## **County Service Area – process for formation**

NOTE: the process of forming a new County Service Area requires LAFCO approval, pursuant to Government Code Section 25211.3.

Legal Authority: Government Code Section 25211.3

- 1. <u>County BoS schedules a public hearing to adopt a Resolution of Application</u>. Notice must be published pursuant to Gov. Code Section 6061, 20 days in advance of the hearing.
- 2. The Board's Resolution of Application must include a *Plan for Service* (Gov. Code 56653 provides an outline for the Plan for Service). Note that the Plan for Service should be coordinated/consistent with the Proposition 218 engineering study used to support the benefit assessment.
- 3. <u>County BoS files the application for formation with LAFCo.</u> Application materials include the Resolution of Application, Plan for Service, map of the proposed CSA, deposit toward LAFCo fees, etc.
- 4. <u>LAFCO reviews the formation proposal and schedules a public hearing</u> to consider the proposal to form a new CSA. Pursuant to Gov. Code Section 25211.4, LAFCo cannot approve a formation unless the Commission determines the proposed CSA will have sufficient revenue to carry out its purposes. If the proposed revenue source requires approval by the landowners (or voters, in the case of a special tax), the Commission will include a condition that providing the CSA will only be established if the landowners or voters approve the funding instrument (e.g. benefit assessment or special tax). Therefore, one of LAFCo's conditions of approval will include the confirmation of landowners of the Proposition 218 benefit assessment to support operations and maintenance of the fire suppression system (pursuant to Gov't Code section 56886 (c)).
- 5. Following LAFCo approval, the process requires a *reconsideration period* (as described at Section 56895) and a *protest hearing* (as described starting at Section 57000). Note that under the protest hearing provisions, the formation proposal could be terminated if protest is received by 50% or more of the registered voters, or by owners of one-half or more of the value of the land and improvements in the proposed CSA (Gov't Code Section 25211.4 (f) (1)).
- 6. <u>Following the protest and reconsideration periods</u> (i.e., approximately 35 days following the LAFCo hearing), the County would proceed with the Proposition 218 benefit assessment process. (NOTE: specific process and milestones for this election should be filled in by BoS staff)
- 7. <u>Finalization of the CSA formation</u>. Once all conditions have been fulfilled (including the landowner approval of the benefit assessment under the Prop. 218 process), LAFCo will complete the process by recording a Certificate of Completion with the County and filing a Statement of Boundary Change with the State Board of Equalization.