



June 24, 2024

Overview

The Los Angeles County Board of Supervisors unanimously opposes AB 2986, which would establish a task force to evaluate the incorporation of East LA or the establishment of a Special District for the unincorporated area. This proposed evaluation would repeat an analysis undertaken in 2011 and would cost LA County taxpayers nearly \$6 million, or more—at least \$5.1 in County expenses and \$750,000 or more for related costs.

"Incorporation would hurt residents who receive County support and resources. Becoming a city could mean residents and businesses in the area would have to pay more in taxes, experience reduced service levels, or outsource these services to private industry."

--Board of Supervisors, 5-Signature Letter, April 30, 2024

"The County's limited resources should be available to support our residents and not tied up in yet another study."

--Chief Executive Officer Fesia Davenport, Letter to Chair of State Senate's Local Government Committee, June 3, 2024

East LA Budget Deficit Calculated at \$19 Million-Plus

The 2011 analysis by the Local Agency Formation Commission for the County of Los Angeles (LAFCO) concluded that an incorporated city of East LA would run an annual deficit of \$19 million or more from day one. It is likely that the cost to establish and maintain critical city services like law enforcement, fire protection, street maintenance, animal care and control, graffiti clean up and trash collection has grown dramatically since 2011.

Earlier Attempts at Incorporation Failed for Lack of Support

This would be the fifth attempt to incorporate East LA. Three were rejected by voters or failed to get the needed community support. The fourth was denied by LAFCO based on concern about the projected \$19 million deficit. The only way to close such a deficit and become the self-sufficient city that

proponents envision would be to raise taxes on residents, reduce critical services, outsource union jobs to provide lower wage workers to save money, or a combination of all three.

For more information, click on the following links:

- [Board Motion April 23, 2024](#)
- [Statement of Proceedings April 23, 2024](#)
- [Five-Signature Letter In Opposition April 30, 2024](#)
- [CEO Letter of Opposition June 3, 2024](#)
- [LA LAFCO 2011 Public Hearing Comprehensive Fiscal Analysis](#)
- [Supervisory District 1 Webpage](#)