



Solano Local Agency Formation Commission

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Date: Commission Meeting of August 14, 2017
To: Commissioners and Alternates
From: Roseanne Chamberlain, Interim Executive Officer
Subject: Policy for Reduced Fee Deposit

Item Continued from the Commission's June 12, 2017 Meeting

RECOMMENDATION

The Executive Officer recommends the Commission allow the Executive Officer to reduce the required fee deposit on a case-by-case basis for proposals when the anticipated total cost of project processing is projected to be less than the fee deposit normally required.

No change is proposed for the total fees and charges paid by applicants.

BACKGROUND

The current fee schedule (11-1-16) is based on actual costs. All applicants make an advanced fee deposit towards the actual project processing costs and sign the agreement to pay all direct costs.

No change is proposed to these practices.

However, the required deposits are based on acreage, which is a poor indicator of project complexity. The existing fee schedule allows the Executive Officer to increase the required deposit if the magnitude of the project justifies the increase, but there is no provision for the Executive Officer to reduce the required deposit when the proposal can be seen to be simple and when project processing costs will likely be less than the required fee deposit.

DISCUSSION

Commissioners

Nancy Shopay, Chair • Harry Price, Vice-Chair • Pete Sanchez • Jim Spering • John Vasquez

Alternate Commissioners

Len Augustine • Shawn Smith • Skip Thomson

Staff

Rich Seithel, Executive Officer • Michelle McIntyre, Analyst • P. Scott Browne, Legal Counsel

The deposit system works for the majority of LAFCO boundary change projects. Development projects typically budget for the fee deposit and accommodate the upfront cost easily. There, however, are a number of desirable boundary changes that have come to the attention of the Executive Officer, including annexation of islands, annexations of properties where services are already extended and needed boundary clean-up efforts where no development or change of service is anticipated. The advance deposit is an impediment to landowners willing to initiate such boundary changes.

LAFCO DEPOSITS, CHARGE OUT RATES, and AGENCY FEES

TYPE OF PROPOSAL	DEPOSIT
Change of Organization /Reorganization	Effective 11-1-2016
Agency Owned	\$2,000
0 – 5 acres	\$3,000
5.1 – 40 acres	\$5,000
40.1 -99 acres	\$15,000
100+ acres	\$30,000
Out of Agency Service Contract Requests	Based on acreage (same as above)
Out of Agency Service Contract Requests (Related to Public Health and Safety)	\$500
Government Reorg: District Formation, Consolidation, Dissolution or City Incorporation, Disincorporation	\$7,500
Reconsideration of a LAFCO Determination	\$2,000
Sphere of Influence Amendment	
Concurrent with annexation	\$1,500
Agency request	\$3,000
Use of Latent Powers	\$1,500
Environmental Document with LAFCO as Lead Agency	Contract Amount + LAFCO Staff Charge Out Rates

Note: All amounts are subject to increase during the project if the Executive Officer determines that the magnitude of the project justifies the increase.

RECOMMENDED WORDING CHANGE:

The Executive officer recommends the following wording substitution:

“Note: Deposit amounts may be increased or reduced if the projected processing cost estimates are determined by the Executive Officer to be greater or less than those stated above, based on an evaluation of project complexity and the magnitude of the project.”