3.2 Request for Determination

In addition to those DUCs identified by LAFCo or other agencies, residents or property owners may request that LAFCo determine whether a specific area meets the definition listed above to be treated as a DUC. The review shall be conducted by LAFCo staff and shall, if appropriate, be submitted for consideration and approval by the Commission.

### 3.3 Identification of DUCs

The Commission will identify DUCs, for the purpose of:

- (a) Municipal Service Reviews: Any MSR conducted by Shasta LAFCO for a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, shall identify any DUCs within and contiguous to the sphere of influence of that city or special district and describe the present and probable needs and deficiencies for the provision of those public facilities and services within such DUC.
- (b) Sphere of Influence Updates: For any updates to a sphere of influence of a city or special district that provides public facilities or services related to wastewater, municipal and industrial water, or structural fire protection, the Commission shall consider and prepare written determinations regarding the present and probable needs and deficiencies for those public facilities and services for any DUC within or contiguous to the sphere of influence of the city or special district.
- (c) City Annexations. DUCs located adjacent to areas proposed for annexation to a city shall be included in the annexation or reorganization proposal or be separately

proposed for annexation unless the Commission has determined that the disadvantaged community would not benefit by annexation, or if at least 50% of the registered voters within the affected territory have indicated opposition to annexation.

## ~~Section 4. Periodic Review and Update~~

### ~~4.1 Commission Review~~

~~The policies contained in this chapter are subject to periodic review by the Commission. Based upon that review, the Commission may direct changes and additions.~~

### ~~4.2 Statutory Update~~

~~The policies contained in this chapter shall also be subject to immediate change in the event of statutory changes which would have the effect of rendering Shasta LAFCO's policies pertaining to changes of organization or reorganization inconsistent or out of compliance with the CKH Act.~~

~~\* Approved and Adopted by: Shasta LAFCO, December 6, 2007~~

~~Revised September 2011~~

~~Revised July 2017~~

Approved and Adopted by: Shasta LAFCO, December 6, 2007

Revised September 2011

Updated October 2017

# CHAPTER 4 ORGANIZATION CHANGES AND REORGANIZATION

## Section 1. LAFCo Jurisdiction Introduction

1.1 Specific Authority. LAFCo has the specific authority to review and approve or disapprove:

- a. Annexations to, or detachments from, cities or districts;
- b. Formation or dissolution of districts;
- c. Incorporation or disincorporation of cities;
- d. Consolidation or reorganization of cities or districts;
- e. Merger of a city and a district;
- f. Establishment of subsidiary districts;
- g. The establishment of, and amendments to, spheres of influence;
- h. Extensions of service beyond an agency's jurisdictional boundaries; and
- i. Provision of new or different services by districts.

### 1.2 Limited Authority to Initiate Proposals

Under specific circumstances, LAFCo may initiate proposals resulting in the formation, dissolution, or consolidation of districts; merger of a city and district; establishment of a subsidiary district; or reorganizations that include any of the aforementioned changes of organization.

### 1.3 Limitation of Authority Relating to Land Use Conditions.

In order to carry out the legislative policies identified above, LAFCo has the power to approve or disapprove applications, or to impose reasonable conditions of approval. However, while LAFCo is charged with consideration of the impacts of land use in its determination, it is prohibited from directing specific land use or zoning actions. LAFCo can deny an application where the land use that would result violates ~~the CKH Act~~ statutory policies ~~of CKH Act~~.

### 1.1 Legislative Intent and Statutory Authority

~~Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) §56300(a) states "It is the intent of the Legislature that each commission, not later than January 1, 2002, shall establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures..."~~

### 1.2 Statement of Purpose

~~The purpose of this chapter is to establish the general procedures, which will apply to proposals for organization changes or reorganization submitted to the Shasta Local Agency Formation Commission (hereinafter "Shasta LAFCO", "LAFCO", or "Commission").~~

### 1.3 Chapter Limitation and Construction

~~This chapter is limited to procedures pertaining to proposed changes involving annexation of territory, detachment of territory, district dissolution, district~~

~~consolidation, district merger, district formation, and reorganizations involving two or more of these changes in a single proposal. Procedures pertaining to incorporation of a new city or disincorporation of a city shall be set forth in a separate chapter.~~

~~The procedures set forth in this chapter are not to be considered all-inclusive; rather, this chapter presents the procedural framework for implementing the specific requirements set forth in the CKH Act. In all cases, the statute is the prevailing document.~~

## Section 2. Notice and Public Participation

### 2.1 ~~General Provisions~~ Public Participation Encouraged

LAFCo encourages participation in its decision-making process. The CKH Act provides for a wide dissemination of notice. LAFCo shall not necessarily be limited to the minimum requirements by law and policy. The Commission will provide opportunity for the public to be heard at LAFCo meetings in accordance with the procedures set forth in its Administrative Policies.

### **2.2 Unnecessary Public Hearings Eliminated**

Where LAFCo is authorized by CKH Act to consider a proposal without public hearing, the proposal will be considered by the Commission without a public hearing, unless the Executive Officer or the Commission determines that the matter is of sufficient public interest or controversy to warrant a public hearing (CKH Act §56662, 56664).

**2.1.1 Manner of Notice:** ~~When a proposed organization change or reorganization requires a public hearing, the published, mailed, and posted notice shall be given in the manner prescribed by statute. Notice shall be given by the clerk of the legislative body, or the Executive Officer of the Commission, and the notice shall contain all matters required by the statute (CKH Act § 56150, §56151).~~

**2.1.2 Published Notice:** ~~Published notices shall be given in one or more newspapers of general circulation. Publication shall commence at least 21 days prior to the hearing date specified in the notice (CKH Act § 56153, §56154).~~

**2.1.3 Mailed Notice:** ~~Mailed notice shall be sent first class, postage prepaid, via the United States Postal Service and notice shall be deemed given when so deposited. Notice shall be mailed at least 21 days prior to the dated specified in the notice (CKH Act § 56155, § 56156).~~

**2.1.4 Mailing Addresses:** ~~Mailed notice to a county, city, or district shall be addressed to the clerk of the county, city, or district. Mailed notice to the Commission shall be addressed to the Executive Officer. When notice is mailed to the proponents, it shall be addressed to the persons designated in the petition.~~

~~When notice is mailed to landowners within the affected territory, it shall be addressed to each person to whom land is assessed, as shown on the most recent assessment roll at the address shown upon the assessment roll. Persons requesting special notice shall file a written request and address with the Executive Officer or clerk of the legislative body of a county, city, or district.~~

~~When LAFCO is required to give mailed notice to registered voters and landowners,~~

~~it shall be mailed to all voters and landowners within the affected territory at the address shown on the most recent assessment role. In the case of non-100% consent proposals, and where the initiating agency has not already done so, LAFCO will also mail notices to voters and landowners within 300 feet of the exterior boundary of the affected territory, which is subject to the public hearing (CKH Act § 56155, §56156, § 56157).~~

~~**2.1.5 Posted Notice:** Notices shall be posted on or near the doors of the meeting room of the legislative body or Commission or upon any official bulletin board used for the purpose of posting public notices. Notice shall remain posted for not less than five days. Posting shall commence at least 21 days prior to the date specified in the notice of hearing and shall continue to the time of hearing (CKH Act § 56158, § 56159).~~

~~**2.1.6 Failure to Receive Notice:** The failure of a person or entity to receive mailed notice shall not constitute grounds for any court to invalidate any action taken for which the notice was given (CKH Act § 56160).~~

## Section 3. Initiation of Proceedings

### 3.1 Methods to Initiate Proceedings

The CKH Act permits initiation of applications to LAFCO by resolution of an affected agency or by direct landowner/voter petition. Proposals for changes of organization or reorganization through resolution or petition must contain the same information, as required by CKH Act § 56700, with the exception of the signature requirement, which applies solely to proposals by petition.

If the proposal will require a public hearing and is submitted by resolution of application, prior to adopting the resolution, the initiating agency may notify registered voters and property owners and affected/interested agencies (G.C. §56654).

~~Proceedings for an organization change or reorganization may be initiated by petition or by resolution. LAFCO proceedings shall be deemed initiated on the date a Certificate of Filing is issued by the Executive Officer (CKH Act § 56650, § 56652).~~

### 3.2 Notice of Intention

~~**3.2.1 Resolution:** At least 20 days before resolution adoption, the legislative body may give mailed notice of its intention to adopt a resolution of application to LAFCO. The notice is to be mailed to the Commission and to each subject and interested agency. The notice shall describe the proposal and affected territory. In the event that a notice of intention is not given by a legislative body, LAFCO is required to give mailed notice and the Executive Officer shall not accept the application and issue a Certificate of Filing for at least 20 days after giving mailed notice (CKH Act § 56654(b), § 56658).~~

~~**3.2.2 Petition:** Before circulating any petition for an organization change or reorganization, the proponent shall file with the Executive Officer a notice of intent to circulate a petition. The notice shall include the proponent name and mailing address, and written statement, not to exceed 500 words, setting forth the reasons for the proposal. The notice shall be signed by the proponent, and shall be in the form prescribed by statute. Upon receiving the notice of intent to circulate a petition, the Executive Officer shall notify~~

any affected jurisdictions. After the notice of intent filing with the Executive Officer, the petition may be circulated for signatures (CKH Act § 56700.4(a)).

### 3.3 Resolution

**3.3.1 Contents:** The resolution is to contain the following minimum information: (A) A statement that the proposal is made pursuant to the CKH Act; (B) A statement of the nature of the proposal and a list of proposed changes; (C) A map and written legal description of the affected territory, which may be attached as exhibits; (D) For 100% consent proposals, an appropriate statement pursuant to § 56663 which permits waiver of a hearing before LAFCO as well as waiver of post-LAFCO Conducting Authority proceedings; (E) For non-100% consent proposals, an appropriate statement of compliance with the notice and hearing requirements prior to adoption of the resolution; (F) A statement of any proposed terms and conditions; (G) A statement of the reason or reasons for the proposal; (H) A statement as to whether the proposal is consistent with the sphere of influence of any affected city or affected district, and a request that the sphere of influence be amended if it is not consistent; (I) A statement requesting initiation of LAFCO proceedings.

**3.3.2 Filing of Resolution:** The clerk of the legislative body shall file a certified copy of the resolution with the Executive Officer (CKH Act § 56756).

### 3.4 Petition

#### 3.4.1 Contents:

The petition shall contain the following minimum information: (A) A statement that the proposal is made pursuant to the CKH Act; (B) A statement of the nature of the proposal and a list of proposed changes; (C) A map and written legal description of the affected territory, which may be attached as exhibits; (D) A statement of proposed terms and conditions; (E) A statement of the reasons for the proposal; (F) A statement as to whether notice of intention to circulate a petition was filed pursuant to § 56700.4; (G) A statement whether the petition is by registered voters or landowners; (H) A listing of chief petitioners, including mailing addresses; (I) A statement with respect to § 56663 pertaining to consent of all owners of land which permits waiver of a LAFCO hearing and a Conducting Authority hearing; (J) A statement as to whether the proposal is consistent with the sphere of influence of any affected city or affected district, and a request that the sphere of influence be amended if it is not consistent; (K) A statement requesting initiation of LAFCO proceedings.

**3.4.2 Signature:** Each signature is to be dated, include a residence address, an assessor's parcel number, and whether or not the signer is a registered voter.

**3.4.3 Filing:** A petition may consist of a single instrument or separate counterparts and shall be filed with the Executive Officer. All petition counterparts or any supplemental petition shall be filed at the same time. No petition shall be accepted by LAFCO if the first signature is more than six months old (CKH Act § 56703, § 56704, § 56705).

**3.4.4 Examination:** Within 30 days after receiving a petition, the Executive Officer shall cause the petition to be examined by the county elections official. The elections official shall compare the signatures on the petition to the list of registered voters and ascertain both the number of registered voters in the affected territory and the number

of qualified signers appearing on the petition. If the petition is also signed by landowners, the signatures on the petition shall be compared with the most recent assessment roll to ascertain both the total number of landowners and the total assessed valuation of land within the affected territory, and the total number of landowners represented by qualified signers and the total assessed valuation of land owned by qualified signers (CKH Act §56706, § 56707, § 56708)

**3.4.5 Signature Thresholds:** Petitions for annexation or detachment of territory from a special district shall be signed as follows:

**3.4.5.1** For a registered voter district, by any of the following: (A) Not less than 25 percent of the registered voters within the territory proposed to be annexed or detached; (B) Not less than 25 percent of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25 percent of the assessed value of the land within the affected territory.

**3.4.5.2** For a landowner-voter district, by not less than 25 percent of the number of landowners owning land within the territory who also own not less than 25 percent of the assessed value of land within the affected territory.

**3.4.5.3** A petition for reorganization shall be signed so as to comply with the signature requirements, which apply, to each of the various changes proposed. If a proposed reorganization includes formation of a new district, the petition shall also comply with the signature requirements set forth in the principal act of the proposed new district. If a person is qualified to sign for two or more of the changes in a reorganization proposal, that person need sign the petition only once and his or her signature shall be counted as if that person had signed and requested each change of organization (CKH Act § 56864 et seq).

**3.4.5.4** The signature thresholds for a district consolidation proposal are 5 percent for both registered voter districts and landowner-voter districts. Thresholds for a district dissolution proposal are 10 percent for both registered voter districts and landowner-voter districts. For a proposal which would dissolve a district where it can be demonstrated that the district has not exercised its corporate powers for a specified period, and where the district has no assets other than money in the form of cash, investments or deposits, the signature thresholds are reduced to 3 or more registered voters or landowners (CKH Act § 56865, § 56870, § 56871).

**3.4.6 Certificate of Sufficiency/Insufficiency:** After the signatures on the petition have been verified by the elections official, and after the signatures on the petition have been compared to the owners of land on the most recent assessment roll, the Executive Officer shall prepare either a Certificate of Sufficiency or a Notice of Insufficiency which states in what amount the petition is insufficient. If a Notice of Insufficiency is issued, the proponents shall have 15 days after receipt of the Notice to file a supplemental petition with the Executive Officer. Any supplemental petition will be verified by the elections official and compared to the assessment roll, after which another sufficiency determination will be made. If the petition, including any supplemental petition, remains insufficient, it shall be filed with the Executive Officer as a public record, without prejudice to the filing of a new petition (CKH Act § 56703-



56709).

## Section 4. Application Requirements

### 4.1 Pre-Application

LAFCo encourages a pre-application discussion between the proponent and LAFCo staff, which can save the prospective applicant substantial time once the process has begun. LAFCo staff will review procedures, applicable spheres of influence, information requirements, environmental review requirements, processing fees, and provide application forms.

### 4.1.2 Application Standards and Document Requirements Materials

Applications to the Commission must contain CKH Act (G.C. §56652 and 56653) required all the information and materials required by the CKH Act (G.C. §56652 and 56653), including a completed application form, a plan for services, and the applicable fees or deposit toward fees as specified by the LAFCo Fee Schedule.

Except when the Commission is the Lead Agency pursuant to the California Environmental Quality Act, (CEQA) (as defined in Public Resources Code §21067), an application must also contain complete documentation of the Lead Agency's environmental determination. No application for a change of organization or reorganization will be deemed complete and scheduled for hearing unless Revenue and Taxation Code (Section 99) requirements for tax apportionment agreements have been satisfied.

Each application shall be in the form prescribed by Shasta LAFCO and shall contain certain minimum components. These requirements are set forth in the document entitled "Shasta LAFCO Application Standards and Document Requirements" (see Exhibits in back of Policies & Procedures manual). Part I of the "Standards" document is a summary listing of application components. Part II provides details with respect to the various application components. The number of copies of each component is also listed, as well as any required attachments. The Executive Officer is authorized to periodically revise and update the "Application Standards" document to make non-substantive changes as to form and/or to maintain conformity with statutory requirements, and to replace the "Application Standards" document in Chapter 4 Exhibits with a revised document (CKH Act § 56652).

### 4.2 Application Form

Shasta LAFCO requires that a resolution or petition requesting initiation of proceedings be accompanied by a completed "Application to Shasta LAFCO for a Change of Organization or Reorganization" (see Exhibits in back of Policies & Procedures manual). This form is to be completed and executed in full. The Executive Officer is authorized to periodically revise and update the "Application Form" to make non-substantive changes as to form and/or to maintain conformity with statutory requirements, and to replace the "Application Form" in Chapter 4 Exhibits with a revised form.

### 4.3 Filing Fees and Indemnification

The application shall also include an agreement to pay costs and indemnification pursuant

to the current LAFCo fee schedule. The agreement to pay costs and indemnification must be signed by the applicant for the application to be deemed complete.

~~**4.3.1 Base Filing Fee:** Shasta LAFCO's resolution establishing a schedule of fees and charges, attached as an exhibit at the end of this chapter, provides that an application for initiation of proceedings be accompanied by a check made payable to "Shasta LAFCO" in the amount commensurate with the proposal type identified in the fee schedule attached to the resolution.~~

~~**4.3.2 State Board of Equalization Fee:** The applicant shall submit a check made payable to the "State Board of Equalization" in an amount calculated from the current State Board of Equalization Schedule of Processing Fees.~~

~~**4.3.3 Additional Costs:** Shasta LAFCO's fee resolution also provides that the applicant shall reimburse LAFCO for any and all additional costs incurred which are over and above the cost computed in the base filing fee, said additional costs to be documented by LAFCO staff, and the total amount thereof to be reimbursed to LAFCO prior to issuance of the Certificate of Completion.~~

#### 4.4 CEQA Compliance

~~Pursuant to the California Environmental Quality Act (CEQA), a proposed change of organization or reorganization is deemed to be a "project" which is subject to an environmental impact determination. When the applicant is a public agency (such as a county, city, or special district), the applicant agency is the "lead agency" responsible for CEQA compliance; however, CEQA provides that LAFCO may assume "lead agency" status in specific instances. When the application is solely by petitioning landowners, Shasta LAFCO, as the first public agency to take action on the proposed change, is responsible to act as "lead agency". In either case, CEQA compliance activities shall be conducted in accordance with the California Environmental Quality Act and in accordance with Shasta LAFCO's adopted policies and procedures pertaining to environmental review.~~

#### 4.4 Authorized Officer

~~Where the application is by resolution of application from an agency, the application and related agreements must be signed by an authorized officer of the agency.~~

### Section 5. Application Review Commission Proceedings

~~**5.1. Upon submittal of an application, the Executive Officer shall review the proposal and within 30 days of its receipt either:**~~

~~a. Determine that the application is complete and issues a Certificate of Filing, setting the Commission hearing within 90 days. After receiving an application and before issuance of a Certificate of Filing, the Executive Officer shall give mailed notice to affected agencies, county departments, school districts, and other affected counties' LAFCOs pursuant to CKH Act §56658(b), unless the subject agency has already given notice pursuant to CKH Act §56654(c); or~~

~~b. Determine that the application is not complete and notifies the proponent pursuant to CKH Act §56658(g).~~

5.2. If a proposal involves a district annexation that is not initiated by the annexing district, or a proposal involving the detachment of territory from a city, the proposal shall be scheduled as an informational item for the next Commission meeting and the annexing district or detaching city shall be notified that the proposal has been submitted. No later than 60 days after the date the proposal is on the Commission's agenda as an informational item the annexing district or detaching city may transmit a resolution terminating the proceedings (CKH Act. §56751, 56857).

5.3. The Executive Officer, at least 21 days prior to the date set for hearing, shall give notice by publication, posting, website, and mailed notice to landowners and registered voters (CKH Act §56660 and 56661). Some Commission actions can be made without notice and hearing, such as annexations and detachments with written consent of all landowners. Notice and opportunity to request a public hearing must be given to agencies whose boundaries are affected (CKH Act §56662).

5.4. The Executive Officer shall review the application and any comment received, and shall prepare a written report and recommendation. The report reviews pertinent factors and policies, procedures, spheres of influence, and general and specific plans.

5.5. The Executive Officer shall mail the report at least five days prior to the hearing to each commissioner, each person named in the application to receive a report, each affected local agency requesting a report, each agency whose boundaries or sphere of influence will be changed, and the LAFCO executive officer of any other affected county (CKH Act §56665).

5.6. The Commission shall hear the proposal on the noticed date and time. The hearing may be continued for up to 70 days (CKH Act §56666). The Commission must consider a number of factors and policies in compliance with CKH Act. §56668 and 56668.3.

5.1

~~Notice of Filing of Application~~

~~**5.1.1 Agency Notification:** Immediately after receiving an application, and if the applicant agency has not done so, the Executive Officer shall give mailed notice that an application has been received to each interested agency, each subject agency, the county committee on school district organization, and each school superintendent whose school district overlies the subject area.~~

~~**5.1.2 City Detachment Pre-Hearing:** In the event of a proposal that includes detachment of territory from a city, but the affected city is not the applicant, the Commission shall place the proposal on the agenda for the next Commission meeting for information purposes only. A copy of the proposal shall be sent to the affected city, after which the city has 60 days to adopt and transmit to the Commission a resolution requesting termination of the proceedings. Upon receipt of such a resolution, the Commission shall terminate the proceedings (CKH Act § 56751).~~

~~**5.1.3 District Annexation Pre-Hearing:** In the event of a proposal that includes annexation of territory to a district, but the affected district is not the applicant, the Commission shall place the proposal on the agenda for the next Commission meeting for information purposes only. A copy of the proposal shall be sent to the affected district, after which the district has 60 days to adopt and transmit to the Commission a~~

resolution requesting termination of the proceedings. Upon receipt of such a resolution, the Commission shall terminate the proceedings (CKH Act § 56857).

## 5.2 Completeness Determination

**5.2.1 30-Day Requirement:** After the notice period outlined in 5.1.1 above, the Executive Officer has 30 days to determine whether the application is complete or incomplete. If the Executive Officer does not make a completeness determination within 30 days, and if the appropriate fees have been paid, the application shall be deemed complete.

**5.2.2 Certificate of Filing:** When an application is determined to be complete, a Certificate of Filing will be issued and the Executive Officer will schedule the proposal for consideration by the Commission. Mailed and published notice will be given if a public hearing on the proposal is required. The date of the hearing shall not be more than 90 days after issuance of the Certificate of Filing. Whether or not a public hearing is required, the Executive Officer will provide a comment opportunity to affected and interested agencies. The notice will specify a deadline to submit any written comments, which are to be addressed in the Executive Officer's report and recommendation.

## Section 6. **Executive Officer's** Report

### 6.1 Requirement to Prepare Report

The Executive Officer shall review each application and prepare a report, including his or her recommendations on the application. The report shall be completed not less than five days prior to the date specified in the notice of hearing (CKH Act § 56665).

### 6.2 Report Form and Contents

The Executive Officer's report to Shasta LAFCO shall summarize the general information provided in the application, including a statement as to whether the proposal is subject to a public hearing before the Commission and whether the proposal is subject to Conducting Authority proceedings. The report shall also address the proposal's consistency with the CKH Act §56668, factors, as well as the consistency of the proposal with Shasta LAFCO's adopted policies pertaining to changes of organization and reorganization. The report shall also include a proposed resolution for the Commission's consideration.

### 6.3 Distribution

Copies of the report will be furnished to the officers or persons designated in the application, each local agency whose boundaries or sphere of influence would be changed by the proposal or recommendation, each affected local agency which has filed a request for a report with the Executive Officer, and to the Executive Officer of another affected county if the proposal involves an agency in another county (CKH Act § 56665).

## Section ~~7~~6. Commission Proceedings/Action

In its actions, the Commission may:

- a. approve the proposal as submitted;
- b. approve the proposal with an amendment;

- c. approve the proposal with conditions; or
- d. deny the proposal.

Within 35 days after the conclusion of the hearing, the Commission shall adopt a resolution approving, approving conditionally, or disapproving the proposal (CKH Act §56880). Upon execution of the resolution, copies shall be mailed to the chief petitioners, if any, and the affected agencies whose boundaries would be changed by the proposal. (CKH Act §56882)

If the proposal is approved, a protest hearing shall be scheduled unless it has been waived in accordance with CKH Act §56663. If the proposal is approved with conditions, the resolution of approval shall include a description of the required terms and conditions for approval. If the proposal is denied, no further proceedings shall be taken on that proposal and no similar proposal involving the same territory may be initiated for one year unless the Commission waives that stipulation as detrimental to the public interest (CKH Act §56884).

#### 7.1 Waiver of Commission Hearing

If a petition for a change of organization or reorganization is signed by all of the landowners within the affected territory, or if a resolution of application by a legislative body of an affected district, county, or city for a change of organization or reorganization is accompanied by proof satisfactory to the Commission that all landowners within the affected territory have given their written consent to the proposed change, the Commission may take action on the proposal without prior notice and a public hearing. Prior to consideration of a proposal without notice and a public hearing, and in the event that notice of the application has not otherwise been given to affected agencies, the Executive Officer shall give mailed notice of the petition or resolution of application to each affected agency, and the Commission shall take no further action for 10 days following that mailing. During the 10-day period, any affected local agency may make written demand for a notice and public hearing; however, absent such a written demand, the Commission may then proceed on the proposal without notice and hearing (CKH Act § 56663).

#### 7.2 Commission Hearing

If a hearing is required, the Commission's hearing shall be held on the date and at the time specified in the notice. The hearing may be continued from time to time but not to exceed 70 days from the date specified in the original notice. At the hearing, the Commission shall consider the Executive Officer's report, receive any oral or written protests, objections, or evidence, which shall be made, presented, or filed.

#### 7.3 Commission Resolution

**7.3.1 35-Day Requirement:** No later than 35 days after the conclusion of the hearing, or after consideration without a hearing, as permitted, the Commission is required to adopt a resolution making the required findings and determinations and approving or disapproving the proposal, with or without amendment, wholly, partially, or conditionally (CKH Act § 56880, §56375).

**7.3.2 Effect of Disapproval:** If the Commission wholly disapproves any proposal, no further proceedings shall be taken on the proposal, and no similar proposal involving the same or substantially the same territory shall be initiated for one year after the

date of adoption of the resolution terminating proceedings; however, the Commission may waive the one-year requirement if it finds the requirement is detrimental to the public interest (CKH Act § 56884).

**7.3.4 Protest Proceedings:** The Commission's resolution shall also include a provision which either calls for a protest hearing before the Conducting Authority, or waives the requirement for Conducting Authority proceedings entirely as permitted if statutory requirements are met.

#### 7.4 Terms and Conditions

The Commission may include in their resolution of approval of a change of organization or reorganization the following terms and conditions (CKH Act § 56885.5 and § 56886):

1. Require initiation, conduct, or completion of proceedings for another change of organization or reorganization;
2. Require payment for the acquisition or use of public property, and levy a special assessment, tax, or charge for the purpose of providing the payment;
3. Assign the liability for bond payments, as well as the levy of a special assessment, tax, or charge to service the bonded indebtedness
4. Require the formation of, annexation to, or detachment from an improvement district;
5. Fix or establish the priorities of use, or right of use, of water, or capacity rights in any public improvements or facilities or of any other real or personal property;
6. Establish, continue, or terminate any office, department, or board, or transfer, combine, consolidate, or separate any offices, departments, or boards, or any of the functions of those offices, departments, or boards, subject to the principal act;
7. Designate the successor agency to any local agency, which is dissolved as a result of the change of organization or reorganization;
8. In the case of a district formation or consolidation, or a reorganization involving both actions, designate the method for successor district board of directors selection;
9. Any other matters necessary or incidental to any other terms and conditions

The preceding list combines the elements of several terms and conditions. Applicants should consult the statute to understand the specific terms and conditions.

#### 7.5 Other Determinations

If a proposal includes the formation of a new government, the Commission shall determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose agency is deemed necessary, the Commission shall consider reorganization with other single-purpose agencies that provide related services (CKH Act § 56886.5).

#### 7.6 Distribution of Resolution

The resolution shall be mailed to the chief petitioners, if any, where the proceedings were initiated by petition and each affected agency whose boundaries would be changed by the proposal whether the proposal was initiated by petition or resolution (CKH Act § 56882).

#### 7.7 Reconsideration

~~**7.7.1 30-Day Requirement:** Any person or affected agency may, within 30 days of the Commission action, file a written request for amendment or reconsideration of the resolution. The request is to be filed with the Executive Officer, and the request is to state what new or different facts or applicable new law warrant the reconsideration. Upon receipt of a timely request, the Executive Officer shall take no further action on the proposal until the Commission acts on the request for reconsideration.~~

~~**7.7.2 Decision to Reconsider:** The Executive Officer shall place the request on the agenda for the next meeting of the Commission, and give notice of the request in the same manner as for the original proposal. At the meeting, the Commission shall consider the request and receive any oral and written testimony. The Commission may continue the matter from time to time but not to exceed 70 days. The person or agency, which filed the request, may withdraw it at any time prior to conclusion of the consideration by the Commission.~~

~~**7.7.3 Reconsidered Action:** At the conclusion of its consideration, the Commission may approve or disapprove with or without amendment, wholly, partially, or conditionally, the requested reconsideration. If the Commission disapproves the request, it shall not adopt a new resolution making determinations.~~

~~If the Commission approves the requested reconsideration, with or without amendment, wholly, partially, or conditionally, the Commission shall adopt a resolution making determinations, which shall supersede the resolution on the original proposal. The determinations of the Commission shall be final and conclusive. No person or agency shall make any further request for the same change or a substantially similar change, as determined by the Commission (CKH Act § 56895)~~

## Section 7 Reconsideration of LAFCO Decisions

### **7.1 Request and Fees**

A request for reconsideration shall be made in accordance with G.C. §56895 within 30 days of the Commission's determination and shall be accompanied by the appropriate reconsideration fee deposit as established in the LAFCo Fee Schedule. If the request does not specify the required grounds for reconsideration or does not otherwise comply with statutory requirements, the Executive Officer shall return the incomplete request to the requesting party, along with a statement of the deficiency. A request will be placed on the Commission's agenda only if the requesting party supplies the missing information before the end of the 30 day reconsideration period.

### **7.2 Grounds for Reconsideration**

LAFCo will consider changing its previous determination only under one or more of the following circumstances:

- a. Compelling new evidence about the proposal, which was previously unavailable is brought to the Commission's attention;
- b. Factors significant to the Commission decision were overlooked or have changed, such as a change in an applicable federal, state, or local law; or
- c. A significant, prejudicial error in procedure is found.

## Section 8. Conducting Authority Proceedings

### **8.1 Waiver of Conducting Authority Proceedings**

The Commission may waive final Conducting Authority proceedings in accordance with CKH Act. §56662 and 56663, and otherwise authorize the Executive Officer to file a Certificate of Completion upon approval of a change of organization or reorganization and satisfaction of all terms and conditions pursuant to G.G. §57200.

### **8.2 Setting the Matter for Hearing**

Within 35 days of final LAFCO action, the Executive Officer shall set the matter for hearing and cause a notice thereof to be published in accordance with G.C. §57025. The date of the hearing shall not be less than 21 nor more than 60 days, after the date the notice is given. The hearing may be continued for up to 60 days.

### **8.3 Conclusion of Hearing**

Within thirty (30) days of the protest hearing, the Executive Officer shall, based on the value of written protests filed, either order the change, order the change subject to an election, or terminate the proposal. The Executive Officer shall report to the Commission at its next meeting the outcome of any protest hearing that is conducted.

### **8.4 Delegation of Authority to Conduct Protest Hearing**

The Commission shall delegate to the Executive Officer the authority to conduct protest hearings unless it specifies otherwise. The purpose of delegating certain duties to the Executive Officer is to increase scheduling flexibility, to avoid extending Commission meetings to conduct non-discretionary procedures, and to expedite the boundary change process. If the Commission chooses to retain such authority, this decision shall be stated in the terms and conditions for approval of the subject proposal. The Executive Officer shall have the authority to issue the appropriate order upon completion of the protest proceedings.

#### 8.1 Requirement for Proceedings

~~A Commission resolution which approves an organization or reorganization change must also provide for either a Conducting Authority proceedings waiver if specific requirements have been met, or for commencement of Conducting Authority proceedings pursuant to Part 4, Chapters 1 through 8, commencing at § 57000 of the CKH Act.~~

#### 8.2 General Provisions

~~**8.2.1 Commission as Conducting Authority:** When the Commission's resolution calls for Conducting Authority proceedings, the Commission acts as the Conducting Authority.~~

~~**8.2.2 Delegation to Executive Officer:** The Commission has the option of delegating any or all Conducting Authority functions to the Executive Officer.~~

~~**8.2.3 Limitation:** The Conducting Authority is limited to adopting a resolution, which is based upon the value of valid written protest submitted. The Conducting Authority may not alter the boundaries of the change approved by LAFCO, nor alter, change, or delete any of the terms or conditions of approval imposed by the LAFCO.~~

~~**8.2.4 Failure to Complete Proceedings:** Conducting Authority proceedings must be completed and a Certificate of Completion filed within one year after LAFCO's approval~~



of a change of organization or reorganization. An extension of time to complete proceedings may be granted, provided the request for an extension of time is submitted prior to expiration of the one year period. If proceedings have not been completed because of the order or decree of a court, which enjoins or restrains the proceedings, this shall not be deemed a failure of completion and the one year period shall be tolled for the time that order or decree is in effect.

**8.2.5 Conflicting Petitions and Applications:** Once notice has been given of commencement of Conducting Authority proceedings, and until proceedings are completed, no conflicting petition or resolution seeking a change of organization or reorganization of all or part of the territory described in the Conducting Authority notice shall be filed with or acted on by the Commission.

### 8.3 Notice of Conducting Authority Hearing

**8.3.1 Published, Posted, Mailed:** The Executive Officer shall give published, posted, and mailed notice of the Conducting Authority hearing in the same manner as prescribed for hearings by LAFCO. In the case of a proposed annexation to a city of territory consisting of 75 acres or less, the notice shall be mailed to each landowner within the affected territory. In the case of a proposed change of organization or reorganization, which would result in the extension of any previously authorized special tax or benefit assessment to the affected territory, the notice shall be mailed to each landowner within the affected territory.

**8.3.2 Notice Contents:** The mailed notice shall contain a statement of the distinctive short form designation assigned to the proposal, a statement of the manner in which, and by whom, proceedings were initiated, a description of the exterior boundaries of the subject territory, a description of the particular change or changes proposed, and any terms and conditions to be applicable, a statement of the reason or reasons for the proposed change, a statement of the time, date, and place for the protest hearing, a statement whether the subject territory is inhabited or uninhabited, and, dependent on inhabited or uninhabited, a statement as to whether written protests may be submitted by land owners or registered voters, or both, and a statement with respect to the form of valid written protest.

### 8.4 Written Protests

Prior to the conclusion of the protest hearing, any landowner or any registered voter within inhabited territory, and any landowner within uninhabited territory, may file a written protest against the proposed change.

**8.4.1 Protest Form:** Each written protest shall state whether it is made by a landowner or registered voter, and shall provide the name and address of the landowner, and the street address or other description sufficient to identify the location of the land or the name of registered voter as it appears on the affidavit of registration. Protests may be made on behalf of an owner by an agent authorized in writing to do so. Protests may be made on behalf of a private corporation, which is an owner of land, by any officer or employee of the corporation without written authorization by the corporation. Each written protest shall show the date that each signature was affixed. All signatures without a date or bearing a date prior to the date

~~of publication of the notice shall be disregarded.~~

~~**8.4.2 Protest Values:** At the conclusion of the hearing, the Conducting Authority shall determine the value of written protest filed and not withdrawn. The value of written protests shall be determined in the same manner for determining the sufficiency of petitions filed with the Commission.~~

#### ~~8.5 Conducting Authority Resolution~~

~~Not more than 30 days after the conclusion of the protest hearing, the Conducting Authority shall adopt a resolution, which does one of the following:~~

~~**8.5.1 Orders the Change:** If the area is uninhabited and if no majority land value protest is received, or if it is inhabited and less than 25% voter or landowner protest is received, the resolution is to order the change of organization or reorganization.~~

~~**8.5.2 Orders an Election:** If the land is inhabited and 25% to 50% of the registered voters or landowners submit valid written protest, the resolution is to call for an election on the question. The resolution must designate the area in which the election will be held, state the question to be submitted to the voters, state the terms and conditions approved by the Commission, and state the vote required to confirm the proposed change.~~

~~**8.5.3 Terminates Proceedings:** If valid written protest is received from landowners having a majority of land value in uninhabited territory, or from a majority of registered voters in inhabited territory, the resolution must terminate all further proceedings.~~

#### ~~8.6 Waiting Period for New Proposal~~

~~If proceedings have been terminated, either by majority protest submitted to the Conducting Authority, or if a majority of voters fail to confirm the change, no substantially similar proposal for a change of organization or reorganization of the same or substantially the same territory may be filed with the Commission within one year after the date of adoption of the Certificate of Termination.~~

## Section 9. Elections

### 9.1 Elections Code

Special elections on changes of organization or reorganization are governed by the general election provisions and the local election provisions of the Elections Code. If the Conducting Authority determines that there is any inconsistency between the general elections provisions and the local elections provisions, the local provisions shall control. [Elections proceedings are pursuant to CKH Act §57125 et seq.](#)

### 9.2 Principal Requirements

~~The following is a summary of the principal requirements with respect to the conduct of an election on the question of a change of organization or reorganization. This summary is not all-inclusive, and is intended only as general information with respect to the provisions, which apply to the more common changes of organization or reorganization.~~

~~**9.2.1 Payment of Election Expenses:** All proper expenses incurred in conducting an~~

~~election for a change of organization or reorganization shall be paid as follows:~~

~~In the case of an annexation or detachment, by the local agency to or from the territory is annexed or detached.~~

~~In the case of a reorganization, by the affected local agencies or successor local agencies, to be paid by those agencies in proportion to their assessed value.~~

~~In the case of a dissolution, from the remaining assets of the dissolved district, or by the district proposed to be dissolved if proceedings are terminated.~~

~~In the case of consolidation proceedings, by the successor city or district or by the local agencies proposed to be consolidated, to be paid in proportion to their respective assessed values if proceedings are terminated.~~

### 9.3 Election by County or City

When the Conducting Authority determines that an election shall be conducted, the Conducting Authority shall inform either the board of supervisors or the city council of the affected city of that determination. The board or the city council shall then do all of the following: (1) Call, provide for, and give notice of a special election on the question; (2) Designate precincts and polling places; (3) Take any other action necessary to call, provide for, and give notice of the special election and to provide for the conduct and the canvass of returns of the election; (4) Direct the elections official to conduct the necessary election.

~~**9.3.1 Records:** Where any records of a city or a district are required for the purpose of any special election, those records, or certified copies of those records, shall be delivered to the elections official. The records shall be returned after the canvass of the election returns. All other election records and supplies, including, but not limited to, rosters, ballots, and tally sheets, shall be retained or disposed by the elections official.~~

~~**9.3.2 Notice of Election:** The elections official shall cause notice of the election to be given by publication, posting, and mailing as required under the Elections Code, and the contents of the notice shall be in accordance with the Elections Code.~~

~~**9.3.3 Election Date:** The election on the question shall be called and held on the next regular election date occurring at least 88 days after the date of the Conducting Authority's resolution calling for an election. This section does not apply to any election conducted solely by mailed ballot.~~

~~**9.3.4 Ballot Question:** Unless otherwise specified, the ballot question shall be in substantially the following form: "Shall the order adopted on [insert date] by LAFCo pertaining to the [insert organization change or reorganization name] be confirmed?"~~

~~If the change of organization or reorganization has been ordered subject to any terms and conditions, these shall be added to the question words substantially as follows: "... subject to the terms and conditions specified in the order."~~

~~If any terms and conditions have the effect of imposing or increasing liability for payment of taxes or assessment, service charges, rentals, or rates other than those which would be imposed for usual and ordinary support, management, and operations, the ballot question shall be expanded per § 57135. If the change of organization or reorganization includes consolidation of districts, formation of a new district, or~~

~~dissolution of an existing district, the ballot question may also include provisions according to the principal act of the district or districts to be consolidate, formed, or dissolved.~~

~~**9.3.5 Impartial Analysis:** The LAFCO Executive Officer is required to prepare an impartial analysis of the proposed change. The analysis shall not exceed 500 words, and include a general description of the affected territory boundaries.~~

~~**9.3.6 Written Arguments:** The legislative body of any affected agency, or any individual voter or association of citizens entitled to vote on a change of organization or reorganization may file a written argument for or against the question submitted to the voters. Arguments are not to exceed 300 words and shall be filed with the elections official by the deadline established by the elections official.~~

~~**9.3.7 Voter Entitlement:** Each person entitled to vote as a result of residing or owning land within the territory in which the election is called shall be entitled to ballots and votes as follows: (A) In the case of cities or registered voter districts, to one ballot and one vote; (B) In the case of landowner voter districts, to the number of ballots and votes authorized by the principal act of the district.~~

#### 9.4 Confirmation of Election Results

The canvass of ballots cast shall be conducted pursuant to the Elections Code, and upon completion of the canvass the elections official shall immediately report the results to the LAFCO Executive Officer. Within 30 days of the report of the canvass of the election, the Conducting Authority shall issue a resolution confirming the election results. If the majority of votes are in favor, the resolution shall also order the change of organization or reorganization. If the majority of votes cast are not in favor, the resolution shall call for the termination of all further proceedings.

~~**9.4.1 Canvass:** The canvass of ballots cast shall be conducted pursuant to the Elections Code, and upon completion of the canvass the elections official shall immediately report the results to the LAFCO Executive Officer.~~

~~**9.4.2 Resolution:** Within 30 days of the report of the canvass of the election, the Conducting Authority shall issue a resolution confirming the election results. If the majority of votes are in favor, the resolution shall also order the change of organization or reorganization. If the majority of votes cast are not in favor, the resolution shall call for the termination of all further proceedings.~~

#### Section 10. ~~Completion/Final Filings~~

The effective date of the change of organization or reorganization is the date the signed Certificate of Completion is filed at the County Recorder's office unless otherwise specified by the Commission (G.C. §57202). A certificate of completion will not be filed until any and all conditions are satisfied. If the Certificate of Completion has not been filed within one year after the Commission approves a proposal, the proceeding is deemed abandoned unless the Commission authorizes an extension prior to the expiration of that year (CKH Act §56895).

The Certificate of Completion, including the recording numbers affixed by the County

recorder, will be distributed to affected agencies, County surveyor, County assessor, County auditor, and the State Board of Equalization. The State Board of Equalization will distribute relevant information to the Department of Finance, the Controller, and to the Secretary of State, as appropriate (CKH Act §57203, 57204).

#### 10.1 Certificate of Completion

~~If the Conducting Authority's resolution orders the change of organization or reorganization, and if all other terms and conditions on the proposed change have been satisfied, the Executive Officer shall, within 90 days of adoption of the resolution, execute a Certificate of Completion, which shall be forwarded to the office of the County Recorder.~~

#### 10.2 Effective Date

~~The change of organization or reorganization shall be complete from the date of execution and recordation of the Certificate of Completion unless another effective date has been fixed in the terms and conditions in the Commission's resolution of approval.~~

#### 10.3 Final Filings

~~**10.3.1 State Board of Equalization:** Once the Certificate of Completion has been recorded, the Executive Officer shall file a Statement of Boundary Change with the State Board of Equalization, together with a copy of the Certificate of Completion, the Commission's resolution, the Conducting Authority resolution, the approved map and written geographic description, and a check for filing fees. The State Board of Equalization will issue either an acceptance of the filing or a notification of additional filing requirements.~~

~~**10.3.2 Local Agency Filings:** Once the filing is accepted by the State Board of Equalization, the Executive Officer will send copies of the Certificate of Completion to the clerk of the legislative body of each affected agency, and to the offices of the County Auditor, Assessor, Elections, and Surveyor. For proposals submitted by petition, final documents will also be sent to the chief proponents listed in the application.~~

### Section 11. Periodic Review and Update

#### 11.1 Commission Review

~~The procedures contained in this chapter are subject to periodic Commission review. Based upon that review, the Commission may direct changes and additions.~~

#### 11.2 Statutory Update

~~The procedures contained in this chapter are also subject to immediate change in the event of statutory revisions which would render Shasta LAFCO's procedures pertaining to organization change or reorganization inconsistent or out of CKH Act compliance.~~

### Chapter 11. Specific Application Requirements

#### 11.1 Provision of New Services by Districts

The Commission is responsible for determining latent powers for special districts under the Commission's jurisdiction. Towards this end, the Commission shall periodically review

and update the functions and services established for each special district as part of its periodic review of municipal services pursuant to G.C. §56430. In conducting a municipal service review, the Commission may require the special districts to provide current information concerning established functions and services. The Commission may remove any function or service established for a special district if the Commission determines that the function of service is not currently being provided by the district.

Any special district desiring to undertake the provision of any new or different function or class of service, or divest an existing power within its boundaries, shall adopt a resolution of application for filing with LAFCo pursuant to G.C. §56824.12. In addition, applications for provision of new or different functions or classes of service must be accompanied by a plan for providing service consistent with G.C. §56653.

## 11.2 Extension of Services by Contract

**11.2.1 Commission Approval Required.** Except for the specific situations exempted by G.C. §56133(e), a city or district shall not provide new or extended services to any party or property outside its jurisdictional boundaries unless it has obtained written approval from LAFCo, consistent with the CKH Act and the policies described herein.

**11.2.2 Extension of Services within Sphere.** Annexation to cities and special districts involving territory located within the affected agency's sphere of influence is generally preferred to extending services by contract or agreement. The Commission recognizes, however, there may be local circumstances that justify approval of extended services by contract or agreement within the affected agency's sphere of influence.

Such local circumstances most frequently involve extension of service to meet an existing health and safety need, where annexation is not practical or deemed undesirable for other policy reasons. The Commission will give great weight to properly documented existing health and safety needs when considering justification of such extensions. The Commission discourages use of contract service extensions for the purpose of extending services to new development. The Commission will approve such extensions only under extraordinary circumstance and may apply strict limitations on such services

**11.2.3. Extension of Services Outside Sphere.** The Commission shall authorize a city or special district's request to provide new or extended services outside their jurisdictional boundary and sphere of influence only in response to an existing or future threat to public health or safety in accordance with G.C. §56133(c).

**11.2.4 Administrative Approval Under Urgent Circumstances.** The Commission authorizes the Executive Officer, in accordance with G.C. §56133(d), to administratively approve a city or special district's request for extended services by contract or agreement if there is an existing and urgent public health or safety emergency as identified in writing from the local public health officer. The Commission shall ratify the Executive Officer's determination at the next regularly scheduled meeting.

**11.2.5 Exemptions to LAFCo Approval Requirement.** Commission approval may

not be required for cities or special districts to provide new or extended services outside their jurisdictional boundaries in accordance with the provisions of G.C. §56133(e). The Executive Officer shall consult with cities and districts to determine whether extended services agreements are subject to Commission review.

**11.2.6 Anticipation of Later Annexation.** G.C. §56133(b) authorizes the Commission to approve contracts for extension of services “in anticipation of a later change of organization”. The Commission defines the term “anticipation of a later change of organization” as follows:

a) The inclusion of the area to be served within the sphere of influence of the serving agency shall be sufficient to comply with this provision.

**11.2.7 Agreements Consenting to Annex.** Whenever the Commission determines to condition the approval upon a later annexation of the affected property, the condition shall normally include a requirement that the owner record an agreement consenting to annex the territory, which agreement shall bind future owners of the property. The agreement shall be prepared by LAFCo legal counsel and provided to the landowners for execution and recording. Proof of recordation will be required before the LAFCo contract approval becomes final and effective.

### 11.3 LAFCo Initiated Proposals

**11.3.1** As provided under G.C. §56375(a), the Commission is authorized to initiate the following specific types of proposals:

- a) Consolidation of two or more special districts.
- b) Dissolution of one or more special districts, where another agency or agencies can assume service responsibilities.
- c) Merger of a special district with a city, where the city encompasses the entire district.
- d) Establishment of a subsidiary district of a city, where at least 70% of the district's territory and population are within the city.
- e) Reorganization which includes two or more of the above changes of organization.

**11.3.2.** The Commission will consider initiation of such proposals in instances in which the following conditions apply:

- a) A sphere of influence, municipal service review, or other governmental study has shown that a proposal may result in lower overall public service costs, greater local government access and accountability, or both.
- b) The Commission can complete the necessary review, analysis, and processing with its own staff resources, or funds are available to pay for additional assistance needed to complete the review and processing of the proposal.

11.3.3. The Commission reserves its discretion to initiate such proceedings in exceptional circumstances in which there exists a level of public concern about a district's services or governance which, in the Commission's view, warrants initiation of a proposal. The Commission may refer the proposal to a reorganization committee as provided in G.C. §56827. As an alternative, the Commission may refer the proposal to an advisory committee composed of a representative from each affected district and any additional representative the Commission deems appropriate.

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**Approved and Adopted by:** Shasta LAFCO, January 10, 2002

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