

May 1, 2014 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street, Room 403
Santa Barbara CA 93101

Proposed Processing Fee Schedule for FY 2014-2015

Dear Members of the Commission:

RECOMMENDATION

It is recommended the existing Processing Fee Schedule remain unchanged.

DISCUSSION

The Commission generates revenue from fees paid by applicants to process boundary changes, sphere modifications and out-of-agency service approvals. The current fee schedule is attached.

Processing fees were increased significantly in 2012-13 to recover costs to process boundary changes, out-of-agency services agreements and sphere of influence amendments. The Schedule of Processing Fees seems reasonable compared to other LAFCO's. Based on the current fee schedule, revenues are projected to increase by slightly over 40 percent for the current fiscal year.

The Cortese-Knox- Herzberg Act, Government Code Section 56383(b) states that: *The fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged and shall be imposed pursuant to Section 66016.*

An area that the Commission has considered during the year is Requests for Fee Waivers. Some LAFCO's grant fee waivers based on the "public's best interest" and/or for "health and safety reasons." Financial hardship is also an area that could justify a full or partial fee waiver.

Government Code Section 56383 establishes that: *The commission may reduce or waive a fee, service charge, or deposit if it finds that payment would be detrimental to the public interest. The reduction or waiver of any fee, service charge, or deposit is limited to the costs incurred by the commission in the proceedings of an application.*

Staff would not recommend that the Commission include a fee waiver provision in its' Processing Fee Schedule. If a fee waiver is requested, the Commission can act on the request pursuant to Government Code Section 56383 on a case-by-case basis.

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Please contact the LAFCO office should you have any questions.

Very truly yours,



PAUL HOOD
Executive Officer

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF PROCESSING FEES

Effective July 9, 2012

Annexations and Detachments

<u>Acreage</u>	<u>Proposed Fee</u>
Less than 5	\$ 1,750 (10 hours)
5+ to 10	2,450 (14 hours)
10+ to 25	2,975 (17 hours)
25+ to 99	5,250 (30 hours)
100+	Fee is on a cost reimbursement basis

Staff hours in excess of those shown in parentheses shall be charged at an hourly rate of \$175. Such fees shall be received prior to the time the staff records the proposed boundary change.

Reorganizations:

Annexation or detachment fee plus a 20% surcharge for each additional change of organization in the application, except for detachments from the County Fire Protection District or CSA 32.

Formations and Incorporations \$10,500 (60 hours)

In addition to the processing fee, the cost of preparing the comprehensive fiscal analysis shall be borne by the applicant, proponents or supporters of the incorporation.

Sphere of Influence Amendment \$ 1,285

Out-of-Agency Service Agreements The same fee as for an annexation.

Documents 1-50 pages is \$0.25 a page; 50+ is \$0.10 page

DVDs of LAFCO meetings \$20

Fee Policies:

1. Fees may not be charged for proposals that result from LAFCO orders.
2. Fees must be received at the time application materials are submitted.
3. Allowed refunds are based on staff effort that has been expended prior to the withdrawal of the application as follows:

After staff requests reportbacks	80% of the fee
After Certificate of Filing has been issued	50% of the fee

4. If an annexation occurs within one year of the date the affected property receives an out-of-agency service approval the annexation fee shall be reduced by fifty percent.
5. A supplemental fee shall be charged for proposals that require LAFCO to conduct protest hearings. The fee shall include out-of-pocket costs to publish and mail notices of hearing to landowners and registered voters as required by law.
6. A supplemental fee shall be charged when a Commission meeting, that would not otherwise be held, is held at the request of an applicant. The fee includes Commissioner per diem stipends and mileage reimbursement and out-of-pocket costs to copy and mail the notice of hearing and agenda packet for the meeting.
7. A supplemental fee shall be charged to recover actual costs for preparing environmental documents when LAFCO is the lead agency. The fee shall include out-of-pocket costs to prepare, copy and distribute the environmental document.
8. A supplemental fee shall be charged to recover out-of-pocket costs to copy documents that exceed 100 pages for distribution to the members of the Commission.
9. A \$1,100 deposit payable to “County of Santa Barbara” for reviewing maps and legal descriptions must be submitted with proposals that include maps and legals. Boundary changes will be completed only when obligations to the County Surveyor are satisfied.
10. The processing fee to file a request for reconsideration is 50% of the original processing fee amount. The fee shall be returned to the applicant if the Commission determines that the reconsideration is required to correct a procedural defect in its earlier action.
11. The cost for the State to review the Comprehensive Fiscal Analysis for an incorporation shall be the responsibility of those requesting the review.