

ANNUAL REPORT 2025-2026

SANTA
CLARA
LAFCO



MISSION

The Local Agency Formation Commission (LAFCO) is a state mandated local agency established to oversee the boundaries of cities and special districts.

The mission of LAFCO is to promote sustainable growth and good governance in Santa Clara County by:

- » preserving agricultural lands and open space,
- » curbing urban sprawl,
- » encouraging efficient delivery of services,
- » exploring and facilitating regional opportunities for fiscal sustainability, and
- » promoting accountability and transparency of local agencies.

LAFCO will be proactive in raising awareness and building partnerships to accomplish this through its special studies, programs and actions.

COMMISSIONERS

Rosemary Kamei, Chairperson
Yoriko Kishimoto, Vice Chairperson
Sylvia Arenas
Jim Beall
Otto Lee
Mark Turner
Terry Trumbull

ALTERNATE COMMISSIONERS

Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill

STAFF

Emmanuel Abello
Sonia Humphrey
Dunia Noel
Neelima Palacherla

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MAJOR ACCOMPLISHMENTS

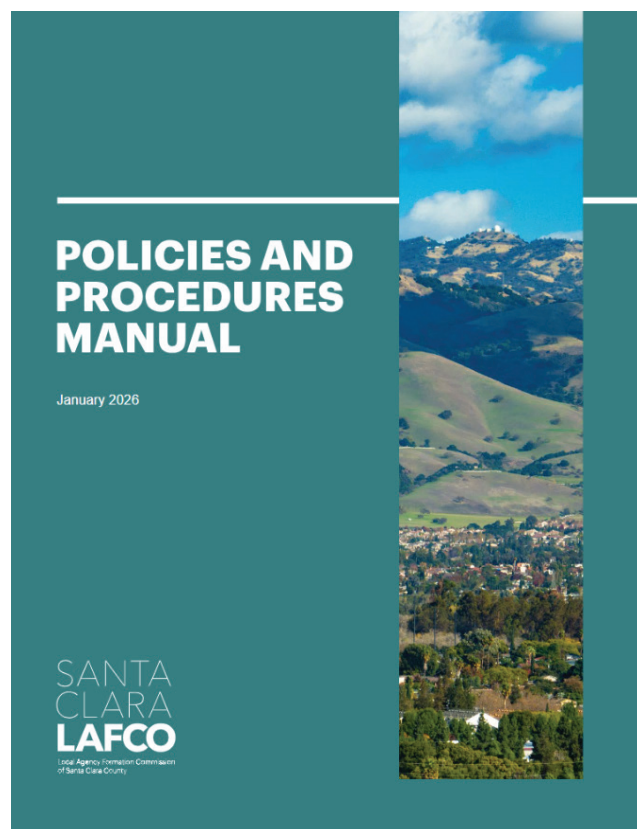
LAFCO COMPLETES MULTI-YEAR REVIEW AND UPDATE OF ITS POLICIES AND PUBLISHES COMPREHENSIVE MANUAL

Clearer Guidance for All

In December 2025, LAFCO completed Phase 2 of its project, concluding a multi-year comprehensive review and update of its policies and procedures. This final phase focused on revising the remaining policies and procedures which are primarily administrative in nature. Previously, in December 2024, LAFCO completed Phase 1 of the project which focused on reviewing and updating, as necessary, the key LAFCO policies that apply to processing typical LAFCO applications.

These efforts aligned LAFCO's policies and procedures with recent changes to the Cortese-Knox-Hertzberg (CKH) Act, documented current and long-standing practices, and provided clearer guidance to agencies, applicants, and the public. At its core, this major initiative reflects LAFCO's ongoing commitment to transparency and good governance.

These updated policies and procedures have been assembled into a comprehensive Policies and Procedures Manual that is posted on the LAFCO website. This milestone represents more than a technical update; it marks a significant step towards a clearer, more consistent, and more accessible policy framework for all who engage with LAFCO.



MAJOR ACCOMPLISHMENTS

COUNTYWIDE WATER AND WASTEWATER SERVICE REVIEW UNDERWAY



In October 2025, the Commission initiated a Countywide Water and Wastewater Service Review to provide a comprehensive overview of all agencies that provide water services, wastewater services, and stormwater management in the County; evaluate the provision of these services; and recommend actions to promote efficient service delivery. The study will review and provide an analysis of options for addressing current and emerging issues identified by LAFCO.

In December 2025, LAFCO authorized staff to issue a Request for Proposals for a professional service firm to prepare a Countywide Water and Wastewater Service Review. In March 2026, LAFCO retained RSG, Inc. to conduct the service review which is scheduled to be completed in late April 2027.

A Technical Advisory Committee (TAC) composed of two LAFCO Commissioners, and representatives from the Santa Clara County/Cities Managers' Association, Santa Clara County Water Retailers Group, Santa Clara County Municipal Public Works Officials' Association, and Santa Clara County Special Districts Association will serve as a liaison between LAFCO and the affected agencies and provide technical expertise/advice throughout the service review process.

Stakeholder and public engagement and outreach are very important to LAFCO and are an important part of the Countywide Water and Wastewater Services Review. Please visit the [project webpage](#) for more comprehensive information on the service review and how to get involved.

MAJOR ACCOMPLISHMENTS

LAFCO HOLDS WORKSHOP ON ENVIRONMENTAL JUSTICE



On April 20, 2026, LAFCO held a strategic planning workshop for commissioners to develop a strategic framework for LAFCO's role in environmental justice that will support the development of LAFCO environmental justice policies. The workshop, facilitated by MIG, was both informative and interactive.

The workshop began with LAFCO staff providing an overview of LAFCO law and LAFCO activities related to environmental justice; and a presentation from MTC-ABAG staff on the Plan Bay Area 2050+, including the equity component of the Plan and how the Plan overlaps LAFCO's mission to curb sprawl, preserve agricultural and open space lands, and encourage efficient delivery of services.

Dr. Khalid Osman, Assistant Professor of Civil and Environmental Engineering, Stanford University, provided a presentation on the roots of environmental justice issues in water/

sanitation systems, highlighting lessons learned from his work in disadvantaged communities.

The workshop facilitators then provided an overview of the different ways that disadvantaged communities are defined by agencies such as MTC, BCD, and California EPA, and presented maps showing the nature and extent of environmental justice issues in Santa Clara County. The commissioners discussed which elements of these different definitions are most important for Santa Clara LAFCO as it seeks to develop its policies. Finally, through facilitated exercises and discussions, the commissioners helped create rough draft vision statements and guiding principles for LAFCO's role in environmental justice, based on LAFCO's authority and work.

The workshop was an important first step towards LAFCO's plans to strategically integrate an environmental justice lens into its policies and procedures.

PROGRAM HIGHLIGHTS

APPLICATIONS REVIEW AND PROCESSING

The number of applications LAFCO processes varies each year.

In June 2026, LAFCO approved a Sphere of Influence Amendment (SOI) for the Santa Clara County Central Fire Protection District (CCFD) to include all lands contained in the SOI of the City of Los Altos, and annexation of the City of Los Altos to CCFD, subject to terms and conditions as specified in LAFCO Resolution 2026-01.

A protest hearing was held on July 9, 2026 for the annexation. A significant number of protests were received. Because protest thresholds were not met, the annexation was ordered without an election, in accordance with State law. The annexation will become effective on January 1, 2027.

PRE-APPLICATION MEETINGS

Staff conducts pre-application meetings to inform prospective applicants of the LAFCO policies and procedures that apply to their anticipated projects and to discuss any potential concerns. This allows the applicant to consider and address these concerns before applying to LAFCO. Pre-application meetings were held for various potential proposals involving Gilroy, Milpitas, Morgan Hill, San Jose, Santa Clara, Santa Clara County Central Fire Protection District, and West Valley Sanitation District. These very comprehensive meetings do not always result in a subsequent LAFCO application.

PUBLIC INFORMATION AND CUSTOMER SERVICE

Staff routinely responds to numerous inquiries from the general public, property owners, developers, real estate agents, and attorneys about a variety of topics, including location of boundaries, annexation dates and records, property tax bills and special assessments, nearest or appropriate service providers, and LAFCO policies and procedures. Staff also responds to Public Records Act (PRA) Requests, most of which require a significant amount of research and records gathering. This past year LAFCO staff responded to an unusually high number of PRA requests.

COMMENT LETTERS

Staff provides written comments on various proposed projects to ensure that LAFCO's concerns are known and considered early in an agency's project review process. LAFCO submitted comment letters on the following:

- Notice of Preparation for a Draft Environmental Impact Report (DEIR) for the Petal Fields Project (County of Santa Clara, May 2026)
- Notice of Preparation for a Draft Environmental Impact Report (DEIR) for 1515 Half Road "Mariani Ranch" Project (County of Santa Clara, June 2026)

PROGRAM HIGHLIGHTS

COLLABORATION AND PARTNERSHIP EFFORTS

REGIONAL AGENCIES AND SPECIAL PROJECTS

In January 2026, LAFCO staff met with San Francisco Bay Regional Water Quality Control Board (RWQCB) staff to discuss recent requests for onsite wastewater treatment service required for proposed large scale housing developments in the unincorporated area. Discussions centered on the unique challenges and options of ensuring sustainable service delivery for such projects in the long term.

In April 2026, LAFCO staff met with the consultants for the Bay Area Agricultural Resiliency Collaborative Planning Project (a project being led by Alameda LAFCO and funded through a SALC grant) to support the development of a Bay Area-wide LAFCO Agricultural Preservation Policy Blueprint to better coordinate regional LAFCOs in updating policies to protect farmland and promote orderly growth. LAFCO staff participation in additional working group meetings is expected over the next year or longer.

COUNTYWIDE ASSOCIATIONS AND WORKING GROUPS

Staff attends the meetings of pertinent countywide associations to provide updates on LAFCO activities that are of interest to local agencies, including

special districts, cities and the County. Staff regularly attend and participate in the following:

- Santa Clara County Special Districts Association quarterly meetings
- Santa Clara County Association of Planning Officials monthly meetings, as feasible
- Santa Clara County Planning Department Director quarterly meetings

OUTREACH AND EDUCATION EFFORTS

COUNTYWIDE ASSOCIATIONS AND WORKING GROUPS

As part of LAFCO's ongoing outreach efforts, staff conducts presentations on LAFCO to increase awareness about LAFCO's goals and actions. Staff made presentations providing an overview of LAFCO to:

- Leadership Sunnyvale, as part of their program curriculum on special districts and LAFCO (December 2025)
- Leadership Morgan Hill, as part of its "Regional Government Day 2026" (March 2026)
- Commissioner Lee's and Chair Kamei's new respective staff to orient them to LAFCO (February and April 2026)

PROGRAM HIGHLIGHTS

CALAFCO ACTIVITIES

Santa Clara LAFCO participates in CALAFCO activities, time permitting.

CHAIR KAMEI ELECTED TO CALAFCO BOARD AS ORGANIZATION CONTINUES TO REBUILD



In October 2025, Commissioner Kamei was elected to a CALAFCO Board of Directors seat from the Coastal Region to serve a two-year term. CALAFCO's Coastal Region includes the following counties: Alameda, Contra Costa, Marin, Monterey, San Benito, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma and Ventura. San Benito, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma and Ventura.

This is a particularly critical time at CALAFCO, as the organization is in the process of rebuilding itself, and as part of that effort the CALAFCO Board is working on

organizational restructuring and reforms, improving communications, and promoting member engagement, while ensuring the delivery of important CALAFCO services like legislative advocacy and providing education opportunities to member LAFCOs. Chair Kamei also serves on the CALAFCO Legislative Committee.

In these capacities she regularly attends CALAFCO meetings. EO Palacherla also attends these meetings and provides support, as necessary.

ANNUAL CALAFCO CONFERENCE & WORKSHOP

In October 2025, Commissioners Arenas and Kamei, Alternate Commissioner O'Neill, EO Palacherla, Assistant EO Noel, and Analyst Abello attended the Annual CALAFCO Conference in San Diego. The annual conference provided an opportunity for LAFCOs across the state to share some of their best practices and learn new techniques and approaches from other LAFCOs.



PROGRAM HIGHLIGHTS

ANNUAL CALAFCO CONFERENCE & WORKSHOP (Continued)

In May 2026, LAFCO staff attended the Annual CALAFCO Staff Workshop in Pismo Beach. This Workshop provided practical and hands-on courses, as well as roundtable discussion and professional development sessions.



statements to present fairly, in all material aspects, the financial position of LAFCO.

DESIGN AND DEVELOPMENT OF NEW LAFCO DATABASE

In October 2024, LAFCO approved a contract with Assura Software, LLC, for the design and development of a customized database to process LAFCO applications, track public inquiries, and manage the LAFCO contacts directory. Building on the successful launch of our contacts directory and public inquiry tracking modules in June 2025, we are now designing a LAFCO application tracking database which is scheduled to be completed by the end of the calendar year.

ADMINISTRATIVE ACTIVITIES

INDEPENDENT ANNUAL FINANCIAL AUDIT

On December 3, 2025, LAFCO accepted the **Annual Financial Audit** for FY 2025 ending on June 30, 2025. The audit was conducted by Chavan & Associates, LLP (C&A) in accordance with the generally accepted auditing standards as specified in the report. The auditors found LAFCO's financial

UPCOMING PROJECTS

SERVICE REVIEW OF THE SANTA CLARA COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT

At its February 4, 2026 meeting the Commission authorized the preparation of a service review of the Santa Clara County Mosquito and Vector Control District to examine issues raised about the District's financial transparency and its ability to deliver essential public health services.

It is anticipated that LAFCO will retain a consultant and begin a service review of the District in Fall of 2026, as part of its third round of service reviews.

DEVELOPMENT OF ENVIRONMENTAL JUSTICE POLICIES

Staff will draft a vision and guiding principles for LAFCO's role in environmental justice, based on the input received from commissioners at LAFCO's Spring 2026 Environmental Justice Workshop; and prepare draft environmental justice policies for the Commission's consideration in Spring 2027.

IMPLEMENTATION OF LAFCO'S ELECTRONIC DOCUMENTS MANAGEMENT SYSTEM

Since 2010, LAFCO has maintained and utilized an electronic documents management system in Laserfiche which contains LAFCO's official records/files from 1963 to 2009.

It is anticipated that LAFCO staff will review its remaining records/files and begin working with a consultant to scan and load these documents in LAFCO's electronic documents management system in late 2026.



NO CHANGE IN LAFCO MEMBERSHIP

There has been substantial turnover in LAFCO membership over the last decade. However, this year saw no changes in LAFCO membership. This continuity helps preserve vital institutional knowledge and provides steady leadership.



LAFCO APPLICATION PROCESSING RECORD

JULY 1, 2025 TO JUNE 30, 2026

SPHERE OF INFLUENCE AMENDMENT AND SPECIAL DISTRICT ANNEXATION

AGENCY	PROPOSAL NAME	LAFCO ACTION	DOCUMENT # DATE RECORDED	ACREAGE APPROVED
Santa Clara County Central Fire Protection District	Central Fire Protection District SOI Amendment and Annexation 2026	Approved 06/03/2026	26030322 07/30/26	4,173 acres (approx.)
			<i>District Total</i>	4,173 acres
			<i>Special District Annexation Total Acreage</i>	4,173 acres (approx.)

An aerial photograph of Santa Clara County, California, showing rolling hills in the background and a dense urban area with many trees in the foreground. The sky is clear and light blue.

SANTA CLARA **LAFCO**

FOR THE GOOD OF THE WHOLE

Local Agency Formation Commission
of Santa Clara County

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