



District Formation

April 13, 2026

Introduction

Why explore Governance

Options:

- Unmet service needs or gaps
- Significant infrastructure or public service improvements required
- Limited funding and/or administrative resources

Important Considerations:

- Funding availability and resource capacity
- Alignment with community priorities
- Support from landowners and registered voters
- Coordination with agencies, County, and LAFCO

Overview

Option	Primary Goal	What It Takes	Best Suited For
Option 1: Annexation (within Sphere of Influence)	Expand district boundaries to strengthen tax base and align service area with demand	<ul style="list-style-type: none"> • Identify appropriate area • Conduct feasibility and service analysis • LAFCO approval and, if required, voter approval 	Districts with capacity to expand services and adjacent areas with demonstrated service needs
Option 2: Shared Services Agreement	Coordinate service delivery to improve efficiency without changing governance structure	<ul style="list-style-type: none"> • Interagency agreement (contract/MOU) • Defined roles, cost-sharing, and service expectations • Ongoing coordination between agencies 	Situations where service improvements are needed but governance change is not desired
Option 3: Consolidation	Combine districts to improve efficiency, capacity, and long-term sustainability	<ul style="list-style-type: none"> • Agency coordination and stakeholder outreach • Conduct feasibility and service analysis • LAFCO approval and, if required, voter approval 	Districts with overlapping or adjacent service areas where consolidation could address capacity or sustainability challenges
Option 4: Community Services District (CSD)	Broaden authority to provide multiple services under one entity	<ul style="list-style-type: none"> • Define services and boundaries • Prepare formation application • LAFCO review and voter approval 	Communities seeking expanded services with a single, locally controlled entity

Option 1: Annexation (Within Sphere of Influence)

Focus on expanding service area to align with community need

- MRRPD could annex adjacent areas to expand its service boundary and tax base
- This would allow the District to extend parks, recreation, and related services to currently underserved areas
- Annexation requires LAFCO review, including preparation of a Plan for Services and evaluation of fiscal feasibility and service capacity
- Implementation depends on both District capacity and demonstrated need/support in adjacent areas



Option 2: Shared Services Agreement

Focus on coordination without changing governance structure

- MRRPD could partner with other agencies to share services, staffing, or resources
- This may include joint programming, maintenance, or administrative functions
- Agreements are typically established through contracts or MOUs defining roles and cost-sharing
- This approach allows for incremental improvements in service delivery without boundary or governance changes
- Ongoing coordination is required to ensure effectiveness and alignment

Option 3: Consolidation

Focus on combining governance structures to improve efficiency

- MRRPD could consolidate with another district to form a single, unified agency
- This may streamline administration, governance, and service delivery across a broader area
- Consolidation requires LAFCO approval, stakeholder coordination, and alignment of service, fiscal and governance structures
- This approach represents a more significant structural change and may raise considerations around local control and identity

Option 4: Form a Community Services District

Establish a new agency to expand authority and range of services

- MRRPD could transition to (or reorganize as) a Community Services District to provide a broader range of services
- CSDs can deliver multiple service types (e.g., parks, recreation, water, sewer, lighting) under one entity
- Formation requires a formal application, LAFCO review, and potentially voter approval
- This option provides greater local control but also greater responsibility and administrative complexity
- Ongoing funding, staffing, and service delivery would be the responsibility of the new district

Role of LAFCO

What is LAFCO's Role?

- Oversees boundary changes and governance transitions
- Evaluates proposals based on service efficiency, fiscal sustainability, and community benefit

What This Means for MRRPD

- Early coordination is critical
- Prior input may shape feasibility of options
- Alignment with LAFCO priorities increases likelihood of approval

Key Takeaway

- LAFCO is a partner in shaping viable pathways, not just an approval body

Paying for Enhanced Services

Funding Mechanisms

Property Taxes	Taxes levied on property ownership, typically used to fund local government services.
Service Charges	Fees imposed for specific services provided, such as water or sewer services.
Grants and Contributions	Funds provided by higher levels of government or organizations to support programs or projects.
Special Taxes and Assessments	Additional taxes or assessments levied on specific projects or properties to fund related services.
Funding Districts (e.g., EIFDs and CFDs)	Special districts created to finance public projects through bonds backed by taxes or assessments, such as Enhanced Infrastructure Financing Districts (EIFDs) and Community Facilities Districts (CFDs).

Funding Considerations

Key Considerations:

- Revenue must be sufficient to support ongoing service levels
- Expanding services requires a sustainable funding source—not one-time funds
- Service expectations should align with available resources

Key Questions:

- Does the District have sufficient staffing and resources available to expand its footprint?
- Will new or expanded areas generate enough revenue to support increased service levels?
- Are there existing and/or potential funding gaps between service costs and available revenue?
- What funding mechanisms (if any) could address those gaps?

Evaluating Pathways Forward

Assessing Feasibility

Community Interest:

- Interest from residents in expanded services
- Support from adjacent areas
- Potential concerns or opposition

Service Needs:

- Clear service gaps and priorities
- Types of improvements desired (e.g., parks, amenities, maintenance)

District Capacity:

- Staffing and operational ability to expand
- Funding to support ongoing services

Coordination & Approvals:

- Coordination with County, LAFCO, and other agencies
- Required processes (e.g., LAFCO review, protest process)

Timing & Complexity:

- Time required for implementation
- Legal, regulatory, and policy considerations



Community Engagement & Support

Purpose:

- Identifies community needs and service priorities
- Gauges interest in expansion or governance changes
- Surfaces concerns that may affect implementation
- Builds support needed for approval processes

Tools:

- Community workshops and public meetings
- Surveys (online and paper)
- Stakeholder interviews (residents, community groups, partners)
- Coordination with County, LAFCO, and other agencies

Outcome: Clear understanding of community priorities and level of support to inform next steps

Bringing it Together

Determine which pathways best align with:

- Community priorities
- Service needs
- Long-term sustainability

Next Steps:

- Continue community engagement
- Refine priority services
- Assess feasibility of leading options
- Coordinate with LAFCO