



San Luis Obispo Local Agency Formation Commission

TO: MEMBERS OF THE COMMISSION

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: APRIL 20, 2023

SUBJECT: COMPREHENSIVE APPLICATION UPDATE AND MINOR FEE SCHEDULE UPDATE

RECOMMENDATION

Action 1: It is recommended that the Commission approve, by motion, the proposed comprehensive application update (Attachments A-D) and minor fee schedule update (Attachment E).

DISCUSSION

Background

The Commission approved the FY 22-23 Budget and Work Plan on May 19, 2022, of which included a work effort to comprehensively update the existing proposal application packet. LAFCO's existing proposal application packet, which is used by applicants including landowners and agencies, was last comprehensively updated more than 15 years ago. The intent of the comprehensive update is to streamline and modernize the application process, make the application easy to use, ensure that staff/applicants obtain/provide all necessary information at the beginning of the process, tailor the application forms to meet the demand of our most common proposals, and align with the latest requirements of the Cortese, Knox, Hertzberg Act (CKH).

Overview of Application Updates

The application packets have been revamped from the ground up. Staff researched best practices of other LAFCOs throughout the state and solicited feedback from previous applicants within our County. We also analyzed how our application should better align with the requirements of CKH. The end result is a substantially improved application packet that includes clear instructions, details on what information is required, and meets the requirements of CKH.

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The first major change is that we have created four new application packets that are intended to align with our most commonly submitted proposals. The primary reason we have created four, instead of just the one application that we currently have, is because each proposal type has distinctly different submittal requirements under CKH, and as such each application type warranted a specific application packet. This ensures that when an application is submitted, relevant information and requirements will be submitted up front, which in turn will increase processing efficiency, time, and expense. In addition, we balance the requirements of CKH with the frequency and the type of proposals we receive, as well as the need to make the application process easier for applicants. We found the most commonly submitted proposals are changes of organization by landowner, changes of organization by resolution of an agency, sphere of influence amendments, and outside user agreements. The result was the creation of four specific applications, as follows:

- Change of Organization – Landowner Petition
- Change of Organization – Resolution of Agency Application
- Sphere of Influence Amendment – Includes proposals by both landowner or by resolution of agency application
- Outside Agency Agreement – may be initiated by landowner or agency



Making The Application Process Easier and More Efficient

The next step in the update process was to ensure our application was very clear and easy to understand. This would not only benefit the applicants but also any affected agencies that review the application during the referral process. The LAFCO application process can be complicated and every application can vary substantially depending on the proposed action, location, project type, etc. Even if two similar proposals, such as two annexations, are submitted, they each can vary substantially and have different submittal requirements or procedures specified in CKH. As such, we have taken a lot of time to ensure we crafted an application packet with a clear, step-by-step guide on how to most effectively and efficiently submit an application while simultaneously ensuring the four application types we prepared cover all potential proposal types. While we have taken strides to make the application process clearer, easier, and applicant-focused, it is important to note that the application is still substantial because any proposal submitted to LAFCO has major implications on a variety of issue areas and has to meet the requirements of existing regulations; therefore, substantial information must be collected. Regardless, staff is confident the way in which the new application is crafted will improve the overall process. All four new applications include:

- An “**understanding terms and definitions**” section. CKH can include a variety of legal terms and definitions, so we have made sure critical definitions are clear and easy to understand.
- A “**general step by step process**” guide. This guide is intended to detail each step throughout the entire process from start to finish. This helps applicants not only understand the process but affords them the opportunity to plan accordingly and know what lies ahead.
- An “**important tips**” section that provides important information and guidance of how to most effectively work through the process. The “tips” are based on real world experiences and important information to be aware of such as protest periods and how those may affect a project, etc.
- An “**application checklist**”. This checklist details every specific item that will be required for the applicable process. An applicant can use this checklist to ensure they have included all necessary items. Once all checked items are provided, the proposal application can be processed accordingly.
- A “**LAFCO Questionnaire**”. This Questionnaire form is similar to the one in the previous application but it includes a variety of new questions that differ based on proposal type. The goal is to have all the information needed upfront to respond to regulatory factors that are required for each proposal. This could also reduce the likelihood of an application getting placed on hold.
- A “**Fee Schedule**” that includes the same fee structure that has been previously used, but the outline has been restructured in simpler and more user-friendly manner. It

updates and corrects the Environmental fees and separates the fees based on “LAFCO as a Responsible Agency” and “LAFCO as a Lead Agency” as well as informs applicants of the California Department of Fish and Game Filing Fees if LAFCO were to assume “Lead Agency”.

- A “**Pre-Application Meeting**”. A meeting would be strongly encouraged with all proposal types due to the complexity of submittal requirements and applicable laws. This would also allow the applicant to have realistic expectations and set open lines of communication with all parties involved, earlier in the process. Limited to 3 hours of staff time at no cost.

Website As a Guide

We have utilized our new website to enhance the new application process and application packets. During the presentation on this item, staff will provide a demonstration of the new application webpage. In addition to the variety of new features on the application webpage, a key feature we would like to highlight is the ability to submit an application electronically. This functionality further streamlines the process and makes the application submittal process easier for applicants. Staff have also added a “Procedural Flow Charts” tab to the website to help applicants visualize the LAFCO process and set realistic expectations.

Fee Schedule Updates

The fee schedule has been updated to reflect and align with the new applications. It is important to note no new fees are proposed. We only have augmented the fee schedule to match the format of the new applications and have deleted some redundant or outdated fees. The LAFCO fee schedule remains deposit based and staff time on a project is billed against the deposit based on established rates.

STAFF RECOMMENDATION

Recommended Action and Options

Action 1: It is recommended that the Commission approve, by motion, the proposed comprehensive application update (Attachments A-D) and minor fee schedule update (Attachment E).

Other Options: The Commission may also wish to provide feedback on the proposed application packets. Depending on the complexity of the comments, staff can take direction and make the changes accordingly before we make the applications publicly available, or if warranted staff can return at a later date with revisions for further Commission review.

Attachment A: Change of Organization Application | Resolution of Application

Attachment B: Change of Organization Application | Petition of Application

Attachment C: Sphere of Influence Amendment Application

Attachment D: Outside Agency Agreement Application

Attachment E: Fee Schedule