



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

7b

AGENDA REPORT
 Business | Discussion

October 3, 2022

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Priscilla Mumpower, Analyst II

**SUBJECT: Draft Policy Update:
 Strategy for Conducting and Using Municipal Service Reviews (L-106)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review a draft policy update involving municipal service reviews. The draft update has been prepared as part of the adopted workplan and represents a comprehensive revision to reflect current and best practices and focus on outcomes. Key revisions include outlining goals in orienting the purpose and use of municipal service reviews in relationship to the Commission’s other regulatory and planning duties. This includes an explicit statement the Commission will draw on the municipal service reviews to subsequently inform the scope of the related task to regularly update all local agencies’ spheres of influence. Establishing community engagement measures are also reflected in the draft update. The item is being presented to the Commission for initial discussion and feedback ahead of staff initiating a formal public review – including planned presentations to the Cities and Special Districts’ Advisory Committees.

BACKGROUND

Current Policy on Municipal Service Reviews

San Diego LAFCO’s “Strategy for Conducting and Using Municipal Service Reviews” policy was adopted by the Commission in April 2003 with technical revisions subsequently approved in August 2008 and June 2015. The existing policy focuses on outlining procedures and related

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process expectations in the preparation of municipal service reviews. This includes provisions outlining criteria in developing scopes of work, deferral procedures, and prescribing levels of inquiry. A copy of the current policy is provided as Attachment One.

Current Workplan & Direction to Prepare Policy Update

San Diego LAFCO's current workplan was adopted at a noticed public hearing in June 2022 and includes 30 specific projects for the fiscal year. One of the workplan projects involves an update to the Commission's policies governing municipal service reviews with related direction to staff to incorporate current and best practices. The Commission also directed staff to address community engagement measures as part of the update.

DISCUSSION

This item is for San Diego LAFCO to review a draft update to the Commission's policies on municipal service reviews and provide feedback – including direction on changes – prior to staff initiating a formal public review and comment period. The draft represents a comprehensive revision and substantively transitions the policy focus from processes and procedures to goals and outcomes. Six revisions headline the draft and summarized below.

- Make explicit the role and use of municipal service reviews in informing other regulatory and planning activities. Specific citations include:
 - Guide the scope of any subsequent sphere of influence updates required for all local agencies every five years under separate statute.
 - Guide consideration of any subsequent jurisdictional changes involving the subject agencies and/or affected territories over the proceeding 60-month period.
 - Serve as the document of record in regulating the nature, location, and extent of authorized special district service functions and classes.
- Require new municipal service reviews to be prepared before considering proposals requiring conforming sphere of influence amendments if the subject agencies and/or affected territories have not been evaluated over the preceding 60-month period.
- Maintain a five-year study schedule calendaring municipal service reviews and draw on this document in initiating specific studies through the annual workplan process.
- Delegate full responsibility to preparing municipal service reviews – including approving scopes of work, setting performance measurements, and making determinative statements – to the Executive Officer.

- Establish baseline community engagement standards to enhance the ability of the Commission to address current and future needs in municipal service reviews. Specific baseline measures include:
 - Attend no less than one public meeting for each subject agency to directly advise the council/board and their constituents in step within initiating a new municipal service review.
 - Actively use social media accounts to disseminate information at key points in the preparation and review of municipal service reviews.
- Encourage additional community engagement measures to be taken on a case-by-case basis – including, but not limited to – holding workshops, conducting surveys, and making presentations to community stakeholders.

A copy of the draft update is provided as Attachment Two.

ANALYSIS

The draft update to San Diego LAFCO’s policies on municipal service reviews represents a comprehensive revision to a document that has remained substantively intact since its adoption in 2003. The update reflects current and best practices developed over the last several years with an overall focus on addressing goals and outcomes. As detailed above, this includes making explicit the cornerstone role of municipal service reviews in directly informing other Commission responsibilities. Further, and in contrast with earlier practice, the update positions municipal service reviews as the bellwethers in determining whether sphere of influence changes should be explored. The policy focus towards goals and outcomes is also reflected in delegating core municipal service review processes – like establishing scopes of work – to the Executive Officer.

RECOMMENDATION

It is recommended San Diego LAFCO discuss the draft update to the Commission’s policies on municipal service reviews. This includes providing direction to staff on desired revisions and/or additions and ahead of staff initiating a formal public review and comment period.

ALTERNATIVES FOR ACTION

The item is being presented to San Diego LAFCO for discussion and feedback only.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda for discussion as part of the business calendar. The following procedures are recommended in the consideration of this item:

- 1) Receive verbal presentation from staff unless waived.
- 2) Invite comments from interested audience members.
- 3) Discuss item and provide feedback as requested.

On behalf of the Executive Officer,



Priscilla Mumpower
Analyst II

Attachments:

- 1) Current Policy on Municipal Service Reviews:
"Strategy for Conducting and Using Municipal Service Reviews" (L-106)
- 2) Draft Policy Update on Municipal Service Reviews:
"Municipal Service Reviews"