



San Luis Obispo Local Agency Formation Commission

TO: MEMBERS OF THE COMMISSION

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: APRIL 17, 2025

SUBJECT: PROPOSED FEE SCHEDULE UPDATE

COMMISSIONERS

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City Member

Vice-Chair
HEATHER MORENO
County Member

DAWN ORTIZ-LEGG
County Member

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City Member

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Special District Member

DAVID WATSON
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BRUCE GIBSON
County Member

CARLA WIXOM
City Member

ED EBY
Special District Member

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Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ-VAWTER
Analyst

MORGAN BING
Analyst

MELISSA MORRIS
Commission Clerk

HOLLY WHATLEY
Legal Counsel

RECOMMENDATION

Action: Review proposed fee updates and set the fee update hearing for May 15, 2025.

FEE UPDATE OVERVIEW

No action will be taken today to change the fee schedule. This item is intended to introduce the proposed changes. A hearing is proposed to be set for May 15, 2025, for action on the fee schedule changes.

LAFCO's existing fee schedule was adopted on April 20, 2023. The existing fee schedule and structure are deposit-based. Staff track and charge time against deposits commensurate with staff hourly rates as contained in the fee schedule. Staff are not recommending any changes to deposits for application processing. The proposed changes are primarily related to pass-through rates. More specifically, the proposed changes are related to:

- County Public Works rates for County Surveyor review of map and legal descriptions
- California Department of Fish and Wildlife environmental filing fees
- Legal counsel rates (the rates charged to applicants for legal counsel involvement)

See Attachment A for strikethrough and underlined changes.

FEE UPDATE DETAILS

County Public Works Fees. Currently, County Public Works charges a flat rate of \$721 for County Surveyor review of Map and Legal Descriptions, which are a

legally required component for actions such as annexations. The time required to review a Map and Legal Description varies significantly with each application. In certain cases, the flat rate is sufficient to cover County Public Works staff time, but in other cases, it is not. As such, County Public Works has requested to move to a deposit-based structure to ensure full cost recovery. See Attachment B for an example agreement.

California Department of Fish and Wildlife (CDFW). The CDFW regularly updates its environmental review fees for the review of CEQA documents. CDFW fees are included in LAFCCO’s fee schedule and collected if necessary. These fees are direct pass-through rates of CDFW. Under most circumstances, when LAFCO is a Responsible Agency under CEQA, it is not necessary to collect these fees because they have already been paid by the applicant or Lead Agency. However, when LAFCO is a Lead Agency, it may be necessary to collect applicable CDFW fees. This fee update is to reflect the most recent fee of CDFW.

Legal Counsel. On October 17, 2024, LAFCO retained new legal counsel and entered into a contract with Colantuono, Highsmith, and Whatley, PC. Their rate for legal services reimbursable by applicants differs from the existing rate in the adopted fee schedule. Often, legal counsel review of an application is necessary, and to ensure full cost recovery, the fee needs to be updated. This fee update reflects the rate as per the contract. See Attachment C for Legal Counsel contracted rates.

Below is a summary of rate changes.

Entity	Existing Fee/Rate	Proposed Fee/Rate
County Public Works Surveyor Review Fee	\$721	Deposit Based/Actual Cost
CDFW ND/MND Review/Filing Fee	\$2,548	\$2,968.75
CDFW EIR Review/Filing Fee	\$3,539.25	\$4,123.50
Legal Counsel Application Review	\$150/hr	\$360/hr

ATTACHMENTS

Attachment A: Proposed Fee Changes – LAFCO Fee Schedule

Attachment B: County Public Works – Fees and Example Deposit Based Agreement

Attachment C: Exhibit A of Legal Counsel Contract

Attachment A

Proposed Fee Changes - LAFCO Fee Schedule



San Luis Obispo Local Agency Formation Commission

Fee Schedule

1042 Pacific Street · Suite A · San Luis Obispo, CA 93401

805-781-5795 · www.slo.lafco.ca.gov · Adopted May 15, 2025

SAN LUIS OBISPO LOCAL AGENCY FORMATION COMISSION

FEE SCHEDULE

All fees shall be paid prior to the acceptance of an application for processing. All fees should be submitted to LAFCO as a separate check to each of the agencies listed below:

1. LAFCO Processing Fee & Environmental Fee
2. Public Works Department Fee
3. Board of Equalization Filing Fee

Where indicated below, the fees are an initial deposit toward the actual cost of processing a proposal. The applicant shall enter into an agreement to provide for reimbursement to LAFCO for the actual costs of processing an application. A refund shall be issued for any portion of the fee not used for processing. ~~Where fees exceed the required amount indicated below,~~ When deposited fees are expended and additional fees are required, the applicant shall be notified by the Executive Officer or the Commission Clerk to pay an additional deposit amount not exceeding the ~~equal to the~~ initial deposit. The proposal shall be suspended until such additional funds are deposited with the LAFCO Clerk. Below are the charge out rates for each LAFCO Staff member:

LAFCO Charge-out Rates:

Executive Officer	\$110/hour
Analyst	\$85/hour
Commission Clerk	\$50/hour
Legal Counsel	\$150/hour <u>\$360/hour</u>

Other Charges

In addition to the fees specified herein, the Executive Officer may charge an applicant/appellant for the actual costs that are incurred as a result of processing a proposal that are not covered in the Commission's fee schedule. An applicant/appellant may appeal the decision of the Executive Officer in writing. Such appeal will be presented to the Commission at its next meeting.

Refunds for withdrawn proposals shall be based on an estimate by the Executive Officer of the total costs incurred in processing the proposal up to the date of the withdrawal request.

Fee Waiver

The Commission, as per government code section 56382, may waive fees partially or in total upon finding that payment of fees would be detrimental to the public interest. Requests for fee waiver must be submitted in writing to the Commission and there is a \$500 fee. The waiver will be considered at a public meeting of the Commission.

ANNEXATION / DETACHMENT PROCESSING FEES

Acreage	Deposit Amount
0.01 – 4.99	\$1,500
5.00 – 9.99	\$2,500
10.00 – 14.99	\$3,500
15.00 – 19.99	\$4,500
20.00 +	\$5,000 plus \$10 per acre
Any size Annexation to a California Water District	\$2,000

SPHERE OF INFLUENCE AMENDMENT FEES

Acreage	Deposit Amount
0.01 – 4.99	\$1,500
5.00 – 9.99	\$2,500
10.00 +	\$3,500
Agency Request for Comprehensive Sphere of Influence Update or Municipal Service Review	\$5,000
Any size SOI Amendment to a California Water District	\$1,000

OTHER PROCESSING FEES

Action	Deposit Amount
Activation or Divestiture of Latent District Powers	\$2,500
Outside Agency Agreement	\$2,500
Incorporation of a City	\$15,000
Formation of a Special District	\$5,000
Dissolution of one or more Districts	\$2,500
Disincorporation of a City	\$5,000
Consolidation of Districts/ Cities	\$3,000
Merger of Districts/ Cities	\$3,000
Establishment of Subsidiary Districts	\$3,000
Reorganization of City or District (Two or more of the above changes of organization, excluding the 1 st three actions.)	\$7,500

OTHER FEES

Item	Deposit Amount
Request for Reconsideration	\$1,500
Fee Waiver Request	\$500
Request for Time Extension	\$500
Study Session Request	\$2,500
Request for Fiscal Analysis or Other Studies	\$2,500
Pre-application Review	Limited to 3 hours of staff time, then actual cost
Petition Verification Fee	Minimum filing fee of \$10 + \$1.00 per signature
Processing request for the State Controller's review of an incorporation fiscal analysis	\$1,500
Postage, Mail Supplies, Photocopies, etc.	At cost

ENVIRONMENTAL FEES DEPOSIT | LAFCO AS A RESPONSIBLE AGENCY

Review of ND, MND or EIR	\$1,000
Review of Categorical Exemption	\$500
County Clerk Recorder Filing Fee	\$50

ENVIRONMENTAL FEES DEPOSIT | LAFCO AS A LEAD AGENCY

Initial Study, ND, MND	\$1,000 deposit, outside consultant to be hired, applicant pays full cost of environmental review
Categorical Exemption	\$500
Environmental Impact Report	\$5,000 deposit, outside consultant to be hired, applicant pays full cost of environmental review
County Clerk Recorder Filing Fee	\$81

CALIFORNIA DEPARTMENT OF FISH AND GAME FILING FEE | LAFCO AS A LEAD AGENCY

Filing for a Negative Declaration	\$2,548 <u>\$2,968.75</u>
Filing for a Mitigated Negative Declaration	\$2,548 <u>\$2,968.75</u>
Filing for an Environmental Impact Report	\$3,539.25 <u>\$4,123.50</u>

SLO COUNTY PUBLIC WORKS DEPARTMENT FEE

	\$721
Map & Legal Description Review	<u>Real Time Billing – Reimbursement Agreement Required Between Applicant and County Public Works</u>

STATE BOARD OF EQUALIZATION FEES

The Tax-Rate Area System is administered by the State Board of Equalization (Board) and used by counties for the proper allocation of property tax revenues between counties, cities, and special tax districts. LAFCO works with the County Assessor, County Auditor, and the State Board of Equalization to ensure that boundary changes are filed with the state after LAFCO approval to update the database of the new Tax-Rate Area designations. These fees are collected after proposal approval. The fees can be found on the LAFCO website under the “Application & Fees” tab or on the State Board of Equalization website at:

<https://www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf>

FEE SCHEDULE WORKSHEET

If you need help in determining your fees, please contact LAFCO staff for assistance at (805) 781-5795.

1. Check made payable to the *San Luis Obispo Local Agency Formation Commission*:

Processing Fee (depends upon proposal type):	\$	_____
Sphere of Influence Fee:	\$	_____
Environmental Fees	\$	_____
County Clerk Recorder Filing Fee	\$	81.00
Other Fees:	\$	_____
TOTAL	\$	_____

2. ~~Check made payable to the SLO County Public Works Department:~~ LAFCO will submit required information to Public Works. Public Works will subsequently coordinate directly with applicant to execute real-time billing agreement and invoice applicant accordingly.

Public Works Department Fee:	\$	721.00

3. Check made payable to the *Board of Equalization*:

BOE Processing Fee:	\$	_____
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Attachment B

County Public Works - Fees and Example Deposit-Based Agreement



REAL-TIME BILLING

WHEREAS, _____ hereinafter referred to as "Applicant," has applied for project/ permit number _____ (hereinafter "Project") from San Luis Obispo County, a political subdivision of the State of California, hereinafter referred to as "County."

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, this Agreement is made and entered into this _____ day of _____, 20____, by and between the Applicant and the County.

Agreement

1. Applicant shall deposit with the San Luis Obispo County Department of Public Works the amount of \$ _____ ("Deposit") upon execution of this Agreement and the Deposit shall be maintained in full at all times. The San Luis Obispo County Department of Public Works shall invoice the Applicant on a monthly or quarterly basis, in accordance with Project type, for costs incurred by the Department related to the Project during the prior month(s). Within thirty (30) days of the invoice date, the Applicant shall submit payment to the Department for the amount of the invoice, if a Deposit is required then payment is made in order to maintain the original Deposit balance. Amounts remaining unpaid for thirty (30) days from the date of the County's invoice shall accrue interest at the rate of one percent (1%) per month beginning thirty (30) days after the date of the invoice. Upon completion of the work performed in accordance with this Agreement, any unspent portion of the Deposit shall be returned to the Applicant after deducting any unpaid invoices. The Applicant shall be charged and shall pay to the County the actual cost for all services related to the Project rendered by County personnel or its consultants. Failure to maintain the Deposit or make full payment on an account within thirty (30) days from the date of the County's invoice may result in suspension of all work on the Project until payment is received, and the account is brought current, and the Deposit restored.

2. The Applicant shall pay the County for the cost of checking of the Project submittal documents (i.e. subdivision map, lot line adjustment, improvement plans, building permit application, FEMA documents, etc.) and the cost of inspection of any such improvements by the San Luis Obispo County Department of Public Works.

3. Permission is hereby granted to the County, or its authorized agent, to enter upon the land which is the subject of the Project for the purpose of inspection of any and/or all work to be done under the Agreement.

4. The Applicant shall employ a California Registered Civil Engineer of work to provide inspection during the course of construction, to certify to the County Department of Public Works that the improvements were installed in accordance with approved plans, and to submit as-built plans to the County Department of Public Works. If the engineer of work is other than the designing engineer or is replaced during the course of construction, the County Department of Public Works shall be notified in

writing; and each such engineer of work shall certify as to their respective involvement. The County Department of Public Works may make such additional construction observations as is deemed necessary and shall be available to review field conditions and/or proposed changes with the engineer of work.

5. It is understood and agreed by and between the Parties hereto that this Agreement shall bind the heirs, executors, administrators, successors and assigns of the respective Parties to this Agreement.

6. The Applicant shall defend, indemnify and save harmless the San Luis Obispo County, its officers, agents and employees from any and all claims, demands, damages, costs, expenses, judgments, or liability occasioned by the performance or attempted performance of the provisions hereof, or in any way arising out of this Agreement, including, but not limited to, those predicated upon theories of violation of statute, ordinance or regulation, violation of civil rights, inverse condemnation, equitable relief, or any wrongful act or any negligent act or omission to act on the part of the Applicant or of agents, employees or independent contractors directly responsible to the Applicant; providing further that the foregoing obligations to defend, indemnify and safe harmless shall apply to any wrongful acts, or any passively negligent acts or omissions to act, committed jointly or concurrently by the Applicant, the Applicant's agents, employees, or independent contractors and the County, its agents, employees or independent contractors. Nothing contained in the foregoing indemnity provisions shall be construed to require the Applicant to indemnify the County against any responsibility or liability in contravention of Section 2782 of the Civil Code.

7. Unless otherwise provided, all notices herein required shall be in writing and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: Director of Public Works, County of San Luis Obispo, County Government Center, Room 207, San Luis Obispo, California 93408. Notices required to be given to Applicant shall be sent to the Applicant's billing address as set forth below. Any party may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

APPLICANT

COUNTY OF SAN LUIS OBISPO

John Diodati, Director of Public Works

By: _____

Applicant's signature

By: _____

Development Services Division Manager (or designee)

Applicant's name

Street & PO Box

City, State, Zip

Email address & Phone Number (8:00 a.m. to 5:00 p.m.)

Attachment C

Exhibit A of Legal Counsel Contract

Exhibit A

Advisory Hourly Billing Rates*

For general counsel services: Standard rates capped at \$315/hour.

For special legal services: Standard rates capped at \$345/hour.

“Special legal services” are those that are more complex in nature and require significant amounts of work and as approved by the Executive Officer in advance.

For legal services reimbursed by applicants: Standard rates capped at \$360/hour

Litigation Hourly Billing Rates*

Litigation Services: Standard rates capped at \$430/hour

* Beginning on July 1, 2026, the above rates will be adjusted annually based on the 12-month Consumer Price index for the Los Angeles-Long Beach-Anaheim region.