AGN. NO.

MOTION BY SUPERVISORS HILDA L. SOLIS April 23, 2024

AND KATHRYN BARGER

Oppose Assembly Bill 2986

East Los Angeles (East LA) is one of the earliest established communities in Los Angeles County. With a population of approximately 118,786 residents, it is the most populous unincorporated community in Los Angeles County. As an unincorporated area, the County provides services to the community including law enforcement, fire services, libraries, parks, housing, and animal control, covering costs regardless of revenue generated in the area.

Assembly Bill 2986 was introduced by Assemblywoman Wendy Carrillo to establish the East LA Task Force and determine the feasibility of incorporating East LA. The bill would require the Local Agency Formation Commission for the County of Los Angeles (LA LAFCO) to establish an 11-member task force which would hold quarterly community meetings to discuss the impacts of city incorporation for unincorporated East LA.

Since its inception, there have been four attempts to incorporate the East LA

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area. On May 9, 1960, the Citizens Committee for Incorporation of East LA initiated a petition drive for incorporation. It was defeated by the voters. In September 1963, the Mexican American Political Association filed for incorporation of East LA but did not meet the required number of petition signatures. In 1971, LA LAFCO approved a cityhood proposal, but it was defeated at the polls. Lastly, on February 8, 2012, LA LAFCO denied the proposed incorporation of East LA. At the time, the economic analysis determined that East LA would not generate enough revenue to sustain a healthy and financially sound city, facing a shortfall of $19 million in its first year.

The successful incorporation of cities in Los Angeles County has decreased over the years with zero successful city incorporations since 1992. The most recent successful city incorporations in Los Angeles County are the cities of Malibu (March 28, 1991) and Calabasas (April 5, 1991). Although the LA LAFCO approved the proposed formation of a City of Hacienda Heights, the effort was defeated by voters in 2003.

While there have been successful incorporations in other counties, the overall trend statewide is that relatively few new cities are being formed. This is due to several factors. LA LAFCO estimates that the time required to form a new city which is at least three years, and more likely four years, is a deterrent. In addition, prior to 2012, a newly-formed city received a “bump” in its allocation of Vehicle License Fee (VLF) revenues. In 2012, Governor Brown signed into law SB 89, eliminating the VLF Bump for new cities.

Analysis has shown that incorporation is unlikely to prove beneficial for East LA residents and businesses. Therefore, as the governing body responsible for the well-being of East LA, the Board of Supervisors should act to support East LA residents and

businesses.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the Chief Executive Office - Legislative Affairs and Intergovernmental Relations branch to oppose AB 2986 and send a five-signature letter to Assemblywoman Wendy Carrillo, with a copy to Governor Newsom, Legislative leadership, Los Angeles County Delegation Chair Assemblywoman Tina McKinnor and the Los Angeles County Delegation expressing the County's position and concerns about AB 2986;
2. Direct the Chief Executive Office - Municipal and Unincorporated Area Services to engage LA LAFCO, labor partners, and relevant County Departments to report back in 120 days in writing including:
    a. Consultant and County costs related to the past two East LA incorporation studies with estimated projected cost in 2024;
    b. Impacts and diversions to other resources and studies under LA LAFCO purview;
    c. Impacts and diversions to other resources, studies, and programs under County purview;
    d. Summary of findings from last two incorporation studies;
    e. Summary and breakdown of existing revenues (Federal, State, and local sources) and projection of revenues as an incorporated City, with a comparison of investments in capital projects, programs, and municipal services over the last ten years; and

f. Analysis and feasibility of East LA fiscal viability as a City or Special District.

3. Direct the Chief Executive Office - Municipal and Unincorporated Area Services to report back in 120 days in writing on the feasibility of forming a Municipal Advisory Council (MAC), a local Town Council, or a Coordinating Council that could represent comprehensive interests of the entire East LA community with associated cost, timeline, and structure similar to other unincorporated area town councils within the County unincorporated areas.

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