

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *AGENDA OF MAY 22, 2019*

### *REGULAR MEETING*

**TO:** Shiva Frentzen, Chair, and  
Members of the El Dorado County Local Agency Formation  
Commission

**FROM:** José C. Henríquez, Executive Officer

**PREPARED BY:** Erica Sanchez, Assistant Executive Officer

#### **AGENDA ITEM #10A: OTHER BUSINESS – LEGISLATION**

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#### **RECOMMENDATION**

Staff recommends that the Commission receive the following updated information regarding LAFCO-related legislation, including an updated letter in Opposition of Assembly Bill 600 (Chu), as amended April 29, 2019. No Commission action is requested.

#### **REASON FOR RECOMMENDED ACTION AND BACKGROUND**

The following is an update on Assembly Bill 600 (Chu), which was significantly amended on April 29, 2019. Due to the time-sensitive nature of this bill, the Chair authorized the Executive Officer to send an updated Opposition letter on May 7, 2019, included as **Attachment A**.

As the Commission is aware, AB 600 is an attempt to address water issues within disadvantaged unincorporated communities (DUCs). As a result of strong opposition to the bill, AB 600 was drastically amended on April 29 after coming out of the Assembly Local Government Committee (8-0). While AB 600 was amended to remove most of the objectionable language, several fundamental issues remain. As amended, the bill still allows for an extension of service in lieu of annexation and still has a number of issues. The following two subsections are all that remain of the original language, proposed to be added to Government Code Section 56375 (the full text of AB 600 is included as **Attachment B**, these two subsections can be found on page 8 of 16):

- (iii) The commission finds, based upon written evidence, that a majority of the ~~residents~~ *registered voters* within the affected disadvantaged unincorporated community would prefer to address service deficiencies through an extraterritorial service extension.

(C) This paragraph shall apply to the annexation of two or more contiguous areas that take place within five years of each other and that are individually less than 10 acres but cumulatively more than 10 acres.

Under current law, an application to annex a contiguous DUC is not required if a LAFCO finds that a majority of the registered voters within the DUC are opposed to the annexation. AB 600 would additionally provide that an application to annex a contiguous DUC is not required if the commission finds that a majority of the registered voters within the affected disadvantaged unincorporated community would prefer to address the service deficiencies through an extraterritorial service extension instead.

Existing law also prohibits a LAFCO from approving an annexation to a city of any territory greater than 10 acres where there exists a DUC that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community into the subject city has been filed. AB 600 would also provide that the existing approval prohibition and the exemptions to the application requirement, as so expanded, apply to the annexation of two or more contiguous areas that take place within 5 years of each other and that are individually less than 10 acres but cumulatively more than 10 acres.

The CALAFCO Legislative Committee discussed the amendments to AB 600 at its May 3 meeting, and after lengthy discussion, the committee agreed to remain opposed for the following reasons: (1) annexation of a DUC does not guarantee services, especially given funding is not addressed in the bill; (2) extension of services is no replacement for annexation and conflicts with 56133(b); (3) Subsection (8)(C) conflicts with (8)(A) and is poorly written; and (4) this is a piece meal solution rather than a comprehensive and collaborative solution. The committee unanimously voted to retain an Oppose position for these reasons.

In response to the recent amendments, CALAFCO sent out a second call for action for updated Oppose positions, as amended. May 31 is the last day for bills to be passed out of their house of origin; AB 600 will be heard on the Assembly floor sometime in May, though the exact date is not yet known. Given this uncertain timeline, CALAFCO requested the letters be submitted as soon as possible. The Executive Officer consulted with Chair Frentzen, consistent with the Commission's legislative policies, and sent an updated letter of Opposition as Amended on May 7, 2019.

CALAFCO Comments: As written, proposed GC §56375(8)(C) creates confusion and contradicts §56375(8)(A). It appears the intention is to prohibit LAFCO from approving the annexation of two or more contiguous disadvantaged communities within five years that are individually less than ten acres but cumulatively more than ten acres. If so, then this language conflicts with §56375(8)(A), which allows for commission policies to guide the commission in determining the size of the area to be annexed. Further, the term "paragraph" as used in this section creates uncertainty as to what section or subsection is actually being addressed.

The bill does not address the engineering and financial issues that must be solved in order to ensure sustainable service. Further it does not allow for local circumstances and conditions to be considered by offering a "one size fits all" approach.

Attachments

Attachment A: AB 600 (Chu) – Disadvantaged Unincorporated Communities: Signed Letter of Opposition, as amended April 29, 2019

Attachment B: AB 600 (Chu), as Amended 4/29/19

Attachment C: CALAFCO Legislation Report