

4. Foster Regional Collaboration

Many of the challenges facing California's communities – land-use and environmental issues, for example – can be most effectively handled not just by one or two counties, but by regions. Local governments, particularly schools, should be encouraged to work together to create the workforce and infrastructure required by their regional economies. The state should not add another layer of bureaucracy, but rather provide the right fiscal and regulatory incentives to encourage public agencies and private entities to coordinate their efforts and integrate activities. This will help local entities find innovative ways to achieve the Big Five Outcomes.

Examples of regional solutions and their benefits often involve land-use and transportation:

- **Metropolitan Planning Organizations**, for example, were created in the 1960s to coordinate distribution of state and federal transportation funds. They serve as venues for representatives of local government and state transportation authorities to come together to make long-term transportation plans for different regions. Over the years, these groups have often proved to be effective collaborative models – taking into account available funds, the region's integrated goals, and the needs of the region's residents.
- **The California Inter-regional Blueprint** is an example of a plan to link statewide transportation goals and regional transportation and land-use goals to produce a unified transportation/land use strategy.

One barrier to regional partnerships is the disconnect between regional entities and the state's core fiscal system. As a result, many regional activities rely on the goodwill of cities and counties to coordinate their efforts.

Local strategies for infrastructure investments and workforce connectivity are already coordinated by existing regional agencies and structures that can be linked to outcomes-based plans for schools, cities, and counties. These include:

- Metropolitan Planning Organizations
- Regional economic development initiatives
- Joint Powers Authorities, such as Councils of Government
- Multi-county special districts (the East Bay Regional Parks District, for example, or the Bay Area Rapid Transit Authority)

PRINCIPLE 4

The new structure needs to provide regulatory, fiscal and other incentives to encourage cooperation among local governments to efficiently and effectively meet regional needs.

DRAFT PROPOSAL 4 – FOSTER REGIONAL COLLABORATION

Regional Councils of Government – or, in areas where it is appropriate, other existing collaborative planning entities – should develop an annual reporting process to review city, county, school, and special district strategies for achieving the Big Five Outcomes, and to incentivize progress toward achievement of Indicators of Success. This should include incentives that will encourage cities, counties, schools, and special districts to develop a robust pipeline between the educational system and the workforce needs of the regional economy. It also should include protections that give regions long-term flexibility throughout the period of implementation.

POTENTIAL MODELS (see these and more online at [CAFWD.org/bestpractices](https://www.cafwd.org/bestpractices))

- [Senate Bill 375 \(Chapter 728, Statutes of 2008\)](#): SB 375 directs the Air Resources Board to set regional targets for the reduction of greenhouse gas emissions. Aligning these regional plans is intended to help California achieve GHG reduction goals for cars and light trucks under AB 32, the state's landmark climate change legislation.
- [Strategic Growth Council grants](#): The Strategic Growth Council manages and awards grants and loans to support the planning and development of sustainable communities. These grants aim to coordinate the activities of state agencies to improve air and water quality, protect natural resources and agriculture lands, increase the availability of affordable housing, improve infrastructure systems, promote public health, and assist state and local entities in the planning of sustainable communities.
- [California Partnership for the San Joaquin Valley](#): The California Partnership for the San Joaquin Valley is an unprecedented public-private partnership sharply focused on improving the region's economic vitality and quality of life for the 3.9 million residents who call the San Joaquin Valley home. The Partnership is addressing the challenges of the region by implementing measurable actions on six major initiatives to help the San Joaquin Valley emerge as California's 21st Century Opportunity.
- [California Stewardship Network](#): The California Stewardship Network is composed of 11 diverse regions across California who came together to develop regional solutions to the state's most pressing economic, environmental, and community challenges.
- [California Regional Economies Project](#): Through a regional perspective, the California Regional Economies Project improves understanding of how the economy is changing, where changes are concentrated, and what catalysts and conditions are causing those changes. In addition, the project assesses how change in one region affects other regions and the state as a whole.

5. Encourage Integration and Consolidation

As California has grown, the number of cities has increased, often as a way for communities to ensure local control. At the same time, some units of government – school and special districts, in particular – have remained, even as their populations have expanded far beyond historic geographic boundaries. Most existing political boundaries are justifiable, but opportunities do exist to consolidate some areas of government to develop more efficient and effective service delivery.

This process should build on the work of the *Commission on Local Governance in the 21st Century*, a commission led by former Speaker of the Assembly Robert Hertzberg. The Commission issued a report in 2000 recommending revisions to the laws that govern city, county, and special district boundary changes. Even after many of these recommendations were enacted, an abundance of governmental entities remain in California:

California's local governments:

- Counties: 58
 - County Service Areas: 895
- Community college districts: 72
- Cities: 481
- School districts: 1,043
- Independent special districts: 2,189

Options for encouraging political and functional reorganization:

- More authority could be given to counties and cities to consolidate special districts solely within their jurisdictions.
- Reduce thresholds/barriers to reorganization.
- More authority could be given to Local Agency Formation Commissions (LAFCos), countywide groups that ensure the orderly formation of local government agencies in every California county.
- Public release of data and analysis, including cost and performance comparisons. The state could provide fiscal incentives, including one-time matches for documented cost savings.

Functional integration:

- Smaller units of government could be given technical assistance for sharing administrative, maintenance, technology, and other functions, while still being able to maintain political autonomy and accountability.

PRINCIPLE 5

Local agencies need the incentives and the analysis to make organizational or functional consolidations to reduce costs and improve service.

NOTE: *The draft proposals below outline two potential – but quite different – approaches to consolidation. A local commission (the Local Agency Formation Commission, or LAFCo) tasked with examining the efficiency and effectiveness of local agencies already exists in each county. Rec. 5A proposes several ways these commissions might be refocused on consolidation. LAFCos do have some built-in political constraints, however, since LAFCo commissioners also represent cities and counties. Rec. 5B examines another option, which would involve creating an independent commission to conduct these analyses statewide.*

DRAFT PROPOSAL 5A – ENCOURAGE INTEGRATION AND CONSOLIDATION

LAFCos in each region – which are currently tasked with “encouraging the orderly formation and development of local agencies based upon local conditions and circumstances,” along with contributing “to the logical and reasonable development of local agencies in each county... [in an] efficient and accountable manner” – should establish a process with their Regional Councils of Government to present standardized data on the quantity, cost, and effectiveness of local governments in the region.

- This should take advantage of existing LAFCo municipal service reviews, comprehensive studies designed to better inform regional bodies, local agencies, and the community about the provision of municipal services.
- LAFCo reviews also should include regional analyses of the number of jurisdictions in each region, their boundaries, the role of each agency in the jurisdiction, these agencies’ goals and results, and identify any opportunities for consolidation.

DRAFT PROPOSAL 5B – ENCOURAGE INTEGRATION AND CONSOLIDATION

The governor and Legislature should jointly create a commission similar to the California Redistricting Commission or New York’s [State Commission on Local Government](#), consisting of experts and local government stakeholders who would conduct a comprehensive review of California’s local government structure. This commission would hold public hearings and issue a report on the following:

- The number and types of local government jurisdictions, the basis for their creation, and the opportunities to restructure or consolidate.
- Opportunities to regionalize local government functions and services.
- The effectiveness of existing state laws and programs designed to assist local government efficiency, consolidation, and partnerships.