Agenda Item No. 5

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street, Suite #100
Sacramento, California 95814
(916) 874-6458

December 2, 2009

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: CALAFCo Proposal to Create Geographic Regions for Representation on CALAFCo Board of Directors

RECOMMENDATION

Staff Recommendation: None

Commission Policy Consideration relating to amending the governance structure of CALAFCo:

1. Support the creation of sub regions to provide wider representation on the CALAFCo Board.

    a. Provide comments and suggestions on the type and amount of (sub) geographic regions to be created.

2. Do not support the creation of sub regions.

3. Take no position on the creation of sub geographic regions.

4. Defer input and comments to be provided by a subcommittee of the Commission.

DISCUSSION

At the October 29, 2009 CALAFCo annual business meeting, the Board of Directors of CALAFCo introduced a proposal to create geographic regions within CALAFCo. The primary goals are to facilitate communications amongst LAFCos, provide opportunities to share resources and knowledge, and to encourage more participation in CALAFCo Association activities. Currently, Chris Tooker and Gay Jones serve on the CALAFCo Board.

The Board of Directors is very interested in member input on this proposal and has requested the Commission consider this proposed change. It is anticipated that the

proposed by-law changes will be considered at the 2010 Annual Conference in Palm Springs.

The CALAFCo Board of Directors has sent the attached memorandum to all LAFCo Commissions to solicit input and comments on this proposal. Specifically, the CALAFCo Board has requested any input on the following:

- Does having a regional forum make sense for your LAFCo?
- What are some of the common interests you believe you share with your neighboring LAFCos?
- Would you participate in occasional regional meetings?
- Which LAFCos would you want to see included in your region?

Proposed By-Law Amendments

2.1.1 Member LAFCos shall be organized into XXXX geographic regions to facilitate interaction and communication among member LAFCos, share resources, and provide increased opportunity for member LAFCo input to the Board of Directors on regional and statewide issues and Corporation activities.

2.1.2 The boundaries of the regions shall be determined by action of the Board of Directors.

2.1.3 The regions shall not have authority to act independently of the Corporation.

Comments on this proposal are due by January 8, 2010 to Bill Chiat, Executive Director of CALAFCo.

Respectfully Submitted,

Peter Brundage
Executive Officer

PB
Attachments
(Calafco December, 2009)

CALIFORNIA
ASSOCIATION OF
LOCAL AGENCY
FORMATION
COMMISSIONS

CALAFCO

1215 K Street, Suite 1650
Sacramento, CA 95814

Voice 916-442-6536
Fax 916-442-6535

www.calafco.org

MEMORANDUM

18 November 2009

To CALAFCO Member Commissioners and Staff

From CALAFCO Board of Directors

Re Comments on Proposed CALAFCO Regions

At the CALAFCO Annual Business Meeting (29 October at Tenaya) the Board of Directors introduced a proposal to create regions within CALAFCO. The primary goals are to facilitate communications amongst LAFCos, provide opportunities to share resources and knowledge, and to encourage more participation and input to Association activities.

The Board is very interested in member input to the proposal. At the conference a number of LAFCos provided input (see attached). Others asked for time to discuss the proposal with their commissions.

We would like to hear from every member LAFCo on their reaction and suggestions to the proposal. Some of the areas we would value your input include:

- Does having a regional forum make sense for your LAFCo?
- What are some of the common interests you believe you share with your neighboring LAFCos?
- Would you participate in the occasional regional meetings?
- Which LAFCos would you want to see included in your region?

For those LAFCos that have already provided comment, you are welcome to submit additional or revised input. Please forward your comments to Executive Director Bill Chiat by Friday, 8 January 2010. The Board will discuss the comments and consider next steps at our 15 January meeting in Ontario.

Thank you for taking the time to discuss this proposal and provide your feedback. It is much appreciated.

Attachments

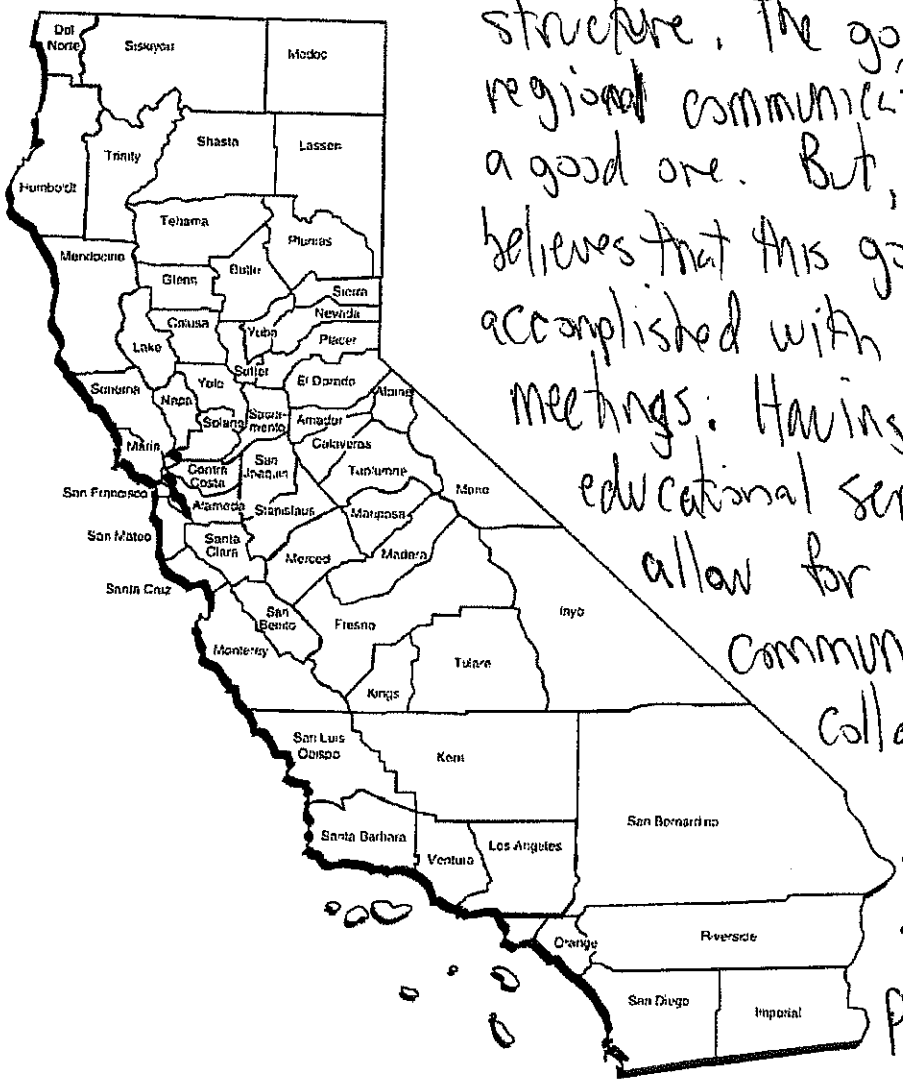
a. Board Proposal to Establish Regions
b. Comments received to date
c. Member Input Map

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: Alameda LAFCo

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.



Alameda opposes a regional structure. The goal of encouraging regional communication is a good one. But, Alameda believes that this goal can be accomplished with informal meetings. Having regional educational seminars will allow for inter-Commission communication and collaboration.

Sblend Sblendorio, Public Member

See back

Please return to Bill Chiat or SR Jones

We already have a working relationships with the 9 Bay Area Counties (and sometimes Santa Cruz County). The staffs meet periodically. We could do a better job of getting the Commissioners together.

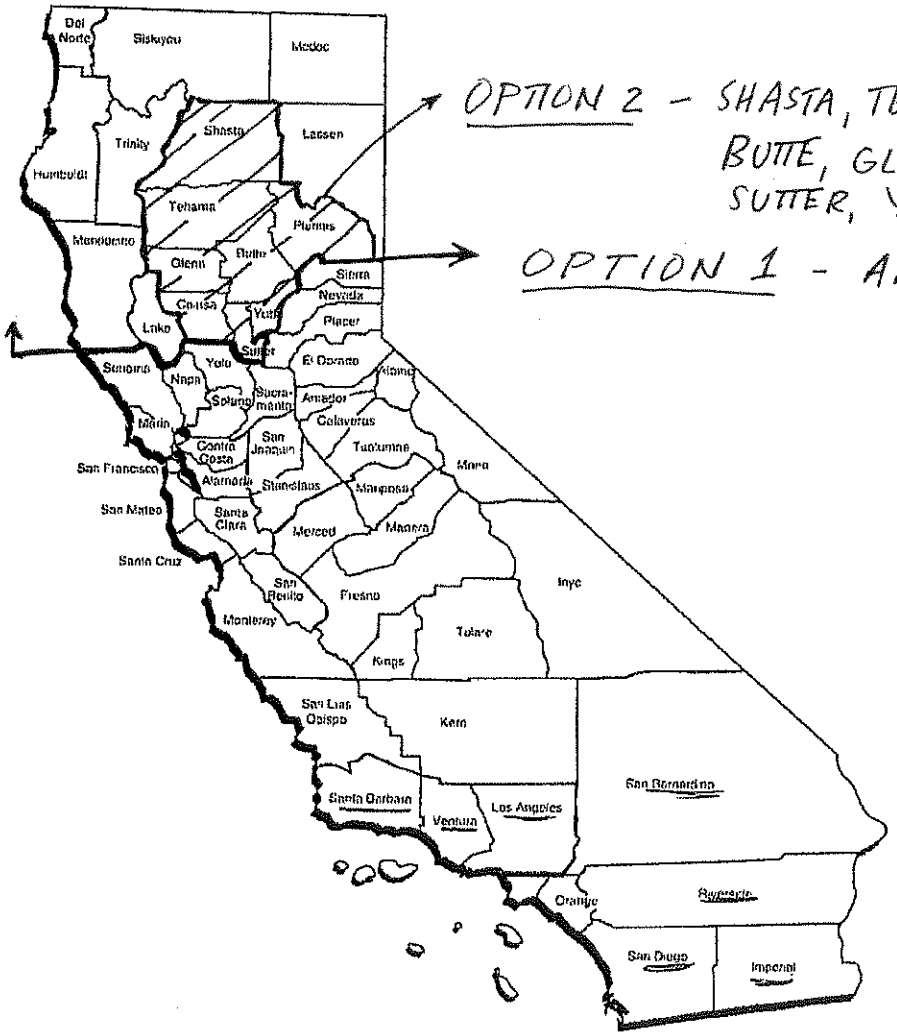
We suggest adding a LAFCo-University hour session to our regional meeting where many commissioners would otherwise attend. Such regional meetings in the Bay Area could be ABAG and MTC.

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: BUTTE

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.



OPTION 2 - SHASTA, TEHAMA, PLUMAS, BUTTE, GLENN, COLUSA, SUTTER, YUBA,

OPTION 1 - All north of line.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: Colusa County - Don Barkus (530) 473-2610

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: El Dorado

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: IMPERIAL

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: KerN

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Mariposa
Merced
Madera
Fresno
Kings
Tulare
Kern

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: Mendocino

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Mendocino
Sonoma
Lake
Napa

Often regionalizing for northcoast counties means that Mendocino gets lumped with the sparsely populated, geographically isolated counties, north + east. Because geographic distances are so large, meetings are generally not well-attended. Geographic proximity is kept w/large, rural counties like ours. Also, Mendocino associates more w/the counties south/east of us than north of us.

Please return to Bill Chiat or SR Jones

LAFCo of Merced County

Local Agency Formation Commission
2222 M Street
Merced, CA 95340
Phone (209) 385-7671 / Fax (209) 726-1710
www.lafcomerced.org

DATE: October 28, 2009

TO: Bill Chiat, Executive Director
CALAFCO

FROM: Bill Nicholson, Executive Officer BN

RE: Merced LAFCO Comments on Regional Structure of CALAFCO

This memo is written in response to your request for input from member LAFCOs on the proposed regional structure of CALAFCO requested in your correspondence dated September 2, 2009, and as outlined in the Memorandum for Agenda Item No. 4.1 for the CALAFCO Annual Business Meeting to be held on October 29, 2009. Our Commission discussed this concept at our regular meeting held last week on October 22nd.

The Commission discussed the specific questions listed in the Business Meeting Agenda, and also raised several questions. The responses to the four questions raised in the Memo and our Commission's questions follow:

1. Does having a regional structure make sense for your LAFCO?

The Commission did not reach a conclusion on this question. Merced is located in the middle of the Central Valley, and this is the region we are continually associated with – most recently for all LAFCO member jurisdictions as part of the San Joaquin Valley Blueprint Planning program sponsored by the Partnership for the San Joaquin Valley and the Governor. The Commissioners did not recognize any problem with the current organization of CALAFCO or its cooperative structure among different levels of local government (counties, cities and special districts). The concern was expressed that at the State level, notably in terms of legislation, it is the rural areas who have less voice than the urban portions of the state, so it is important to avoid making a change that would result in weakening the voice of rural and suburban LAFCOs.

2. What are some of the common interests you believe you share with your neighboring LAFCOs?

Our County is heavily agricultural, and this is the dominant characteristic of surrounding LAFCOs. We have many resource protection and rural service delivery issues that are much different than the metropolitan regions of the state. The Commission acknowledges the historic focus at CALAFCO conferences to hold urban, suburban and rural Commissioner discussion sessions, and this is also how CALAFCO dues have been structured. CSAC uses a similar format, and this has merit. It was also discussed that an agricultural county like Merced has more in common with other agricultural counties across the state than we do with mountain, coastal or urbanized LAFCOs.

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: Merced County

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

3. Which LAFCOs do you work – or would like to work – more closely with?

Our immediate neighbors with whom we have overlapping special districts are the LAFCOs we interact with most frequently (Fresno, Madera, and Stanislaus). We have fewer issues with our neighboring Mariposa LAFCO being a Sierra Nevada county with no incorporated cities. Over the Coastal Range to the west are San Benito and Santa Clara LAFCOs; beyond procedural questions, there is little interaction due to the geographic separation.

4. As the Board works to establish regions, which LAFCOs would you want to see included in your region?

The Commission did not have a good answer for this question. Cutting across the state from west to east to create a "Central Region" from Monterey County to Inyo does not make much sense. The San Joaquin Valley is the region Merced is most commonly associated with.

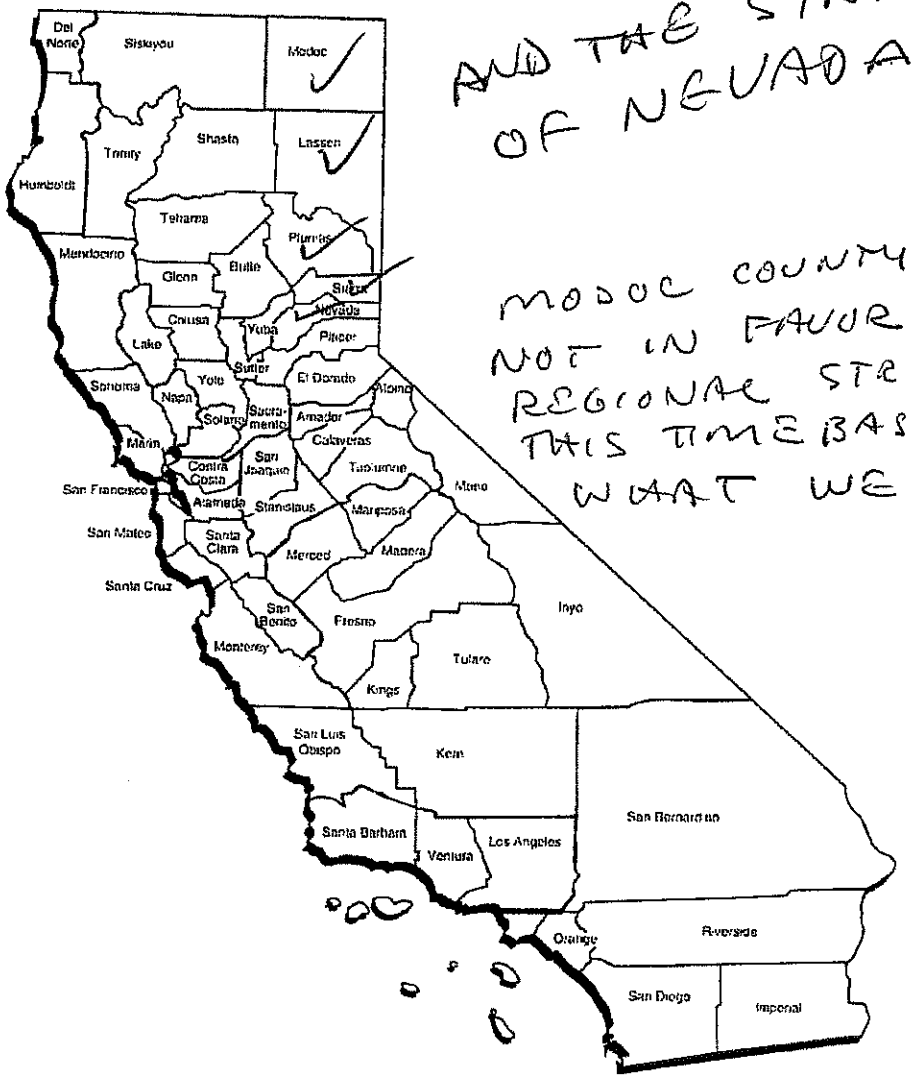
Merced LAFCO appreciates the opportunity to provide input to the CALAFCO Board on this important topic. Written comments were provided in order to ensure our Commission's thoughts were received rather than only participating orally at the Conference.

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: MODOC

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.



AND THE STATE OF NEVADA

MODOC COUNTY LAFCO IS NOT IN FAVOR OF A REGIONAL STRUCTURE AT THIS TIME BASED ON WHAT WE KNOW.

Please return to Bill Chiat or SR Jones

Local Agency Formation Commission
LAFCO of Napa County

1700 Second Street, Suite 268
Napa, California 94559
Telephone: (707) 259-8645
Facsimile: (707) 251-1053
http://napa.lafco.ca.gov

October 7, 2009

DELIVERED BY ELECTRONIC E-MAIL
Mr. William Chiat, Executive Director
California Association of Local Agency Formation Commissions (CALAFCO)
1215 K Street, Suite 1650
Sacramento, California 95814
wchiat@calafco.org

SUBJECT: Opposition to Draft Proposal Establishing Geographic Regions

Dear Bill:

The Local Agency Formation Commission of Napa County ("Commission") has reviewed CALAFCO's draft proposal to organize its member agencies into geographic agencies. The Commission appreciates the underlying intent of the draft proposal is to improve communication, economize resources, and more effectively address germane growth management issues among local member agencies. The Commission, however, does not support the draft proposal based on the following concerns:

- The draft proposal would likely balkanize and reorient CALAFCO to focus more on local issues rather than matters of statewide importance. This dynamic would create political divisions within CALAFCO and muddle its legislative priorities.

- The draft proposal may eventually lead to an effort to combine commissions within their CALAFCO defined geographic region given recent legislative trends to regionalize growth management in California. The Commission opposes any effort to legislatively combine commissions' duties and responsibilities.

- Staff members for the nine Bay Area commissions have established a practice of meeting on an annual basis to discuss items of mutual interests. These meetings achieve several of the intended goals associated with the draft proposal. These meetings may be expanded in the future to include commissioner participation and serve as an example of effective regional coordination without requiring CALAFCO's restructuring.

The Commission appreciates the opportunity to provide comments on the draft proposal in anticipation of its scheduled discussion at the upcoming CALAFCO Annual Conference in Yosemite calendared for October 28-30, 2009. If you have any questions, please contact Executive Officer Keene Simonds by telephone at (707) 259-8645 or by e-mail at ksimonds@napa.lafco.ca.gov.

Sincerely,

Brian J. Kelly
Chair

Prepared by:

Keene Simonds
Executive Officer

cc: Napa Commissioners
Alameda Commission
Contra Costa Commission
Marin Commission
San Francisco Commission
San Mateo Commission
Santa Clara Commission
Solano Commission
Sonoma Commission

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: RIVERSIDE

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: San Bernardino

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: San Joaquin Lafco

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Look up CSAC System of regionalism.

Yes/No - Reorganization Regionalized -

Please return to Bill Chiat or SR Jones

"If it is going to serve us"
that statement is an example of
why we need regionalism.

I am sorry for marking / note taking on this paper.
San Joaquin Lafco will support in concept the reorganization of Cal Lafco into regions.
San Joaquin Lafco will send a letter of support under separate cover to identify the counties that we feel we would work best with

Thank You,

Kristy Sayles
ST Lafco
Mayor of Lathrop

From: Doug Libby (DLibby@co.sutter.ca.us)
To: Bill Chiat
Date: Tue, October 27, 2009 11:22:07 AM
Subject: CALAFCO's Regional Structure Proposal

Hi Bill,

I forgot to mention in my last email that at our meeting last week, Sutter LAFCO expressed support for and believed a regional forum would be of benefit. The Commission would only express a desire to be associated with its neighboring LAFCOs (Butte , Colusa, Yuba, Yolo, Placer and Sacramento) in a regional forum. It was staff's recommendation that Sutter be organized with those adjoining LAFCOs having the most potential growth that could affect our area (Yuba, Placer and Sacramento).

Please let me know if I can provide you with any additional information.

Sincerely,
Doug

Doug Libby, AICP
Principal Planner
Sutter County Community Services
Sutter LAFCO
1130 Civic Center Blvd., Suite A
Yuba City CA 95993
(530)822-7400
(530)822-7109 (fax)
dglibby@co.sutter.ca.us
www.suttercounty.org

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: TUOLUMNE

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

1. ALPINE
2. AMADOR
3. CALAVERAS
4. MARIPOSA
5. MONO

Please return to Bill Chiat or SR Jones

Ventura
Local Agency Formation Commission

MEMORANDUM

Date: October 21, 2009

Re: Ventura LAFCo Commissioner Comments on CALAFCO Regional Restructuring

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Reasons to support restructuring:

- Having regions that share common issues will enhance communications and encourage problem solving in the region.
- Defined regions will encourage interaction and provide training/workshop opportunities and sharing of ideas.
- Regions would provide greater influence in lobbying and legislative decisions
- Regions would encourage more Commissioners to get involved with CALAFCO Board

Potential Region Members

- Ventura/Santa Barbara/San Luis Obispo Counties
  - Similar issues face these three counties, including preservation of agriculture and open space, preventing sprawl and urbanization, similar land use and transportation issues, coastal issues, air quality.
  - VCTC works closely with elected officials from Santa Barbara County on transportation issues
  - Other similarities – share similar geography (coast, coastal mountains, prime agricultural areas. industry), similar weather, "rural" feel, population.
  - Same as League of California Cities Channel Counties Division
  - Same as California Chapter of the American Planning Association Central Coast Section

- Ventura/Los Angeles/Orange Counties
  - East end of Ventura County shares some similar issues with LA County
  - Change may be good
  - All part of SCAG

- LA/Santa Barbara/Kern/San Luis Obispo/Monterey
  - Based on geographic proximity

County Government Center • Hall of Administration • 800 S. Victoria Avenue, • Ventura, CA 93009-1850
Tel (805) 654-2576 • Fax (805) 477-7101
http://www.ventura.lafco.ca.gov

Ventura LAFCo Staff Comments

- Staff views the counties to the north (Santa Barbara, San Luis Obispo, Monterey) as having the most in common with Ventura in terms of LAFCo issues. We sometimes contact staff of these LAFCos for professional advice and suggestions. We routinely review and compare their policies when exploring revisions to ours. We face similar issues and have similar concerns regarding the preservation of agriculture and open space, land use issues, urbanization, and the impacts of extending services into rural areas. These counties share a thriving agricultural industry, similar population size/density and geography (see table below).

- Staff's experience with LA and Orange LAFCo reveals few similarities from a LAFCo perspective, particularly with Los Angeles County. Combined, these two counties have 122 cities and nearly 14 million people. Staff is aware of at least five areas that are exploring/seeking incorporation. There is substantially less farmland in these two counties and much smaller agricultural industries. Preservation of agriculture is much less of an issue. The pattern of development that is so pervasive in LA and Orange Counties (essentially sprawl) is something that Ventura LAFCo staff works to avoid. We typically do not seek guidance/advice on local issues from these LAFCos.

County	Population	Population density per sq. mile	Number of Cities	Value of Ag production	Acres in farms/pasture (% of county)
Ventura	836,000	445	10	$1.5 billion	259,000 (22%)
Santa Barbara	431,000	156	8	$1.1 billion	727,050 (42%)
San Luis Obispo	270,000	81	7	$654 million	1,369,604 (64%)
Monterey	432,000	129	12	$3.8 billion	1,327,972 (62%)
Los Angeles	10,394,000	2,537	88	$253 million	108,463 (4%)
Orange	3,140,000	3,982	34	$255 million	87,435 (17%)

CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: Yolo

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

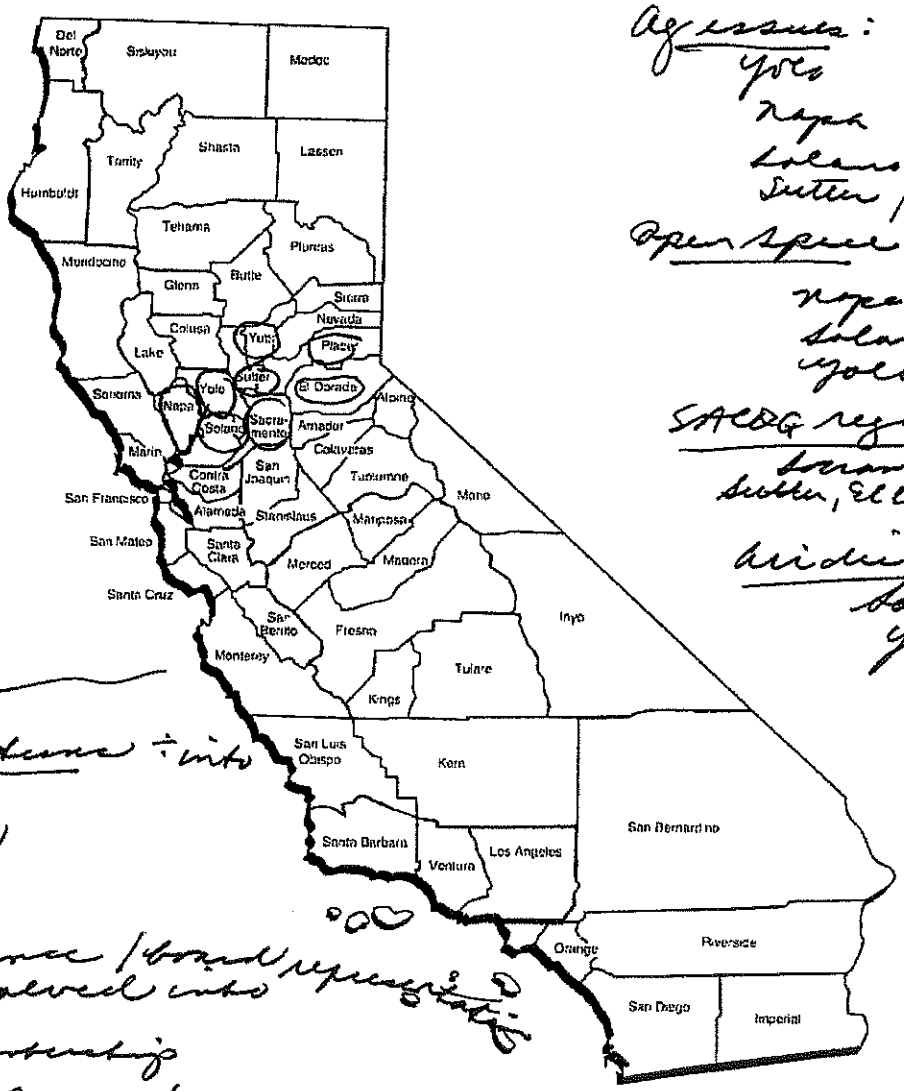
if alignment by issues:

Agriculture:
- Yolo
- Napa
- Solano
- Sutter / Yuba

Open Space
- Napa
- Solano
- Yolo

SACOG region boundaries
- Sacramento, Yolo, Yuba, Sutter, El Dorado, Placer

Air district boundaries
- Solano
- Yolo



CSAC: Sections into
- rural
- suburban
- urban

then governance / board representation evolved into
- board membership
- appointment selection / election

Concurrent resources (staffing) at this time of expanding responsibilities.

Please return to Bill Chiat or SR Jones

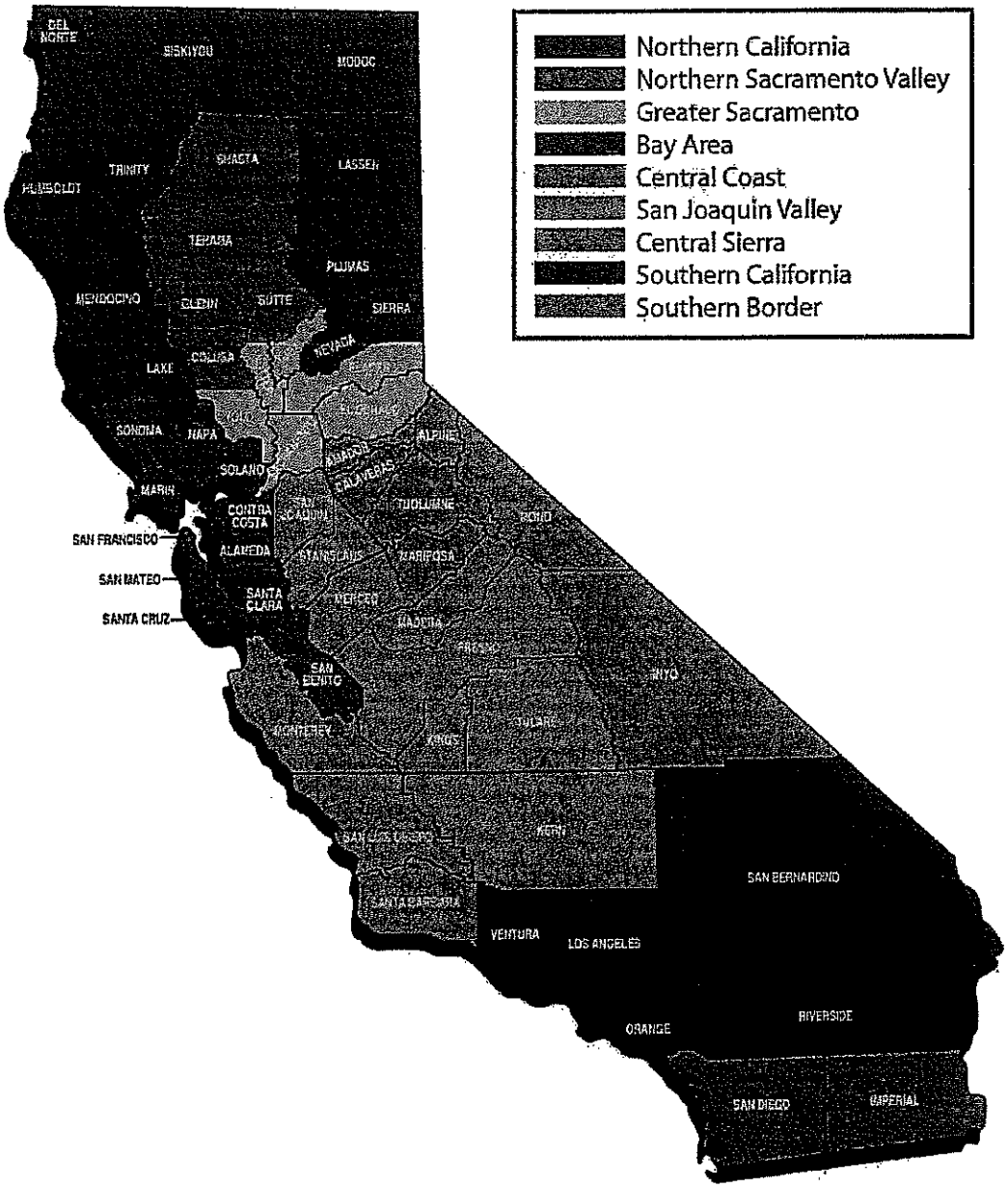
can use internet to educate LAFCo members. Staff already have interaction

CALIFORNIA ECONOMIC STRATEGY PANEL

REGIONS

October 2006

California
Economic Strategy Panel Regions



CALIFORNIA ECONOMIC REGIONS BY COUNTY

Northern California
Del Norte
Humboldt
Lake
Lassen
Mendocino
Modoc
Nevada
Plumas
Sierra
Siskiyou
Trinity

Northern Sacramento Valley
Butte
Colusa
Glenn
Shasta
Tehama

Greater Sacramento
El Dorado
Placer
Sacramento
Sutter
Yolo
Yuba

Bay Area
Alameda
Contra Costa
Marin
Napa
San Benito
San Francisco
San Mateo
Santa Clara
Santa Cruz
Solano
Sonoma

San Joaquin Valley
Fresno
Kern
Kings
Madera
Merced
San Joaquin
Stanislaus
Tulare

Central Coast
Monterey
San Luis Obispo
Santa Barbara

Central Sierra
Alpine
Amador
Calaveras
Inyo
Mariposa
Mono
Tuolumne

Southern California
Los Angeles
Orange
Riverside
San Bernardino
Ventura

Southern Border
Imperial
San Diego

DETERMINING THE ECONOMIC STRATEGY PANEL REGIONS

California has one of the largest and most diverse economies in the world. To create an effective statewide strategy for continued economic growth, it is necessary to identify the different economic regions of the state. Once those regions are identified, policies and strategic initiatives can be developed that focus on each region's strengths and weaknesses.

In response to a directive from the California Economic Strategy Panel, the staff worked with the Employment Development Department to identify factors that determine regional characteristics. This information was used to identify nine economic regions. The remainder of this document discusses the general issues and specific factors that were considered in determining the boundaries for the economic regions.

General Issues

Defining economic regions within California is not a clear-cut process. Frequently, economic activity is determined more by site-location factors than by political or jurisdictional boundaries. However, most economic data are not collected at a more local level than the county. This situation necessitates defining economic regions as aggregations of counties, even when county boundaries do not precisely define an economic area. An ideal situation would be to use sub-county data, but such data tends to be scarce, dated and unreliable.

In general, a well-defined economic region will be fairly uniform within its boundaries, contain economic activities that are interrelated, and have logical jurisdictional boundaries for working with local economic development organizations. The following nine regions possess these characteristics.

Factors Used to Identify Nine Economic Strategy Panel Regions

Numerous factors were reviewed, reflecting the economic, demographic and geographic characteristics of each county in the state. In general, the degree of similarity in characteristics among adjacent counties was the basis for establishing regional boundaries. The following are brief discussions of each factor reviewed, and how it was used to define the nine economic regions.

- Metropolitan Areas – The US Office of Management & Budget defines Metropolitan Areas (MAs) using population and commute pattern criteria and county boundaries. MAs combine a core area containing a large population nucleus, with adjacent communities having a high degree of economic and social integration with that core. The term "metropolitan area" includes Metropolitan Statistical Areas (MSAs), Primary MSAs, and Consolidated MSAs. Consolidated MSAs identify existing federally designated regions, and were used to help determine the nine economic regions.

- Population Centers – Population centers, and their contiguous areas of growth, are a basic factor distinguishing areas of the state. A population density map was used to identify population centers around major metropolitan areas and along transportation corridors.

- Commute Patterns – Commute pattern data from the Census Transportation Planning Package show the movement of workers from their residence to their workplace. The data were used to identify the flow of labor between counties. A strong flow of commuters from one county into another is an indication of the economic interdependence of the two areas.

- Land Ownership – Land ownership can significantly affect the economic development potential of an area. Counties with a high percentage of publicly owned land tend top have fewer development opportunities than counties that are predominantly privately owned. Public land ownership in each county was examined to identify similarities among counties.

- Industrial Composition – The industrial composition of a county is primarily based upon industry employment patterns. The county factors used in determining economic regions wee jobs by industry and share of total employment by industry.

- Location Quotients – Location quotients were also calculated for major industries in each county. LQs are ratios computed by dividing a county's percentage of employment in a particular industry by the state's percentage of employment in a particular industry by the state's percentage for the same industry. The economic base of a county was defined by those industries in which the county has a higher proportion of employment than the state as a whole. Adjacent counties with similar economic bases are strong candidates for placement in the same economic region.

- Labor Force Conditions – County labor force employment and unemployment data provide a measure of labor availability throughout the state. Adjacent counties with similar labor force characteristics, such as unemployment rates, often have similar economic planning needs.

- Geographic Boundaries – Geographic features, such as mountain ranges, can facilitate or hinder the movement of people and commerce between areas. Geography was primarily used in defining boundary counties in the valley, coastal, and Sierra regions.

The Nine California Economic Strategy Panel Regions

Northern California –
The Northern California region consists of 11 counties along the north coast, Oregon border, and northeastern Sierra Nevada. These counties are heavily dependent on natural resources, with the majority of the land consisting of public and privately owned forest and grazing lands. The region as a whole is sparsely populated and underdeveloped.

Northern Sacramento Valley –
This region consists of the Counties of Shasta, Tehama, Glenn, Butte, and Colusa. These counties are primarily agriculture-based, with forestry and farm-related manufacturing

centered in Shasta County. This region differs significantly from its neighbor regions in land ownership and industrial composition.

Greater Sacramento –
This region consists of six counties that are becoming increasingly interdependent: Sacramento, Yolo, Placer, El Dorado, Sutter, and Yuba. Although eastern Placer and El Dorado Counties are currently more closely aligned with Lake Tahoe, most of the new growth in those counties is occurring in the western areas. As a result, the economic base is increasingly shifting towards the Sacramento area. Parts of Sutter and Yuba Counties are currently more closely aligned with the Northern Sacramento Valley agricultural areas, but much of the new growth is occurring along Highways 65, 70, and 99, in the direction of the Sacramento area.

Bay Area –
Traditionally, the ten counties that border the San Francisco Bay have comprised the Bay Area region. However, San Benito and Santa Cruz Counties have now become more dependent upon that region than on the Central Coast region.

San Joaquin Valley –
The San Joaquin Valley region is composed of eight counties that line the southern Central Valley and have economies based upon agriculture and related industries. Sixty percent of the region consists of privately-owned farmland.

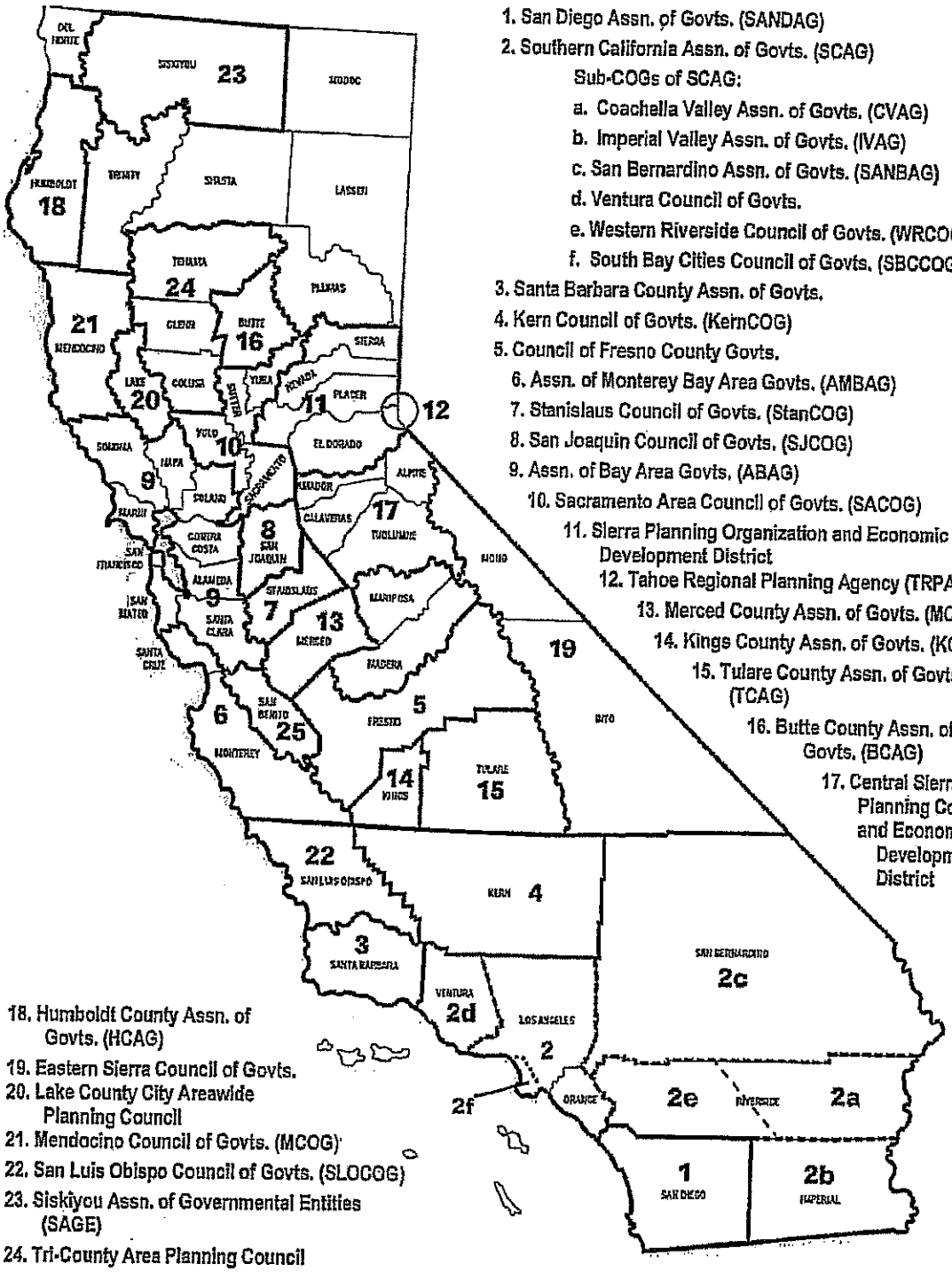
Central Sierra –
The seven southeastern counties of the Sierra Nevada represent a distinct geographic and economic region. The region is largely government-owned and sparely populated and composes a small share of state economic activity. As a result, the region requires a different economic development strategy than neighboring regions.

Central Coast –
Agriculture, personal services, and government dominate the economic base of the Central Coast counties. In contrast, the Bay Area and Southern California regions are more dependent upon manufacturing and high-wage business services such as finance, software, and movie production.

Southern California –
The counties of Los Angeles, Ventura, Orange, San Bernardino and Riverside comprise an economic interdependent region. Orange County is different from its northern and eastern neighbors, but not to the extent that a separate region is required. The economic linkages between Orange County and its neighbors, and particularly Los Angeles County, are fairly strong.

Southern Border –
This two-county region is the smallest, but most diverse economic region in the state. Imperial County is vastly different from San Diego County, except that the two counties border Mexico. However, that similarity is important for state strategic planning and therefore, necessitates putting both counties in the same region.

COUNCILS OF GOVERNMENT MAP



1. San Diego Assn. of Govts. (SANDAG)
2. Southern California Assn. of Govts. (SCAG)
   - Sub-COGs of SCAG:
   - a. Coachella Valley Assn. of Govts. (CVAG)
   - b. Imperial Valley Assn. of Govts. (IVAG)
   - c. San Bernardino Assn. of Govts. (SANBAG)
   - d. Ventura Council of Govts.
   - e. Western Riverside Council of Govts. (WRCOG)
   - f. South Bay Cities Council of Govts. (SBCCOG)
3. Santa Barbara County Assn. of Govts.
4. Kern Council of Govts. (KernCOG)
5. Council of Fresno County Govts.
6. Assn. of Monterey Bay Area Govts. (AMBAG)
7. Stanislaus Council of Govts. (StanCOG)
8. San Joaquin Council of Govts. (SJCOG)
9. Assn. of Bay Area Govts. (ABAG)
10. Sacramento Area Council of Govts. (SACOG)
11. Sierra Planning Organization and Economic Development District
12. Tahoe Regional Planning Agency (TRPA)
13. Merced County Assn. of Govts. (MCAG)
14. Kings County Assn. of Govts. (KCAG)
15. Tulare County Assn. of Govts. (TCAG)
16. Butte County Assn. of Govts. (BCAG)
17. Central Sierra Planning Council and Economic Development District
18. Humboldt County Assn. of Govts. (HCAG)
19. Eastern Sierra Council of Govts.
20. Lake County City Areawide Planning Council
21. Mendocino Council of Govts. (MCOG)
22. San Luis Obispo Council of Govts. (SLOCOG)
23. Siskiyou Assn. of Governmental Entities (SAGE)
24. Tri-County Area Planning Council
25. San Benito County Council of Govts.

California Association of Local Agency Formation Commissions **CALAFCO**

CALAFCO Annual Business Meeting
29 October 2009

Agenda Item No. 4.1

MEMORANDUM

To:	CALAFCO Members
From:	William Chiat, Executive Director
Date:	29 October 2009
RE:	**Discussion of Establishment of Regional Structure for CALAFCO**

RECOMMENDATION

1. Discuss the policy and strategy adopted by the CALAFCO Board of Directors and provide input to the Board on strategic implementation of the regional structure.

DISCUSSION

Background

The CALAFCO Board of Directors has long believed that one of the most valuable services provided by the association is the facilitation of communications and sharing of information among its members. At each of the last four biannual strategic retreats the Board has identified communications and facilitation of regional meetings as an important goal of the association.

On 12 February 2009 the Board held its most recent Strategic Planning Workshop in Irvine California. Based on input from a number of member LAFCos, a key issue the Board discussed was how to best structure the association to both facilitate communication among members, and also assure that the many perspectives on LAFCo policies and issues are heard and considered by the Board of Directors and its key policy and legislative committees.

At its 13 February 2009 meeting the Board established a Structural Options Committee to consider various ways the association could be structured to encourage more communication among members, strengthen the association, and provide a vehicle for sharing different perspectives on LAFCo issues. The committee included Board Members Susan Vicklund Wilson (Santa Clara), Simón Salinas (Monterey), Cheryl Brothers (Orange), and Jerry Gladbach (Los Angeles). Executive Director Bill Chiat and Legal Counsel Clark Alsop provided staff support. The Committee met several times and presented an initial recommendation to the Board on 15 May 2009 in Sacramento. The Board provided significant feedback on the ideas presented by the Committee. The Committee met again and formulated a revised proposal. That proposal was presented to the Board on 7 August 2009. At that meeting the Board of Directors unanimously adopted the Committee recommendation and directed staff to share the strategy and policy with all Member LAFCos in anticipation of a discussion on the issue at the Annual Business Meeting in October.

Adopted Recommendation and Implementation
The recommendation adopted by the Board is captured in the attached policy statement and strategic plan. The plan calls for a 14-month implementation of the regional structure. Following input from members in October, the Board may prepare revisions to the plan and begin work on establishing regional boundaries. Preliminary regions will be sent to members for review and input next spring. The membership will vote on the ultimate structure and By-law change at the 2010 Annual Business Meeting in Palm Springs. Regional meetings will begin at the 2010 conference.

The attached policy statement discussed the purposes and benefits the Board has identified for regions. Ultimately the Board envisions that the regions could meet three times a year to share information and resources, and provide input to CALAFCO: 1) commissioners and staff at the annual CALAFCO Conference; 2) staff at the CALAFCO Staff Workshop; and 3) a third meeting in the region of commissioners and staff. Regions may hold additional meetings as desired by the members.

Member LAFCo Input Sought
The Board has asked that all member LAFCos consider this approach and provide input to the Board at the Annual Business meeting. The Board will use the input to further refine the regional structure policy and implementation. Among the questions the Board would like input:

- Does having a regional forum make sense for your LAFCo?
- What are some of the common interests you believe you share with your neighboring LAFCos?
- Which LAFCos do you work – or would like to work – more closely with?
- As the Board works to establish regions, which LAFCos would you want to see included in your region.

ATTACHMENTS

1. Policy Statement
2. Strategic Approach for Implementation
3. Proposed language for By Law Change

Policy Statement on Creating Regions within CALAFCO

CALAFCO Board of Directors – 7 August 2009

The Board has concluded after several months of review that creating a regional approach with our member LAFCos would strengthen and unify CALAFCO, thus increasing our productivity and presence with our individual members and within the legislative process. Our Board has continually verbalized and promoted structuring regions within CALAFCO in which individual LAFCos could meet and share common interests, issues, and resources. We have determined that there are significant benefits to formalizing regions.

Benefits of a regional approach include but are not limited to:

Communication:

- Promotes more efficient and effective communication.
- Provides a vehicle to give input on policy and legislative issues to the Board and the Legislative Committee, which would enhance communications with legislative representatives.
- Formalizes a structure and forum at the Commissioner level for local LAFCos to address policies which may influence other LAFCos.
- Provides various viewpoints and different perspectives to assist in making better decisions.

Economical:

- Ease of travel within a region may invite more participation in regional approaches to common interests.
- Increased opportunity for LAFCos in each region to share resources and provide more economical approaches to various matters. e.g., a group of neighboring LAFCos recently consolidated a RFP for audit services thereby reducing their costs.

Commonality Geographically:

- Local and neighboring LAFCos could specifically target their common interests.
- Localized issues can be discussed, addressed, and resolved with neighboring LAFCos.
- Recognition of geographic issues and differences impacting LAFCos
- Consistency with creation of regional transportation plans which will be acted upon regionally.
- Strengthens LAFCos in areas without COGs .

Education of Legislature:

- Legislators will recognize that CALAFCO represents all areas, regions of the state

Succession and Leadership:

- Increased involvement in LAFCo by our members and more immediate accountability of Board members to the membership.
- Provides a mechanism for succession within CALAFCO generating growth and interest of board representation.
- With each region providing a staff person for CALAFCO, the volunteer workload would be balanced and more evenly distributed throughout the state and provide a mechanism for development and succession for future staff. The Board noted that several LAFCo staff members have greatly assisted CALAFCO, but many of same will be retiring within the next few years.

Strategic Plan for Regional Implementation

Adopted by the CALAFCO Board of Directors on 7 August 2009

GOAL Structure member LAFCos into geographic regions to encourage communication among LAFCo commissioners and staff, increase involvement in Association activities and policies, collaborate on inter-LAFCo policies and issues, share resources, and provide regional input to the Board on legislative issues and regional policy issues.

ACTION 1 Adopt a policy statement on the value of regions to the members and the Association, and signal the intent of the Board to formally establish CALAFCO regions.

Timeframe: Draft statement to be presented to Board for adoption on 7 August 2009*.

ACTION 2 Amend the 2009-2011 CALAFCO Strategic Plan to reflect the revised strategic goal and the five actions described in this letter.

Timeframe: Draft strategy to be presented to Board for adoption on 7 August 2009*.

ACTION 3 Amend the CALAFCO Policy Manual to accomplish two things:

Action 3a: Define and increase the number of staff officers, and require that one staff officer be selected from each region.

This would add additional Deputy Executive Officers to the CALAFCO staff. Having a staff officer from each region would provide a resource to organize regional meetings; help identify Board candidates for the Recruitment Committee; be a voice on regional issues to Association staff; and provide professional growth opportunities for staff from around the state. The new officer(s) could be added as soon as 2010 once the Board has adopted the preliminary boundaries. This would add a $2,000/year stipend to the CALAFCO budget for each additional staff officer.

Action 3b: Clarify "geographic diversity" in the nominations procedure.

This would specify that Nominations Committee assure that candidates are representative of all the regions. This could be done for the 2010 elections using the adopted preliminary regional boundaries.

Timeframe: Draft policy changes presented to Board for adoption on 7 August 2009*. Additional staff would be added in 2010 once the Board adopts preliminary boundaries. Nominations representative of regions could apply to the 2010 elections.

ACTION 4 Discussion of proposal to create regions and the benefits and intent of regions to be discussed at CALAFCO Annual Business Meeting on 29 October 2009.

Information packets will be sent to each member in advance of the meeting. Packet will include cover letter, policy, strategy and actions, initial by-law language and process for input and creation of regions. Discussion will be held at annual meeting.

Timeframe: Packet to be distributed to members by 29 August 2009. Discussion and any action item on 29 October 2009.

ACTION 5 Establish regions and change the Association By-Laws

Based on input from members at the 2009 Annual Meeting, the Board will establish preliminary regions for member review and comment. Board will finalize recommended

changes to By-laws to establish the regions and adopt the necessary policies to identify the members and operations of each region.

Timeframe: Preliminary regions sent to member for comment by February, 2010. Proposed policies adopted by August, 2010. By-law change to implement regions considered at Annual Meeting on 7 October 2010 in Palm Springs.

* Adopted by Board on 7 August 2009

Draft Amendments to Association By-Laws

For discussion purposes only; consideration of by-law changes anticipated at 2010 Annual Meeting in Palm Springs

2.1 **Classification and Qualifications of Members.** The Corporation shall have three (3) classes of members as follows: Member LAFCOs; Officers of Member LAFCOs; and Associate Members. Member LAFCOs shall be any local agency formation commission ("LAFCO"), which have paid the required annual membership dues and assessments and have indicated by appropriate action their desire to join the Corporation. Officers of Member LAFCOs shall be any regular or alternate Commissioner, executive officer, deputy executive officer, legal counsel, or deputy legal counsel of any LAFCO in good standing as a Member LAFCO. Associate Members of the Corporation shall be any member of the public, a government agency, a business, or an educational institution, either who or which has paid the required annual membership dues and assessments and has indicated by appropriate action its desire to join the Corporation. Notwithstanding any other provision in these Bylaws to the contrary, the terms generally meaning "approval of members or the membership" or "ratification by the members or membership" or "adopted by the members or membership" shall mean such approval or ratification or adoption by members eligible to vote.

2.1.1 Member LAFCOs shall be organized into XXXX geographic regions to facilitate interaction and communication among member LAFCOs, share resources, and provide increased opportunity for Member LAFCO input to the Board of Directors on regional and statewide issues and Corporation activities.

2.1.2 The boundaries of the regions shall be determined by action of the Board of Directors.

2.1.3 The regions shall not have authority to act independently of the Corporation.

CALIFORNIA
ASSOCIATION OF
LOCAL AGENCY
FORMATION
COMMISSIONS

CALAFCO

2 September 2009

Dear LAFCo Commission Chair:

For some time the CALAFCO Board of Directors has been considering how to engage member LAFCos on a regional level to discuss issues of mutual concern and to provide input to the Board on LAFCo policy and legislative issues. At our strategic retreat last February the Board discussed a proposal to create regions within CALAFCO. Over the intervening six months a Board committee studied the various options and brought a recommendation to the Board.

On August 7th the Board unanimously (and we might add enthusiastically) endorsed the committee's recommendation and asked that it be sent to the members for consideration and discussion at the upcoming CALAFCO conference.

By now your executive officer has received the details on the proposal to establish a regional structure for CALAFCO. We believe this is an important benefit to members by providing a structure to facilitate communication among commissioners within a region and assure that the many perspectives on LAFCo policies and issues are shared and considered by the Board. We hope that it will also encourage more regional sharing of information and resources amongst commissioners and staff. The staff report sent to your executive officer provides more depth on the purpose, benefits and implementation of a regional structure.

The Board is very interested in your input! We encourage you to discuss the proposal at an upcoming commission meeting and bring your thoughts and suggestions to the CALAFCO conference and business meeting for discussion. Two things we want to point out: 1) no specific number or boundaries of regions have been identified – we would first like your input on which LAFCos you share interests; and 2) the vote to make the implementing change to the Association By Laws will occur in 2010 after the Board has established the regions and members have provided input.

Clearly the governance world that LAFCos operate within is changing. We believe the proposal before you will strengthen the capacity of each member LAFCo and of the Association. The whole Board looks forward to talking with you about this at Tenaya Lodge on October 28-30. Thank you for taking time to discuss this with your commission and sharing your thoughts.

Yours Sincerely,

Roger Anderson
Chair

Susan Vicklund Wilson
Vice Chair

William Chiat
Executive Director

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CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS **CALAFCO**

Member Input on Regional Structure for CALAFCO

Member LAFCo: _____

Which LAFCos would you want to see included in a region with you? Please highlight those LAFCos on the map below.

Please return to Bill Chiat or SR Jones