

WHY LAFCO? - HISTORICAL PERSPECTIVE

During the postwar 1940s and 1950s, California experienced a tremendous population increase. Attendant to the surge in population was a land speculation-development boom of variety and magnitude never witnessed before in California or anywhere else in the nation. The ranch and orchard lands of the Los Angeles and San Francisco basins were converted into residential tracts literally overnight.

As a result of this era of growth, the traditional purpose and structure of local government in California also underwent significant change. The reasons included (1) the speculative nature of development which precipitated opening low-cost, "rural areas" located away from existing urban centers, (2) increased mobility due to reliance on automobiles rather than walking or the traditional use of streetcars, and (3) developers seeking the most expeditious, economical means of providing basic services and facilities such as water, roads, fire protection and sewers. The response to these changes was often the creation of special districts.

Prior to this period of time, special districts in California had been agriculturally oriented. During this growth and development era, however, that orientation changed drastically, and hundreds of special districts were formed to provide urban types of services in all locales as they became necessary.

As special districts became the local government of suburbia, municipalities suffered. With development moving away, many cities experienced a deteriorating revenue base. Major industry and commerce withdrew from municipalities and left a residual population of lower economic status.

To counteract, the cities began grabbing whatever territory they could annex. Because of the restrictive nature of California's annexation statutes, often the territory cities could annex was undeveloped and located beyond developing suburbia. This type of annexation gave further fuel to the development spiral, because it led to even more premature, unplanned development, irregular city boundaries and conversion and loss of agricultural lands.

During the late 1950s and early 1960s, the results of this era of growth became evident as California's agricultural industry dwindled and core cities began to seek State assistance in correcting their blighted conditions.

The State became concerned about the misuse of land resources and the resulting growth and complexity of our local government institutions. In 1958, in response to these concerns, newly elected Governor Edmund G. Brown, Sr. appointed a blue-ribbon commission of academics and local and state officials to examine causes and effects of these related happenings and to formulate solutions for restraining and correcting the situation. That commission was complemented by study committees of the State Assembly and Senate.

In 1961, as a result of these studies, the Legislature formed the California Boundary Commission. This Commission was organized at the State level and given review and comment authority only over the boundaries of city annexations and incorporations.

The functioning of this State Commission proved unsatisfactory from the beginning. It was unable to understand and analyze the various and complex local issues that surrounded numerous city annexations, it offered no control of special districts, and its "Review and Comment" was not enough authority to change trends.

In response to the ineffectiveness of the State Boundary Commission, the Assembly Committee on Municipal and County Government continued its study, holding several lengthy hearings during 1961 and 1962. All segments of local government participated in this study, and the following principles were developed:

- To preserve the essence of "home rule," the problem had to be dealt with at the local county level;
- Whatever institution was formed had to have decisive, regulatory power in order to realistically have a beneficial effect; and
- Local answers to the problems of urban sprawl and proliferation of local agencies within each county required equal participation by the county and the cities because only then would workable, practical solutions be derived.

These principles became the cornerstone of the Knox-Nisbet Act, which was enacted in 1963 and created a Local Agency Formation Commission (LAFCO) in each county in the State except San Francisco.

The Knox-Nisbet Act, its successor, the Cortese/Knox Local Government Reorganization Act, adopted in 1985, and its successor, the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, represent a unique California effort in rationalizing growth and development through local control of the formation, expansion and alteration of agencies within each county.

Shortly after LAFCOs' creation, Governor Brown summarized their potential when he heralded the Commissions as California's "test of the capacity of local government to deal effectively with urban growth."