

**LAFCO**

**Meeting Date:** 04/22/2021

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**Information**

**SUBJECT**

Consider adopting modifications to the Yolo LAFCo Deposit/Fee Schedule effective May 1, 2021

**RECOMMENDED ACTION**

Adopt the attached modifications to the Yolo LAFCo Deposit/Fee Schedule to revert Standard Jurisdictional Changes back to the pre July 1, 2020 deposit system, among other minor updates.

**FISCAL IMPACT**

In May 2020, LAFCo adopted a new fee schedule which changed the typical proposal application processing costs from actual staff time to a flat-fee scheme. This amendment would revert typical application processing costs back to actual staff time.

Over the last 10 years, LAFCo has received anywhere from zero to six applications per year. Since application fee revenue is uncertain, LAFCo does not rely on it to balance its budget. However, application revenue is net positive and will carryover and be used to offset agency costs the following fiscal year. Therefore, the updated fee schedule will have either a neutral or positive fiscal impact to the LAFCo budget depending on the complexity of applications received.

**REASONS FOR RECOMMENDED ACTION**

Since LAFCo last discussed the fee/deposit schedule in May 2020, staff purchased some inexpensive online time tracking software. Therefore, forensic time accounting is no longer a staff concern. Although, in theory, the flat-fee application system should have averaged out application processing costs, concerns remained that for an unusually complex application (such as the reclamation district reorganizations in 2019), LAFCo would suffer a financial loss and fail to capture reasonable costs.

**BACKGROUND**

Changes to the deposit/fee schedule are attached and shown in "track changes". The primary change is for the most common category of "standard jurisdictional changes", applications will revert back to a deposit system. Applicant costs will be trued-up before filing the Certificate of Completion at the end of the process. Other minor updates/clarifications are included as well.

LAFCo has not received any "standard jurisdictional changes" applications since July 1, 2020 so there is no information available on cost comparisons under the flat-fee scheme. Two Agency Service Extension applications were received during this timeframe, however they have remained a \$1,500 flat-fee application throughout these updates (which for the 2020 fee

schedule analysis showed was set at an appropriate amount).

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### Attachments

ATT A-Updated Yolo LAFCo Fee Schedule 04.22.21

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### Form Review

**Inbox**

Christine Crawford (Originator)  
Form Started By: Christine Crawford  
Final Approval Date: 04/06/2021

**Reviewed By**

Christine Crawford

**Date**

04/06/2021 11:08 AM  
Started On: 04/05/2021 04:10 PM

# Yolo LAFCo Deposit/Fee Schedule

## Effective May 1, 2021

### Standard Jurisdictional Changes (Deposit)

Annexation, detachment, dissolution, consolidation, merger, and/or establishment of a subsidiary district (can also include a minor sphere of influence amendment).

Base application <b>fee-deposit</b> (for 1 or more changes listed above):	\$4,000
If protest process is required (i.e. not 100% consent), add:*	\$1,600
If application involves agency boundary change(s): <ul style="list-style-type: none"> <li>Requires LAFCo surveyor review of map/description, cost to revise GIS layer <b>and</b> LAFCo agency map, add <b>for each contiguous territory/area</b>: *</li> <li>State Board of Equalization Boundary Change Fees (contact LAFCo Executive Officer to confirm fee): *</li> </ul>	\$900 <i>Per each BOE Area</i>  See BOE rates below
CEQA (this assumes LAFCo is acting as a "Responsible Agency". If LAFCo is the "Lead Agency", see "Other Deposits" below)	\$0
<b>Total application fee-deposit (consult with LAFCo Executive Officer to confirm feeamount):</b>	<b>TBD</b>

\* Fee will be refunded if proposal is withdrawn, denied or terminated prior to this step in the process commencing (i.e. any time spent or costs incurred). The base application fee is non-refundable.

### Other Requests (Fee)

<del>Outside</del> Agency Service Extension application fee	\$1,500
District Request to Exercise New Powers or Divest Powers application fee	\$1,500
LAFCo Reconsideration application fee	\$1,000
Request for Time Extension fee	\$500
Fee Waiver Request	Free

### Other Jurisdictional Changes (Deposit)

City Incorporation/Disincorporation	Actual time + consultant costs starting with a \$16,000 deposit (covers approximately first 100 staff hours)
District Formation	Actual time + consultant costs starting with a \$11,375 deposit (covers approximately first 75 staff hours)

### Other Deposits

CEQA (if LAFCo is Lead Agency and project is not exempt)	Actual time + consultant costs starting with a \$7,400 deposit (covers approximately first 40 hours of EO hours)
Municipal Service Reviews and Sphere of Influence updates (outside of LAFCo's 5-year cycle)	Actual time + consultant costs starting with a \$16,000 deposit (covers approximately first 100 staff hours)

## Third-Party Charges Fee quoted as of date schedule published, actual charge is as currently adopted by State

California Department of Fish and Wildlife CEQA Filing Fees (only required if LAFCo is acting as the Lead Agency <a href="#">for CEQA</a> ).		ND/MND = \$2,280,480.25 EIR = \$3,168,004,45.25
State Board of Equalization Boundary Change Fees		
<u>Acreage</u>	<u>Fee</u>	<u>Special Fee Provision</u>
For each separate area/GIS polygon:		The following transactions may supersede or combine with the fees for single area transactions:
< 1	\$300	
1.00-5.99	\$350	Additional county, per transaction \$300
6.00 – 10.99	\$500	Consolidation \$300
11.00 – 20.99	\$800	Entire district transaction \$300
21.00 – 50.99	\$1,200	Coterminous transaction \$300
51.00 – 100.99	\$1,500	District dissolution or name change \$0
101.00 – 500.99	\$2,000	
501.00 – 1,000.99	\$2,500	
1,001.00 – 2,000.99	\$3,000	
2001.00 or more	\$3,500	

For proposals/requests by deposit, actual time charges will be based on staff hourly rates (LAFCo staff rates are calculated by current hourly rate multiplied by a 2.7 markup for overhead costs). Fees due to the State of California can be paid by the applicant up front or at the appropriate time and prior to final recordation of the Certificate of Completion. State Board of Equalization fees or Department of Fish and Wildlife fees will be refunded if the proposal is not completed (i.e. either withdrawn, denied by LAFCo or otherwise terminated).

All deposits listed are required to be paid by the applicant upon submittal of a proposal. Any additional expenses incurred by LAFCo, in excess of the deposited amount, will be billed to and paid by the applicant before completion of the LAFCo proceedings, including, but not limited to, consultant costs, feasibility studies, final recordation, and filings. If a proposal is abandoned or terminated for any reason, the deposit amount not expended prior to that termination point will be refunded to the applicant/proponent.

If contracting with a consultant or specialized expert is deemed necessary by LAFCo for a proposal, the proponent will be contacted to agree to reimburse LAFCo all contract costs prior to work commencing. LAFCo will determine the consultant through the appropriate selection process, enter into the contract and oversee the management of the contract with the selected consultant.

Request for waivers or exceptions to this [use fees schedule](#) must be submitted to the Commission for action prior to work on the proposal commencing. The Commission may reduce or waive [deposit](#)/fees if a financial hardship is demonstrated or if the proposal/request is in response to a LAFCo condition or recommendation. ~~The Executive Officer is authorized to reduce at his/her discretion the base application fee by 50% for the annexation of either an “island” under Government code 56375.3 or a “disadvantaged unincorporated community” under Government Code 56375(a)(8). Additional fee reductions or waivers require Commission approval.~~ [EO note: this reference is recommended for deletion because EO authorization to apply a 50% reduction is not as clear-cut with a deposit system. We only have two or so island or DUCs countywide where this would come into play, cost is not likely the limiting factor, and the Commission would still be authorized to make any adjustments]