

Establishing Municipal Advisory Councils for Unincorporated East Los Angeles

On April 23, 2024, the Los Angeles County Board of Supervisors (Board) directed the Chief Executive Office (CEO) to analyze the feasibility of the incorporation of East Los Angeles (East LA) as a city or special district, including a summary and breakdown of existing revenues (federal, State, and local sources) and projected revenues as an incorporated city, with a comparison of investments in capital projects, programs, and municipal services over the last 10 years.

The CEO released a report on May 12, 2025, which provides a comprehensive, data-driven analysis of East LA’s fiscal landscape. It includes revenue estimates and service cost projections, offering a transparent view of the economic challenges associated with incorporation or creating a special district.

Per State law, an incorporated city must have sufficient revenue to remain fiscally solvent. The CEO’s report concludes that incorporation of East LA would leave the region with an operating deficit of approximately \$27.8 million. This means that in order to remain fiscally solvent, a newly incorporated East LA would either need to cut services, outsource services, or raise taxes.

The CEO’s report also reaffirmed that the County spends significantly more on

MOTION

Solis	_____
Mitchell	_____
Horvath	_____
Hahn	_____
Barger	_____

REVISED MOTION BY SUPERVISOR HILDA L. SOLIS

June 3, 2025

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services in East LA than revenue received. In FY 2022-23, the three primary revenue sources paid by East LA residents yielded \$28.2 million. However, for the same fiscal year, the County General Fund spent \$53.3 million on municipal services provided to East LA. In addition, during Supervisor Hilda L. Solis's tenure, the County has invested over \$500 million in East LA at her direction, directly benefitting the 118,000 residents, as well as workers and business owners of East LA.

Although cityhood or a special district may not be financially feasible for East LA, the CEO recommends retaining a consultant to outreach to the community and stakeholders for input on creating Municipal Advisory Councils (MACs) or Town Councils. Under State law, MACs advise the Board and serve as a conduit for community-driven recommendations regarding services. They are a formal part of county governance, created by a county board of supervisors. Town Councils, while similar in function, operate independently and provide an additional avenue for local representation and advocacy. Town Councils are often independent and may be formed by residents or local organizations, whereas MACs are officially recognized by the county and created through a resolution by the Board of Supervisors. Currently, East LA does not have an officially operating MAC or Town Council.

As the largest unincorporated area in California, East LA depends on the County for vital services. The County remains committed to delivering on that responsibility—from public safety, housing and emergency response to community beautification and economic development.

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I, THEREFORE, MOVE that the Board of Supervisors direct the Chief Executive Office (CEO) to retain a consultant to conduct multilingual and culturally competent outreach across East LA communities—Belvedere/Obregon Park, City Terrace, Eastmont, Garfield, Maravilla, Saybrook, Union Pacific, and Winter Gardens—as well as local businesses and nonprofits to present the data and findings in the CEO's 2025 report and provide written report back to the Board in ~~90~~ 180 days with the following:

1. Summary of outreach and feedback from the community engagement; and
2. Recommendations on a proposed structure and framework for local Municipal Advisory Councils or Town Councils in East LA, representing all neighborhoods in East LA equitably including, but not limited to Belvedere/Obregon Park, City Terrace, Eastmont, Garfield, Maravilla, Saybrook, Union Pacific, and Winter Gardens.

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